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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

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

▶ **Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013, or tax year beginning 07-01-2013 , and ending 06-30-2014

Name of foundation
BESSIE I HOFSTETTER TRUST

A Employer identification number
75-6006485

Number and street (or P O box number if mail is not delivered to street address) 400 WEST COLLIN ST | Room/suite

B Telephone number (see instructions)
(903) 872-1400

City or town, state or province, country, and ZIP or foreign postal code
CORSICANA, TX 75110

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)*▶$ 4,940,052

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis.)*

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	9,619	9,619		
	4	Dividends and interest from securities	130,982	130,982		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	343,594			
	b	Gross sales price for all assets on line 6a 737,435				
	7	Capital gain net income (from Part IV, line 2)		343,594		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	2,742			
	12	**Total.** Add lines 1 through 11	486,937	484,195		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	24,341	14,605		9,736
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	1,450	870		580
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)				
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	25,791	15,475		10,316
	25	Contributions, gifts, grants paid	210,000			210,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	235,791	15,475		220,316
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	251,146			
	b	**Net investment income** (if negative, enter -0-)		468,720		
	c	**Adjusted net income** (if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	27,722	3,636	3,636
	3	Accounts receivable ▶ ________ Less allowance for doubtful accounts ▶ ________			
	4	Pledges receivable ▶ ________ Less allowance for doubtful accounts ▶ ________			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ ________ Less allowance for doubtful accounts ▶ ________			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)	49,848	49,848	57,237
	b	Investments—corporate stock (attach schedule)	1,299,149	1,279,992	2,294,867
	c	Investments—corporate bonds (attach schedule)		99,627	103,880
	11	Investments—land, buildings, and equipment basis ▶ ________ Less accumulated depreciation (attach schedule) ▶ ________			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,962,067	2,153,757	2,480,426
	14	Land, buildings, and equipment basis ▶ ________ Less accumulated depreciation (attach schedule) ▶ ________			
	15	Other assets (describe ▶ ________)	6	6	6
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	3,338,792	3,586,866	4,940,052
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ ________)			
	23	**Total liabilities** (add lines 17 through 22)		0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds	1,774,378	1,774,378	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	1,564,414	1,812,488	
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	3,338,792	3,586,866	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	3,338,792	3,586,866	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,338,792
2	Enter amount from Part I, line 27a	2	251,146
3	Other increases not included in line 2 (itemize) ▶ ________	3	
4	Add lines 1, 2, and 3	4	3,589,938
5	Decreases not included in line 2 (itemize) ▶ ________	5	3,072
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,586,866

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Additional Data Table			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	See Additional Data Table			
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a	See Additional Data Table			
b				
c				
d				
e				

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	343,594
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2012			
2011			
2010			
2009			
2008			

2	**Total** of line 1, column (d).	2	
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . .	3	
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5.	4	
5	Multiply line 4 by line 3.	5	
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	
7	Add lines 5 and 6.	7	
8	Enter qualifying distributions from Part XII, line 4.	8	

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ____________ **(attach copy of letter if necessary–see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	9,374
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	9,374
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	9,374
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached	8	62
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	9,436
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ ____________			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10		No

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶CITIZENS NATIONAL BANK Telephone no ▶(903) 874-1400

Located at ▶400 WEST COLLIN CORSICANA TX ZIP+4 ▶75110

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

			Yes	No
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No
	See instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ **Yes** ☑ **No**			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ **Yes** ☑ **No**			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ **Yes** ☑ **No**			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ **Yes** ☑ **No**			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ **Yes** ☑ **No**			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ **Yes** ☑ **No**			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	2b		No
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ **Yes** ☑ **No**			
b	If "Yes," did it have excess business holdings in 2013 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.)*	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b		No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ **Yes** ☑ **No**			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ **Yes** ☑ **No**			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ **Yes** ☑ **No**			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ **Yes** ☑ **No**			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		**No**
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ **Yes** ☑ **No**			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ **Yes** ☑ **No**			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		**No**
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ **Yes** ☑ **No**			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		**No**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
CITIZENS NATIONAL BANK 400 WEST COLLIN CORSICANA,TX 75110	Trustee 0 00	24,341		

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

Total number of others receiving over $50,000 for professional services. . . . . ▶

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions	
3	
Total. Add lines 1 through 3 . . . . ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	4,646,183
b	Average of monthly cash balances		1b	147,485
c	Fair market value of all other assets (see instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	4,793,668
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0		
2	Acquisition indebtedness applicable to line 1 assets		2	
3	Subtract line 2 from line 1d		3	4,793,668
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	71,905
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	4,721,763
6	**Minimum investment return.** Enter 5% of line 5		6	236,088

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6		1	236,088
2a	Tax on investment income for 2013 from Part VI, line 5	2a 9,374		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	9,374
3	Distributable amount before adjustments Subtract line 2c from line 1		3	226,714
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	226,714
6	Deduction from distributable amount (see instructions)		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	226,714

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	220,316
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	220,316
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	220,316

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII **Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				226,714
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only.			208,124	
b Total for prior years 20___ , 20___ , 20___				
3 Excess distributions carryover, if any, to 2013				
a From 2008.				
b From 2009.				
c From 2010.				
d From 2011.				
e From 2012.				
f **Total** of lines 3a through e.				
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 220,316				
a Applied to 2012, but not more than line 2a			208,124	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2013 distributable amount.				12,192
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				214,522
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions) . . .				
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2009. . . .				
b Excess from 2010. . . .				
c Excess from 2011. . . .				
d Excess from 2012. . . .				
e Excess from 2013. . . .				

Part XIV **Private Operating Foundations** (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling. . . . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2013	**(b)** 2012	**(c)** 2011	**(d)** 2010	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV **Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see instructions.)**

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ ☑ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				210,000
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	9,619	
4 Dividends and interest from securities. . . .			14	130,982	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory					343,594
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a 990PF TAX REFUND					2,742
b MISC					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				140,601	346,336

13 **Total.** Add line 12, columns (b), (d), and (e). 13 486,937

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	1a(1)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?. ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge

****** | 2014-09-02 | ******

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instr)? ☑ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
CHARLES F IRVINE				P00152519
Firm's name ▶ H&R BLOCK			Firm's EIN ▶	
Firm's address ▶ 3201 WEST 7TH AVENUE SUITE 100 CORSICANA, TX 75110			Phone no (903) 874-5518	

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	**(b)** How acquired P—Purchase D—Donation	**(c)** Date acquired (mo , day, yr)	**(d)** Date sold (mo , day, yr)
125 NOW INC	P	2014-04-08	2014-06-17
233 155 VANGUARD 500 INDEX	P	2009-01-07	2013-08-14
325 SYSCO	P	2004-07-19	2013-08-14
150 SYSCO	P	2004-08-14	2013-08-14
600 COLGATE	P	2004-04-06	2013-08-14
300 CHEVRONTEXACO	P	2004-04-06	2013-08-14
370 ACCENTURE	P	2004-04-06	2013-08-14
445 JOHNSON JOHNSON	P	2004-04-06	2013-08-14
200 TRANSOCEAN	P	2004-06-14	2013-08-14
500 VERIZION	P	2004-04-06	2013-08-14
600 LOCKHEED MARTIN	P	2004-04-06	2013-08-14
1939 919 THORNBURG	P	2004-07-08	2014-04-08
514 86 THORNBURG	P	2004-11-04	2014-04-08
734 391 THORNBURG	P	2004-12-21	2014-04-08
535 834 THORNBURG	P	2006-05-04	2014-04-08
742 947 THORNBURG	P	2009-01-06	2014-04-08
250 441 THORNBURG	P	2009-05-05	2014-04-08
150 BERKSHIRE	P	2004-09-07	2014-04-08
350 COLGATE	P	2004-04-06	2014-04-08
150 IBM	P	2004-04-06	2014-04-08
400 LOCKHEED MARTIN	P	2004-04-06	2014-04-08
1000 MEDTRONIC	P	2004-04-06	2014-04-08
300 MICROSOFT	P	2004-04-06	2014-04-08
400 MORGAN STANLEY	P	2004-04-06	2014-04-08
300 PFIZER	P	2004-04-06	2014-04-08
200 WALMART	P	2004-04-06	2014-04-08
500 ACCENTURE	P	2004-04-06	2014-04-08
175 AMERICAN EXPRESS	P	2004-04-06	2014-04-21

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	**(f)** Depreciation allowed (or allowable)	**(g)** Cost or other basis plus expense of sale	**(h)** Gain or (loss) (e) plus (f) minus (g)
4,120		3,807	313
30,000		16,078	13,922
10,726		11,590	-864
4,950		4,758	192
36,335		16,496	19,839
36,575		12,152	24,423
26,599		8,825	17,774
40,392		16,484	23,908
9,380		5,370	4,010
24,480		13,371	11,109
74,118		39,244	34,874
59,090		35,000	24,090
15,683		10,000	5,683
22,370		15,000	7,370
16,322		15,000	1,322
22,630		15,000	7,630
7,628		5,000	2,628
18,411		8,659	9,752
22,812		9,623	13,189
29,051		16,845	12,206
62,039		26,163	35,876
60,949		24,913	36,036
11,838		5,048	6,790
11,708		19,993	-8,285
9,354		9,958	-604
15,546		10,620	4,926
39,174		11,925	27,249
15,155		6,919	8,236

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) F M V as of 12/31/69	**(j)** Adjusted basis as of 12/31/69	**(k)** Excess of col (i) over col (j), if any	
			313
			13,922
			-864
			192
			19,839
			24,423
			17,774
			23,908
			4,010
			11,109
			34,874
			24,090
			5,683
			7,370
			1,322
			7,630
			2,628
			9,752
			13,189
			12,206
			35,876
			36,036
			6,790
			-8,285
			-604
			4,926
			27,249
			8,236

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
YMCA 400 W OAKLAWN CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	9,000
PRESBYTERIAN CHILDREN'S HOMES 312 N 13TH STREET CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	50,000
UNITED WAY 115 N MAIN CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	10,000
WESTMINSTER CHURCH 312 N 13TH STREET CORSICANA,TX 75110	EXEMPT	EXEMPT	PROGRAM	85,000
BOYS GIRLS CLUB 1000 GW JACKSON AVE CORSICANA,TX 75110	EXEMPT	EXEMPT	PROGRAM	6,000
NORTHSIDE BAPTIST CHURCH WEST BEATON STREET CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	1,000
VOICE 100 N MAIN CORSICANA,TX 75110	EXEMPT	EXEMPT	PROGRAM	16,000
CORSICANA ISD EDUCATION FOUNDATION 120 N CORSICANA,TX 75110	EXEMPT	EXEMPT	PROGRAM	2,000
CIRCLE TEN COUNCIL BOY SCOUTS CORSICANA CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	1,000
SALVATION ARMY 212 E 1ST CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	3,500
AMERICAN RED CROSS 701 WEST 2ND AVE CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	4,000
CAMP OF THE RISING SUN NORTH MAIN CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	3,000
HABITAT OF HUMANITY COLLIN CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	4,000
FAMILY SERVICE ASSOCIATION 517 N COMMERCE CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	4,500
NAVARRO COLLEGE FOUNDATION WEST 7TH CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	2,000
Total . . . . ▶ **3a**				210,000

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
NAVARRO COUNTY FOOD PANTRY BEATON STREET CORSICANA,TX 75110	EXEMPT	EXEMPT	ASSISTANCE	5,000
MOCAICINCORSICANA 12TH STREET CORSICANA,TX 75110	EXEMPT	EXEMPT	OPERATING	4,000
Total . . . . ▶ **3a**				210,000

TY 2013 Accounting Fees Schedule

Name: BESSIE I HOFSTETTER TRUST
EIN: 75-6006485
Software ID: 13000170
Software Version: 2013v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
CHARLES F IRVINE CPA	1,450	870	0	580

TY 2013 Investments Corporate Bonds Schedule

Name: BESSIE I HOFSTETTER TRUST
EIN: 75-6006485
Software ID: 13000170
Software Version: 2013v3.1

Name of Bond	End of Year Book Value	End of Year Fair Market Value
INTERNATIONAL LEASE FIN		
BANK OF AMERICA 4.375		
AMERICAN EXPRESS		
GE CAPITAL 4.0		
NUCOR 5.0		
WELLS FARGO	99,627	103,880

TY 2013 Investments Corporate Stock Schedule

Name: BESSIE I HOFSTETTER TRUST
EIN: 75-6006485
Software ID: 13000170
Software Version: 2013v3.1

Name of Stock	End of Year Book Value	End of Year Fair Market Value
MET LIFE	30,946	46,670
ABOTT LABS	12,406	24,540
ACCENTURE		
ALCOA	15,554	6,849
AMERICAN EXPRESS	23,722	56,922
AMERICAN INTL GROUP	37,960	1,766
APACHE CORP	21,502	55,341
BANK OF NEW YORK		
BERKSHIRE HATHAWAY	25,976	56,952
BOEING	14,224	44,531
CHEVRONTEXACO	32,406	104,440
CISCO	33,036	69,580
COCA-COLA	52,501	59,304
COGNIZANT TECH	20,364	53,801
COLGATE	17,767	44,317
DOMINION RES	37,878	85,824
EXELON CORP	34,692	38,304
EXXONMOBIL	24,380	90,612
FISERV INC	15,300	51,272
GENERAL DYNAMICS	31,772	93,240
GENERAL ELEC CO	10,576	34,164
INTEL	25,889	40,170
IBM	25,268	40,786
JOHNSON& JOHNSON	22,225	62,772
KAYNE ANDERSON	53,213	79,608
LOCKHEED MARTIN		
MEDTRONIC		
MICROSOFT	25,240	62,550
MORGAN STANLEY		
PEPSICO	27,921	62,538

Name of Stock	End of Year Book Value	End of Year Fair Market Value
PFIZER	36,514	32,648
PROCTER & GAMBLE	4,686	78,590
STAPLES		
STATE ST		
SYSCO		
TRANSOCEAN		
UPS	35,475	51,330
UNITED TECH	23,651	80,815
US BANCORP	30,274	45,269
VERIZON	21,393	39,144
WAL MART	42,480	60,056
WELLS FARGO	36,540	84,096
WEYERHAUSER	26,801	44,440
HARBOR	140,000	144,140
ABBVIE	13,454	33,864
APPLE	45,234	53,342
GOOGLE	30,312	55,677
NATIONAL OILWELL	35,013	41,175
EXPRESS SCRIPTS	36,265	34,665
BAXTER INTL	49,182	48,763

TY 2013 Investments Government Obligations Schedule

Name:	BESSIE I HOFSTETTER TRUST
EIN:	75-6006485
Software ID:	13000170
Software Version:	2013v3.1
US Government Securities - End of Year Book Value:	49,848
US Government Securities - End of Year Fair Market Value:	57,237
State & Local Government Securities - End of Year Book Value:	
State & Local Government Securities - End of Year Fair Market Value:	

TY 2013 Investments - Other Schedule

Name: BESSIE I HOFSTETTER TRUST

EIN: 75-6006485

Software ID: 13000170

Software Version: 2013v3.1

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
COLUMBIA ALCORN	AT COST	60,000	92,974
MUTUAL DISCOVERY	AT COST	95,000	152,476
NORTHERN GLOBAL R/E	AT COST	30,000	24,829
THORNBURG INTL VALUE	AT COST		
VANGUARD INTL	AT COST	50,000	70,726
VANGUARD GNMA	AT COST	350,570	359,399
VANGUARD S/T	AT COST	476,597	491,218
VANGUARD TOTAL BOND	AT COST	205,000	220,829
NORTHERN HIGH YIELD FIXED INCOME	AT COST	125,000	145,368
VANGUARD 500	AT COST	108,922	236,015
THIRD AVENUE REAL ESTATE	AT COST	45,000	58,735
T ROWE PRICE HIGH YIELD	AT COST	185,000	202,530
PIMCO	AT COST	125,000	122,055
APPLE	AT COST	95,290	94,469
TEMPLETON GLOBAL	AT COST	100,000	101,720
BERKSHIRE HATHAWAY	AT COST	102,378	107,083

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TY 2013 Other Assets Schedule

Name: BESSIE I HOFSTETTER TRUST

EIN: 75-6006485

Software ID: 13000170

Software Version: 2013v3.1

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
SUNDRY ASETS	6	6	

TY 2013 Other Decreases Schedule

Name: BESSIE I HOFSTETTER TRUST

EIN: 75-6006485

Software ID: 13000170

Software Version: 2013v3.1

Description	Amount
OTHER	3,072

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491245001014

TY 2013 Other Income Schedule

Name: BESSIE I HOFSTETTER TRUST

EIN: 75-6006485

Software ID: 13000170

Software Version: 2013v3.1

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
990PF TAX REFUND	2,742		