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Return of Private Foundation

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

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

2014

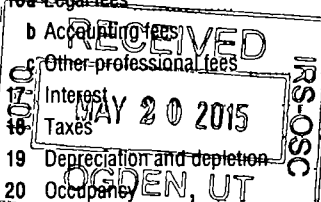
Open to Public Inspection

For calendar year 2014 or tax year beginning

, and ending

Name of foundation GEORGE W. & RUTH R. BAXTER FOUNDATION, INC.		A Employer identification number 56-0949547
Number and street (or P O box number if mail is not delivered to street address) 2115 REXFORD ROAD	Room/suite 211	B Telephone number 704-365-3806
City or town, state or province, country, and ZIP or foreign postal code CHARLOTTE, NC 28211		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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) \$ 20,021,099.	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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))		(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				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	8.	8.		STATEMENT 1
	4 Dividends and interest from securities	362,209.	362,209.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	612,769.			
	b Gross sales price for all assets on line 6a	4,814,850.			
	7 Capital gain net income (from Part IV, line 2)		612,769.		
	8 Net short-term capital gain			N/A	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11	974,986.	974,986.	0.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	160,000.	30,000.	0.	130,000.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	9,331.	2,333.	0.	6,998.
	c Other professional fees				
	17 Interest				
	18 Taxes	20,655.	7,171.	0.	6,746.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses	144,658.	115,537.	0.	29,121.
	24 Total operating and administrative expenses. Add lines 13 through 23	334,644.	155,041.	0.	172,865.
	25 Contributions, gifts, grants paid	835,000.			835,000.
26 Total expenses and disbursements. Add lines 24 and 25	1,169,644.	155,041.	0.	1,007,865.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-194,658.				
b Net investment income (if negative, enter -0-)		819,945.			
c Adjusted net income (if negative, enter -0-)			0.		



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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only		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	481,456.	422,741.	422,741.
	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			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 6	16,764,152.	16,630,809.	19,598,358.	
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	17,245,608.	17,053,550.	20,021,099.	
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			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	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	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	17,245,608.	17,053,550.		
30 Total net assets or fund balances	17,245,608.	17,053,550.		
31 Total liabilities and net assets/fund balances	17,245,608.	17,053,550.		

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)	17,245,608.
2 Enter amount from Part I, line 27a	-194,658.
3 Other increases not included in line 2 (itemize) ▶ OTHER INCREASES	2,600.
4 Add lines 1, 2, and 3	17,053,550.
5 Decreases not included in line 2 (itemize) ▶	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	17,053,550.

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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 PUBLICLY TRADED SECURITIES - SEE ATTACHED			
b DETAIL			
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			
b 4,814,850.		4,202,081.	612,769.
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			
b			612,769.
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	612,769.
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). If (loss), enter -0- in Part I, line 8		3	612,769.

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 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))
2013	919,269.	19,406,303.	.047370
2012	849,172.	18,153,563.	.046777
2011	355,447.	16,894,605.	.021039
2010	281,719.	6,755,231.	.041704
2009	331,052.	5,759,277.	.057482

2 Total of line 1, column (d)	2	.214372
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	.042874
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	20,122,447.
5 Multiply line 4 by line 3	5	862,730.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,199.
7 Add lines 5 and 6	7	870,929.
8 Enter qualifying distributions from Part XII, line 4	8	1,007,865.

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.

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Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see 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	8,199.
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	0.
3 Add lines 1 and 2		3	8,199.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	8,199.
6 Credits/Payments:			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a	5,620.	
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	5,620.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	2,579.	
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 2015 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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
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	X
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	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5	X
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	X
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	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>NC</u>		
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	X
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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

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Part VII-A Statements Regarding Activities (continued)

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		X
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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address N/A				
14	The books are in care of NOLAN D. PACE, JR. Telephone no. 704-365-3806			
Located at BAXTER FOUNDATION-2115 REXFORD ROAD SUITE 211, CH ZIP+4 28211				
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		N/A
16	At any time during calendar year 2014, 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	Yes	No
See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly 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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
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 instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
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 2014?		1c
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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014?	☐ Yes ☒ No	
If "Yes," list the years		
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.)	N/A	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
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 2014 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 2014)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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 2014?		4b

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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 4945(d)(4)(A)? (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)?

N/A

5b

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?

N/A

☐ 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

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

☐ Yes ☒ No

7b

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

N/A

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

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.

(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
NOLAN D. PACE, JR. 2115 REXFORD RD, STE 211 CHARLOTTE, NC 28211	CHAIRMAN 25.00	120,000.	0.	0.
MARK B. EDWARDS 2115 REXFORD RD, STE 211 CHARLOTTE, NC 28211	DIRECTOR/ SECRETARY 12.00	25,000.	0.	0.
G. STEVEN BAXTER, SR. 2115 REXFORD RD, STE 211 CHARLOTTE, NC 28211	VICE-CHAIRMAN 3.00	15,000.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

0

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

3 Five highest-paid independent contractors for professional services. 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

0

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 NOT APPLICABLE	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 NOT APPLICABLE	
	0.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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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	20,101,479.
b	Average of monthly cash balances	1b	327,401.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	20,428,880.
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	0.
3	Subtract line 2 from line 1d	3	20,428,880.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	306,433.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	20,122,447.
6	Minimum investment return. Enter 5% of line 5	6	1,006,122.

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	1,006,122.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	8,199.
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	8,199.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	997,923.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	997,923.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	997,923.

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	1,007,865.
b	Program-related investments - total from Part IX-B	1b	0.
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	1,007,865.
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	5	8,199.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	999,666.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				997,923.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			823,359.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2014:				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 1,007,865.				
a Applied to 2013, but not more than line 2a			823,359.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2014 distributable amount				184,506.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				813,417.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014				

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11-24-14

Form 990-PF (2014)

**GEORGE W. & RUTH R. BAXTER FOUNDATION,
INC.**

Form 990-PF (2014)

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
2 a 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 foundation 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).)

NONE

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.

NONE

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 or e-mail address 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:

GEORGE W. & RUTH R. BAXTER FOUNDATION,
INC.

Form 990-PF (2014)

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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 ATTACHED LIST	NONE	EXEMPT	VARIOUS	835,000.
Total			3a	835,000.
b Approved for future payment				
NONE				
Total			3b	0.

Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
		14	8.	
		14	362,209.	
		18	612,769.	
	0.		974,986.	0

13 974,986

[illegible]

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
WELLS FARGO - CHECKING	8.	8.	0.
TOTAL TO PART I, LINE 3	8.	8.	0.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
BROWN BROTHERS HARRIMAN	362,209.	0.	362,209.	362,209.	0.
TO PART I, LINE 4	362,209.	0.	362,209.	362,209.	0.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BARBARA S. GROTZKE, CPA PLLC	5,171.	1,293.	0.	3,878.
DELOITTE TAX, LLP	4,160.	1,040.	0.	3,120.
TO FORM 990-PF, PG 1, LN 16B	9,331.	2,333.	0.	6,998.

FORM 990-PF

TAXES

STATEMENT

4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	8,994.	2,249.	0.	6,746.
FOREIGN TAXES PAID	4,922.	4,922.	0.	0.
2013 FEDERAL TAXES PAID	1,119.	0.	0.	0.
2014 FEDERAL ESTIMATED TAXES PAID	5,620.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	20,655.	7,171.	0.	6,746.

FORM 990-PF

OTHER EXPENSES

STATEMENT

5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE SUPPLIES	7,440.	1,860.	0.	5,580.
INVESTMENT EXPENSES	106,072.	106,072.	0.	0.
OFFICE RENT	27,448.	6,862.	0.	20,586.
MISCELLANEOUS ADMINISTRATIVE EXPENSES	3,698.	743.	0.	2,955.
TO FORM 990-PF, PG 1, LN 23	144,658.	115,537.	0.	29,121.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT

6

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
BROWN BROTHERS - FIXED INCOME	COST	6,838,702.	6,804,038.
BROWN BROTHERS - EQUITIES	COST	9,792,107.	12,794,320.
TOTAL TO FORM 990-PF, PART II, LINE 13		16,630,809.	19,598,358.

George W. and Ruth R. Baxter Foundation, Inc.
Part XV, Grants and Contributions Paid During the Year
For the Year Ended December 31, 2014

<u>Recipient</u>	<u>Recipient Status</u>	<u>Purpose of Grant</u>	<u>Recipient Relationship</u>	<u>Amount</u>
The T. Rowe Price Program for Charitable Giving	Exempt	Civic	None	110,000 00
Myers Park United Methodist Church - Walter H Ball Fund	Exempt	Religious	None	50,000 00
Salvation Army	Exempt	Civic	None	50,000.00
Second Harvest Food Bank	Exempt	Civic	None	50,000 00
Moore Regional Hospital / First Health Care Foundation	Exempt	Medical	None	50,000 00
Carolinas Healthcare Foundation	Exempt	Medical	None	50,000 00
Patriot Foundation	Exempt	Civic	None	25,000.00
Presbyterian Hospital Foundation	Exempt	Medical	None	25,000.00
Community Presbyterian Church	Exempt	Religious	None	20,000 00
Crisis Assistance Ministry	Exempt	Civic	None	20,000 00
Foundation for Medical Education and Research	Exempt	Medical	None	20,000.00
Friendship Trays	Exempt	Civic	None	20,000.00
Loaves and Fishes	Exempt	Civic	None	20,000 00
MedAssist NC	Exempt	Medical	None	20,000 00
Samaritan's Purse	Exempt	Civic	None	20,000 00
Charlotte Speech and Hearing Center	Exempt	Medical	None	15,000 00
Friend to Friend	Exempt	Civic	None	15,000 00
Pat's Place Child Advocacy Center	Exempt	Civic	None	15,000 00
Agade Dental Ministry	Exempt	Medical	None	15,000 00
St. Jude's Children's Research Hospital	Exempt	Medical	None	15,000 00
The Geanco Foundation	Exempt	Civic	None	15,000 00
Crossnore School	Exempt	Educational	None	10,000 00
Heineman Medical Research Foundation, Inc.	Exempt	Medical	None	10,000 00
Charlotte Bridge Home	Exempt	Civic	None	10,000 00
Thompson Child & Family Focus	Exempt	Civic	None	10,000.00
Agape Senior Foundation	Exempt	Civic	None	10,000 00
Charlotte Mecklenburg Senior Centers	Exempt	Civic	None	10,000 00
Child's Place of Charlotte	Exempt	Civic	None	10,000 00
Observer Charities	Exempt	Civic	None	10,000 00
The First Tee of the Sandhills	Exempt	Civic	None	10,000 00
Maryville College	Exempt	Educational	None	10,000 00
NC State Veterinary Medical Foundation	Exempt	Medical	None	10,000 00
Aldersgate UM Retirement Community	Exempt	Civic	None	5,000.00
Fletcher School	Exempt	Educational	None	5,000 00
Goodwill Industries	Exempt	Civic	None	5,000.00
Hospice Palliative Care - Charlotte	Exempt	Medical	None	5,000.00
Linville Foundation	Exempt	Civic	None	5,000 00
Southern Orthopedic Association	Exempt	Medical	None	5,000 00
Carolina Performing Arts Center /Sandhills Ballet Theater	Exempt	Civic	None	5,000 00
Florence Crittenton Services	Exempt	Civic	None	5,000 00
Spokes Group	Exempt	Civic	None	5,000 00
Holy Comforter Church	Exempt	Religious	None	5,000 00
Historic Rosedale	Exempt	Civic	None	5,000 00
The Love Kitchen, Inc	Exempt	Civic	None	5,000 00
Izzy Foundation	Exempt	Civic	None	5,000 00
Sharon Towers Resident Assistance Fund	Exempt	Civic	None	5,000 00
Transitions Lifecare	Exempt	Medical	None	5,000 00
NC Therapeutic Riding Cneter	Exempt	Medical	None	5,000 00
Lynwood Foundation	Exempt	Civic	None	4,000 00
Creutzfeldt-JaKob Disease Foundation	Exempt	Medical	None	1,000 00
OVERALL TOTAL				<u>835,000</u>

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View BAXTER FDN 1035001987

Refresh As of 4/27/2015 1:43 PM

Transaction Date Previous Year

From 1/1/2014

To 12/31/2014

Find

Type Of Income

Income

Total Income

\$357,286.64

• Dividends

\$357,286.64

• Interest

\$0.00

Transactions

Proceeds

Cost

Gain/Loss

Total Gain/Loss

\$4,814,850.46

\$4,202,081.33

\$612,769.13

Short-Term Realized Gain/Loss

\$400,000.00

\$399,613.90

\$386.10

- 03/24/2014 38,610.04 SHS OF BBH LIMITED DURATION FUND CL I

\$400,000.00

\$399,613.90

\$386.10

Long-Term Realized Gain/Loss

\$4,246,961.99

\$3,802,467.43

\$444,494.56

- 12/18/2014 300.00 SHS OF TARGET CORP

\$22,356.32

\$17,396.70

\$4,959.62

12/16/2014 500.00 SHS OF WASTE MANAGEMENT INC

\$24,632.51

\$16,746.65

\$7,885.86

12/16/2014 100.00 SHS OF TARGET CORP

\$7,255.04

\$5,798.90

\$1,456.14

12/19/2014 200.00 SHS OF TARGET CORP

\$14,510.08

\$12,041.98

\$2,468.10

12/02/2014 700.00 SHS OF WAL-MART STORES INC

\$60,424.69

\$41,234.34

\$19,190.35

12/02/2014 1,499.00 SHS OF WAL-MART STORES INC

\$129,395.17

\$91,123.01

\$38,272.16

- 12/01/2014 600.00 SHS OF TARGET CORP

\$43,544.46

\$36,125.94

\$7,418.52

- 12/01/2014 600.00 SHS OF WAL-MART STORES INC

\$51,795.41

\$41,273.94

\$10,521.47

- 12/01/2014 1.00 SHS OF WAL-MART STORES INC

\$86.33

\$60.79

\$25.54

- 12/01/2014 500.00 SHS OF TARGET CORP

\$36,287.05

\$30,394.95

\$5,892.10

12/01/2014 400.00 SHS OF TARGET CORP

\$29,029.63

\$24,996.00

\$4,033.63

- 12/01/2014 600.00 SHS OF WAL-MART STORES INC

\$51,795.41

\$40,805.94

\$10,989.47

- 11/13/2014 129.00 SHS OF WASTE MANAGEMENT INC

\$6,370.11

\$4,320.63

\$2,049.48

- 11/12/2014 284.34 SHS OF LIBERTY VENTURES SER A

\$10,090.92

\$4,419.84

\$5,671.08

11/12/2014 284.34 SHS OF LIBERTY VENTURES SER A

\$10,090.92

\$4,389.95

\$5,700.97

- 11/12/2014 44.64 SHS OF LIBERTY VENTURES SER A

\$1,584.22

\$751.74

\$832.48

11/12/2014 568.68 SHS OF LIBERTY VENTURES SER A

\$20,181.84

\$9,012.30

\$11,169.54

11/10/2014 226.00 SHS OF WASTE MANAGEMENT INC

\$11,184.67

\$7,569.49

\$3,615.18

- 11/07/2014 71 SHS OF LIBERTY VENTURES SER A

\$25.15

\$11.99

\$13.16

11/06/2014 2,100.00 SHS OF MICROSOFT CORP

\$101,480.25

\$62,985.09

\$38,495.16

- 11/06/2014 5,210.72 SHS OF T ROWE PRICE NEW ASIA FUND

\$91,343.88

\$83,684.13

\$7,659.75

- 11/06/2014 493.79 SHS OF T ROWE PRICE NEW ASIA FUND

\$8,656.12

\$7,767.30

\$888.82

11/04/2014 700.00 SHS OF WASTE MANAGEMENT INC

\$33,927.34

\$23,445.31

\$10,482.03

10/31/2014 9,699.32 SHS OF BBH LIMITED DURATION FUND CL I

\$100,000.00

\$100,387.97

-\$387.97

- 10/21/2014 9,699.32 SHS OF BBH LIMITED DURATION FUND CL I

\$100,000.00

\$100,387.97

-\$387.97

- 10/20/2014 500.00 SHS OF PEPSICO INC

\$48,739.06

\$31,447.30

\$15,291.76

10/14/2014 4,849.86 SHS OF BBH LIMITED DURATION FUND CL I

\$50,000.00

\$50,193.99

-\$193.99

- 10/14/2014 1,015.93 SHS OF T ROWE PRICE NEW ASIA FUND

\$17,240.37

\$16,315.87

\$924.50

- 10/14/2014 1,930.44 SHS OF T ROWE PRICE NEW ASIA FUND

\$32,759.63

\$31,041.54

\$1,718.09

10/07/2014 470.00 SHS OF PEPSICO INC

\$43,812.57

\$29,741.55

\$14,071.02

10/03/2014 48,449.61 SHS OF BBH LIMITED DURATION FUND CL I

\$500,000.00

\$501,453.50

-\$1,453.50

09/29/2014 3,026.63 SHS OF T ROWE PRICE NEW ASIA FUND

\$52,542.36

\$50,000.00

\$2,542.36

- 09/29/2014 2,733.74 SHS OF T ROWE PRICE NEW ASIA FUND

\$47,457.64

\$43,958.46

\$3,499.18

- 09/26/2014 180,067.43 SHS OF PIMCO TOTAL RETURN FUND

\$1,957,333.00

\$1,977,140.42

-\$19,807.42

09/24/2014 330.00 SHS OF PEPSICO INC

\$30,887.35

\$20,882.37

\$10,004.98

- 09/05/2014 287.00 SHS OF JOHNSON & JOHNSON

\$29,853.16

\$18,674.06

\$11,179.10

- 09/04/2014 144.00 SHS OF JOHNSON & JOHNSON

\$14,972.80

\$9,369.56

\$5,603.24

- 07/09/2014 299.00 SHS OF JOHNSON & JOHNSON

\$31,698.48

\$19,454.85

\$12,243.63

- 07/07/2014 370.00 SHS OF JOHNSON & JOHNSON

\$39,379.37

\$24,074.57

\$15,304.80

- 06/24/2014 55.00 SHS OF GOOGLE INC CL A

\$31,698.19

\$16,060.25

\$15,637.94

- 06/24/2014 175.00 SHS OF GOOGLE INC CL A

\$100,857.88

\$50,718.32

\$50,139.56

- 06/24/2014 100.00 SHS OF GOOGLE INC CL A

\$57,633.08

\$29,141.55

\$28,491.53

- 06/24/2014 100.00 SHS OF GOOGLE INC CL A

\$57,633.08

\$28,172.75

\$29,460.33

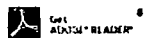
06/04/2014 400.00 SHS OF JOHNSON & JOHNSON

\$40,991.02

\$26,026.56

\$14,964.46

Transactions	Proceeds	Cost	Gain/Loss
• 04/30/2014 375 00 SHS OF NOVARTIS AG - ADR	\$32,442.74	\$20,893.17	\$11,749.57
• 04/29/2014 225 00 SHS OF NOVARTIS AG - ADR	\$19,455.68	\$12,415.91	\$7,039.77
• 02/27/2014 451 00 SHS OF LIBERTY INTERACTIVE A	\$13,345.59	\$7,175.26	\$6,170.33
• 02/26/2014 430 00 SHS OF LIBERTY INTERACTIVE A	\$12,730.62	\$6,841.16	\$5,889.46
• 01/10/2014 398 00 SHS OF DENTSPLY INTL INC	\$19,450.80	\$14,341.61	\$5,109.19
• Long-Term Capital Gain Distributions	\$167,888.47	\$0.00	\$167,888.47



Although all figures shown are intended to be accurate, Tax Summary data should not be used for tax preparation purposes. Rely only on year-end tax forms (i.e. for 1099, 5498, 1042S, etc.) when preparing your tax return. Clients should consult with their legal or tax advisor before taking any action relating to the subject matter of this material.

BBH is required by law to report to the IRS all taxable dividends, reportable non-taxable dividends and taxable interest earned on securities held in your account and net proceeds on sale transactions.

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