

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 instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

2016

Open to Public  
Inspection

For calendar year 2016, or tax year beginning 01-01-2016, and ending 12-31-2016

<p>Name of foundation JB &amp; KATHRYN SALLAS CHARITABLE FOUNDATION</p> <p>Number and street (or P O box number if mail is not delivered to street address) PO BOX 1087</p> <p>City or town, state or province, country, and ZIP or foreign postal code CROCKETT, TX 75835</p> <p><b>G</b> Check all that apply      <input type="checkbox"/> Initial return      <input type="checkbox"/> Initial return of a former public charity  <input type="checkbox"/> Final return      <input type="checkbox"/> Amended return  <input type="checkbox"/> Address change      <input type="checkbox"/> Name change</p> <p><b>H</b> Check type of organization      <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation  <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust      <input type="checkbox"/> Other taxable private foundation</p> <p><b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 2,557,894</p>		<p><b>A</b> Employer identification number 26-3907247</p> <p><b>B</b> Telephone number (see instructions) (936) 544-2627</p> <p><b>C</b> If exemption application is pending, check here ► <input type="checkbox"/></p> <p><b>D</b> 1. Foreign organizations, check here ► <input type="checkbox"/>  2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/></p> <p><b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/></p> <p><b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/></p>			
		<p><b>J</b> Accounting method      <input checked="" type="checkbox"/> Cash      <input type="checkbox"/> Accrual  <input type="checkbox"/> Other (specify) _____</p> <p>(Part I, column (d) must be on cash basis)</p>			
<p><b>Part I</b> <b>Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</p>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<p><b>Revenue</b></p> <p>1 Contributions, gifts, grants, etc., received (attach schedule)</p> <p>2 Check ► <input checked="" type="checkbox"/> if the foundation is <b>not</b> required to attach Sch B</p> <p>3 Interest on savings and temporary cash investments      3,245      3,245</p> <p>4 Dividends and interest from securities      58,515      58,515</p> <p>5a Gross rents</p> <p>b Net rental income or (loss)</p> <p>6a Net gain or (loss) from sale of assets not on line 10      80,687</p> <p>b Gross sales price for all assets on line 6a      275,821</p> <p>7 Capital gain net income (from Part IV, line 2)      80,687</p> <p>8 Net short-term capital gain</p> <p>9 Income modifications</p> <p>10a Gross sales less returns and allowances</p> <p>b Less Cost of goods sold</p> <p>c Gross profit or (loss) (attach schedule)      9,295      7,459</p> <p>11 Other income (attach schedule)      151,742      149,906</p> <p><b>12 Total.</b> Add lines 1 through 11      151,742      149,906      11,285</p>					
<p><b>Operating and Administrative Expenses</b></p> <p>13 Compensation of officers, directors, trustees, etc      22,570      11,285</p> <p>14 Other employee salaries and wages</p> <p>15 Pension plans, employee benefits</p> <p>16a Legal fees (attach schedule)</p> <p>b Accounting fees (attach schedule)      2,850      1,995      855</p> <p>c Other professional fees (attach schedule)      6,688      6,688</p> <p>17 Interest</p> <p>18 Taxes (attach schedule) (see instructions)      5,051      2,057</p> <p>19 Depreciation (attach schedule) and depletion</p> <p>20 Occupancy</p> <p>21 Travel, conferences, and meetings</p> <p>22 Printing and publications</p> <p>23 Other expenses (attach schedule)      206      29      177</p> <p><b>24 Total operating and administrative expenses.</b></p> <p>Add lines 13 through 23      37,365      22,054      12,317</p> <p><b>25 Contributions, gifts, grants paid</b>      151,539      151,539</p> <p><b>26 Total expenses and disbursements.</b> Add lines 24 and 25      188,904      22,054      163,856</p> <p><b>27 Subtract line 26 from line 12</b></p> <p><b>a Excess of revenue over expenses and disbursements</b>      -37,162</p> <p><b>b Net investment income</b> (if negative, enter -0-)      127,852</p> <p><b>c Adjusted net income</b> (if negative, enter -0-)      127,852</p>					

	<b>Part II Balance Sheets</b>	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
	1 Cash—non-interest-bearing				
	2 Savings and temporary cash investments		11,148	22,485	22,485
	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 (attach schedule) ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges			2,721	2,721
	10a Investments—U S and state government obligations (attach schedule)		85,284	79,894	83,271
	b Investments—corporate stock (attach schedule)		106,091	106,017	110,443
	c Investments—corporate bonds (attach schedule)				
	11 Investments—land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) ►				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)		2,067,484	2,021,649	2,337,882
	14 Land, buildings, and equipment basis ►	25,553			
	Less accumulated depreciation (attach schedule) ►	25,553			
	15 Other assets (describe ►		1,013	1,092	1,092
	16 <b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)		2,271,020	2,233,858	2,557,894
	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 <b>Total liabilities</b> (add lines 17 through 22)			0	
	<b>Foundations that follow SFAS 117, check here ►</b> <input type="checkbox"/> <b>and complete lines 24 through 26 and lines 30 and 31.</b>				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	<b>Foundations that do not follow SFAS 117, check here ►</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 31.</b>				
	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		2,271,020	2,233,858	
	30 <b>Total net assets or fund balances</b> (see instructions)		2,271,020	2,233,858	
	31 <b>Total liabilities and net assets/fund balances</b> (see instructions)		2,271,020	2,233,858	

**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	2,271,020
2	Enter amount from Part I, line 27a	2	-37,162
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	2,233,858
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	2,233,858

**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.)
1 a EJ ACCT #16553- PUB TR SEC			P	2010-01-01	2016-12-31
b EJ ACCT #16655 - PUB TR SEC			P	2010-01-01	2016-12-31
c Capital Gain Dividends					
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 35,000		27,339	7,661		
b 201,924		167,795	34,129		
c			38,897		
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			7,661		
b			34,129		
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	80,687
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

 Yes  No

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

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))
2015	166,073	2,671,960	0 06215
2014	181,415	2,652,328	0 06840
2013	153,638	2,402,868	0 06394
2012	144,536	2,245,929	0 06436
2011	137,034	2,164,192	0 06332
<b>2 Total</b> of line 1, column (d)			0 322165
<b>3 Average</b> 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			0 064433
<b>4 Enter</b> the net value of noncharitable-use assets for 2016 from Part X, line 5			2,503,157
<b>5 Multiply</b> line 4 by line 3			161,286
<b>6 Enter</b> 1% of net investment income (1% of Part I, line 27b)			1,279
<b>7 Add</b> lines 5 and 6			162,565
<b>8 Enter</b> qualifying distributions from Part XIII, line 4			163,856

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 instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1	1	1,279
	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 2b	1	1,279
c	All other domestic foundations enter 2% of line 2b 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	1,279
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-	5	1,279
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	4,000
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	4,000
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	2,721
11	Enter the amount of line 10 to be <b>Credited to 2017 estimated tax</b> ►	11	2,721
		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?	1a	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b	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>			
c	Did the foundation file <b>Form 1120-POL</b> for this year?	1c	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?	2	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>	3	Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	No
b	If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?	4b	Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5	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 <ul style="list-style-type: none"> <li>By language in the governing instrument, or</li> <li>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?</li> </ul>	6	Yes	
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>	7	Yes	
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? <i>If "No," attach explanation</i>	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	Yes	No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	Yes	No

**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? 13 Yes

Website address ►N/A

14 The books are in care of ►JAN MAIDEN Telephone no ►(936) 544-2627

Located at ►PO BOX 1087 CROCKETT TX ZIP+4 ►75835

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 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 Yes No

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 ►

**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.

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? □ Yes  No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? □ Yes  No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? □ Yes  No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? □ Yes  No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? □ Yes  No

(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). □ Yes  No

b If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here. ► □

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? 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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ► 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_ □ Yes  No

b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions) 2b No

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? □ Yes  No

b If "Yes," did it have excess business holdings in 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). 3b No

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a No

b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016? 4b No

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . .  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 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)? . . . . . Organizations relying on a current notice regarding disaster assistance check here. . . . . ►

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . .  Yes  No  
*If "Yes," attach the statement required by Regulations section 53.4945-5(d)*

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .  Yes  No

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

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

— 10 —

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

<b>(a)</b> Name and address	<b>(b)</b> Title, and average hours per week devoted to position	<b>(c)</b> Compensation (If not paid, enter -0-)	<b>(d)</b> Contributions to employee benefit plans and deferred compensation	<b>(e)</b> Expense account, other allowances
JAN MAIDEN 1256 FM 2076 CROCKETT, TX 75835	Trustee 7 00	7,524		
KATHY E MILLER 813 FM 230 TRINITY, TX 75862	Trustee 7 00	7,523		
WILSON NORRIS PO BOX 740 CROCKETT, TX 75835	Trustee 7 00	7,523		

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

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

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**
**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. . . . . ►		

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

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

Expenses

1	
2	
3	
4	

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

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

Amount

1	
2	
All other program-related investments. See instructions	
3	
Total. Add lines 1 through 3	►

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities. . . . .	1a	2,488,642
b	Average of monthly cash balances. . . . .	1b	9,586
c	Fair market value of all other assets (see instructions). . . . .	1c	43,048
d	<b>Total</b> (add lines 1a, b, and c). . . . .	1d	2,541,276
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	2,541,276
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions). . . . .	4	38,119
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,503,157
6	<b>Minimum investment return.</b> Enter 5% of line 5. . . . .	6	125,158

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

1	Minimum investment return from Part X, line 6. . . . .	1	125,158
2a	Tax on investment income for 2016 from Part VI, line 5. . . . .	2a	1,279
b	Income tax for 2016 (This does not include the tax from Part VI). . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	1,279
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3	123,879
4	Recoveries of amounts treated as qualifying distributions. . . . .	4	
5	Add lines 3 and 4. . . . .	5	123,879
6	Deduction from distributable amount (see instructions). . . . .	6	
7	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1. . . . .	7	123,879

**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	163,856
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	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	163,856
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	1,279
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4. . . . .	6	162,577
<b>Note:</b> 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				123,879
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only. . . . .				
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. . . . .	35,711			
d From 2014. . . . .	56,013			
e From 2015. . . . .	160,265			
f Total of lines 3a through e. . . . .	251,989			
4 Qualifying distributions for 2016 from Part XII, line 4 ► \$ 163,856				
a Applied to 2015, 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). . . . .	131,701			
d Applied to 2016 distributable amount. . . . .				32,155
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) )	91,724			91,724
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	291,966			
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 . . . . .				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017. . . . .				0
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. . . . .	291,966			
10 Analysis of line 9				
a Excess from 2012. . . . .				
b Excess from 2013. . . . .				
c Excess from 2014. . . . .				
d Excess from 2015. . . . .	160,265			
e Excess from 2016. . . . .	131,701			

**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 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 e-mail address of the person to whom applications should be addressed  
JB KATHRYN SALLAS CHARITABLE FDTN  
PO BOX 1087  
CROCKETT, TX 75835  
(936) 544-2627
- b The form in which applications should be submitted and information and materials they should include  
APPLICATIONS SHOULD BE MADE IN WRITING WITH A COPY OF THE APPLYING ORGANIZATION'S DETERMINATION LETTER FOR SEC 501(c)(3) STATUS
- c Any submission deadlines  
NONE
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

THE PHILOSOPHY OF THE FOUNDATION IS TO ASSIST THE SCHOOLS, CHURCHES, LIBRARIES, HOSPITALS, ETC IN CROCKETT AND HOUSTON COUNTY, TEXAS TO HELP THE YOUNG PEOPLE OF CROCKETT AND HOUSTON COUNTY, TEXAS IN NOT ONLY GETTING AN EDUCATION BUT TO HELP THEM CREATE A "BALANCED LIFE" THAT DEVELOPS QUALITIES OF LEADERSHIP, MORALITY AND CITIZENSHIP

## **Part XV    Supplementary Information (continued)**

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

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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	
<b>1</b> Program service revenue					
a					
b					
c					
d					
e					
f					
<b>g</b> Fees and contracts from government agencies					
<b>2</b> Membership dues and assessments. . . . .					
<b>3</b> Interest on savings and temporary cash investments . . . . .			14	3,245	
<b>4</b> Dividends and interest from securities. . . . .			14	58,515	
<b>5</b> Net rental income or (loss) from real estate					
a Debt-financed property. . . . .					
b Not debt-financed property. . . . .					
<b>6</b> Net rental income or (loss) from personal property					
<b>7</b> Other investment income. . . . .					
<b>8</b> Gain or (loss) from sales of assets other than inventory . . . . .			18	80,687	
<b>9</b> Net income or (loss) from special events					
<b>10</b> Gross profit or (loss) from sales of inventory					
<b>11</b> Other revenue					
a BURK ROYALTY CO			15	243	
b DEVON ROYALTY			15	5,376	
c SEM OPERATING			15	295	
d SHERIDAN PROD ROYALTY			15	1,545	
e TAX EXEMPT INTEREST			14	1,836	
<b>12</b> Subtotal Add columns (b), (d), and (e). . . . .				151,742	
<b>13</b> Total. Add line 12, columns (b), (d), and (e). . . . .					151,742

(See worksheet in line 13 instructions to verify calculations )



## Form 990PF Part XV Line 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
Name and address (home or business)				
<i>a Paid during the year</i>				
ANTIOCH BAPTIST CHURCH 4416 FM 230 LOVELADY, TX 75851		PUBLIC	BUILDING FUND	5,723
CROCKETT POLICE DEPARTMENT 200 N FIFTH STREET CROCKETT, TX 75835		PUBLIC	EQUIPMENT	5,000
JOHN H WOOTERS CROCKETT PUBLIC LIBR 709 E HOUSTON AVE CROCKETT, TX 75835		PUBLIC	EQUIPMENT/BOOKS	3,612
CROCKETT FIRE DEPARTMENT 200 N FIFTH STREET CROCKETT, TX 75835		PUBLIC	EQUIPMENT	1,000
GLENWOOD CEMETERY 1151 LOOP 304 EAST CROCKETT, TX 75835		PUBLIC	PERPETUAL CARE	1,000
HOUSTON COUNTY SHERIFF'S OFFICE 700 S FOURTH ST STE A CROCKETT, TX 75835		PUBLIC	EQUIPMENT/VESTS	1,000
KALINS CENTER PO BOX 901 CROCKETT, TX 75835		PUBLIC	EDUCATIONAL/ MEDICAL ASSISTANCE	991
MONROE CROOK HOUSE PO BOX 1251 CROCKETT, TX 75835		PUBLIC	HISTORIC PRESERVATION	4,686
MOORE FRYE ECKLES SCHOLARSHIP PO BOX 1248 CROCKETT, TX 75835		PUBLIC	SCHOLARSHIPS	31,803
PLEASANT GROVE BAPTIST CHURCH PO BOX 529 TRINITY, TX 75862		PUBLIC	BUILDING FUND	1,000
SCHREINER UNIVERSITY 2100 MEMORIAL BLVD KERRVILLE, TX 78028		PUBLIC	SCHOLARSHIPS	1,000
HOUSTON COUNTY SHARE INC PO BOX 1121 CROCKETT, TX 75835		PUBLIC	MEDICAL ASSISTANCE	9,172
ANTIOCH CEMETERY PO BOX 26 LOVELADY, TX 75851		PUBLIC	PERPETUAL CARE	1,000
CROCKETT MERCHANTS LITTLE LEAGUE PO BOX 1249 CROCKETT, TX 75835		PUBLIC	EQUIPMENT	1,500
EVERGREEN CEMETERY PO BOX 525 CROCKETT, TX 75835		PUBLIC	PERPETUAL CARE	9,500
<b>Total . . . . .</b>				151,539
<b>3a</b>				

## Form 990PF Part XV Line 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
Name and address (home or business)				
<b>a Paid during the year</b>				
PEARSON CHAPEL BAPTIST CHURCH 6932 FM 1280 W LOVELADY, TX 75851		PUBLIC	BUILDING FUND	3,000
PINEY WOODS FINE ARTS ASSOCIATION PO BOX 1213 CROCKETT, TX 75835		PUBLIC	CHILDREN'S PROGRAM	9,500
FRONTIER CAMP 131 FRONTIER CAMP GRAPELAND, TX 75844		PUBLIC	CHILDREN'S PROGRAM	500
LONESTAR MISSIONARY BAPTIST CHURCH PO BOX 347 TRINITY, TX 75862		PUBLIC	BUILDING FUND	6,000
LOVELADY OLD GYM PO BOX 83 LOVELADY, TX 75851		PUBLIC	EQUIPMENT	500
CUB SCOUTS PO BOX 984 CROCKETT, TX 75835		PUBLIC	EDUCATIONAL	1,000
HOUSTON COUNTY MUSEUM PO BOX 113 CROCKETT, TX 75835		PUBLIC	PRESERVATION	1,000
A S LEE BIBLE CLASS PO BOX 978 CROCKETT, TX 75835		PUBLIC	SCHOLARSHIPS	2,000
BOY SCOUTS 1524 CR 4030 CROCKETT, TX 75835		PUBLIC	EDUCATIONAL	1,250
CHEROKEE 4H CLAY CRUSHERS PO BOX B RUSK, TX 75785		PUBLIC	EDUCATIONAL	9,000
GIRL SCOUTS PO BOX 984 CROCKETT, TX 75835		PUBLIC	EDUCATIONAL	1,250
HOUSTON 4H CLUB PO BOX 846 CROCKETT, TX 75835		PUBLIC	EDUCATIONAL	4,000
WELDON BAPTIST CHURCHCH PO BOX 88 WELDON, TX 75851		PUBLIC	OPERATING	12,500
COUNTRY CAMPUS BAPTIST CHURCH 3299 SH 19 HUNTSVILLE, TX 77320		PC	OPERATIONS	4,186
CPAC PO BOX 689 CROCKETT, TX 75835		PUBLIC	OPERATIONS	5,000
<b>Total . . . . .</b>				151,539
<b>3a</b>				

**Form 990PF Part XV Line 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
Name and address (home or business)				
<b>a Paid during the year</b>				
GRAPELAND ISD PO BOX 249 GRAPELAND, TX 75844		PUBLIC	EQUIPMENT/SUPPLIES	700
GRAPELAND SR CITIZEN CENTER PO BOX 943 GRAPELAND, TX 75844		PUBLIC	SOCIAL ASSISTANCE	6,000
RUSK ISD 203 E 7TH ST RUSK, TX 75785		PUBLIC	EQUIPMENT/SUPPLIES	3,166
WELDON CEMETERY 5928 CR 3555 WELDON, TX 75851		PUBLIC	PERPETUAL CARE	3,000
<b>Total . . . . .</b>				151,539
<b>3a</b>				

## TY 2016 Accounting Fees Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREP	2,850	1,995	0	855

## TY 2016 Applied to Prior Year Election

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

**Election:** Pursuant to Regulation 53.4942(a)-3(c)(2)(iv), the foundation hereby elects to treat, as a current distribution out of corpus, the following unused prior years distributions that were treated as corpus distributions under Regulation 53.4942(a)-3(d)(1)(iii) in such prior tax year: Tax Year: 2013 Amount: 35711 Tax Year: 2014 Amount: 56013

## TY 2016 Investments Corporate Stock Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCK	106,017	110,443

## TY 2016 Investments Government Obligations Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

**US Government Securities - End  
of Year Book Value:**

**US Government Securities - End  
of Year Fair Market Value:**

**State & Local Government  
Securities - End of Year Book  
Value:**

79,894

**State & Local Government  
Securities - End of Year Fair  
Market Value:**

83,271

**TY 2016 Investments - Other Schedule**

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

<b>Category/ Item</b>	<b>Listed at Cost or FMV</b>	<b>Book Value</b>	<b>End of Year Fair Market Value</b>
MUTUAL FUNDS	AT COST	1,982,854	2,279,019
UNIT TRUSTS	AT COST	10,532	12,089
ROYALTY INTERESTS	AT COST		22,376
EXCHANGE TRADED CLOSED END FUNDS	AT COST	28,263	24,398

**TY 2016 Land, Etc.**  
**Schedule**

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

<b>Category / Item</b>	<b>Cost / Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>	<b>End of Year Fair Market Value</b>
Miscellaneous	25,553	25,553		

## TY 2016 Other Assets Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

### Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DIVIDEND RECEIVABLE	1,012	975	975
ROYALTY RECEIVABLE		117	117

## TY 2016 Other Expenses Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

## Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT FEES	29	29		
OFFICE SUPPLIES	177			177

## TY 2016 Other Income Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

## Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
BURK ROYALTY CO	243	243	
DEVON ROYALTY	5,376	5,376	
SEM OPERATING	295	295	
SHERIDAN PROD ROYALTY	1,545	1,545	
TAX EXEMPT INTEREST	1,836		

## TY 2016 Other Professional Fees Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

<b>Category</b>	<b>Amount</b>	<b>Net Investment Income</b>	<b>Adjusted Net Income</b>	<b>Disbursements for Charitable Purposes</b>
EDWARD JONES FEES	6,688	6,688	0	0

## TY 2016 Taxes Schedule

**Name:** JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

**EIN:** 26-3907247

**Software ID:** 16000303

**Software Version:** 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AD VALOREM TAXES	258	258		
FEDERAL EXCISE TAX	2,994			
FOREIGN TAXES	901	901		
PRODUCTION TAXES ON ROYALTIES	898	898		

2016

GENERAL ELECTIONS  
JB & KATHRYN SALLAS CHARITABLE  
FOUNDATION

CLIENT T09397

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26-3907247

ELECTION TO TREAT UNUSED PRIOR YEAR CORPUS DISTRIBUTIONS  
AS CURRENT YEAR CORPUS DISTRIBUTIONS

PURSUANT TO REGULATION 53.4942(A)-3(C)(2)(IV), THE FOUNDATION HEREBY ELECTS TO TREAT, AS A CURRENT DISTRIBUTION OUT OF CORPUS, THE FOLLOWING UNUSED PRIOR YEARS DISTRIBUTIONS THAT WERE TREATED AS CORPUS DISTRIBUTIONS UNDER REGULATION 53.4942(A)-3(D)(1)(III) IN SUCH PRIOR TAX YEAR:

<u>TAX YEAR</u>	<u>AMOUNT</u>
2013	35,711.
2014	56,013.

SIGNED:

Jan Maiden, Trustee  
JAN MAIDEN  
TRUSTEE