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Form **990-PF**

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

OMB No 1545-0052

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

For calendar year 2017 or tax year beginning

, 2017, and ending

, 20

Name of foundation The Ruth and Vernon Taylor Foundation, Montana		A Employer identification number 20-1746884
Number and street (or P O box number if mail is not delivered to street address) 1045 Reeves Road East	Room/suite E	B Telephone number (see instructions) (406) 587-5594
City or town, state or province, country, and ZIP or foreign postal code Bozeman MT 59718-7701		C If exemption application is pending, check here <input type="checkbox"/>
G 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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization. <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation 03 <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 5,598,857.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	1,321.	1,321.		
	4 Dividends and interest from securities	172,156.	172,156.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-147,302.			
	b Gross sales price for all assets on line 6a 2,448,407.		L-6a Stmt		
	7 Capital gain net income (from Part IV, line 2)			0.	
	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) See Stmt	154.	154.			
12 Total. Add lines 1 through 11	26,329.	173,631.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) L-16b Stmt	125.	112.		13.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) See Stmt	1,048.	1,048.		0.
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Stmt	2,251.	2,246.		5.
	24 Total operating and administrative expenses. Add lines 13 through 23	3,424.	3,406.		18.
25 Contributions, gifts, grants paid	288,500.			288,500.	
26 Total expenses and disbursements. Add lines 24 and 25	291,924.	3,406.		288,518.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-265,595.				
b Net investment income (if negative, enter -0-)		170,225.			
c Adjusted net income (if negative, enter -0-)					

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Form **990-PF** (2017)

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Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	7,222.	15,787.	15,787.
	2 Savings and temporary cash investments	58,269.	1,253,779.	1,253,779.
	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			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule) Schedule "A"	7,262,015.	5,792,345.	3,738,590.
	c Investments—corporate bonds (attach schedule) Schedule "A"	583,253.	583,253.	589,500.
	11 Investments—land, buildings, and equipment basis ▶			
Liabilities	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule) Schedule "A"	0.	0.	1,201.
	14 Land, buildings, and equipment, basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	7,910,759.	7,645,164.	5,598,857.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)			
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	7,910,759.	7,645,164.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	7,910,759.	7,645,164.	
	31 Total liabilities and net assets/fund balances (see instructions)	7,910,759.	7,645,164.	

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	7,910,759.
2 Enter amount from Part I, line 27a	2	-265,595.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	7,645,164.
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	7,645,164.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a See Schedule "B"	P	Various	Various
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) ((e) plus (f) minus (g))
a 2,448,407.		2,595,709.	-147,302.
b			
c			
d			
e			

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

(i) FMV 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			-147,302.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	-147,302.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c). See instructions. If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
 If "Yes," the foundation doesn't qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2016	306,102.	5,721,796.	0.053498
2015	335,196.	5,870,809.	0.057095
2014	350,169.	7,034,203.	0.049781
2013	398,273.	7,128,083.	0.055874
2012	412,024.	8,134,370.	0.050652

2 Total of line 1, column (d)	2	0.266900
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years	3	0.053380
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	5,766,758.
5 Multiply line 4 by line 3	5	307,830.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,702.
7 Add lines 5 and 6	7	309,532.
8 Enter qualifying distributions from Part XII, line 4 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.	8	288,518.

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. Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		N/A	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	3,405.	
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations, enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	2	0.	
3	Add lines 1 and 2	3	3,405.	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)	4	0.	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	3,405.	
6	Credits/Payments			
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	4,603.	
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.	
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	4,603.	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1,198.	
11	Enter the amount of line 10 to be Credited to 2018 estimated tax 1,198. Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		x
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition. 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.		x
c Did the foundation file Form 1120-POL for this year?		x
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		x
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		x
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		x
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by <i>General Instruction T</i>		x
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	x	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	x	
8a Enter the states to which the foundation reports or with which it is registered. See instructions. MT		
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 <i>General Instruction G</i> ? If "No," attach explanation	x	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the tax year beginning in 2017? See the instructions for Part XIV. If "Yes," complete Part XIV		x
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		x

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement. See instructions	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X
14 The books are in care of ► James C. Taylor Telephone no. ► (406) 587-5594 Located at ► 1045 Reeves Road East, Suite E Bozeman, MT ZIP+4 ► 59718-7701		
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 2017, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	X
See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		

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

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

	Yes	No
1a During the year, did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<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 checked="" type="checkbox"/> Yes <input 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 any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions	1b	X
Organizations relying on a current notice regarding disaster assistance, check here		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017?	1c	X
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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years ► 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2017 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 2017.)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?	4b	X

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

		Yes	No
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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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	5b	
	Organizations relying on a current notice regarding disaster assistance, check here		<input type="checkbox"/>
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?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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?	<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?	6b	x
	If "Yes" to 6b, file Form 8870.		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<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, and foundation managers and their compensation. See instructions.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
James C. Taylor 1045 Reeves Rd. E., Suite E Bozeman MT 59718	Director & Pres. 10.00	0.	0.	0.
Beatrice R. Taylor 1045 Reeves Rd. E., Suite E Bozeman MT 59718	Director & V.P. 0.00	0.	0.	0.
Peggy L. Olson 1045 Reeves Rd. E., Suite E Bozeman MT 59718	Sec/Treas. 10.00	0.	0.	0.
Susan R. Taylor 1045 Reeves Rd. E., Suite E Bozeman MT 59718	Director 0.00	0.	0.	0.

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

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

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

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.	Expenses
1 NONE	
	0.
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 NONE	
	0.
2	
All other program-related investments See instructions	
3 NONE	
	0.
Total. Add lines 1 through 3	0.

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	4,682,922.
b	Average of monthly cash balances	1b	1,170,454.
c	Fair market value of all other assets (see instructions)	1c	1,201.
d	Total (add lines 1a, b, and c)	1d	5,854,577.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	5,854,577.
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	87,819.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,766,758.
6	Minimum investment return. Enter 5% of line 5	6	288,338.

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

1	Minimum investment return from Part X, line 6	1	288,338.
2a	Tax on investment income for 2017 from Part VI, line 5	2a	3,405.
b	Income tax for 2017 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,405.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	284,933.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	284,933.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	284,933.

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	288,518.
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	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	288,518.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	288,518.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				284,933.
2 Undistributed income, if any, as of the end of 2017:				
a Enter amount for 2016 only			261,362.	
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2017:				
a From 2012	0.			
b From 2013	0.			
c From 2014	0.			
d From 2015	0.			
e From 2016	0.			
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2017 from Part XII, line 4. ► \$ 288,518.				
a Applied to 2016, but not more than line 2a			261,362.	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)	0.			
d Applied to 2017 distributable amount				27,156.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
e Undistributed income for 2016. Subtract line 4a from line 2a. Taxable amount—see instructions			0.	
f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018				257,777.
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 2012 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9.				
a Excess from 2013	0.			
b Excess from 2014	0.			
c Excess from 2015	0.			
d Excess from 2016	0.			
e Excess from 2017	0.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2017, enter the date of the ruling **N/A**

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 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

Tax year	Prior 3 years			(e) Total
(a) 2017	(b) 2016	(c) 2015	(d) 2014	
1				1
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	1			1
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test—enter.				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)

James C. Taylor, Director & President

- 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

None

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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

- a** The name, address, and telephone number or email address of the person to whom applications should be addressed:

See Supplementary Information Statement

- b** The form in which applications should be submitted and information and materials they should include:

See Supplementary Information Statement

- c** Any submission deadlines.
See Supplementary Information Statement

- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors.
See Supplementary Information Statement

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Attached Schedule "C" Multiple States including Montana MT 00000	N/A	N/A	Charitable	288,500.
Total			3a	288,500.
b Approved for future payment N/A				
Total			3b	0.

The Ruth and Vernon Taylor Foundation, Montana

201746884

Form 990-PF: Return of Private Foundation

Part XV, Line 2: Supplementary Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc.

Continuation Statement

Name and Address Information	Form Information	Submission Information	Restrictions
The Ruth and Vernon Taylor Foundation, Montana 1045 Reeves Road East, Suite E Bozeman, MT 59718-7701 406-587-5594	No specific form required	No submission deadlines	No restrictions or limitations

Additional information from your Form 990-PF: Return of Private Foundation**Form 990-PF: Return of Private Foundation****Other Income****Continuation Statement**

Description	Revenue and Expense per Book	Net Investment Income	Adjusted Net Income
Royalties - Finley Oil and Gas	154.	154.	
Total	154.	154.	

Form 990-PF: Return of Private Foundation**Taxes****Continuation Statement**

Description	Revenue and Expense per Book	Net Investment Income	Adjusted Net Income	Disbursement for charitable purpose
Taxes	69.	69.		0.
Taxes - Foreign	972.	972.		0.
Taxes - Severance	7.	7.		0.
Taxes - IRS	0.	0.		0.
Total	1,048.	1,048.		0.

Form 990-PF: Return of Private Foundation**Other Expenses****Continuation Statement**

Description	Revenue and Expense per Book	Net Investment Income	Adjusted Net Income	Disbursement for charitable purpose
Commissions & Brokerage Fees	2,200.	2,200.		0.
Licenses	20.	18.		2.
Postage	3.	3.		0.
Supplies - Office	28.	25.		3.
Total	2,251.	2,246.		5.

Name The Ruth and Vernon Taylor Foundation, Montana	Employer Identification No. 20-1746884
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Asset Information:

Description of Property See Schedule "B"	
Business Code	Exclusion Code
Date Acquired	Various How Acquired Purchased
Date Sold	Various Name of Buyer
Check Box, if Buyer is a Business . . . <input type="checkbox"/>	
Sales Price 2,448,407	Cost or other basis (do not reduce by depreciation) 2,595,709
Sales Expense	Valuation Method
Total Gain (Loss) -147,302 Accumulated Depreciation	

Description of Property	
Business Code	Exclusion Code
Date Acquired	How Acquired
Date Sold	Name of Buyer
Check Box, if Buyer is a Business . . . <input type="checkbox"/>	
Sales Price	Cost or other basis (do not reduce by depreciation)
Sales Expense	Valuation Method
Total Gain (Loss) Accumulated Depreciation	

Description of Property	
Business Code	Exclusion Code
Date Acquired	How Acquired
Date Sold	Name of Buyer
Check Box, if Buyer is a Business . . . <input type="checkbox"/>	
Sales Price	Cost or other basis (do not reduce by depreciation)
Sales Expense	Valuation Method
Total Gain (Loss) Accumulated Depreciation	

Description of Property	
Business Code	Exclusion Code
Date Acquired	How Acquired
Date Sold	Name of Buyer
Check Box, if Buyer is a Business . . . <input type="checkbox"/>	
Sales Price	Cost or other basis (do not reduce by depreciation)
Sales Expense	Valuation Method
Total Gain (Loss) Accumulated Depreciation	

Totals:

Total Gain (Loss) of all assets	-147,302
Gross Sales Price of all assets	2,448,407
Unrelated Business Income	Business Code
Excluded by section 512, 513, 514	Exclusion Code
Related/Exempt Function Income	-147,302

QuickZoom here to Form 990-PF, Page 1 ►
QuickZoom here to Form 990-PF, Page 12 ►

Name	Employer Identification No
<u>The Ruth and Vernon Taylor Foundation, Montana</u>	<u>20-1746884</u>

Line 16a - Legal Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Total to Form 990-PF, Part I, Line 16a					

Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Peggy L. Olso	Tax Processing	125.	112.		13.
EideBailly, L	Review T/R,F/S	0.	0.		0.
Total to Form 990-PF, Part I, Line 16b		125.	112.		13.

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Total to Form 990-PF, Part I, Line 16c					

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The Ruth and Vernon Taylor Foundation, Montana
EIN: 20-1746884
2017

		---- RVTF ----		
End Of Year Quantity	Investment	Begin. Book Value	End Of Year Book Value	End Of Year Fair Market Value
Line 1 - Cash - Non-Interest Bearing				
N/A	Petty Cash	50 00	50 00	50 00
N/A	Checking - US Bank	7,171 94	15,737 08	15,737 08
TOTAL - Line 1 - Non-Interest Bearing		7,221.94	15,787.08	15,787.08
Line 2 - Savings and Temporary Cash Investments				
N/A	Savings - US Bank	2,373 60	22,374 62	22,374 62
N/A	Cash - JP Morgan	38,438 05	1,231,404 83	1,231,404 83
N/A	Money Market - JP Morgan	17,457 42	0 00	0 00
N/A	Proceeds from Pending Sales - JP Morgan	0 00	0 00	0 00
N/A	Cost of Pending Purchases - JP Morgan	0 00	0 00	0 00
TOTAL Line 2 - Savings and Temp. Cash Investments		58,269.07	1,253,779.45	1,253,779.45

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The Ruth and Vernon Taylor Foundation, Montana
EIN: 20-1746884
2017

----- RVTF -----				
End Of Year Quantity	Investment	Begin. Book Value	End Of Year Book Value	End Of Year Fair Market Value
Line 10b - Investments - Corporate Stock				
25,000	AT&T Inc	718,476 30	908,190 80	972,000 00
35,000	Barrick Gold Corp	1,486,168 90	1,469,005 60	506,450 00
-	Blackrock Credit Allocation	334,812 85	0 00	0 00
-	Blackrock Enh Cap and Inc Fund	117,308 02	0 00	0 00
-	Colony Capital Inc	1,121,525 50	0 00	0 00
38,000	Encana Corp	742,556 95	742,556 95	506,540 00
-	Energy XXI Bermuda Limited	198,139 50	0 00	0 00
5,000	Ford Motor Co	65,245 00	65,245 00	62,450 00
-	JPMorgan International Opportunities Fund	42,623 66	0 00	0 00
40,000	Kinder Morgan Inc	1,217,907 50	1,217,907 50	722,800 00
-	National General Holding Co	125,000 00	0 00	0 00
25,000	New Senior Investment Group	182,350 45	207,164 95	189,000 00
15,000	Nuveen Float Rate Income Fund	109,683 25	166,743 00	168,150 00
-	Nuveen Pfd Inc Opp Fund	99,215 00	0 00	0 00
10,000	Proshares Short S&P 500	701,002 00	701,002 00	301,800 00
10,000	Reaves Utility Income Trust	0 00	314,529 00	309,400 00
TOTAL Line 10b - Investments - Corporate Stock		7,262,014.88	5,792,344.80	3,738,590.00
Line 10c - Investments - Corporate Bonds				
100,000	MOA Hospitality Inc Notes 8% 1/15/05	0 00	0 00	0 00
50,000	Western Asset/Claymore Infl Linked Sec	583,253 14	583,253 14	589,500 00
TOTAL Line 10c - Investments - Corporate Bonds		583,253.14	583,253.14	589,500.00
Line 15 - Other Assets				
N/A	Finley Resources, Inc	0 00	0 00	1,201 25
TOTAL Line 15 - Other Assets		0.00	0.00	1,201.25
TOTAL Line 16 - Total Assets		7,910,759.03	7,645,164.47	5,598,857.78

The Ruth and Vernon Taylor Foundation-Montana
EIN #20-1746884
Form 990-PF (2017), Page 3, Part IV
Capital Gains and Losses for Tax on Investment Income

Quantity	Security	Sales Price	Cost	Gain or (Loss)
25,000	Blackrock Credit Allocation Inc. Trst	333,430.20	\$334,812.85	(1,382.65)
5,000	Blackrock Enhanced Capital & Income Fund	71,653.92	58,689.26	12,964.66
5,000	Blackrock Enhanced Capital & Income Fund	73,853.37	58,618.76	15,234.61
10,000	Blackrock Taxable Municipal Bond Trust	233,231.59	226,437.50	6,794.09
5,000	Colony Northstar Inc 7.125% Pfd Ser H	124,887.76	125,000.00	(112.24)
5,000	Colony Northstar Inc 7.125% Pfd Ser H	124,569.27	125,000.00	(430.73)
15,000	Colony Northstar Inc 7.125% Pfd Ser H	375,096.30	375,000.00	96.30
5,000	Colony Northstar Inc 7.125% Pfd Ser H	124,661.43	125,000.00	(338.57)
1,000	Colony Northstar Inc 7.125% Pfd Ser H	24,932.29	24,849.80	82.49
9,000	Colony Northstar Inc 7.125% Pfd Ser H	225,077.10	223,648.20	1,428.90
5,000	Colony Northstar Inc 7.125% Pfd Ser H	125,042.83	123,027.50	2,015.33
10,000 ****	Energy XXI Bermuda Limited	-	198,139.50	(198,139.50)
2,661	JPMorgan International Opportunities Fund	43,208.84	42,623.66	585.18
5,000	National Gen'l Hldg Co 7.5% Pfd	125,947.24	125,000.00	947.24
5,000	Nuveen Float Rate Inc Fd	58,156.65	54,473.25	3,683.40
2,500	Nuveen Float Rate Inc Fd	29,078.32	27,415.00	1,663.32
2,500	Nuveen Float Rate Inc Fd	29,078.32	27,795.00	1,283.32
5,000	Nuveen Pfd Inc Opp Fd	50,631.14	51,415.00	(783.86)
5,000	Nuveen Pfd Inc Opp Fd	50,631.14	47,800.00	2,831.14
10,000	Nuveen Pfd Inc Opp Fd	101,262.27	100,544.00	718.27
5,000	Qwest Corp 6.5% Pfd	123,977.78	120,420.00	3,557.78
TOTALS		\$ 2,448,407.76	\$2,595,709.28	\$ (147,301.52)

Worthless Security

The Ruth and Vernon Taylor Foundation-Montana
EIN #20-1746884
Form 990-PF (2017), Page 11, Part XV Supplementary Information
Line 3a Grants and Contributions Paid During the Year

Name and Address	Relation.	Status	Purpose	Paid Amount
Bozeman Deaconness Foundation 931 Highland Blvd., Suite 3200 Bozeman, MT 59715	N/A	PC	Intensive Care Unit	75,000.00
Davidson College Box 7170 Davidson, NC 28035-7170	N/A	PC	Endowment Fund	30,000.00
Montana Chamber Music Society P.O. Box 1506 Bozeman, MT 59771-1506	N/A	PC	General Support	3,500.00
Thacher School 5025 Thacher Road Ojai, CA 93023	N/A	PC	General Support	125,000.00
The Rock Youth Center 214 N. 11th Street Bozeman, MT 59718	N/A	PC	Matching Grant	10,000.00
Thrive P.O. Box 6637 Bozeman, MT 59771-6637	N/A	PC	Growing Tomorrow Project	20,000.00
Tsering's Fund, Inc. 47520 Gallatin Road #1B Gallatin Gateway, MT 59730	N/A	PC	Nepalese Women's Education	20,000.00
Western MT Mental Health Cntr 140 N. Russell St. Missoula, MT 59801-1704	N/A	PC	Software	5,000.00
TOTAL				288,500.00