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Form 990-PF

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 instructions is at www.irs.gov/form990pf.

2015

Open to Public Inspection

For calendar year 2015, or tax year beginning 01-01-2015 , and ending 12-31-2015

Name of foundation

GAG CHARITABLE CORPORATION

A Employer identification number

95-2568756

Number and street (or P O box number if mail is not delivered to street address)

2240 ENCINITAS BLVD D-325

Room/suite

B Telephone number (see instructions)

(760) 448-6333

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

ENCINITAS, CA 92024

C If exemption application is pending, check here ►

D 1. Foreign organizations, check here ►

2. Foreign organizations meeting the 85% test, check here and attach computation ►

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 2,072,460 **J** Accounting method Cash Accrual
 Other (specify) _____ (Part I, column (d) must be on cash basis)

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))

		Revenue and expenses per books (a)	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc , received (attach schedule)				
2	Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	6	6		
4	Dividends and interest from securities	50,886	50,886		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	69,523			
b	Gross sales price for all assets on line 6a 322,797				
7	Capital gain net income (from Part IV, line 2)		69,523		
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)				
12	Total .Add lines 1 through 11	120,415	120,415		

13	Compensation of officers, directors, trustees, etc	70,000	30,100	39,900
14	Other employee salaries and wages			
15	Pension plans, employee benefits			
16a	Legal fees (attach schedule).			
b	Accounting fees (attach schedule).	12,283	9,213	3,070
c	Other professional fees (attach schedule)	12,099	9,074	3,025
17	Interest	752		
18	Taxes (attach schedule) (see instructions)			
19	Depreciation (attach schedule) and depletion			
20	Occupancy			
21	Travel, conferences, and meetings	40	30	10
22	Printing and publications			
23	Other expenses (attach schedule)	6,328	2,836	3,492
24	Total operating and administrative expenses.			
	Add lines 13 through 23	101,502	51,253	49,497
25	Contributions, gifts, grants paid	55,345		55,345
26	Total expenses and disbursements. Add lines 24 and 25	156,847	51,253	104,842
27	Subtract line 26 from line 12			
a	Excess of revenue over expenses and disbursements	-36,432		
b	Net investment income (if negative, enter -0-)		69,162	
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	8,958		
	2 Savings and temporary cash investments	105,146	152,829	152,829
	3 Accounts receivable ► 2,400			
	Less allowance for doubtful accounts ►	2,400	2,400	2,400
	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	5,597	6,405	6,405
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	972,979	916,581	1,215,629
	c Investments—corporate bonds (attach schedule)	708,987	691,387	695,197
	11 Investments—land, buildings, and equipment basis ►			
Less accumulated depreciation (attach schedule) ►				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)				
14 Land, buildings, and equipment basis ►				
Less accumulated depreciation (attach schedule) ►				
15 Other assets (describe ►)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,804,067	1,769,602	2,072,460	
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 ►)	1,967		
	23 Total liabilities (add lines 17 through 22)		1,967	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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 ► <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	1,804,067	1,767,635	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	1,804,067	1,767,635	
	31 Total liabilities and net assets/fund balances (see instructions)	1,804,067	1,769,602	

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	1,804,067
2	Enter amount from Part I, line 27a	2	-36,432
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	1,767,635
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,767,635

Part IV Capital Gains and Losses for Tax on Investment Income

List and describe the kind(s) of property sold (e.g., real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)		How acquired (b) P—Purchase D—Donation	Date acquired (c) (mo., day, yr)	Date sold (d) (mo., day, yr)
1 a	SCHWAB-CAP GAIN DIST-LT	P	2013-12-11	2015-12-31
b	PUBLICLY TRADED SECURITIES-ST	P	2015-04-15	2015-11-23
c	PUBLICLY TRADED SECURITIES-LT	P	2000-02-25	2015-11-23
d				
e				
(e) Gross sales price		(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) (e) plus (f) minus (g)
a	7,613			7,613
b	20,951		22,745	-1,794
c	294,233		230,529	63,704
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				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		Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	(l)
a				7,613
b				-1,794
c				63,704
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	69,523
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		3	-1,794
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8				

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

Yes No

1 Enter the appropriate amount in each column for each year, see 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))
2014	105,215	2,231,363	0 04715
2013	108,903	2,192,409	0 04967
2012	106,409	2,107,828	0 05048
2011	96,708	2,087,374	0 04633
2010	100,013	2,059,401	0 04856
2 Total of line 1, column (d).			2 0 242203
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 0 048441
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5.			4 2,111,959
5 Multiply line 4 by line 3.			5 102,305
6 Enter 1% of net investment income (1% of Part I, line 27b).			6 692
7 Add lines 5 and 6.			7 102,997
8 Enter qualifying distributions from Part XII, line 4.			8 104,842

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 ► <input type="checkbox"/> and enter "N/A" on line 1	1	692
	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 ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		
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	692
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	692
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	2,621
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	2,621
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> 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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ►	10	1,929
11	Enter the amount of line 10 to be Credited to 2015 estimated tax ►	11	1,929 Refunded ►

Part VII-A Statements Regarding Activities

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?	<input type="checkbox"/>	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	<input type="checkbox"/>	Yes	No
	<i>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</i>			
1c	Did the foundation file Form 1120-POL for this year?	<input type="checkbox"/>	Yes	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?	<input type="checkbox"/>	Yes	No
	<i>If "Yes," attach a detailed description of the activities</i>			
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? <i>If "Yes," attach a conformed copy of the changes</i>			
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	<input type="checkbox"/>	Yes	No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	<input type="checkbox"/>	Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	<input type="checkbox"/>	Yes	No
	<i>If "Yes," attach the statement required by General Instruction T</i>			
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?	<input type="checkbox"/>	Yes	No
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	<input type="checkbox"/>	Yes	No
8a	Enter the states to which the foundation reports or with which it is registered (see instructions)			
	► CA			
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? <i>If "No," attach explanation</i>	<input type="checkbox"/>	Yes	No
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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>			
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>			

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	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? Website address ►N/A	13	Yes
14	The books are in care of ►KEITH M SPRAGUE CPA Located at ►822 W CENTER VISALIA CA	Telephone no ►(559) 625-0320 ZIP+4 ►93291	
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	
16	At any time during calendar year 2015, 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? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ►	16	Yes No

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? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (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)??. (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).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
1b	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. ►	1b	No
1c	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 2015?.	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?. If "Yes," list the years ► 20____, 20____, 20____, 20____	2b	No
2b	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).	3a	No
3a	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____	3b	No
3b	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. If "Yes," did it have excess business holdings in 2015 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 2015).	4a	No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4b	No
4b	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 2015?		

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))? (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? (3) Provide a grant to an individual for travel, study, or other similar purposes? (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here. ►		5b	No
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<i>If "Yes," attach the statement required by Regulations section 53.4945-5(d)</i>				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <i>If "Yes" to 6b, file Form 8870</i>		6b	No
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)

List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
DOROTHY SALANT 44913 MEADOW CIRCLE MENDOCINO, CA 95460	PRESIDENT 5 00	30,000		
PETER SALANT 5288 LITTLE APPLEGATE JACKSONVILLE, OR 97530	CFO 4 00	20,000		
ANTHONY SALANT 7668 EL CAMINO REAL 104-608 CARLSBAD, CA 92009	Secretary 4 00	20,000		

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	Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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		

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	2,091,022
b	Average of monthly cash balances.	1b	44,698
c	Fair market value of all other assets (see instructions).	1c	8,401
d	Total (add lines 1a, b, and c).	1d	2,144,121
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	2,144,121
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	32,162
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,111,959
6	Minimum investment return. Enter 5% of line 5.	6	105,598

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	105,598
2a	Tax on investment income for 2015 from Part VI, line 5.	2a	692
b	Income tax for 2015 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	692
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	104,906
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	104,906
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	104,906

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	104,842
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	3a	
a	Suitability test (prior IRS approval required).	3b	
b	Cash distribution test (attach the required schedule).	4	104,842
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	5	
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).	6	692
6	Adjusted qualifying distributions. Subtract line 5 from line 4.		104,150
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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				104,906
2 Undistributed income, if any, as of the end of 2015			98,028	
a Enter amount for 2014 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2015				
a From 2010.				
b From 2011.				
c From 2012.				
d From 2013.				
e From 2014.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2015 from Part XII, line 4 ► \$ <u>104,842</u>			98,028	
a Applied to 2014, but not more than line 2a				
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 2015 distributable amount.				6,814
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2015 (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 2014 Subtract line 4a from line 2a Taxable amount—see instructions.				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015.				98,092
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).				
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a.				
10 Analysis of line 9				
a Excess from 2011.				
b Excess from 2012.				
c Excess from 2013.				
d Excess from 2014.				
e Excess from 2015.				

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 2015, enter the date of the ruling. ►				
b Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)				
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 or email 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

Part XV Supplementary Information(continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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 SCHEDULE 2240 ENCINITAS BLVD D-325 ENCINITAS, CA 92024			SEE ATTACHED SCHEDULE	55,345
Total				
b Approved for future payment				
Total				

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) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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.					
4 Dividends and interest from securities.			14	6	
5 Net rental income or (loss) from real estate			14	50,886	
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.					69,523
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e).				50,892	69,523
13 Total Add line 12, columns (b), (d), and (e).					120,415

Part V: B. Relationships of Activities to the Accomplishment of Event Purpose

TY 2015 Accounting Fees Schedule

Name: GAG CHARITABLE CORPORATION

EIN: 95-2568756

Software ID: 15000324

Software Version: 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	12,283	9,213	0	3,070

TY 2015 Other Expenses Schedule

Name: GAG CHARITABLE CORPORATION

EIN: 95-2568756

Software ID: 15000324

Software Version: 2015v2.0

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK CHARGES	79	59		20
OFFICE AND ADMINISTRATION	240	180		60
PAYROLL TAXES	5,966	2,565		3,401
POSTAGE	43	32		11

TY 2015 Other Liabilities Schedule

Name: GAG CHARITABLE CORPORATION

EIN: 95-2568756

Software ID: 15000324

Software Version: 2015v2.0

Description	Beginning of Year - Book Value	End of Year - Book Value
BANK OVERDRAFT		1,967

TY 2015 Other Professional Fees Schedule

Name: GAG CHARITABLE CORPORATION

EIN: 95-2568756

Software ID: 15000324

Software Version: 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FIDUCIARY FEES	12,099	9,074	0	3,025

TY 2015 Taxes Schedule

Name: GAG CHARITABLE CORPORATION

EIN: 95-2568756

Software ID: 15000324

Software Version: 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAX ON NET INVESTMENT INCOME	692			
FILING FEES	10			
RRF-1 FEE	50			

G.A.G. Charitable Corporation

Schedule 1

December 31, 2015

Investments - Part II, Line 10b

Common Stock

	Shares	Book Value	Market Value
Energy			
60 Anadarko Petroleum	2,152	2,915	
74 Chevron Corp	6,575	6,657	
136 Conoco Phillips	5,528	6,303	
63 Exxon Mobil Corp	774	4,911	
85 Occidental Petroleum	7,002	5,747	
212 Oil/Gas Services ETF	8,533	3,718	
38 Schlumberger Ltd	<u>3,415</u>	<u>2,651</u>	
	<u>33,979</u>	<u>32,902</u>	
Materials			
360 SPDR Basic Mat ETF	<u>11,939</u>	<u>15,631</u>	
	<u>11,939</u>	<u>15,631</u>	
Industrials			
30 3M Company	2,371	4,519	
77 Caterpillar Inc.	4,790	5,233	
65 Emerson Electric Co.	3,346	3,109	
310 General Electric Co.	2,696	9,657	
45 Honeywell	2,362	4,661	
80 Union Pacific	3,075	6,256	
76 United Parcel Serv.	5,391	7,313	
46 United Tech Corp.	<u>3,267</u>	<u>4,419</u>	
	<u>27,298</u>	<u>45,167</u>	
Consumer Discretionary			
20 Amazon.Com	2,217	13,518	
217 Comcast Class A	4,262	12,245	
75 Home Depot, Inc	680	9,919	
85 McDonalds Corp.	4,760	10,042	
55 Target Corporation	3,013	3,993	
85 Time Warner	2,826	5,497	
65 Walt Disney Hold Co.	<u>1,501</u>	<u>6,830</u>	
	<u>19,259</u>	<u>62,044</u>	

G.A.G. Charitable Corporation

Schedule 1

December 31, 2015

	Shares	Book Value	Market Value
Consumer Staples			
188 Coca-Cola Company	5,502	8,076	
65 Colgate-Palmolive Co.	1,894	4,330	
40 Costco Wholesale	2,630	6,460	
65 CVS Caremark Corp	1,286	6,355	
89 Mondelez Intl Inc.	1,796	3,991	
90 Pepsico Incorporated	6,042	8,993	
85 Procter & Gamble Co.	5,672	6,750	
79 Wal-Mart Stores Inc.	3,963	4,843	
	<hr/> 28,785	<hr/> 49,798	
Health Care			
100 Abbott Laboratories	2,653	4,491	
155 Bristol-Myers Squibb	2,910	10,662	
93 Johnson & Johnson	5,873	9,553	
55 Lilly, Eli & Co.	2,750	4,634	
135 Merck & Co. Inc.	5,913	7,131	
44 Nasdaq Biotech ETF	3,307	14,887	
266 Pfizer Inc	4,680	8,586	
65 UnitedHealth Group	1,973	7,647	
	<hr/> 30,059	<hr/> 67,591	
Financials			
80 American Express Co.	3,702	5,564	
100 Bank of NY Mellon	2,105	4,122	
75 Berkshire Hathaway B.	7,020	9,903	
182 Citigroup Inc.	6,765	9,419	
40 Goldman Sachs	5,109	7,209	
143 JP Morgan Chase	6,321	9,442	
80 Metlife Inc.	2,657	3,857	
137 US Bancorp	4,602	5,846	
190 Wells Fargo & Co.	6,088	10,328	
	<hr/> 44,369	<hr/> 65,690	
Information Technology			
12 Alphabet Inc. A	3,089	9,336	
12 Alphabet Inc. C	3,072	9,107	
63 Apple, Inc.	6,164	6,631	
178 eBay	2,520	4,891	
41 Int Bus. Mach. (IBM)	4,653	5,642	
290 Intel	5,958	9,990	
102 iSh Semiconductor ETF	5,329	9,164	
75 Mastercard	2,692	7,302	
188 Microsoft Inc.	2,943	10,430	
206 Oracle Corp.	3,954	7,525	
178 Paypal Holdings Inc.	3,897	6,444	
95 Qualcomm	4,207	4,749	
110 Visa Inc.	2,357	8,531	
	<hr/> 50,835	<hr/> 99,742	

G.A.G. Charitable Corporation

Schedule 1

December 31, 2015

Shares	Book Value	Market Value
Telecommunication Services		
145 Vgd Telecom ETF	7,820	12,167
	<u>7,820</u>	<u>12,167</u>
Utilities		
110 SPDR Utilities ETF	3,152	4,761
87 Vgd Utility ETF	<u>7,006</u>	<u>8,172</u>
	<u>10,158</u>	<u>12,933</u>
Miscellaneous		
8,000 Babson Capital Corporate Invest	97,153	138,000
	<u>97,153</u>	<u>138,000</u>
<u>STOCK FUNDS (US Small-Medium)</u>		
338,323 AQR Sm Momentum	5,105	6,614
1,114,153 DFA US Sm Cap Value	40,730	33,971
2,189,848 DFA US Micro Cap	17,248	38,344
1,274,892 DFA US Small Cap	18,022	36,156
45,000 S&P 600/Growth ETF	1,995	5,594
317,951 Vangd Extd Mkt Adm	11,318	20,215
334,610 Vangd Sm Gr Adm	7,337	14,298
601,139 Vangd Sm Val Ind Adm	<u>15,334</u>	<u>25,524</u>
	<u>117,089</u>	<u>180,716</u>
<u>STOCK FUNDS (Foreign)</u>		
1,196,172 DFA Emerg Core Eq	25,030	18,852
937,530 DFA Emerging Mkts	23,933	19,379
3,431,537 DFA Int'l Large Cap	71,522	67,189
2,007,594 DFA Int'l Value	38,434	32,182
832,871 DFA Int'l Sm Cap Val	15,030	15,558
1,318,286 DFA Int'l Small Co.	17,546	22,688
1,521,704 DFA Intl Lg Cap Grwth	16,840	16,693
556,366 Dodge & Cox Intl	22,050	20,296
274,000 iShares MSCI Gr ETF	16,999	18,396
1,604,019 Vand Total Int'l Sig Adm	<u>39,281</u>	<u>38,881</u>
	<u>286,665</u>	<u>270,114</u>
<u>REAL ESTATE SECURITIES</u>		
3,789,453 DFA Intl REIT	18,700	18,796
1,890,099 DFA Real Estate	46,077	62,657
450,000 Vgd Intl exUS RE ETF	<u>27,795</u>	<u>22,994</u>
	<u>92,572</u>	<u>104,447</u>
<u>OTHER ASSETS (INCOME PRODUCING)</u>		
5,799,011 Stone Ridge Reinsure	<u>58,601</u>	<u>58,687</u>
	<u>58,601</u>	<u>58,687</u>
TOTAL STOCKS	\$ 916,581	\$ 1,215,629

G.A.G. Charitable Corporation

Schedule 1

December 31, 2015

Investments - Part II, Line 10c

BOND FUNDS

6,860.823	DFA 1 Yr Fixed Inc.	69,957	70,529
3,630.905	PIMCo Hi Yld Instl	24,029	29,991
3,866.091	Vangd Bond Index Adm	41,046	41,135
1,473.949	Vangd Infl Prot Adm	38,160	37,158
12,402.189	Vangd ST Bond Adm	129,820	129,355
12,744.190	Vangd ST Inv Grd Adm	131,868	134,579
3,719.018	Vanguard GNMA Adm	39,139	39,645
1,599.360	Vngd St Infl Prt Adm	40,030	38,657
		<hr/>	<hr/>
		514,049	521,049

FOREIGN BOND FUNDS

3,138.300	DFA Five-year Global	34,363	34,207
4,000.000	DFA Two-year Global	40,030	39,720
3,808.967	DFA World Ex US Govt	39,224	36,985
855.000	Vangd Emrg Govt Etf	63,721	63,236
		<hr/>	<hr/>
		177,338	174,148

TOTAL BONDS

\$ 691,387

\$ 695,197

G.A.G. CHARITABLE CORPORATION

YEAR ENDED 12/31/2015

95-2568756

Name & Address	Relationship & Status	Purpose of Contribution	Amount
	"	"	\$
American Friends Service Committee 1501 Cherry St. Philadelphia, PA 19102	"	"	\$ 1,000
Americares Foundation 88 Hamilton Ave Stamford, CT 06902	"	"	320
Applegate ACCESS %ACCESS, Inc 3630 Aviation Way Medford, OR 97501	"	"	2,000
Camelot Theatre P.O. Box 780 Talent, OR 97540	"	"	500
Claremont-McKenna College Bauer Center, Room 322 500 E Ninth St Claremont, CA 91711	"	"	2,000
Community Resource Center 650 2nd Street Encinitas, CA 92024	"	"	1,000
Farm School Sentinel Elm Farm Moore Hill Road Athol, MA 01331	"	"	500
Feeding America San Diego 9455 Waples St. #135 San Diego, CA 92121	"	"	1,000
Fort Bragg Food Bank 910 N. Franklin St. Fort Bragg, CA 95437	"	"	1,000
Grand Canyon Trust 2601 N. Fort Valley Rd. Flagstaff, AZ 86001	"	"	1,000

G.A.G. CHARITABLE CORPORATION

YEAR ENDED 12/31/2015

95-2568756

<u>Name & Address</u>	<u>Relationship & Status</u>	<u>Purpose of Contribution</u>	<u>Amount</u>
	"	"	\$ 500
Halleck Creek Ranch P.O. Box 189 Inverness, CA 94937	"	"	500
Happy Trails Riding Academy P.O. Box 572 Visalia, CA 93279	"	"	500
Hospice By the Bay Foundation 17 East Sir Francis Drake Blvd Larkspur, CA 94939	"	"	250
International Crane Foundation E-11376 Shady Lane Rd, Box 447 Baraboo, WI 53913	"	"	200
Klamath-Siskiyou Wildlands Center P.O. Box 102 Ashland, OR 97520	"	"	4,000
Learning Ally, Inc. 20 Roszel Rd. Princeton, NJ 08540	"	"	250
Maslow Project 500 Monroe St. Medford, OR 97501	"	"	1,000
Medford Schools Foundation P.O. Box 1126 Medford, OR 97501	"	"	1,000
Mendocino Area Parks Assn. 45035 Main St. Mendocino, CA 95460	"	"	250
Mendocino Coast Botanical Gardens 18220 No. Highway 1 Fort Bragg, CA 95437	"	"	125

G.A.G. CHARITABLE CORPORATION

YEAR ENDED 12/31/2015

95-2568756

<u>Name & Address</u>	<u>Relationship & Status</u>	<u>Purpose of Contribution</u>	<u>Amount</u>
Mendocino Coast Dist Hosp, Hospice Program 700 River Drive Fort Bragg, CA 95437	"	"	\$ 500
Mendocino Coast Jewish Community P.O. Box 291 Little River, CA 95456-0291	"	"	550
Mendocino Film Festival P.O. Box 1843 Mendocino, CA 95460-1843	"	"	150
Mendocino Music Festival P.O. Box 1808 Mendocino, CA 95460	"	"	1,000
National Dance Institute 217 West 147th St. New York, NY 10039	"	"	5,000
Pacific Ridge School 6269 El Fuerte St. Carlsbad, CA 92009	"	"	500
Partnership Scholars Program P.O. Box 156 El Segundo, CA 90245-8405	"	"	500
Pesticide Action Network 1611 Telegraph Ave, Suite 1200 Oakland, CA 94612	"	"	1,000
Planned Parenthood Federation Of America 434 West 33rd St. New York, NY 10001	"	"	1,000
Planting Hope International 3310 German Dr. Manhattan, KS 66503	"	"	500

G.A.G. CHARITABLE CORPORATION**YEAR ENDED 12/31/2015**

<u>Name & Address</u>	<u>Relationship & Status</u>	<u>Purpose of Contribution</u>	<u>Amount</u>
Public Citizen Foundation 1600 20th Street NW Washington, DC 20009	"	"	\$ 3,500
Public Radio , JPR Foundation 1250 Siskiyou Blvd. Ashland, OR 97520-5025	"	"	1,000
Public Radio & Television-KPBS 5200 Campanile Dr. San Diego State University San Diego, CA 92182-5400	"	"	1,500
Public Radio & Television, KQED 2601 Mariposa St. San Francisco, CA 94110-1400	"	"	3,000
Public Radio KZYX Mendocino County Public Broadcasting P.O. Box 1 Philo, CA 95466	"	"	1,000
Radcliffe Institute for Advanced Study 10 Garden Street Cambridge, MA 02138	"	"	500
Resource Renewal Institute 187 E. Blithedale Ave. Mill Valley, CA 94941-2029	"	"	1,500
Rogue Farm Corps P.O. Box 533 Ashland, OR 97520	"	"	250
Rogue Valley Youth Choruses 23 South Central Ave. Medford, OR 97501	"	"	250
Ruch Elementary School 156 Upper Applegate Rd. Jacksonville, OR 97530	"	"	1,000

G.A.G. CHARITABLE CORPORATION

YEAR ENDED 12/31/2015

95-2568756

Relationship

& Status

Purpose of

Contribution

Name & Address	Relationship & Status	Purpose of Contribution	Amount
San Diego Junior Golf Assn. (SDJGA) 2851 Camino Del Rio S #420 San Diego, CA 92108	"	"	\$ 500
San Elijo Lagoon Conservancy P.O. Box 230634 Encinitas, CA 92023	"	"	1,750
Santa Clara University 500 El Camino Real Santa Clara, CA 95053-1500	"	"	2,000
Schepens Eye Research Institute Inc., The 20 Staniford St. Boston, MA 02114-2500	"	"	500
Schroon Lake Association Box 5 Schroon Lake, NY 12870	"	"	500
Seeds to the World P.O. Box 1847 Stockton, CA 95201	"	"	500
Southern Poverty Law Center P.O. Box 2087 Montgomery, AL 36102	"	"	2,000
T.H.R.I.V.E. 340 A Street, Suite 205 Ashland, OR 97520	"	"	500
Voices for Children, Inc. 2851 Meadow Lark Dr. San Diego, CA 92123	"	"	3,500
Williams College 880 Main St. Williamstown, MA 01267	"	"	1,000
			\$ <u><u>55,345</u></u>