

29393089023029
m2

Form **990-T**

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

OMB No 1545-0087

2017

Department of the Treasury
Internal Revenue Service

For calendar year 2017 or other tax year beginning _____, 2017, and ending _____, 20____.

Go to www.irs.gov/Form990T for instructions and the latest information.

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

Name of organization (Check box if name changed and see instructions.)

D Employer identification number (Employees' trust, see instructions)

**MARSHALL L. AND PERRINE D. MCCUNE
CHARITABLE FOUNDATION, INC.**

85-0429439

B Exempt under section

- 501(c)(3)
- 408(e) 220(e)
- 408A 530(e)
- 529(a)

Print or Type

Number, street, and room or suite no. If a P.O. box, see instructions

345 EAST ALAMEDA STREET

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

SANTA FE, NM 87501-2229

E Unrelated business activity codes (See instructions)

523000

C Book value of all assets at end of year

120,061,305.

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 PASSTHROUGH ITEMS**

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 **MCCUNE CHARITABLE FOUNDATION** Telephone number **505-983-8300**

Unrelated Trade or Business Income

	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
1c Balance			
2 Cost of goods sold (Schedule A, line 7)			
3 Gross profit. Subtract line 2 from line 1c			
4a Capital gain net income (attach Schedule D)			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
c Capital loss deduction for trusts			
5 Income (loss) from partnerships and S corporations (attach statement)	1,446,083.	ATCH 1	1,446,083.
6 Rent income (Schedule C)			
7 Unrelated debt-financed income (Schedule E)			
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)			
9 Investment income of a section 501(c)(7), (8), or (17) organization (Schedule G)			
10 Exploited exempt activity income (Schedule I)			
11 Advertising income (Schedule J)			
12 Other income (See instructions; attach schedule)			
13 Total. Combine lines 3 through 12	1,446,083.		1,446,083.

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)			
15 Salaries and wages			
16 Repairs and maintenance			
17 Bad debts			
18 Interest (attach schedule)			
19 Taxes and licenses			
20 Charitable contributions (See instructions for limitations)			1,230.
21 Depreciation (attach Form 4562)			
22 Less depreciation claimed on Schedule A and elsewhere on return			
23 Depletion			
24 Contributions to deferred compensation plans			
25 Employee benefit programs			
26 Excess exempt expenses (Schedule I)			
27 Excess readership costs (Schedule J)			
28 Other deductions (attach schedule)			
29 Total deductions. Add lines 14 through 28			1,230.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			1,444,853.
31 Net operating loss deduction (limited to the amount on line 30)			668,504.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30			776,349.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)			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.			775,349.

SCANNED APR 22 2019

RECEIVED
JAN 31 2019
CSPC RCO
ICT TEAM

RECEIVED
NOV 19 2018
IRS-OSC
OGDEN, UT

For Paperwork Reduction Act Notice, see instructions.

Form 990-T (2017)

7X2740 2.000 JSA 2136EK 1385

4

6.12

3

Tax Computation

Table with 2 columns: Description and Amount. Rows include Organizations Taxable as Corporations, Trusts Taxable at Trust Rates, Proxy tax, Alternative minimum tax, and Total. Total amount is 263,619.

Tax and Payments

Table with 2 columns: Description and Amount. Rows include Foreign tax credit, Other credits, General business credit, Total credits, Subtract line 41e from line 40, Other taxes, Total tax, Payments, Estimated tax penalty, Tax due, Overpayment, and Enter the amount of line 49 you want. Total tax due is 271,506.

Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question, Yes, No. Questions 51, 52, and 53 regarding foreign accounts, foreign trusts, and tax-exempt interest.

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: Wendy Jenkins, 11/8/18, Executive Director. May the IRS discuss this return with the preparer shown below? [X] Yes [] No

Paid Preparer Use Only: TRICIA M JOHNSON, 11-7-18, ERNST & YOUNG U.S. LLP, 1900 SCRIPPS CENTER, 312 WALNUT ST, CINCINNATI, OH 45202. Firm's EIN: 34-656596. Phone no: 513-612-1400.

CIS IMAGE - Do Not Correspond for Signature

Schedule A - Cost of Goods Sold. Enter method of inventory valuation N/A

Table with 5 main rows for Schedule A. Row 1: Inventory at beginning of year. Row 2: Purchases. Row 3: Cost of labor. Row 4a: Additional section 263A costs. Row 4b: Other costs. Row 5: Total. Row 6: Inventory at end of year. Row 7: Cost of goods sold. Row 8: Do the rules of section 263A apply to the organization? (Yes/No columns, No is checked).

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

Table with 4 rows for property description, labeled (1) through (4).

2. Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, and 3(a) Deductions directly connected with the income. Includes rows (1) through (4) and a Total row.

(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).

Schedule E - Unrelated Debt-Financed Income (see instructions)

Table with 5 main columns: 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, (b) Other deductions, 4. Amount of average acquisition debt, 5. Average adjusted basis, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions. Includes rows (1) through (4) and a Totals row.

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

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

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

Schedule J - Advertising Income (see instructions)

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))

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 ▶						
	Enter here and on page 1, Part I, line 11, col (A).	Enter here and on page 1, Part I, line 11, col (B).				Enter here and on page 1, Part II, line 27.
Totals, Part II (lines 1-5) ▶						

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 ▶			

Alternative Minimum Tax - Corporations

2017

Department of the Treasury
Internal Revenue Service

▶ Attach to the corporation's tax return.

▶ Go to www.irs.gov/Form4626 for instructions and the latest information.

Name Marshall L. & Perrine D. McCune Charitable Foundation	Employer identification number 85-0429439
--	---

Note: See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).

1 Taxable income or (loss) before net operating loss deduction		1	1,446,083
2 Adjustments and preferences:			
a Depreciation of post-1986 property		2a	
b Amortization of certified pollution control facilities		2b	
c Amortization of mining exploration and development costs		2c	
d Amortization of circulation expenditures (personal holding companies only)		2d	
e Adjusted gain or loss		2e	
f Long-term contracts		2f	
g Merchant marine capital construction funds.		2g	
h Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)		2h	
i Tax shelter farm activities (personal service corporations only).		2i	
j Passive activities (closely held corporations and personal service corporations only)		2j	
k Loss limitations		2k	
l Depletion		2l	42,723
m Tax-exempt interest income from specified private activity bonds		2m	
n Intangible drilling costs		2n	
o Other adjustments and preferences		2o	
3 Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o		3	1,488,806
4 Adjusted current earnings (ACE) adjustment:			
a ACE from line 10 of the ACE worksheet in the instructions.	4a		
b Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions	4b	-1,488,806	
c Multiply line 4b by 75% (0.75). Enter the result as a positive amount	4c	1,116,605	
d Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. <i>Note: You must enter an amount on line 4d (even if line 4b is positive)</i>	4d		
e ACE adjustment. <ul style="list-style-type: none"> • If line 4b is zero or more, enter the amount from line 4c • If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount 		4e	
5 Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT.		5	1,488,806
6 Alternative tax net operating loss deduction. See instructions		6	601,654
7 Alternative minimum taxable income. Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions.		7	887,152
8 Exemption phase-out (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c).			
a Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	8a		
b Multiply line 8a by 25% (0.25)	8b		
c Exemption Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-		8c	
9 Subtract line 8c from line 7. If zero or less, enter -0-		9	887,152
10 Multiply line 9 by 20% (0.20).		10	177,430
11 Alternative minimum tax foreign tax credit (AMTFTC). See instructions		11	
12 Tentative minimum tax Subtract line 11 from line 10.		12	177,430
13 Regular tax liability before applying all credits except the foreign tax credit		13	263,619
14 Alternative minimum tax. Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return		14	

For Paperwork Reduction Act Notice, see separate instructions.

ATTACHMENT 1

FORM 990T - LINE 5 - INCOME (LOSS) FROM PARTNERSHIPS

INCOME (LOSS) FROM PARTNERSHIPS

1,446,083.

INCOME (LOSS) FROM PARTNERSHIPS

1,446,083.

FORM 990T - PART II - LINE 20 - CHARITABLE CONTRIBUTIONS

UNRELATED TRADE OR BUSINESS INCOME	1,446,083.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	0.
LESS: DEDUCTIONS WITHOUT CHARITABLE CONTRIBUTIONS AND DPAD	0.
	<hr/>
	* 10%
CHARITABLE CONTRIBUTION LIMITATION (10%)	144,608.
CHARITABLE CONTRIBUTION	1,230.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>1,230.</u>

Marshall L and Perrine D. McCune Charitable Foundation, Inc.
EIN: 85-0429439
December 31, 2017

ATTACHMENT 3

Form 990-T, Line 5, Income/(Loss) from partnerships

<u>Partnership Name</u>	<u>EIN</u>	<u>UBTI from Schedule K-1</u>
Brinson Partnership Fund - 2000 Primary Fund LP	36-4309910	-
Brinson Partnership Fund - 2001 Primary Fund LP	36-4395882	28
Brinson Partnership Fund - 2002 Secondary Fund LP	02-0560021	(26)
Brinson Partnership Fund - 2003 Primary Fund LP	36-4515738	(57)
Brinson Partnership Fund - 2004 Primary Fund LP	86-1086123	1,464
Adams Street Partnership Fund - 2002 Non-U.S. Fund LP	36-4486501	51
Adams Street Partnership Fund - 2002 U.S. Fund LP	36-4486500	535
Adams Street - 2007 Direct Fund LP	20-5740670	1,875
Adams Street Partnership Fund - 2007 Non-U.S. Fund LP	20-5740506	(110)
Adams Street Partnership Fund - 2007 U.S. Fund LP	20-5740413	15,233
Verge I, Limited Partnership	11-3717733	122
RHO Fund Investors 2005 LP	20-3548699	9
Quantum Energy partners V, LP	26-2514715	1,450,295
Resource Land Fund IV, LLC	26-3903798	(23,336)

Total Unrelated Business Taxable Income

1,446,083

Marshall L. and Perrine D. McCune Charitable Foundation, Inc
 EIN. 85-0429439
 December 31, 2017

Form 990-T, Line 31 NET OPERATING LOSS DEDUCTION SCHEDULE

Year Ending	Taxable Income	NOL Generated	NOL Utilized	NOL Amount Carried Back	NOL Amount to Carry Forward
12/31/2001	(8,482)	8,482	-	-	8,482
12/31/2002	7,456	-	7,456	-	1,026
12/31/2003	(7,731)	7,731	-	-	8,757
12/31/2004	(4,464)	4,464	-	-	13,221
12/31/2005	4,621	-	4,612	-	8,609
12/31/2006	2,070	-	-	8,609	-
12/31/2007	(7,160)	7,160	-	-	7,160
12/31/2008	6,776	-	6,484	-	676
12/31/2009	(103,896)	103,896	-	-	104,572
12/31/2010	(88,368)	88,368	-	-	192,940
12/31/2011	(127,140)	127,140	-	-	320,080
12/31/2012	(44,320)	44,320	-	-	364,400
12/31/2013	20,368	-	20,368	-	344,032
12/31/2014	(43,830)	43,830	-	-	387,862
12/31/2015	(196,553)	196,553	-	-	584,415
12/31/2016	(84,089)	84,089	-	-	668,504
12/31/2017	1,417,496	-	668,504	-	-

Amount available to carryforward to 2018 \$ -

Note: No election to waive the carryback was attached in the 2007 return
 However, there was no taxable income to offset in the preceding two years (McCune utilized prior year NOL)
 and therefore McCune should be able to carryforward the 2007 net operating loss to its 2008 return.

Marshall L. and Perinne D. McCune Charitable Foundation, Inc.
 EIN. 85-0429439
 December 31, 2017

Form 990-T, Charitable Contributions Carryover

Year Ending	Amount	Amount Utilized	Cumulative Carry-Forward	Remaining Carry-Forward by year	Expiration
12/31/2012	115	115	115	-	2017
12/31/2013	158	158	273	-	2018
12/31/2014	232	232	505	-	2019
12/31/2015	398	398	903	-	2020
12/31/2016	179	179	1,082	-	2021
12/31/2017	148	148	1,230	-	2022

Amount available to carryforward to 2018 \$ -