

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No 1545-0087

2016

Department of the Treasury
Internal Revenue Service

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).

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

A ☐ Check box if address changed		Print or Type	Name of organization (☐ Check box if name changed and see instructions.) THE CARL M. FREEMAN FOUNDATION, INC.	D Employer identification number (Employees' trust, see instructions) 52-6047536
B Exempt under section ☒ 501(c)(3) ☐ 408(e) ☐ 220(e) ☐ 408A ☐ 530(a) ☐ 529(a)			Number, street, and room or suite no. If a P.O. box, see instructions. 111 ROCKVILLE PIKE,, NO. 1100	E Unrelated business activity codes (See instructions) 525990
			City or town, state or province, country, and ZIP or foreign postal code ROCKVILLE, MD 20850	
C Book value of all assets at end of year 49,455,508.			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. ▶ PARTNERSHIP INVESTMENTS

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 ▶ **BERNADETTE M. DOWLING** Telephone number ▶ **302-436-6241**

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			
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	19,890.	STMT 15	19,890.
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)	12			
13 Total. Combine lines 3 through 12	13	19,890.		19,890.

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	
19 Taxes and licenses	19	1,018.
20 Charitable contributions (See instructions for limitation rules) STATEMENT 18 SEE STATEMENT 16	20	1,258.
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
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) SEE STATEMENT 17	28	1,000.
29 Total deductions Add lines 14 through 28	29	3,276.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	16,614.
31 Net operating loss deduction (limited to the amount on line 30) SEE STATEMENT 19	31	4,293.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	12,321.
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	11,321.

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

35c 1,698.

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)

36

37 Proxy tax See instructions

37

38 Alternative minimum tax

38

39 Tax on Non-Compliant Facility Income. See instructions

39

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

40 1,698.

Part IV Tax and Payments**41a** Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)

41a

b Other credits (see instructions)

41b

c General business credit. Attach Form 3800

41c

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

41d

e **Total credits.** Add lines 41a through 41d

41e

42 Subtract line 41e from line 40

42 1,698.

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

43

44 **Total tax.** Add lines 42 and 43

44 1,698.

45 a Payments: A 2015 overpayment credited to 2016

45a 3,332.

b 2016 estimated tax payments

45b 3,500.

c Tax deposited with Form 8868

45c

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

45d

e Backup withholding (see instructions)

45e

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

45f

g Other credits and payments:

☐ Form 2439☐ Form 4136 ☐ Other

Total

45g

46 **Total payments.** Add lines 45a through 45g

46 6,832.

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

47

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

48

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

49 5,134.

50 Enter the amount of line 49 you want: **Credited to 2017 estimated tax**

5,134.

Refunded

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

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

Date

Title

CHAIRMAN/PRESIDENT

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

Paid Preparer Use Only

Print/Type preparer's name

DAVID F. GRALING CPA

Preparer's signature

David F. Graling CPA

Date

11-9-17

Check ☐ if self-employed

PTIN

P 00366995

Firm's name GELMAN, ROSENBERG & FREEDMAN

Firm's EIN 52-1392008

Firm's address 4550 MONTGOMERY AVE SUITE 650N

Phone no (301) 951-9090

Firm's address BETHESDA, MD 20814-2930

Form 990-T (2016)

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		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
4a	Additional section 263A costs (attach schedule)	4a					
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		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(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)	
(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)		%		
Totals			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.
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)					

Nonexempt Controlled Organizations

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.

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)	Enter here and on page 1, Part I, line 11, col (A) 0.	Enter here and on page 1, Part I, line 11, col (B) 0.				Enter here and on page 1, Part II, line 27 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)

FORM 990-T	INCOME (LOSS) FROM PARTNERSHIPS AND S CORPORATIONS	STATEMENT 15
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DESCRIPTION	AMOUNT
LYXOR PREMIUM, LLC	-87.
AMERICANA INVESTMENTS, LLC	19,977.
TOTAL TO FORM 990-T, PAGE 1, LINE 5	19,890.

FORM 990-T	CONTRIBUTIONS	STATEMENT 16
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DESCRIPTION/KIND OF PROPERTY	METHOD USED TO DETERMINE FMV	AMOUNT
CHARITABLE CONTRIBUTIONS	N/A	1,179,710.
TOTAL TO FORM 990-T, PAGE 1, LINE 20		1,179,710.

FORM 990-T	OTHER DEDUCTIONS	STATEMENT 17
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DESCRIPTION	AMOUNT
TAX PREPARATION FEES	1,000.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	1,000.

FORM 990-T

CONTRIBUTIONS SUMMARY

STATEMENT 18

QUALIFIED CONTRIBUTIONS SUBJECT TO 100% LIMIT

CARRYOVER OF PRIOR YEARS UNUSED CONTRIBUTIONS

FOR TAX YEAR 2011	
FOR TAX YEAR 2012	1,550,000
FOR TAX YEAR 2013	2,348,392
FOR TAX YEAR 2014	2,528,850
FOR TAX YEAR 2015	4,651,011

TOTAL CARRYOVER	11,078,253
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TOTAL CURRENT YEAR 10% CONTRIBUTIONS	1,179,710
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TOTAL CONTRIBUTIONS AVAILABLE	12,257,963
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TAXABLE INCOME LIMITATION AS ADJUSTED	1,258
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EXCESS 10% CONTRIBUTIONS	12,256,705
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EXCESS 100% CONTRIBUTIONS	0
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TOTAL EXCESS CONTRIBUTIONS	12,256,705
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ALLOWABLE CONTRIBUTIONS DEDUCTION	1,258
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TOTAL CONTRIBUTION DEDUCTION	1,258
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FORM 990-T

NET OPERATING LOSS DEDUCTION

STATEMENT 19

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR
12/31/15	4,293.	0.	4,293.	4,293.
NOL CARRYOVER AVAILABLE THIS YEAR			4,293.	4,293.