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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 George G &amp; Alva Hudson Smith Foundation</p> <p>Number and street (or P O box number if mail is not delivered to street address) P O Box 1245</p> <p>City or town, state or province, country, and ZIP or foreign postal code Hillsboro, TX 766451245</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) ► \$ 2,126,267</p>		<p><b>A</b> Employer identification number 74-2653426</p> <p><b>B</b> Telephone number (see instructions) (254) 582-2531</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 type="checkbox"/> Cash      <input checked="" 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>		<b>(a)</b>	<b>Revenue and expenses per books</b>	<b>(b)</b>	<b>Net investment income</b>	<b>(c)</b>	<b>Adjusted net income</b>	<b>(d)</b>	<b>Disbursements for charitable purposes (cash basis only)</b>
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)							
	2	Check ► <input checked="" type="checkbox"/> if the foundation is <b>not</b> required to attach Sch B							
	3	Interest on savings and temporary cash investments							
	4	Dividends and interest from securities		41,161		41,161			
	5a	Gross rents							
	b	Net rental income or (loss)							
	6a	Net gain or (loss) from sale of assets not on line 10		18,659					
	b	Gross sales price for all assets on line 6a	1,065,420						
	7	Capital gain net income (from Part IV, line 2)			18,659				
	8	Net short-term capital gain							
	9	Income modifications							
	10a	Gross sales less returns and allowances							
b	Less Cost of goods sold								
c	Gross profit or (loss) (attach schedule)								
11	Other income (attach schedule)								
12	<b>Total.</b> Add lines 1 through 11		59,820		59,820				
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc		0	0			0	
	14	Other employee salaries and wages		4,000	0			2,000	
	15	Pension plans, employee benefits							
	16a	Legal fees (attach schedule)							
	b	Accounting fees (attach schedule)		1,450	1,450			0	
	c	Other professional fees (attach schedule)		23,084	23,084			0	
	17	Interest							
	18	Taxes (attach schedule) (see instructions)		1,326	985			0	
	19	Depreciation (attach schedule) and depletion		41	0				
	20	Occupancy							
	21	Travel, conferences, and meetings							
	22	Printing and publications							
	23	Other expenses (attach schedule)		230	230			0	
	24	<b>Total operating and administrative expenses.</b>							
	Add lines 13 through 23		30,131	25,749			2,000		
25	Contributions, gifts, grants paid		111,802				111,802		
26	<b>Total expenses and disbursements.</b> Add lines 24 and 25		141,933	25,749			113,802		
27	Subtract line 26 from line 12		-82,113						
a	<b>Excess of revenue over expenses and disbursements</b>								
b	<b>Net investment income</b> (if negative, enter -0-)			34,071					
c	<b>Adjusted net income</b> (if negative, enter -0-)								

	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions )	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing		21,196	3,095	3,095
	2 Savings and temporary cash investments		220,569	51,081	51,081
	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		942	899	899
	10a Investments—U S and state government obligations (attach schedule)		393,912	707,890	747,151
	b Investments—corporate stock (attach schedule)		1,170,162	961,671	1,319,067
	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)		4,893	4,871	4,871
	14 Land, buildings, and equipment basis ►	2,873			
	Less accumulated depreciation (attach schedule) ►	2,770			
	15 Other assets (describe ►		144	103	103
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)		1,811,818	1,729,610	2,126,267
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 ►		297	202	202
	23 Total liabilities (add lines 17 through 22)		297	202	202
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds		0	0	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund		0	0	
	29 Retained earnings, accumulated income, endowment, or other funds		1,811,521	1,729,408	
	30 Total net assets or fund balances (see instructions)		1,811,521	1,729,408	
	31 Total liabilities and net assets/fund balances (see instructions)		1,811,818	1,729,610	

## Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,811,521
2 Enter amount from Part I, line 27a	2	-82,113
3 Other increases not included in line 2 (itemize) ►	3	0
4 Add lines 1, 2, and 3	4	1,729,408
5 Decreases not included in line 2 (itemize) ►	5	0
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,729,408

**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.)
<b>1 a</b> PUBLIC TRADED SECURITIES			P		
<b>b</b> TESCO PLC LITIGATION PROCEEDS			P		
<b>c</b> PFIZER INC LITIGATION PROCEEDS			P		
<b>d</b>			P		
<b>e</b>			P		
(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)		
<b>a</b> 1,063,891		1,046,761	17,130		
<b>b</b> 1,436			1,436		
<b>c</b> 93			93		
<b>d</b>			0		
<b>e</b>			0		
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))		
<b>a</b>			17,130		
<b>b</b>			1,436		
<b>c</b>			93		
<b>d</b>			0		
<b>e</b>			0		
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	18,659
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)				3	
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8					

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

 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 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	126,409	2,246,499	0 056269
2014	35,875	2,326,238	0 015422
2013	133,145	2,229,060	0 059731
2012	103,105	2,147,714	0 048007
2011	96,274	2,113,528	0 045551
<b>2</b> Total of line 1, column (d)			0 224980
<b>3</b> 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			0 044996
<b>4</b> Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			2,121,181
<b>5</b> Multiply line 4 by line 3			95,445
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)			341
<b>7</b> Add lines 5 and 6			95,786
<b>8</b> Enter qualifying distributions from Part XII, line 4			113,802

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	341
	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	341
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	0
3	Add lines 1 and 2.	3	341
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0- . . . . .	5	341
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	1,240
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	1,240
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	899
11	Enter the amount of line 10 to be <b>Credited to 2017 estimated tax</b> ►	899	Refunded ►
		11	0

**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 ► \$ _____ 0	(2)	On foundation managers ► \$ _____ 0	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____ 0			
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? Website address ► <u>smithfoundationhillcounty.org</u>	13	Yes
14	The books are in care of ► <u>ANDREW L SMITH</u>	Telephone no ► <u>(254) 582-2531</u>	
Located at ► <u>P O BOX 1245 HILLSBORO TX</u>			ZIP+4 ► <u>766451245</u>
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> —Check here . . . . . and enter the amount of tax-exempt interest received or accrued during the year . . . . . ► <u>15</u>		
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? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ►	16	Yes No

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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) . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did <b>any</b> 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. . . . . ► <input type="checkbox"/>	1b	
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 ► <u>20____, 20____, 20____, 20____</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement—see instructions) . . . . .	2b	
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here ► <u>20____, 20____, 20____, 20____</u>		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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	
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 <b>(1)</b> Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . . <b>(2)</b> Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . . <b>(3)</b> Provide a grant to an individual for travel, study, or other similar purposes? . . . . . <b>(4)</b> Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). . . . . <b>(5)</b> Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No						
b	If any answer is "Yes" to 5a(1)–(5), did <b>any</b> 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. . . . . ► <input type="checkbox"/>							5b
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? . . . . . <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No					
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No					
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . . <i>If "Yes" to 6b, file Form 8870</i>							6b
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No					
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .							7b

## 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).**

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

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

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

**Total number of others receiving over \$50,000 for professional services.** ► 0

**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.

1	Expenses

**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	2,005,509
b	Average of monthly cash balances. . . . .	1b	147,974
c	Fair market value of all other assets (see instructions). . . . .	1c	0
d	<b>Total</b> (add lines 1a, b, and c). . . . .	1d	2,153,483
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	2,153,483
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions). . . . .	4	32,302
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,121,181
6	<b>Minimum investment return.</b> Enter 5% of line 5. . . . .	6	106,059

**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	106,059
2a	Tax on investment income for 2016 from Part VI, line 5. . . . .	2a	341
b	Income tax for 2016 (This does not include the tax from Part VI). . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	341
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3	105,718
4	Recoveries of amounts treated as qualifying distributions. . . . .	4	0
5	Add lines 3 and 4. . . . .	5	105,718
6	Deduction from distributable amount (see instructions). . . . .	6	0
7	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1. . . . .	7	105,718

**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	113,802
b	Program-related investments—total from Part IX-B. . . . .	1b	0
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	113,802
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	341
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4. . . . .	6	113,461
<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
<b>1</b> Distributable amount for 2016 from Part XI, line 7				105,718
<b>2</b> Undistributed income, if any, as of the end of 2016			0	
<b>a</b> Enter amount for 2015 only. . . . .			0	
<b>b</b> Total for prior years 20____, 20____, 20____		0		
<b>3</b> Excess distributions carryover, if any, to 2016				
<b>a</b> From 2011. . . . .				
<b>b</b> From 2012. . . . .				
<b>c</b> From 2013. . . . .				
<b>d</b> From 2014. . . . .				
<b>e</b> From 2015. . . . .	14,627			
<b>f</b> <b>Total</b> of lines 3a through e. . . . .	14,627			
<b>4</b> Qualifying distributions for 2016 from Part XII, line 4 ► \$ 113,802			0	
<b>a</b> Applied to 2015, but not more than line 2a			0	
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions). . . . .		0		
<b>c</b> Treated as distributions out of corpus (Election required—see instructions). . . . .	0			
<b>d</b> Applied to 2016 distributable amount. . . . .				105,718
<b>e</b> Remaining amount distributed out of corpus	8,084			
<b>5</b> Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a) )	0			0
<b>6</b> <b>Enter the net total of each column as indicated below:</b>				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	22,711			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b. . . . .		0		
<b>c</b> 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. . . . .		0		
<b>d</b> Subtract line 6c from line 6b Taxable amount—see instructions . . . . .		0		
<b>e</b> Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions . . . . .			0	
<b>f</b> Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017. . . . .				0
<b>7</b> 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) . . . . .	0			
<b>8</b> Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions) . . . . .	0			
<b>9</b> <b>Excess distributions carryover to 2017.</b> Subtract lines 7 and 8 from line 6a . . . . .	22,711			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2012. . . . .				
<b>b</b> Excess from 2013. . . . .				
<b>c</b> Excess from 2014. . . . .				
<b>d</b> Excess from 2015. . . . .	14,627			
<b>e</b> Excess from 2016. . . . .	8,084			

**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  
BETTY R DOHONEY  
P O BOX 1245  
HILLSBORO, TX 76645  
(254) 582-2531
- b The form in which applications should be submitted and information and materials they should include  
TYPED APPLICATION INCLUDING DESCRIPTION OF ORGANIZATION, PROGRAM OR PROJECT FOR WHICH FUNDS ARE NEEDED, WHO WILL BENEFIT, AND IMPLEMENTATION STRATEGY
- c Any submission deadlines  
SEPTEMBER 1 EACH YEAR
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors  
STATE OF TEXAS, IRC SECTION 501(C)(3) ORGANIZATIONS

## **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					
<b>4</b> Dividends and interest from securities.			14	41,161	
<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	18,659	
<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					
b					
c					
d					
e					
<b>12</b> Subtotal Add columns (b), (d), and (e).		0		59,820	
<b>13</b> Total. Add line 12, columns (b), (d), and (e).					59,820

(See worksheet in line 13 instructions to verify calculations )

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

## Part XVII

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

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)	No
(2) Other assets. . . . .	1a(2)	No

### • Other transactions

(1) Sales of assets to a noncharitable exempt organization. . . . .	1b(1)	No
(2) Purchases of assets from a noncharitable exempt organization. . . . .	1b(2)	No
(3) Rental of facilities, equipment, or other assets. . . . .	1b(3)	No
(4) Reimbursement arrangements. . . . .	1b(4)	No
(5) Loans or loan guarantees. . . . .	1b(5)	No
(6) Performance of services or membership or fundraising solicitations. . . . .	1b(6)	No

**c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.** . . . . . **1c** **No**

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

**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

<b>(a) Name of organization</b>	<b>(b) Type of organization</b>	<b>(c) Description of relationship</b>

**Sign** 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 \_\_\_\_\_

**Sign  
Here**

\* \* \* \* \*

2017-05-03

\* \* \* \* \*

May the IRS discuss this return  
with the preparer shown below  
(see instr.)?  Yes  No

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ► <input type="checkbox"/>	PTIN
	K Kraig Fields		2017-05-03		P00135448
	Firm's name ► JAYNES REITMEIER BOYD & THERRELL PC				Firm's EIN ► 74-2533381
	Firm's address ► 5400 BOSQUE BLVD STE 500 WACO, TX 767104459				Phone no (254) 776-4190

**Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation**

(a) Name and address	Title, and average hours per week	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
(b) devoted to position				
BETTY RAY DOHONEY	PRESIDENT	0	0	0
PO BOX 1074	2 00			
HILLSBORO, TX 76645				
D'ETTE COWAN	VICE-PRESIDENT	0	0	0
230 CATFISH TRAIL	1 00			
WHITNEY, TX 76692				
ANDREW L SMITH	TREASURER	0	0	0
P O BOX 1245	4 00			
HILLSBORO, TX 76645				
PAUL BAKER	SECRETARY	0	0	0
1 00				
216 CARR STREET				
HILLSBORO, TX 76645				
JOHN B TUGGLE	DIRECTOR	0	0	0
1 00				
302 CARR STREET				
HILLSBORO, TX 76645				

## 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>				
BOYS & GIRLS CLUB OF HILL COUNTY TX 103 COUNTRY CLUB RD HILLSBORO, TX 76645	NONE	N/A	TO PURCHASE 25 IPADS & DOCKING STATION TO ASSIST MEMBERS WITH HOMEWORK & RESEARCH PROJECTS	8,700
BYNUM VOLUNTEER FIRE DEPARTMENT P O BOX 85 BYNUM, TX 76631	NONE	N/A	TO FUND PURCHASE OF TURNOUT GEAR/PERSONAL PROTECTION EQUIPMENT	10,000
CENTRAL TEXAS SENIOR MINISTRY (MEALSWHEELS) 401 N 15TH HILLSBORO, TX 76645	NONE	N/A	TO PURCHASE 2 COMMERCIAL OVENS FOR THE SENIOR NUTRITION KITCHEN THAT SERVES HILL COUNTY	14,914
HILL COLLEGE 112 LAMAR HILLSBORO, TX 76645	NONE	N/A	TO BUILD A PERMANENT WASH RACK ON THE HILL COLLEGE REUNION ARENA RODEO GROUNDS	4,300
HILL COUNTY 1 NORTH WACO STREET HILLSBORO, TX 76645	NONE	N/A	RECONSTRUCT EXISTING RESTROOMS IN THE HILL COUNTY FAIR GROUNDS- EXHIBITS BLDG TO COMPLY WITH CURRENT ADA REGULATIONS	21,500
HILLSBORO FOUNDATION INC P O BOX 1245 HILLSBORO, TX 76645	NONE	N/A	TO PURCHASE MATERIALS & PAY FOR ELECTRICAL CONTRACTOR FOR COURTHOUSE SQUARE CHRISTMAS LIGHTS-HILLSBORO CHRISTMAS	12,250
HILLSBORO INTERFAITH MINISTRIES INC 214 EAST ELM STREET HILLSBORO, TX 76645	NONE	N/A	TO PURCHASE 3 NEW METAL CLOTHING DONATION BINS, TO REPLACE EXISTING DETERIORATING WOODEN BINS	4,138
HUBBARD COMMUNITY AFFAIRS ASSOCIATION II 206 NW 5TH ST HUBBARD, TX 76648	NONE	N/A	TO REPAIR LEAKING ROOF AT HISTORIC HUBBARD HIGH SCHOOL	10,000
ITASCO ISD 123 N COLLEGE ST ITASCO, TX 76055	NONE	N/A	TO HELP PAY FOR PAINT & LABOR EXPENSE TO REPAIR FRONT OF DEPOT BUILDING	5,000
LAKE WHITNEY MINISTERIAL ALLIANCE 1072 WHITE BLUFF DRIVE WHITNEY, TX 76692	NONE	N/A	REMAINDER OF PAYMENT OF THE STRUCTURAL STEEL REQUIRED FOR THE NEW BUILDING CONSTRUCTION	11,000
PENELOPE CIC 120 EAST COMMERCE PENELOPE, TX 76676	NONE	N/A	TO CONTINUE NEXT PHASE BY ADDING ITEMS TO PARK & RELOCATE GATE & FENCE IN AREAS OF THE PARK	10,000
<b>Total . . . . .</b>				111,802 ►
<b>3a</b>				

## TY 2016 Accounting Fees Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING	1,450	1,450		0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

## TY 2016 Depreciation Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
COMPUTER AND ACCESSORIES	1997-04-29	1,723	1,723	200DB	5 000000000000	0	0		
TABLE	1997-05-05	41	41	200DB	7 000000000000	0	0		
4 DRAWER FILING CABINET	2004-11-15	189	94	200DB	7 000000000000	0	0		
FILING CABINET	2013-01-08	920	316	200DB	7 000000000000	41	0		

**TY 2016 Investments Corporate Stock Schedule**

**Name:** George G & Alva Hudson Smith Foundation  
**EIN:** 74-2653426

<b>Name of Stock</b>	<b>End of Year Book Value</b>	<b>End of Year Fair Market Value</b>
443 SH JOHNSON & JOHNSON	21,977	51,038
313 WALMART STORES	13,666	21,635
1064 COMCAST	13,572	73,469
1291 INTEL	0	0
1090 MICROSOFT	22,226	67,733
920 PROCTOR & GAMBLE	0	0
810 NESTLE	35,604	58,219
750 ABBOTT LABS	17,750	28,808
885 PEPSICO	56,874	92,598
1590 CITIGROUP	37,831	94,494
26 ALPHABET(GOOGLE) CL A	6,954	20,604
379 SCHLUMBERGER	23,178	31,817
395 AFLAC INC	19,760	27,492
300 IBM	46,622	49,797
1958 NATIONAL OILWELL VARCO	62,717	73,308
1414 ORACLE CORP	45,500	54,368
891 BP PLC SPONSORED ADR ONE	32,562	33,306
74 ALPHABET(GOOGLE) CL C	19,689	57,115
1309 COCA COLA	0	0
938 PHILIP MORRIS INTL	77,038	85,818
858 ZOETIS INC	24,905	45,929
704 HEINEKEN NV	47,305	52,316
335 QUALCOMM INC	0	0
FLEETCOR TECH 208	24,315	29,436
CORE LABS 264	24,067	31,691
FMC CORP 1142	0	0
1229 FRANKLIN RESOURCES	41,578	48,644
MASTERCARD 537	49,890	55,445
ANHEUSER BUSCH 287	31,545	30,261
DIAGEO PLC SPONSORED ADR 169	17,360	17,566

Name of Stock	End of Year Book Value	End of Year Fair Market Value
VALEANT PHARMACEUTICALS 2068	99,424	30,027
BERKSHIRE HATHAWAY 176	24,586	28,684
APPLE INC 237	23,176	27,449

## TY 2016 Investments Government Obligations Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

**US Government Securities - End  
of Year Book Value:** 707,890

**US Government Securities - End  
of Year Fair Market Value:** 747,151

**State & Local Government  
Securities - End of Year Book  
Value:** 0

**State & Local Government  
Securities - End of Year Fair  
Market Value:** 0

## TY 2016 Investments - Other Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

<b>Category/ Item</b>	<b>Listed at Cost or FMV</b>	<b>Book Value</b>	<b>End of Year Fair Market Value</b>
INTEREST RECEIVABLE	AT COST	4,871	4,871

**TY 2016 Land, Etc.  
Schedule**

**Name:** George G & Alva Hudson Smith Foundation  
**EIN:** 74-2653426

<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>
COMPUTER AND ACCESSORIES	1,723	1,723	0	
TABLE	41	41	0	
4 DRAWER FILING CABINET	189	189	0	
FILING CABINET	920	817	103	

## TY 2016 Other Expenses Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

## Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
POSTAGE & BOX RENTAL	110	110		0
OFFICE SUPPLIES	43	43		0
MISC INVESTMENT EXPENSES	77	77		0

## TY 2016 Other Liabilities Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Description	Beginning of Year - Book Value	End of Year - Book Value
PAYROLL TAXES PAYABLE	297	202

## TY 2016 Other Professional Fees Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

<b>Category</b>	<b>Amount</b>	<b>Net Investment Income</b>	<b>Adjusted Net Income</b>	<b>Disbursements for Charitable Purposes</b>
INVESTMENT MANAGEMENT FEES	23,084	23,084		0

## TY 2016 Taxes Schedule

**Name:** George G & Alva Hudson Smith Foundation**EIN:** 74-2653426

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PAYROLL TAXES	306	306		0
EXCISE TAX	341	0		0
FOREIGN TAX	679	679		0