Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , and ending

Name of foundation
Richard W. George Jr Charitable Foundation

A Employer identification number
16-6565730

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

B Telephone number (see instructions)
903-874-1700

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

C If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 10,072,030

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

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

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

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)			N/A	
	2	Check ▶ ☒ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	275,052	275,052		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-70,699			
	b	Gross sales price for all assets on line 6a 943,489				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	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) Stmt 1	30,509	30,509		
	12	**Total.** Add lines 1 through 11	234,862	305,561	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	47,978	28,787		19,191
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 2	1,350	810		540
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) Stmt 3	1,950	1,950		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 4	25,076	25,076		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	76,354	56,623	0	19,731
	25	Contributions, gifts, grants paid	295,534			295,534
	26	**Total expenses and disbursements.** Add lines 24 and 25	371,888	56,623	0	315,265
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-137,026			
	b	**Net investment income** (if negative, enter -0-)		248,938		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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For Paperwork Reduction Act Notice, see instructions.

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	289,123	94,485	94,485
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (att schedule) ▶			
	Less: allowance for doubtful accounts ▶ 0			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U S and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule) See Stmt 5	4,069,333	4,127,279	5,942,923
	c Investments – corporate bonds (attach schedule) See Stmt 6	4,009,142	4,008,808	3,966,935
	11 Investments – land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule) See Statement 7	1,013	1,013	67,687
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers – see the instructions. Also, see page 1, item I)	8,368,611	8,231,585	10,072,030
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	8,368,611	8,231,585	
	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			
	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)	8,368,611	8,231,585	
	31 **Total liabilities and net assets/fund balances** (see instructions)	8,368,611	8,231,585	

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	8,368,611
2 Enter amount from Part I, line 27a	2	-137,026
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	8,231,585
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	8,231,585

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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 See Worksheet			
b			
c			
d			
e			

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	-70,699
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	

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

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

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

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

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

1 Enter the appropriate amount in each column for each year; see 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))
2015	512,261	9,827,115	0.052127
2014	474,000	10,514,879	0.045079
2013	272,976	9,677,625	0.028207
2012	284,932	9,042,085	0.031512
2011	235,408	8,333,524	0.028248

2 **Total** of line 1, column (d)	2	0.185173
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	0.037035
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	9,745,595
5 Multiply line 4 by line 3	5	360,928
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,489
7 Add lines 5 and 6	7	363,417
8 Enter qualifying distributions from Part XII, line 4	8	315,265

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	4,979
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	4,979
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	4,979
6	Credits/Payments:				
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	1,618		
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	1,618
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	65
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	3,426
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 2017 estimated tax** ▶ Refunded ▶			11	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. **(1)** On the foundation. ▶ $ ______ **(2)** On foundation managers. ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		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? N/A	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) ▶ TX			
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 2016 or the taxable year beginning in 2016 (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)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		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 ▶ Citizens National Bank 400 West Collin Telephone no. ▶ 903-874-1700

Located at ▶ Corsicana TX ZIP+4 ▶ 75110

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

			Yes	No
16	At any time during calendar year 2016, 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		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114. 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)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016? N/A	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement – see instructions) 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 ▶ 20 , 20 , 20 , 20			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2016 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 2016.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
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 2016?	4b		X

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Citizens National Bank Corsicana 400 West Collin TX 75110	Trustee 8.00	47,978	0	0

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

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

Total number of other employees paid over $50,000 ▶ 0

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

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

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

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

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

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

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

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

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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	9,645,890
b	Average of monthly cash balances	1b	180,428
c	Fair market value of all other assets (see instructions)	1c	67,687
d	**Total** (add lines 1a, b, and c)	1d	9,894,005
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	9,894,005
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	148,410
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	9,745,595
6	**Minimum investment return.** Enter 5% of line 5	6	487,280

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	487,280
2a	Tax on investment income for 2016 from Part VI, line 5	2a	4,979		
b	Income tax for 2016 (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	4,979
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	482,301
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	482,301
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	482,301

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	315,265
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	315,265
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	315,265

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 2015	(c) 2015	(d) 2016
1	Distributable amount for 2016 from Part XI, line 7				482,301
2	Undistributed income, if any, as of the end of 2016:				
a	Enter amount for 2015 only			466,754	
b	Total for prior years: 20____ , 20____ , 20____				
3	Excess distributions carryover, if any, to 2016.				
a	From 2011				
b	From 2012				
c	From 2013				
d	From 2014				
e	From 2015				
f	**Total** of lines 3a through e				
4	Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 315,265				
a	Applied to 2015, but not more than line 2a			315,265	
b	Applied to undistributed income of prior years (Election required – see instructions)				
c	Treated as distributions out of corpus (Election required – see instructions)				
d	Applied to 2016 distributable amount				
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2016 *(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 2015 Subtract line 4a from line 2a. Taxable amount – see instructions			151,489	
f	Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				482,301
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 2011 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a				
10	Analysis of line 9:				
a	Excess from 2012				
b	Excess from 2013				
c	Excess from 2014				
d	Excess from 2015				
e	Excess from 2016				

DAA

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 2016, 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			
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	**(e) Total**
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 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).)

N/A

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.

N/A

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:

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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*				
First Baptist Church 510 West Collin Corsicana TX 75110	None	Exempt Charitable	Operations	147,767
Baylor University One Bear Place 97050 Waco TX 76798	None	Exempt Charitable	Operations	147,767
Total			▶ 3a	295,534
b *Approved for future payment* N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	275,052	
5 Net rental income or (loss) from real estate·					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			15	30,509	
8 Gain or (loss) from sales of assets other than inventory			18	-74,678	3,979
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)		0		230,883	3,979

13 Total. Add line 12, columns (b), (d), and (e) 13 234,862

(See worksheet in line 13 instructions to verify calculations)

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

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

DAA

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

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

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

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

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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

Citizens National Bank
By: Carol H. Thomson

Signature of officer or trustee | Date 5-15-17 | 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	Preparer's signature	Date	Check ☐ if self-employed
Frank Marx, III	Frank Marx	05/15/17	
Firm's name ▶ Anderson, Marx & Bohl, P.C.		PTIN	P00475693
Firm's address ▶ PO Box 1640 Corsicana, TX 75151-1640		Firm's EIN ▶	75-2253424
		Phone no	903-872-2571

DAA

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2016

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

Name: Richard W. George Jr Charitable Foundation

Employer Identification Number: 16-6565730

	(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)
(1)	American Int'l Group	P		05/24/16
(2)	Bank of America	P		05/24/16
(3)	Columbia Acorn Z	P		04/12/16
(4)	EMC Corp.	P		09/06/16
(5)	Harbor Int'l Institutional	P		05/20/16
(6)	Monsanto	P		05/24/16
(7)	Franklin Mutual Global Discovery	P		05/20/16
(8)	Nucor	P		05/24/16
(9)	Teva Pharmaceutical	P		05/24/16
(10)	Third Avenue Real Estate	P		07/25/16
(11)	Capital Gain Distributions			
(12)				
(13)				
(14)				
(15)				

	(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)
(1)	1,791		45,385	-43,594
(2)	5,780		20,674	-14,894
(3)	124,339		184,509	-60,170
(4)	40,501		16,464	24,037
(5)	119,156		150,000	-30,844
(6)	45,940		32,791	13,149
(7)	455,161		448,459	6,702
(8)	30,095		36,618	-6,523
(9)	50,940		35,150	15,790
(10)	65,807		44,138	21,669
(11)	3,979			3,979
(12)				
(13)				
(14)				
(15)				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(1)				-43,594
(2)				-14,894
(3)				-60,170
(4)				24,037
(5)				-30,844
(6)				13,149
(7)				6,702
(8)				-6,523
(9)				15,790
(10)				21,669
(11)				3,979
(12)				
(13)				
(14)				
(15)				

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Oil & Gas Royalties	$ 30,509	$ 30,509	$
Total	$ 30,509	$ 30,509	$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 1,350	$ 810	$	$ 540
Total	$ 1,350	$ 810	$ 0	$ 540

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Ad Valorem Taxes	$ 28	$ 28	$	$
Foreign Taxes on Dividends	1,922	1,922		
Total	$ 1,950	$ 1,950	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Oil & Gas Expenses	24,847	24,847		
Other	229	229		
Total	$ 25,076	$ 25,076	$ 0	$ 0

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See Schedule Attached	$ 4,069,333	$ 4,127,279	Cost	$ 5,942,923
Total	$ 4,069,333	$ 4,127,279		$ 5,942,923

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See Schedule Attached	$ 4,009,142	$ 4,008,808	Cost	$ 3,966,935
Total	$ 4,009,142	$ 4,008,808		$ 3,966,935

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Wood Co. Reese Addition Lot 14	$ 1,010	$ 1,010	Cost	$ 1,008
Oil & Gas Leases	3	3		66,679
Total	$ 1,013	$ 1,013		$ 67,687

Fixed Income

APPLE INC NT DTD 05/03/2013 2 4% 05/03/2023	100,000 000	96,471 76	97 37	97,372 00	1 0	2,400	2 46
BERKSHIRE HATHAWAY INC NOTE DTD 08/15/2011 3 75% 08/15/2021	250,000 000	254,135 48	105 90	264,757 50	2 6	9,375	3 54
DODGE & COX INCOME	45,133 428	616,979 30	13 59	613,363 29	6 1	19,768	3 22

Portfolio Statement (Continued)

Description	Units	Total Cost	Market Price	Total Market	% Of Acct	Est Ann Inc	Curr Yld
Fixed Income							
GENERAL ELECTRIC CAPITAL CORP TRANCHE # TR 00870 DTD 09/07/2012 3 15% 09/07/2022	250,000 000	250,483 72	102 13	255,325 00	2 6	7,875	3 08
HARBOR BOND INSTITUTIONAL	40,200 459	505,000 00	11 34	455,873 21	4 6	13,346	2 93
NORTHERN HIGH YIELD FIXED INCOME	33,753 490	250,000 00	6 79	229,186 20	2 3	13,838	6 04
T ROWE PRICE HIGH YIELD FUND #57	74,191 957	490,000 00	6 65	493,376 51	4 9	28,341	5 74
VANGUARD GNMA ADM	60,331 450	636,483 48	10 54	635,893 48	6 4	15,384	2 42
VANGUARD SHORT-TERM INVESTMENT-GRADE ADM	67,247 736	710,000 00	10 63	714,843 43	7 1	14,794	2 07
WELLS FARGO & COMPANY MTN DTD 08/15/2013 4 125% 08/15/2023	200,000 000	199,254 00	103 47	206,944 00	2 1	8,250	3 99
Total Fixed Income		4,008,807.74		3,966,934.62		133,374	3.36
Equities							
AFLAC INC	500 000	22,350 00	69 60	34,800 00	0 3	860	2 47
ABBOTT LABORATORIES	900 000	20,962 72	38 41	34,569 00	0 3	954	2 76
ABBVIE INC COM	900 000	22,732 28	62 62	56,358 00	0 6	2,304	4 09
ALPHABET INC CAP STK CL C	65 000	20,494 65	771 82	50,168 30	0 5		
ALPHABET INC CAP STK CL A	65 000	20,497 23	792 45	51,509 25	0 5		
ALTRIA GROUP INC COM	1,600 000	35,333 21	67 62	108,192 00	1 1	3,904	3 61
AMERICAN EXPRESS CO	400 000	21,991 11	74 08	29,632 00	0 3	512	1 73
AMERICAN WATER WORKS CO INC	1,000 000	34,129 00	72 36	72,360 00	0 7	1,500	2 07
APPLE INC	2,275 000	22,823 13	115 82	263,490 50	2 6	5,187	1 97
CHEVRON CORP	450 000	38,159 48	117 70	52,965 00	0 5	1,944	3 67
CISCO SYSTEMS INC	2,100 000	49,740 00	30 22	63,462 00	0 6	2,184	3 44
COGNIZANT TECHNOLOGY SOLUTIONS CORP CLASS A	1,600 000	29,620 00	56 03	89,648 00	0 9		
COLUMBIA ACORN INTERNATIONAL Z	2,969 216	118,715 54	37 74	112,058 21	1 1	724	0 65
DFA INTERNATIONAL CORE EQUITY	25,809 590	291,920 80	11 66	300,939 82	3 0	7,846	2 61
DFA EMERGING MARKETS CORE EQUITY PORTFOLIO	11,645 416	207,586 45	17 36	202,164 42	2 0	4,273	2 11
DICK'S SPORTING GOODS INC COM	700 000	33,130 93	53 10	37,170 00	0 4	423	1 14
DOMINION RESOURCES INC VA	1,000 000	41,515 00	76 59	76,590 00	0 8	2,800	3 66

Portfolio Statement (Continued)

Description	Units	Total Cost	Market Price	Total Market	% Of Acct	Est Ann Inc	Curr Yld
Equities							
DOW CHEMICAL CO	1,000 000	31,439 90	57 22	57,220 00	0 6	1,840	3 22
EXELON CORP	935 000	54,321 29	35 49	33,183 15	0 3	1,189	3 58
EXPEDITORS INTERNATIONAL WASHINGTON INC	850 000	30,194 38	52 96	45,016 00	0 4	680	1 51
EXPRESS SCRIPTS HLDGS CO	700 000	36,161 79	68 79	48,153 00	0 5		
EXXON MOBIL CORP	2,000 000	136,160 00	90 26	180,520 00	1 8	6,000	3 32
FRANKLIN RESOURCES INC	1,275 000	45,449 46	39 58	50,464 50	0 5	1,020	2 02
GENERAL ELECTRIC CO	4,920 000	167,403 00	31 60	155,472 00	1 6	4,723	3 04
GLAXOSMITHKLINE PLC SPONS ADR (ISIN #US37733W1053 SEDOL #2374112)	925 000	47,674 50	38 51	35,621 75	0 4	1,911	5 37
INTEL CORP	1,475 000	34,948 68	36 27	53,498 25	0 5	1,534	2 87
INTERNATIONAL BUSINESS MACHINES	225 000	16,205 00	165 99	37,347 75	0 4	1,260	3 37
JPMORGAN CHASE & CO COM	900 000	41,039 35	86 29	77,661 00	0 8	1,728	2 23
KRAFT HEINZ CO COM	346 000	12,580 03	87 32	30,212 72	0 3	830	2 75
LINEAR TECHNOLOGY CORP	1,100 000	36,700 00	62 35	68,585 00	0 7	1,408	2 05
MFS INTERNATIONAL VALUE I	13,274 970	485,365 06	36 54	485,067 40	4 8	8,363	1 72
MCDONALDS CORP	1,000 000	36,600 00	121 72	121,720 00	1 2	3,760	3 09
MERCK & CO INC	900 000	34,261 20	58 87	52,983 00	0 5	1,692	3 19
METLIFE INC	850 000	40,131 64	53 89	45,806 50	0 5	1,360	2 97
MICROSOFT CORP	1,500 000	38,460 00	62 14	93,210 00	0 9	2,340	2 51
MONDELEZ INTL INC COM CL A	1,040 000	23,474 51	44 33	46,103 20	0 5	790	1 71
MOSAIC CO	700 000	54,225 47	29 33	20,531 00	0 2	770	3 75
NATIONAL OILWELL VARCO INC	900 000	27,316 83	37 44	33,696 00	0 3	180	0 53
NORFOLK SOUTHERN CORP	350 000	36,407 00	108 07	37,824 50	0 4	826	2 18
ORACLE CORP	1,900 000	31,308 00	38 45	73,055 00	0 7	1,140	1 56
PEPSICO INC	800 000	50,815 00	104 63	83,704 00	0 8	2,408	2 88
PHILIP MORRIS INTERNATIONAL INC	600 000	34,688 79	91 49	54,894 00	0 5	2,496	4 55
PROCTER & GAMBLE CO	750 000	46,147 50	84 08	63,060 00	0 6	2,008	3 19
PRUDENTIAL FINANCIAL INC	750 000	35,242 43	104 06	78,045 00	0 8	2,100	2 69
SALESFORCE COM INC	660 000	44,516 60	68 46	45,183 60	0 5		

Portfolio Statement (Continued)

Description	Units	Total Cost	Market Price	Total Market	% Of Acct	Est Ann Inc	Curr Yld
Equities							
STARBUCKS CORP	1,800 000	27,637 50	55 52	99,936 00	1 0	1,800	1 80
TARGET CORP	750 000	42,839 25	72 23	54,172 50	0 5	1,800	3 32
THIRD AVENUE REAL ESTATE VALUE INSTL	2,168 247	50,862 46	29 87	64,765 54	0 6		
UNITEDHEALTH GROUP INC	650 000	36,406 44	160 04	104,026 00	1 0	1,625	1 56
VANGUARD DIVIDEND GROWTH INV	12,706 457	291,085 02	23 43	297,712 29	3 0	5,717	1 92
VANGUARD REIT INDEX ADM	506 208	65,806 98	116 87	59,160 53	0 6	2,850	4 82
VANGUARD INTERNATIONAL EXPLORER INV	8,955 954	120,000 00	16 33	146,250 73	1 5	2,847	1 95
VANGUARD SMALL CAP INDEX ADM	1,723 394	75,000 00	61 77	106,454 05	1 1	1,590	1 49
VANGUARD 500 INDEX ADMIRAL	3,509 982	303,428 59	206 57	725,056 98	7 2	14,633	2 02
VERIZON COMMUNICATIONS INC	1,300 000	43,448 47	53 38	69,394 00	0 7	3,003	4 33
WAL-MART STORES INC	1,125 000	51,529 67	69 12	77,760 00	0 8	2,250	2 89
WELLS FARGO & COMPANY	2,304 000	131,089 03	55 11	126,973 44	1 3	3,502	2 76
ACCENTURE PLC A (ISIN #IE00B4BNMY34 SEDOL #B4BNMY3)	500 000	17,002 36	117 13	58,565 00	0 6	1,210	2 07
MEDTRONIC PLC SHS	1,469 000	109,257 79	71 23	104,636 87	1 0	2,526	2 41
NOBLE CORP PLC SHS	700 000	20,946 92	5 92	4,144 00	0 0	56	1 35
Total Equities		4,127,279.42		5,942,922.75		135,189	2.27
Real Estate							
WOOD CO, REESE ADDN, LOT 14, 15, U I 20 16%	1 000	1,010 00	1,008 00	1,008 00	0 0		
Total Real Estate		1,010.00		1,008.00		0	0.00
Other							
LEASE BONUSES AND LEASE RENTALS	1 000	1 00	0 00				
OIL & GAS/SHUT-IN ROYALTIES	1 000	1 00	0 00				
WORKING INTEREST INCOME & EXPENSE	1 000	1 00	1 00	1 00	0 0		
Total Other		3.00		1.00		0	0.00
Grand Total Assets		8,231,585.55		10,005,351.76		268,895	2.69