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2013

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Inspection

Form 990

Department of the Treasury  
Internal Revenue Service

## Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

► Do not enter Social Security numbers on this form as it may be made public. By law, the IRS generally cannot redact the information on the form.

► Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

## A For the 2013 calendar year, or tax year beginning 01-01-2013, 2013, and ending 12-31-2013

B Check if applicable	C Name of organization FIRST BOOK		D Employer identification number 52-1779606
<input type="checkbox"/> Address change	Doing Business As		
<input type="checkbox"/> Name change			
<input type="checkbox"/> Initial return	Number and street (or P O box if mail is not delivered to street address) 1319 F STREET NW ROOM/SUITE 1000	Room/suite	E Telephone number (202) 393-1222
<input type="checkbox"/> Terminated			
<input type="checkbox"/> Amended return	City or town, state or province, country, and ZIP or foreign postal code WASHINGTON, DC 20004		
<input type="checkbox"/> Application pending			G Gross receipts \$ 104,625,364

F Name and address of principal officer KYLE ZIMMER PRESIDENT 1319 F STREET NW WASHINGTON, DC 200041155	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(b) Are all subordinates included? If "No," attach a list (see instructions)
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J Website: ► WWW FIRSTBOOK.ORG

K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►	L Year of formation 1992	M State of legal domicile DC
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## Part I Summary

1 Briefly describe the organization's mission or most significant activities FIRST BOOK'S PRIMARY PURPOSE IS TO GIVE DISADVANTAGED CHILDREN THE OPPORTUNITY TO READ AND OWN THEIR FIRST BOOK BY DISTRIBUTING NEW BOOKS TO CHILDREN WHO HAVE LITTLE OR NO ACCESS TO BOOKS OUTSIDE OF SCHOOL	
2 Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets	
3 Number of voting members of the governing body (Part VI, line 1a) . . . . .	3 17
4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	4 16
5 Total number of individuals employed in calendar year 2013 (Part V, line 2a) . . . . .	5 91
6 Total number of volunteers (estimate if necessary) . . . . .	6 2,000
7a Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .	7a 0
b Net unrelated business taxable income from Form 990-T, line 34 . . . . .	7b

8 Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year 99,156,365	Current Year 101,485,961
9 Program service revenue (Part VIII, line 2g) . . . . .	2,333,476	3,128,156
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	4,232	4,233
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		-420
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	101,494,073	104,617,930

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .		2,493,370
14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	4,995,580	5,747,411
16a Professional fundraising fees (Part IX, column (A), line 11e) . . . . .		0
b Total fundraising expenses (Part IX, column (D), line 25) ► 761,767		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) . . . . .	92,323,413	86,573,216
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	97,318,993	94,813,997
19 Revenue less expenses Subtract line 18 from line 12 . . . . .	4,175,080	9,803,933

20 Total assets (Part X, line 16) . . . . .	Beginning of Current Year 29,256,185	End of Year 40,155,107
21 Total liabilities (Part X, line 26) . . . . .	940,830	2,033,834
22 Net assets or fund balances Subtract line 21 from line 20 . . . . .	28,315,355	38,121,273

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	***** Signature of officer KYLE ZIMMER PRESIDENT Type or print name and title	2014-08-07 Date
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Paid Preparer Use Only	Print/Type preparer's name LOUIS B RUEBELMANN CPA	Preparer's signature	Date 2014-08-12	Check <input type="checkbox"/> if self-employed	PTIN P00157850
	Firm's name ► MENDELSON & MENDELSON CPA'S A PC			Firm's EIN ► 52-0954153	
	Firm's address ► 12505 PARK POTOMAC AVE STE 250 POTOMAC, MD 208546805			Phone no (301) 656-0001	

May the IRS discuss this return with the preparer shown above? (see instructions) . . . . .  Yes  No

### **Part III Statement of Program Service Accomplishments**

**Statement of Program Service Accomplishments**  
Check if Schedule O contains a response or note to any line in this Part II

**1** Briefly describe the organization's mission

FIRST BOOK'S PRIMARY PURPOSE IS TO GIVE DISADVANTAGED CHILDREN THE OPPORTUNITY TO READ AND OWN THEIR FIRST BOOK BY DISTRIBUTING NEW BOOKS TO CHILDREN WHO HAVE LITTLE OR NO ACCESS TO BOOKS OUTSIDE OF SCHOOL

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule C.

Yes  No

**3** Did the organization cease conducting, or make significant changes in how it conducts, any programs or services?

Yes  No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code ) (Expenses \$ 92,275,736 including grants of \$ 2,493,370 ) (Revenue \$

FIRST BOOK HAS DISTRIBUTED MILLIONS OF NEW BOOKS TO LOW-INCOME AND EDUCATIONALLY AT-RISK CHILDREN PARTICIPATING IN SCHOOLS AND COMMUNITY BASED LITERACY PROGRAMS IN CITIES, TOWNS AND COUNTIES NATIONWIDE. FIRST BOOK HAS THREE NATIONAL OUTREACH PROGRAMS MAKING AGE-APPROPRIATE NEW BOOKS AVAILABLE TO EDUCATORS AND CAREGIVERS SERVING KIDS IN NEED.

**4b** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$

**4c** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$

FIRST BOOK HAS DISTRIBUTED MILLIONS OF NEW BOOKS TO LOW-INCOME AND EDUCATIONALLY AT-RISK CHILDREN PARTICIPATING IN SCHOOLS AND COMMUNITY BASED LITERACY PROGRAMS IN CITIES, TOWNS AND COUNTIES NATIONWIDE. FIRST BOOK HAS THREE NATIONAL OUTREACH PROGRAMS MAKING AGE-APPROPRIATE NEW BOOKS AVAILABLE TO EDUCATORS AND CAREGIVERS SERVING KIDS IN NEED.

**4d Other program services (Describe in Schedule O)**

(Expenses \$**1,000,000**) including grants of \$**1,000,000**) (Revenue \$**1,000,000**)

**4e Total program service expenses ►** 92,275,736

**Part IV Checklist of Required Schedules**

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI

b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII

c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII

d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

	Yes	No
1	Yes	
2	Yes	
3		No
4		No
5		No
6		No
7		No
8		No
9		No
10		No
11a	Yes	
11b		No
11c		No
11d		No
11e	Yes	
11f		No
12a	Yes	
12b		No
13		No
14a		No
14b	Yes	
15	Yes	
16		No
17		No
18		No
19		No
20a		No
20b		

**Part IV Checklist of Required Schedules (continued)**

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a		No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	34	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	35a		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35b		
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	36		No
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	37		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	38	Yes	
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?			
	<b>Note.</b> All Form 990 filers are required to complete Schedule O			

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . . .	<b>1a</b>	12	
<b>1b</b> Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable . . .	<b>1b</b>	0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . .	<b>1c</b>	Yes	
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . .	<b>2a</b>	91	
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) . . .	<b>2b</b>	Yes	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year? . . .	<b>3a</b>	No	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . .	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . .	<b>4a</b>	Yes	
<b>b</b> If "Yes," enter the name of the foreign country <b>CA</b> See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts . . .			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	<b>5a</b>	No	
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . .	<b>5b</b>	No	
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . .	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	<b>6a</b>	No	
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . .	<b>6b</b>		
<b>7</b> <b>Organizations that may receive deductible contributions under section 170(c).</b>	<b>7a</b>	No	
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . .	<b>7b</b>		
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided? . . .	<b>7c</b>	No	
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . .	<b>7d</b>		
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year . . .			
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . .	<b>7e</b>	No	
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	<b>7f</b>	No	
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . .	<b>7g</b>	No	
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . .	<b>7h</b>	No	
<b>8</b> <b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . .	<b>8</b>	No	
<b>9</b> <b>Sponsoring organizations maintaining donor advised funds.</b>	<b>9a</b>	No	
<b>a</b> Did the organization make any taxable distributions under section 4966? . . .	<b>9b</b>	No	
<b>10</b> <b>Section 501(c)(7) organizations.</b> Enter	<b>10a</b>		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12 . . .	<b>10b</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . .			
<b>11</b> <b>Section 501(c)(12) organizations.</b> Enter	<b>11a</b>		
<b>a</b> Gross income from members or shareholders . . .	<b>11b</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . .			
<b>12a</b> <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . .	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . .	<b>12b</b>		
<b>13</b> <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	<b>13a</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O . . .	<b>13b</b>		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . .	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year? . . .	<b>14a</b>	No	
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . .	<b>14b</b>		

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

### Section A. Governing Body and Management

			Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year	<b>1a</b>	17	
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
<b>b</b>	Enter the number of voting members included in line 1a, above, who are independent	<b>1b</b>	16	
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			No
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?			No
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			No
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?			No
<b>6</b>	Did the organization have members or stockholders?			No
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			No
<b>b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			No
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
<b>a</b>	The governing body?	<b>8a</b>	Yes	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	<b>8b</b>	Yes	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	<b>9</b>		No

### Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?	<b>10a</b>	Yes
<b>b</b>	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	<b>10b</b>	Yes
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	<b>11a</b>	Yes
<b>b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	<b>12a</b>	Yes
<b>b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<b>12b</b>	Yes
<b>c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	<b>12c</b>	Yes
<b>13</b>	Did the organization have a written whistleblower policy?	<b>13</b>	Yes
<b>14</b>	Did the organization have a written document retention and destruction policy?	<b>14</b>	Yes
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?	<b>15a</b>	Yes
<b>a</b>	The organization's CEO, Executive Director, or top management official	<b>15b</b>	Yes
<b>b</b>	Other officers or key employees of the organization		
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	<b>16a</b>	No
<b>b</b>	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	<b>16b</b>	

### Section C. Disclosure

<b>17</b>	List the States with which a copy of this Form 990 is required to be filed	AK, AL, AR, AZ, CA, CO, CT, FL, GA, IL, KS, KY, LA, MA, MD, MI, MN, MO, MS, NC, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, TN, UT, VA, WA, WI, WV
<b>18</b>	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply	
	<input checked="" type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)	
<b>19</b>	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year	
<b>20</b>	State the name, physical address, and telephone number of the person who possesses the books and records of the organization	
	FIRST BOOK 1319 F STREET NW SUITE 1000 WASHINGTON, DC 20004 SUITE 1000 (202) 393-1222	

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response or note to any line in this Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

 Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099- MISC)	(E) Reportable compensation from related organizations (W-2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Office	Key employee	Highest compensated	Former			
(1) KYLE ZIMMER PRESIDENT/DI	40 00	X		X				182,083	0	38,251
(2) PETER GOLD CHAIRMAN/DIR	1 00	X						0	0	0
(3) ELIZABETH ARKY DIRECTOR	1 00	X						0	0	0
(4) CHRISTOPHER CERF DIRECTOR	1 00	X						0	0	0
(5) DR MARTHA BERNADETT DIRECTOR	1 00	X						0	0	0
(6) SUSAN M FLYNN DIRECTOR	1 00	X						0	0	0
(7) KATHY FRANKLIN DIRECTOR	1 00	X						0	0	0
(8) LOUIS HARRIS DIRECTOR	1 00	X						0	0	0
(9) L SPENCER HUMPHREY DIRECTOR	1 00	X						0	0	0
(10) TIM PINNINGTON DIRECTOR	1 00	X						0	0	0
(11) SUSAN GRODE DIRECTOR	1 00	X						0	0	0
(12) JOHN SCHREIBER DIRECTOR	1 00	X						0	0	0
(13) BETH VEIHMAYER DIRECTOR	1 00	X						0	0	0
(14) LESLIE GOODMAN DIRECTOR	1 00	X						0	0	0
(15) JOHN E HARMON SR DIRECTOR	1 00	X						0	0	0
(16) WILLIAM MATASSONI DIRECTOR	1 00	X						0	0	0
(17) KAREN KEHELA SHERWOOD DIRECTOR	1 00	X						0	0	0

**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization: 12

	<b>Yes</b>	<b>No</b>
<b>3</b> Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	<b>3</b>	No
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	<b>4</b>	Yes
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	<b>5</b>	No

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►

**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII 

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>			
	<b>b</b> Membership dues . . . . .	<b>1b</b>			
	<b>c</b> Fundraising events . . . . .	<b>1c</b>			
	<b>d</b> Related organizations . . . . .	<b>1d</b>			
	<b>e</b> Government grants (contributions)	<b>1e</b>			
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	101,485,961		
	<b>g</b> Noncash contributions included in lines 1a-1f \$		86,197,884		
	<b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .		101,485,961		
<b>Program Service Revenue</b>	<b>2a</b> MARKET PLACE SALES	Business Code			
	<b>b</b>		3,128,156	3,128,156	
	<b>c</b>				
	<b>d</b>				
	<b>e</b>				
	<b>f</b> All other program service revenue				
	<b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .		3,128,156		
	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .		2,507		2,507
<b>4</b> Income from investment of tax-exempt bond proceeds					
<b>5</b> Royalties . . . . .					
<b>6a</b> Gross rents	(I) Real	(II) Personal			
<b>b</b> Less rental expenses					
<b>c</b> Rental income or (loss)					
<b>d</b> Net rental income or (loss) . . . . .					
<b>7a</b> Gross amount from sales of assets other than inventory	(I) Securities	(II) Other			
<b>b</b> Less cost or other basis and sales expenses	8,083	1,077			
<b>c</b> Gain or (loss)	6,357	1,077			
<b>d</b> Net gain or (loss) . . . . .	1,726		1,726	1,726	
<b>8a</b> Gross income from fundraising events (not including of contributions reported on line 1c) See Part IV, line 18 . . . . .	a				
<b>b</b> Less direct expenses . . . . .	b				
<b>c</b> Net income or (loss) from fundraising events . . . . .					
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	a				
<b>b</b> Less direct expenses . . . . .	b				
<b>c</b> Net income or (loss) from gaming activities . . . . .					
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	a				
<b>b</b> Less cost of goods sold . . . . .	b				
<b>c</b> Net income or (loss) from sales of inventory . . . . .					
<b>Miscellaneous Revenue</b>	Business Code				
<b>11a</b> CURRENCY EXCHANGE		-420	-420		
<b>b</b>					
<b>c</b>					
<b>d</b> All other revenue . . . . .					
<b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .		-420			
<b>12</b> <b>Total revenue.</b> See Instructions . . . . .		104,617,930	3,129,462		2,507

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX 

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	2,493,370	2,493,370		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	508,734	161,200	268,091	79,443
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,267,487	3,143,140	699,407	424,940
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	236,961	163,977	48,103	24,881
9 Other employee benefits	377,222	261,038	76,576	39,608
10 Payroll taxes	357,007	247,049	72,472	37,486
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	68,295		68,295	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,193,125	1,028,132	121,134	43,859
12 Advertising and promotion				
13 Office expenses	557,415	390,037	147,932	19,446
14 Information technology	170,122	117,724	34,535	17,863
15 Royalties				
16 Occupancy	432,522	299,305	87,802	45,415
17 Travel	274,537	189,980	55,731	28,826
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	56,857	56,857		
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	22,733		22,733	
23 Insurance	8,623		8,623	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O )				
a PRG EXP - DONATED BOOKS	75,152,278	75,152,278		
b PRG EXP - BOOKS	6,174,800	6,174,800		
c PRG EXP - SHIPPING	1,399,602	1,399,602		
d PRG EXP - WAREHOUSING	933,169	933,169		
e All other expenses	129,138	64,078	65,060	
<b>25 Total functional expenses.</b> Add lines 1 through 24e	94,813,997	92,275,736	1,776,494	761,767
<b>26 Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ► if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X 

		<b>(A)</b> Beginning of year	<b>(B)</b> End of year	
<b>Assets</b>	1 Cash—non-interest-bearing	3,122,394	<b>1</b> 4,809,787	
	2 Savings and temporary cash investments	2	2	
	3 Pledges and grants receivable, net	3	3	
	4 Accounts receivable, net	339,263	<b>4</b> 448,119	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	5	5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	6	6	
	7 Notes and loans receivable, net	7	7	
	8 Inventories for sale or use	25,716,662	<b>8</b> 34,690,943	
	9 Prepaid expenses and deferred charges	9	115,543	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	<b>10a</b>	115,636	115,636
	b Less accumulated depreciation	<b>10b</b>	36,276	69,933 <b>10c</b> 79,360
	11 Investments—publicly traded securities	7,933	<b>11</b> 11,355	
	12 Investments—other securities See Part IV, line 11	12	12	
	13 Investments—program-related See Part IV, line 11	13	13	
	14 Intangible assets	14	14	
	15 Other assets See Part IV, line 11	15	15	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34)	29,256,185	<b>16</b> 40,155,107		
<b>Liabilities</b>	17 Accounts payable and accrued expenses	661,116	<b>17</b> 1,688,868	
	18 Grants payable	18	18	
	19 Deferred revenue	19	19	
	20 Tax-exempt bond liabilities	20	20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D	21	21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	22	22	
	23 Secured mortgages and notes payable to unrelated third parties	23	23	
	24 Unsecured notes and loans payable to unrelated third parties	24	24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	25	344,966	
	<b>26 Total liabilities.</b> Add lines 17 through 25	940,830	<b>26</b> 2,033,834	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets	26,414,652	<b>27</b> 36,031,698	
	28 Temporarily restricted net assets	1,900,703	<b>28</b> 2,089,575	
	29 Permanently restricted net assets	29	29	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds	30	30	
	31 Paid-in or capital surplus, or land, building or equipment fund	31	31	
	32 Retained earnings, endowment, accumulated income, or other funds	32	32	
	33 Total net assets or fund balances	28,315,355	<b>33</b> 38,121,273	
	<b>34 Total liabilities and net assets/fund balances</b>	29,256,185	<b>34</b> 40,155,107	

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

1	Total revenue (must equal Part VIII, column (A), line 12)	1	104,617,930
2	Total expenses (must equal Part IX, column (A), line 25)	2	94,813,997
3	Revenue less expenses Subtract line 2 from line 1	3	9,803,933
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	28,315,355
5	Net unrealized gains (losses) on investments	5	1,985
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	38,121,273

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	No
2b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	Yes
2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? 3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3a	No
	3b	

**SCHEDULE A**  
(Form 990 or 990EZ)**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

**2013****Open to Public  
Inspection**Department of the  
Treasury  
Internal Revenue Service

- Attach to Form 990 or Form 990-EZ. ► See separate instructions.
- Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**Name of the organization**

FIRST BOOK

**Employer identification number**

52-1779606

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E )
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
  - a  Type I   b  Type II   c  Type III - Functionally integrated   d  Type III - Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f  If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g  Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
  - (ii) A family member of a person described in (i) above?
  - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h  Provide the following information about the supported organization(s)

	<b>Yes</b>	<b>No</b>
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

<b>(i) Name of supported organization</b>	<b>(ii) EIN</b>	<b>(iii) Type of organization (described on lines 1 - 9 above or IRC section (see instructions))</b>	<b>(iv) Is the organization in col (i) listed in your governing document?</b>		<b>(v) Did you notify the organization in col (i) of your support?</b>		<b>(vi) Is the organization in col (i) organized in the U S ?</b>		<b>(vii) Amount of monetary support</b>
			<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	
<b>Total</b>									

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	37,615,363	14,123,760	33,324,996	99,071,866	101,485,961	285,621,946
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 <b>Total.</b> Add lines 1 through 3	37,615,363	14,123,760	33,324,996	99,071,866	101,485,961	285,621,946
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						200,876,780
6 <b>Public support.</b> Subtract line 5 from line 4						84,745,166

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	37,615,363	14,123,760	33,324,996	99,071,866	101,485,961	285,621,946
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	17,897	9,902	7,350	4,297	2,507	41,953
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	8,405	1,378	-6,161		-420	3,202
11 <b>Total support</b> (Add lines 7 through 10)						285,667,101
12 Gross receipts from related activities, etc (see instructions)					12	3,127,736
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b> . . . . . ►						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	29 670 %
15 Public support percentage for 2012 Schedule A, Part II, line 14	15	33 060 %
16a <b>33 1/3% support test—2013.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ►		
b <b>33 1/3% support test—2012.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ►		
17a <b>10%-facts-and-circumstances test—2013.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ►		
b <b>10%-facts-and-circumstances test—2012.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ►		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ►		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support</b> (Subtract line 7c from line 6 )						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12 )						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b> ►						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15
16 Public support percentage from 2012 Schedule A, Part III, line 15	16

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18
<b>19a 33 1/3% support tests—2013.</b> If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ►	
<b>b 33 1/3% support tests—2012.</b> If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ►	
<b>20 Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►	

**Part IV Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions.)

**Facts And Circumstances Test**

THIS FOLLOWING PROVIDES FURHTER INFORMATION REGARDING HOW FIRST BOOK QUALIFIES AS A PUBLICLY SUPPORTED ORGANIZATION USING THE FACTS AND CIRCUMSTANCES TEST EACH YEAR, CONSISTENT WITH THE CHARITABLE PURPOSE OF FIRST BOOK, A NUMBER OF PUBLISHERS DONATE A SIGNIFICANT QUANTITY OF BOOKS TO BE UTILIZED IN THE FIRST BOOK MISSION OVER THE PAST FIVE YEARS BOOK DONATIONS HAVE COME FROM BETWEEN NINETEEN AND TWENTY EIGHT PUBLISHERS ANNUALLY, VALUING 382,143,628 OF THESE, THREE PUBLISHERS COMPRISED 69% OF THIS VALUE FIRST BOOK IS A PUBLIC CHARITY SUPPORTED BY A VARIETY OF INDEPENDENT SOURCES, RECEIVING SIGNIFICANT DIVERSITY IN CASH-BASED DONATIONS FROM INDIVIDUALS, NON-PROFIT PARTNERS, CORPORATIONS, SCHOOLS AND PROGRAMS SUPPORTING KIDS IN NEED AS NOTED ABOVE, DONATED BOOKS, HOWEVER, ARE RECEIVED FROM A LIMITED NUMBER OF PUBLISHERS AND THE DONATED VALUATIONS ARE MATERIALLY HIGHER THAN THESE DIVERSE CASH-BASED DONATIONS FIRST BOOK, ITS BOARD OF DIRECTORS AND MANAGEMENT CONTINUES TO SEEK ADDITIONAL PUBLIC SUPPORT TO INCREASE THEIR PUBLIC SUPPORT PERCENTAGE

Return Reference	Explanation
PART II, LINE 10	CURRENCY EXCHANGE 3,202
PART II, LINE 17A	THIS FOLLOWING PROVIDES FURHTER INFORMATION REGARDING HOW FIRST BOOK QUALIFIES AS A PUBLICLY SUPPORTED ORGANIZATION USING THE FACTS AND CIRCUMSTANCES TEST EACH YEAR, CONSISTENT WITH THE CHARITABLE PURPOSE OF FIRST BOOK, A NUMBER OF PUBLISHERS DONATE A SIGNIFICANT QUANTITY OF BOOKS TO BE UTILIZED IN THE FIRST BOOK MISSION OVER THE PAST FIVE YEARS BOOK DONATIONS HAVE COME FROM BETWEEN NINETEEN AND TWENTY EIGHT PUBLISHERS ANNUALLY, VALUING 382,143,628 OF THESE, THREE PUBLISHERS COMPRISED 69% OF THIS VALUE FIRST BOOK IS A PUBLIC CHARITY SUPPORTED BY A VARIETY OF INDEPENDENT SOURCES, RECEIVING SIGNIFICANT DIVERSITY IN CASH-BASED DONATIONS FROM INDIVIDUALS, NON-PROFIT PARTNERS, CORPORATIONS, SCHOOLS AND PROGRAMS SUPPORTING KIDS IN NEED AS NOTED ABOVE, DONATED BOOKS, HOWEVER, ARE RECEIVED FROM A LIMITED NUMBER OF PUBLISHERS AND THE DONATED VALUATIONS ARE MATERIALLY HIGHER THAN THESE DIVERSE CASH-BASED DONATIONS FIRST BOOK, ITS BOARD OF DIRECTORS AND MANAGEMENT CONTINUES TO SEEK ADDITIONAL PUBLIC SUPPORT TO INCREASE THEIR PUBLIC SUPPORT PERCENTAGE

**SCHEDULE D**  
(Form 990)**Supplemental Financial Statements**

OMB No 1545-0047

**2013**

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b  
 ► Attach to Form 990. ► See separate instructions. ► Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**Open to Public Inspection**Department of the Treasury  
Internal Revenue Service**Name of the organization**  
FIRST BOOK**Employer identification number**

52-1779606

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> Preservation of open space
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	
	<b>Held at the End of the Year</b>
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year  
 ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year  
 ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**  
Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

**3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

<b>a</b> <input type="checkbox"/> Public exhibition	<b>d</b> <input type="checkbox"/> Loan or exchange programs
<b>b</b> <input type="checkbox"/> Scholarly research	<b>e</b> <input type="checkbox"/> Other
<b>c</b> <input type="checkbox"/> Preservation for future generations	

**4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

**5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table

	<b>Amount</b>
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

**2a** Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .					
<b>b</b> Contributions . . . . .					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .					

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

**a** Board designated or quasi-endowment

**b** Permanent endowment

**c** Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by

**(i)** unrelated organizations . . . . .

**(ii)** related organizations . . . . .

**b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

<b>Yes</b>	<b>No</b>
<b>3a(i)</b>	
<b>3a(ii)</b>	
<b>3b</b>	

**4** Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .					
<b>b</b> Buildings . . . . .					
<b>c</b> Leasehold improvements . . . . .					
<b>d</b> Equipment . . . . .		84,592	24,472	60,120	
<b>e</b> Other . . . . .		31,044	11,804	19,240	
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)					79,360

**Part VII Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

<b>(a)</b> Description of security or category (including name of security)	<b>(b)</b> Book value	<b>(c)</b> Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		

**Part VIII Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

**Part IX Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

**Part X Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See

**2. Liability for uncertain tax positions** In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII.

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements . . . . .	1	104,858,251
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments . . . . .	2a	1,985
b	Donated services and use of facilities . . . . .	2b	238,336
c	Recoveries of prior year grants . . . . .	2c	
d	Other (Describe in Part XIII) . . . . .	2d	
e	Add lines 2a through 2d . . . . .	2e	240,321
3	Subtract line 2e from line 1 . . . . .	3	104,617,930
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIII) . . . . .	4b	
c	Add lines 4a and 4b . . . . .	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12) . . . . .	5	104,617,930

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements . . . . .	1	95,052,333
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities . . . . .	2a	238,336
b	Prior year adjustments . . . . .	2b	
c	Other losses . . . . .	2c	
d	Other (Describe in Part XIII) . . . . .	2d	
e	Add lines 2a through 2d . . . . .	2e	238,336
3	Subtract line 2e from line 1 . . . . .	3	94,813,997
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIII) . . . . .	4b	
c	Add lines 4a and 4b . . . . .	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18) . . . . .	5	94,813,997

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

Return Reference	Explanation

**Part XIII** **Supplemental Information (continued)**

Return Reference	Explanation

2013

Open to Public  
InspectionSCHEDULE F  
(Form 990)

## Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,  
Part IV, line 14b, 15, or 16.

► Attach to Form 990. ► See separate instructions.

► Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization

FIRST BOOK

Employer identification number

52-1779606

**Part I General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
NORTH AMERICA			GRANTS TO RECIPIENTS		1,405,000
SOUTH ASIA			GRANTS TO RECIPIENTS		1,088,000
<b>3a</b> Sub-total					2,493,000
<b>b</b> Total from continuation sheets to Part I					
<b>c</b> <b>Totals</b> (add lines 3a and 3b)					2,493,000

**Part II Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . ►

Schedule F (Form 990) 2013

**Part III Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

**Part IV Foreign Forms**

1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*  Yes  No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*  Yes  No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*  Yes  No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*  Yes  No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*  Yes  No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*  Yes  No

**Part V Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation
SCHEDULE F, PAGE 1, PART I, LINE 2	FIRST BOOK STAYS INVOLVED WITH THE ORGANIZATIONS TO MAKE SURE THE DISTRIBUTION OF BOOKS IS IN LINE WITH ITS MISSION TO PROVIDE BOOKS TO CHILDREN
SCHEDULE F, PAGE 1, PART I, LINE 3	NORTH AMERICA 1,405,000 0 SOUTH ASIA 1,088,000 0
SCHEDULE F, PAGE 5, PART V	NON MONITARY BOOK GRANTS AND EXPENDITURES ARE REPORTED BASED ON THE FAIR MARKET VALUE USED TO ACCOUNT FOR THEM ON FIRST BOOKS FINANCIAL STATEMENTS

**Schedule J**  
(Form 990)**Compensation Information**

OMB No 1545-0047

Department of the Treasury  
Internal Revenue ServiceFor certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

► Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

► Attach to Form 990. ► See separate instructions.

► Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**2013****Open to Public  
Inspection**Name of the organization  
FIRST BOOK

Employer identification number

52-1779606

**Part I Questions Regarding Compensation****1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization**a** Receive a severance payment or change-of-control payment?**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.****5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of**a** The organization?**b** Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of**a** The organization?**b** Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1b</b>		
<b>2</b>		
<b>4a</b>		No
<b>4b</b>		No
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>		No
<b>6b</b>		No
<b>7</b>		No
<b>8</b>		No
<b>9</b>		

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) KYLE ZIMMER PRESIDENT/DIRECTOR	(i) 182,083 (ii)			38,251		220,334	
(2) JANE ROBINSON CFO	(i) 165,450 (ii)			47,046		212,496	
(3) CHANDLER ARNOLD COO	(i) 161,200 (ii)			37,227		198,427	
(4) DANIEL STOKES VP OPERATIONS	(i) 132,649 (ii)			28,004		160,653	
(5) PREMKUMAR CHANDRASEKHARARAKURU VP INFO TECHNOLOGY	(i) 130,644 (ii)			26,834		157,478	

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II  
Also complete this part for any additional information

Return Reference	Explanation
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SCHEDULE M  
(Form 990)

## Noncash Contributions

OMB No 1545-0047

2013

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service►Complete if the organizations answered "Yes" on Form  
990, Part IV, lines 29 or 30.

► Attach to Form 990.

►Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).Name of the organization  
FIRST BOOK

Employer identification number

52-1779606

## Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art . . . . .				
2 Art—Historical treasures . . . . .				
3 Art—Fractional interests . . . . .				
4 Books and publications . . . . .	X		86,197,884	FAIR MARKET VALUE
5 Clothing and household goods . . . . .				
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities—Publicly traded . . . . .				
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests . . . . .				
12 Securities—Miscellaneous . . . . .				
13 Qualified conservation contribution—Historic structures . . . . .				
14 Qualified conservation contribution—Other . . . . .				
15 Real estate—Residential . . . . .				
16 Real estate—Commercial . . . . .				
17 Real estate—Other . . . . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .				
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ► ( _____ )				
26 Other ► ( _____ )				
27 Other ► ( _____ )				
28 Other ► ( _____ )				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . .			29	

		Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .	30a		No
b If "Yes," describe the arrangement in Part II			
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31		No
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .	32a		No
b If "Yes," describe in Part II			
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

**Part II Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
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**Schedule M (Form 990) (2013)**

**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.

► Attach to Form 990 or 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at  
[www.irs.gov/form990](http://www.irs.gov/form990).**2013****Open to Public  
Inspection**Name of the organization  
FIRST BOOK**Employer identification number**

52-1779606

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4D	FIRST BOOK HAS DISTRIBUTED MILLIONS OF NEW BOOKS TO LOW-INCOME AND EDUCATIONALLY AT-RISK CHILDREN PARTICIPATING IN SCHOOLS AND COMMUNITY BASED LITERACY PROGRAMS IN CITIES, TOWNS AND COUNTIES NATIONWIDE. FIRST BOOK HAS THREE NATIONAL OUTREACH PROGRAMS MAKING AGE-APPROPRIATE NEW BOOKS AVAILABLE TO EDUCATORS AND CAREGIVERS SERVING KIDS IN NEED
FORM 990, PART V, LINE 4B	CANADA
FORM 990, PAGE 6, PART VI, LINE 11B	FORM 990 IS DISTRIBUTED TO BOARD MEMBERS FOR THEIR CONSIDERATION BEFORE IT IS SIGNED AND FILED
FORM 990, PAGE 6, PART VI, LINE 12C	AT LEAST ANNUALLY, THE BOARD REVIEWS THE POLICY AND MONITORS ANY POTENTIAL CONFLICT OF INTEREST
FORM 990, PAGE 6, PART VI, LINE 15A	A COMMITTEE OF THE BOARD REVIEWS AND APPROVES THE COMPENSATION PACKAGES OF THE ORGANIZATIONS CEO, EXECUTIVE DIRECTOR AND OTHER TOP MANAGEMENT. FACTORS TAKEN INTO ACCOUNT INCLUDE COMPARABLE COMPENSATION PACKAGES FOR OTHER NON-PROFITS, THE COST OF LIVING, TENURE OF THE EMPLOYEE AND THEIR PERFORMANCE AS WELL AS THE ECONOMIC REALITY OF FIRST BOOK'S FINANCIAL CONDITION
FORM 990, PAGE 6, PART VI, LINE 15B	A COMMITTEE OF THE BOARD REVIEWS AND APPROVES THE COMPENSATION PACKAGES OF THE ORGANIZATIONS OFFICERS AND KEY EMPLOYEES. FACTORS TAKEN INTO ACCOUNT INCLUDE COMPARABLE COMPENSATION PACKAGES FOR OTHER NON-PROFITS, THE COST OF LIVING, TENURE OF THE EMPLOYEE AND THEIR PERFORMANCE AS WELL AS THE ECONOMIC REALITY OF FIRST BOOK'S FINANCIAL CONDITION
FORM 990, PAGE 6, PART VI, LINE 17	MASSACHUSETTS, MASSACHUSETTS, MARYLAND, MICHIGAN, MINNESOTA, MISSOURI, MISSISSIPPI, NORTH CAROLINA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, OHIO, OKLAHOMA, OREGON, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, TENNESSEE, UTAH, VIRGINIA, WASHINGTON, WISCONSIN, WEST VIRGINIA
FORM 990, PAGE 6, PART VI, LINE 19	GOVERNING DOCUMENTS, POLICIES AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST

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**SCHEDULE R**  
**(Form 990)**

## Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2013

Department of the Treasury  
Internal Revenue Service

- Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
  - Attach to Form 990. ► See separate instructions.
- Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

## Open to Public Inspection

Name of the organization  
FIRST BOOK

**Employer identification number**

52-1779606

**Part I Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

**Part II Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

**Part III Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		No
1b	Yes	
1c		No
1d	Yes	
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n		No
1o		No
1p		No
1q		No
1r		No
1s		No

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) LE PREMIERE LIVRE	B	1,405,371	FAIR MARKET VALUE
(2) LE PREMIERE LIVRE	D	11,876	FAIR MARKET VALUE

**Part VI Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

**Part VII Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
SCHEDULE R	FIRST BOOK LENDS SUPPORT TO AN AFFILIATED ORGANIZATION IN CANADA, FIRST BOOK/LE PREMIERE LIVRE (LPL), WHICH PROVIDES BOOKS TO CHILDREN IN NEED THROUGHOUT CANADA. LPL IS A REGISTERED CHARITY UNDER PARAGRAPH 149(1)(F) OF THE INCOME TAX ACT IN CANADA, AND OPERATES AS A SEPARATE ENTITY TO UNDERTAKE ACTIVITIES THAT MAY OR MANY NOT BE CONSISTENT WITH ALL THE REQUIREMENTS OF SECTION 501(C)(3) OF THE UNITED STATES INTERNAL REVENUE CODE GOVERNING CERTAIN TAX-EXEMPT ENTITIES IN THE UNITED STATES. LPL MAINTAINS A SEPARATE BOARD OF DIRECTORS, WITH TWO OF FIRST BOOK'S BOARD MEMBERS REPRESENTED. FIRST BOOK PROVIDES BOOK GRANTS TO THE ORGANIZATION, AND FURTHER ACTS AS THE GUARANTOR FOR THE ORGANIZATION'S LEASE.

Form 4562

Department of the Treasury  
Internal Revenue Service (99)Depreciation and Amortization  
(Including Information on Listed Property)

OMB No 1545-0172

2013

Attachment  
Sequence No 179

► See separate instructions. ► Attach to your tax return.

Name(s) shown on return  
FIRST BOOKBusiness or activity to which this form relates  
INDIRECT DEPRECIATION

Identifying number

52-1779606

**Part I Election To Expense Certain Property Under Section 179***Note: If you have any listed property, complete Part V before you complete Part I.*

1 Maximum amount (see instructions) . . . . .	1	500,000
2 Total cost of section 179 property placed in service (see instructions) . . . . .	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	3	2,000,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0- . . . . .	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions . . . . .	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property Enter the amount from line 29 . . . . .	7		
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 . . . . .	8		
9 Tentative deduction Enter the smaller of line 5 or line 8 . . . . .	9		
10 Carryover of disallowed deduction from line 13 of your 2012 Form 4562 . . . . .	10		
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) . . . . .	11		
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 . . . . .	12		
13 Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12 ► [13] . . . . .	13		

*Note: Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions.)		
14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) . . . . .	14	
15 Property subject to section 168(f)(1) election . . . . .	15	
16 Other depreciation (including ACRS) . . . . .	16	21,616

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)****Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2013 . . . . .	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► [ ] . . . . .		

**Section B—Assets Placed in Service During 2013 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

**Section C—Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System**

20a Class life				S/L	
b 12-year			12 yrs		S/L
c 40-year			40 yrs	MM	S/L

**Part IV Summary (see instructions.)**

21 Listed property Enter amount from line 28 . . . . .	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions . . . . .	22	21,616
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	23	

**Part V**

**Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A—Depreciation and Other Information (Caution:** See the instructions for limits for passenger automobiles.)

**24a** Do you have evidence to support the business/investment use claimed?  Yes  No **24b** If "Yes," is the evidence written?  Yes  No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation/deduction	(i) Elected section 179 cost

**25** Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) **25**

	%							
	%							
	%							

	%			S/L -				
	%			S/L -				
	%			S/L -				

**28** Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 **28**

**29** Add amounts in column (i), line 26 Enter here and on line 7, page 1 **29**

**Section B—Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

<b>30</b> Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No										
<b>31</b> Total commuting miles driven during the year												
<b>32</b> Total other personal (noncommuting) miles driven												
<b>33</b> Total miles driven during the year Add lines 30 through 32												
<b>34</b> Was the vehicle available for personal use during off-duty hours?												
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person?												
<b>36</b> Is another vehicle available for personal use?												

**Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?			<b>Yes</b>	<b>No</b>
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners				
<b>39</b> Do you treat all use of vehicles by employees as personal use?				
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?				
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)				

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year

**42** Amortization of costs that begins during your 2013 tax year (see instructions)

<b>43</b> Amortization of costs that began before your 2013 tax year				<b>43</b>	
<b>44</b> Total. Add amounts in column (f) See the instructions for where to report				<b>44</b>	