

EXTENDED TO NOVEMBER 15, 2017

Form 990-T

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No. 1545-0687

2016

Open to Public Inspection for 501(c)(3) Organizations Only

For calendar year 2016 or other tax year beginning _____, and ending _____

▶ Information about Form 990-T and its instructions is available at www.irs.gov/form990t

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Department of the Treasury
Internal Revenue ServiceA ☐ Check box if
address changed

B Exempt under section

☒ 501(c)(3)☐ 408(e) ☐ 220(e)☐ 408A ☐ 530(a)☐ 529(a)Print
or
TypeName of organization (☐ Check box if name changed and see instructions.)GRANTHAM FOUNDATION FOR THE PROTECTION
OF THE ENVIRONMENT

Number, street, and room or suite no. If a P.O. box, see instructions.

C/O JEREMY GRANTHAM, 40 ROWES WHARF

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

BOSTON, MA 02110

D Employer identification number
(Employees' trust, see
instructions)

04-6856456

E Unrelated business activity codes
(See instructions)

900000

C Book value of all assets
at end of year

419735610.

F Group exemption number (See instructions.)

G Check organization type

☐ 501(c) corporation☒ 501(c) trust☐ 401(a) trust☐ Other trust

H Describe the organization's primary unrelated business activity. ▶ INVESTMENTS IN ACTIVITIES GENERATING UBTI

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ ☐ Yes ☒ No

If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ JEREMY GRANTHAM

Telephone number ▶ (617) 346-7500

Part I Unrelated Trade or Business Income

	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
c Balance	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4a Capital gain net income (attach Schedule D)	4a	3,318,575.	3,318,575.
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5	-1,269,069.	STMT 19 -1,269,069.
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule) STATEMENT 20	12	1,099.	1,099.
13 Total. Combine lines 3 through 12	13	2,050,605.	2,050,605.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

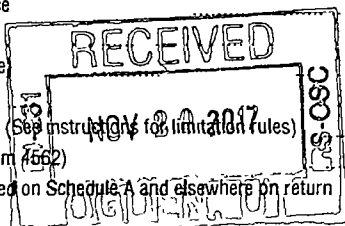
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	1,099.
19 Taxes and licenses	19	9,521.
20 Charitable contributions (See instructions for limitation rules)	20	530,509.
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	2,637.
29 Total deductions. Add lines 14 through 28	29	543,766.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	1,506,839.
31 Net operating loss deduction (limited to the amount on line 30)	31	975,331.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	531,508.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	530,508.

SEE STATEMENT 21

SEE STATEMENT 22

SEE STATEMENT 23



**GRANTHAM FOUNDATION FOR THE PROTECTION
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Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation.

Controlled group members (sections 1561 and 1563) check here ☐ See instructions and:

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ (2) \$ (3) \$

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from:

☐ Tax rate schedule or ☒ Schedule D (Form 1041)

37 Proxy tax. See instructions

38 Alternative minimum tax

39 Tax on Non-Compliant Facility Income. See instructions

40 Total. Add lines 37, 38 and 39 to line 35c or 36, whichever applies

35c	
36	105,100.
37	
38	
39	
40	105,100.

Part IV Tax and Payments

41a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)

b Other credits (see instructions)

c General business credit. Attach Form 3800

d Credit for prior year minimum tax (attach Form 8801 or 8827)

e Total credits. Add lines 41a through 41d

42 Subtract line 41e from line 40

43 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)

44 Total tax. Add lines 42 and 43

45a Payments: A 2015 overpayment credited to 2016

b 2016 estimated tax payments

c Tax deposited with Form 8868

d Foreign organizations: Tax paid or withheld at source (see instructions)

e Backup withholding (see instructions)

f Credit for small employer health insurance premiums (Attach Form 8941)

g Other credits and payments:

☐ Form 2439 ☐ Form 4136 ☐ Other

Total

46 Total payments. Add lines 45a through 45g

47 Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐

48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed

49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid

50 Enter the amount of line 49 you want: Credited to 2017 estimated tax 146,263. Refunded 0.

41a	4,371.
41b	
41c	
41d	
41e	4,371.
42	100,729.
43	
44	100,729.
45a	
45b	
45c	250,000.
45d	
45e	
45f	
45g	
46	250,000.
47	3,008.
48	
49	146,263.
50	0.

Part V Statements Regarding Certain Activities and Other Information (see instructions)

51 At any time during the 2016 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here

Yes	No
	X

52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.

	X
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53 Enter the amount of tax-exempt interest received or accrued during the tax year \$

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) is based on all information of which preparer has any knowledge.

Signature of officer *R. Grantham* Date *11/15/17* Title **TRUSTEE**

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

Paid Preparer Use Only

Print/Type preparer's name **ADAM GORLOVSKY-SCHEPP** Preparer's signature *Adam Gorlovsky* Date *11/15/17* Check ☐ if self-employed PTIN **P00716178**
Firm's name **RAPHAEL AND RAPHAEL LLP** Firm's EIN **04-2206126**
Firm's address **52 CHURCH STREET BOSTON, MA 02116-** Phone no. **617-210-1200**

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Schedule A - Cost of Goods Sold. Enter method of inventory valuation **N/A**

1 Inventory at beginning of year	1		6 Inventory at end of year	6	
2 Purchases	2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	
3 Cost of labor	3				
4a Additional section 263A costs (attach schedule)	4a		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
b Other costs (attach schedule)	4b				
5 Total. Add lines 1 through 4b	5				

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

(1)
(2)
(3)
(4)

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total 0.	Total 0.	

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)

(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B)

0.

0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property		2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
			(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
			0.	0.
Totals				
Total dividends-received deductions included in column 8			0.	

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Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B).
Totals			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization

(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)
Totals		0.		0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols 5 through 7	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col (A)	Enter here and on page 1, Part I, line 10, col (B)			Enter here and on page 1, Part II, line 26
Totals		0.	0.			0.

Schedule J - Advertising Income (see instructions)**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3). If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0.	0.			0.

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GRANTHAM FOUNDATION FOR THE PROTECTION

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Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3). If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	0.	0.				0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14			0.

Form 990-T (2016)

**SCHEDULE I
(Form 1041)**Department of the Treasury
Internal Revenue Service**Alternative Minimum Tax - Estates and Trusts**

▶ Attach to Form 1041.

▶ Information about Schedule I (Form 1041) and its separate instructions is at www.irs.gov/form1041.

OMB No. 1545-0092

2016

Name of estate or trust

Employer identification number

GRANTHAM FOUNDATION FOR THE PROTECTION O**04-6856456****Part I Estate's or Trust's Share of Alternative Minimum Taxable Income**

1	Adjusted total income or (loss) (from Form 1041, line 17)	1	531,508.
2	Interest	2	
3	Taxes	3	
4	Miscellaneous itemized deductions (from Form 1041, line 15c)	4	
5	Refund of taxes	5	()
6	Depletion (difference between regular tax and AMT)	6	
7	Net operating loss deduction. Enter as a positive amount	7	975,331.
8	Interest from specified private activity bonds exempt from the regular tax	8	
9	Qualified small business stock (see instructions)	9	
10	Exercise of incentive stock options (excess of AMT income over regular tax income)	10	
11	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	11	
12	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	12	
13	Disposition of property (difference between AMT and regular tax gain or loss)	13	
14	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	14	
15	Passive activities (difference between AMT and regular tax income or loss)	15	
16	Loss limitations (difference between AMT and regular tax income or loss)	16	
17	Circulation costs (difference between regular tax and AMT)	17	
18	Long-term contracts (difference between AMT and regular tax income)	18	
19	Mining costs (difference between regular tax and AMT)	19	
20	Research and experimental costs (difference between regular tax and AMT)	20	
21	Income from certain installment sales before January 1, 1987	21	()
22	Intangible drilling costs preference	22	
23	Other adjustments, including income-based related adjustments	23	
24	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)	24	975,331.
25	Adjusted alternative minimum taxable income. Combine lines 1 through 24	25	531,508.
Note: Complete Part II below before going to line 26.			
26	Income distribution deduction from Part II, line 44	26	N/A
27	Estate tax deduction (from Form 1041, line 19)	27	N/A
28	Add lines 26 and 27	28	
29	Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25	29	531,508.

If line 29 is:

- \$23,900 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust isn't liable for the alternative minimum tax.
- Over \$23,900, but less than \$175,450, go to line 45.
- \$175,450 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis

N/A

30	Adjusted alternative minimum taxable income (see instructions)	30	
31	Adjusted tax-exempt interest (other than amounts included on line 8)	31	
32	Total net gain from Schedule D (Form 1041), line 19, column (1). If a loss, enter -0-	32	
33	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)	33	
34	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)	34	
35	Capital gains computed on a minimum tax basis included on line 25	35	()
36	Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount	36	
37	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0-	37	
38	Income required to be distributed currently (from Form 1041, Schedule B, line 9)	38	
39	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)	39	
40	Total distributions. Add lines 38 and 39	40	
41	Tax-exempt income included on line 40 (other than amounts included on line 8)	41	
42	Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40	42	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule I (Form 1041) (2016)

Part II Income Distribution Deduction on a Minimum Tax Basis (continued)

N/A

43	Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0-	43	
44	Income distribution deduction on a minimum tax basis. Enter the smaller of line 42 or line 43. Enter here and on line 26	44	

Part III Alternative Minimum Tax

45	Exemption amount	45	\$23,900.00
46	Enter the amount from line 29	46	
47	Phase-out of exemption amount	47	\$79,850.00
48	Subtract line 47 from line 46. If zero or less, enter -0-	48	
49	Multiply line 48 by 25% (0.25)	49	
50	Subtract line 49 from line 45. If zero or less, enter -0-	50	
51	Subtract line 50 from line 46	51	531,508.
52	Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 18a and 19 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is - • \$186,300 or less, multiply line 51 by 26% (0.26). • Over \$186,300, multiply line 51 by 28% (0.28) and subtract \$3,726 from the result	52	105,300.
53	Alternative minimum foreign tax credit (see instructions)	53	4,731.
54	Tentative minimum tax. Subtract line 53 from line 52	54	100,569.
55	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)	55	100,729.
56	Alternative minimum tax. Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c	56	0.

Part IV Line 52 Computation Using Maximum Capital Gains Rates

Caution: If you didn't complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, see the instructions before completing this part

57	Enter the amount from line 51	57	531,508.
58	Enter the amount from Schedule D (Form 1041), line 26, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as refigured for the AMT, if necessary)	58	3,318,575.
59	Enter the amount from Schedule D (Form 1041), line 18b, column (2) (as refigured for the AMT, if necessary). If you didn't complete Schedule D for the regular tax or the AMT, enter -0-	59	
60	If you didn't complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	60	3,318,575.
61	Enter the smaller of line 57 or line 60	61	531,508.
62	Subtract line 61 from line 57	62	
63	If line 62 is \$186,300 or less, multiply line 62 by 26% (0.26). Otherwise, multiply line 62 by 28% (0.28) and subtract \$3,726 from the result	63	
64	Maximum amount subject to the 0% rate	64	\$2,550.00
65	Enter the amount from line 27 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 22; if zero or less, enter -0-	65	0.
66	Subtract line 65 from line 64. If zero or less, enter -0-	66	2,550.
67	Enter the smaller of line 57 or line 58	67	531,508.
68	Enter the smaller of line 66 or line 67. This amount is taxed at 0%	68	2,550.
69	Subtract line 68 from line 67	69	528,958.

Part IV Line 52 Computation Using Maximum Capital Gains Rates (continued)

70	Maximum amount subject to rates below 20%	70	\$12,400.00		
71	Enter the amount from line 66	71	2,550.		
72	Enter the amount from line 27 of Schedule D (Form 1041), line 18 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 22; if zero or less, enter -0-	72			
73	Add line 71 and line 72	73	2,550.		
74	Subtract line 73 from line 70. If zero or less, enter -0-	74	9,850.		
75	Enter the smaller of line 69 or 74	75	9,850.		
76	Multiply line 75 by 15% (0.15)	76		1,478.	
77	Add lines 68 and 75	77	12,400.		
If lines 77 and 57 are the same, skip lines 78 through 82 and go to line 83. Otherwise, go to line 78.					
78	Subtract line 77 from line 67	78	519,108.		
79	Multiply line 78 by 20% (0.20)	79		103,822.	
If line 59 is zero or blank, skip lines 80 through 82 and go to line 83. Otherwise, go to line 80.					
80	Add lines 62, 77, and 78	80			
81	Subtract line 80 from line 57	81			
82	Multiply line 81 by 25% (0.25)	82			
83	Add lines 63, 76, 79, and 82	83		105,300.	
84	If line 57 is \$186,300 or less, multiply line 57 by 26% (0.26). Otherwise, multiply line 57 by 28% (0.28) and subtract \$3,726 from the result	84		145,096.	
85	Enter the smaller of line 83 or line 84 here and on line 52	85		105,300.	

Schedule I (Form 1041) (2016)

FORM 990-T	INCOME (LOSS) FROM PARTNERSHIPS AND S CORPORATIONS	STATEMENT 19
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DESCRIPTION	AMOUNT
UBI FROM VARIOUS LP PASSTHROUGH INVESTMENTS	-1,269,069.
TOTAL TO FORM 990-T, PAGE 1, LINE 5	-1,269,069.

FORM 990-T	OTHER INCOME	STATEMENT 20
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DESCRIPTION	AMOUNT
UBI FROM VARIOUS LP PASSTHROUGH INVESTMENTS	1,099.
TOTAL TO FORM 990-T, PAGE 1, LINE 12	1,099.

FORM 990-T	INTEREST PAID	STATEMENT 21
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DESCRIPTION	AMOUNT
UBI FROM VARIOUS LP PASSTHROUGH INVESTMENTS- FORM 4952	1,099.
TOTAL TO FORM 990-T, PAGE 1, LINE 18	1,099.

FORM 990-T	OTHER DEDUCTIONS	STATEMENT 22
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DESCRIPTION	AMOUNT
IRC SEC. 212 EXPENSES FROM FLOW-THROUGH INVESTMENTS	2,637.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	2,637.

SCHEDULE I	NET OPERATING LOSS CARRYOVER	STATEMENT 24
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TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	AMOUNT
12/31/12	54,294.	0.	54,294.
12/31/13	133,615.	0.	133,615.
12/31/14	422,703.	0.	422,703.
12/31/15	364,719.	0.	364,719.
TOTAL TO SCHEDULE I, LINE 7			975,331.

SCHEDULE I

ALTERNATIVE MINIMUM TAX NOL CARRYOVER

STATEMENT 25

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	AMOUNT
12/31/12	54,294.	0.	54,294.
12/31/13	133,615.	0.	133,615.
12/31/14	422,703.	0.	422,703.
12/31/15	364,719.	0.	364,719.
TOTAL TO SCHEDULE I, LINE 24			975,331.
* SUBJECT TO LIMITATION			

**SCHEDULE D
(Form 1041)**

Capital Gains and Losses

OMB No. 1545-0092

▶ Attach to Form 1041, Form 5227, or Form 990-T.

▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9 and 10.

▶ Information about Schedule D and its separate instructions is at www.irs.gov/form1041

2016

Department of the Treasury
Internal Revenue Service

Name of estate or trust

**GRANTHAM FOUNDATION FOR THE PROTECTION
OF THE ENVIRONMENT**

Employer identification number

04-6856456

Note: Form 5227 filers need to complete only Parts I and II.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1 a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1 b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				5 -10,949.
6 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2015 Capital Loss Carryover Worksheet				6 ()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). Enter here and on line 17, column (3) on page 2				7 -10,949.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8 a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8 b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				12 3,854,053.
13 Capital gain distributions				13
14 Gain from Form 4797, Part I				14
15 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2015 Capital Loss Carryover Worksheet				15 (524,529.)
16 Net long-term capital gain or (loss). Combine lines 8a through 15 in column (h). Enter here and on line 18a, column (3) on page 2				16 3,329,524.

GRANTHAM FOUNDATION FOR THE PROTECTION

Schedule D (Form 1041) 2016 OF THE ENVIRONMENT

04-6856456

Page 2

Part III Summary of Parts I and II

(1) Beneficiaries'

(2) Estate's
or trust's

(3) Total

Caution: Read the instructions before completing this part.

17 Net short-term gain or (loss)	17		-10,949.	-10,949.
18 Net long-term gain or (loss):				
a Total for year	18a		3,329,524.	3,329,524.
b Unrecaptured section 1250 gain (see line 18 of the wrkshl.)	18b			
c 28% rate gain	18c			
19 Total net gain or (loss). Combine lines 17 and 18a	19		3,318,575.	3,318,575.

Note: If line 19, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 18a and 19, column (2), are net gains, go to Part V, and don't complete Part IV. If line 19, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

Part IV Capital Loss Limitation

20 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:

a The loss on line 19, column (3) or b \$3,000

20 ()

Note: If the loss on line 19, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 18a and 19 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the Schedule D Tax Worksheet in the instructions if

- Either line 18b, col. (2) or line 18c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 18a and 19 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the Schedule D Tax Worksheet in the instructions if either line 18b, col. (2) or line 18c, col. (2) is more than zero.

21 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	21	530,508.	
22 Enter the smaller of line 18a or 19 in column (2) but not less than zero	22	3,318,575.	
23 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	23		
24 Add lines 22 and 23	24	3,318,575.	
25 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-	25	0.	
26 Subtract line 25 from line 24. If zero or less, enter -0-	26	3,318,575.	
27 Subtract line 26 from line 21. If zero or less, enter -0-	27	0.	
28 Enter the smaller of the amount on line 21 or \$2,550	28	2,550.	
29 Enter the smaller of the amount on line 27 or line 28	29		
30 Subtract line 29 from line 28. If zero or less, enter -0-. This amount is taxed at 0%	30		2,550.
31 Enter the smaller of line 21 or line 26	31	530,508.	
32 Subtract line 30 from line 26	32	3,316,025.	
33 Enter the smaller of line 21 or \$12,400	33	12,400.	
34 Add lines 27 and 30	34	2,550.	
35 Subtract line 34 from line 33. If zero or less, enter -0-	35	9,850.	
36 Enter the smaller of line 32 or line 35	36	9,850.	
37 Multiply line 36 by 15% (0.15)	37		1,478.
38 Enter the amount from line 31	38	530,508.	
39 Add lines 30 and 36	39	12,400.	
40 Subtract line 39 from line 38. If zero or less, enter -0-	40	518,108.	
41 Multiply line 40 by 20% (0.20)	41		103,622.
42 Figure the tax on the amount on line 27. Use the 2016 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	42	0.	
43 Add lines 37, 41, and 42	43	105,100.	
44 Figure the tax on the amount on line 21. Use the 2016 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	44	208,377.	
45 Tax on all taxable income. Enter the smaller of line 43 or line 44 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	45		105,100.