

Form **990-PF****Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2018Department of the Treasury
Internal Revenue Service

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▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

Open to Public Inspection

For calendar year 2018 or tax year beginning , 2018, and ending , 20

Name of foundation The Carol Foundation		A Employer identification number 26-0053395
Number and street (or P.O. box number if mail is not delivered to street address) 290 Chancery Dr	Room/suite	B Telephone number (see instructions) 972-322-3565
City or town, state or province, country, and ZIP or foreign postal code Gallatin TN 37066		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☒ Address change ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$16,250,655	J Accounting method: ☒ Cash ☐ Accrual ☐ 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 ☐

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 ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	6717	6,717		
	4 Dividends and interest from securities	43,448	43,448		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	94,798			
	b Gross sales price for all assets on line 6a	2,927,908			
	7 Capital gain net income (from Part IV, line 2)		94,798		
	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 Total. Add lines 1 through 11	144,963	144,963			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	40,000	10,000		30,000
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	3,456	1,140		2,316
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	2,841			2,841
	22 Printing and publications				
	23 Other expenses (attach schedule)	7,551	6,828		723
	24 Total operating and administrative expenses. Add lines 13 through 23	53,848	17,968		35,880
	25 Contributions, gifts, grants paid	56,000			56,000
26 Total expenses and disbursements. Add lines 24 and 25	109,848	17,968		91,880	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	35,115				
b Net investment income (if negative, enter -0-)		126,995			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see instructions.

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The Carol Foundation

26-0053395

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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	215,802	383,517	383,517
	2 Savings and temporary cash investments			
	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)	1,458,215	1,320,588	1,239,554
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶			
Liabilities	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶ Prepaid Excise Tax)	3,214	1,944	1,994
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,677,231	1,706,049	1,625,065
	17 Accounts payable and accrued expenses			
Net Assets or Fund Balances	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 ▶ Excise Tax Payable)	5,000		
	23 Total liabilities (add lines 17 through 22)			
Foundations that follow SFAS 117, check here and complete lines 24 through 26, and lines 30 and 31. ☐	24 Unrestricted	1,672,231	1,706,049	
	25 Temporarily restricted			
	26 Permanently restricted			
Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☐	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)		1,706,049	
	31 Total liabilities and net assets/fund balances (see instructions)	1,677,231	1,706,049	

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	1,672,231
2 Enter amount from Part I, line 27a	2	35,115
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	1,707,346
5 Decreases not included in line 2 (itemize) ▶ 2018 Excise Tax = \$1270, 2017 Form 4720 = \$27	5	1,297
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,706,049

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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 Publicly Traded Securities		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 2,927,908		2,833,110	94,798	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69.				(i) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col (h))
(j) FMV as of 12/31/69	(i) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
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	94,798
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))
2017	83,295	1,817,072	.045840
2016	83,030	1,690,722	.049109
2015	91,305	1,688,337	.054080
2014	101,370	2,044,033	.049593
2013	79,958	1,911,011	.041841

2 Total of line 1, column (d)	2	.240463
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	.0480926
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	1,826,093
5 Multiply line 4 by line 3	5	87,822
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,270
7 Add lines 5 and 6	7	89,092
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	91,907

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 ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		1	1,270
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		2	
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations, enter 4% of Part I, line 12, col. (b).		3	1,270
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)		4	
3 Add lines 1 and 2		5	1,270
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)		6a	3,214
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		6b	
6 Credits/Payments:		6c	
a 2018 estimated tax payments and 2017 overpayment credited to 2018		6d	
b Exempt foreign organizations—tax withheld at source		7	3,214
c Tax paid with application for extension of time to file (Form 8868)		8	
d Backup withholding erroneously withheld		9	
7 Total credits and payments. Add lines 6a through 6d		10	1,944
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		11	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed			
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid			
11 Enter the amount of line 10 to be: Credited to 2019 estimated tax 1,944 Refunded			

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?		✓
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.		✓
c Did the foundation file Form 1120-POL for this year?		✓
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.		✓
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.		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
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 General Instruction T.		✓
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?	✓	
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	✓	
8a Enter the states to which the foundation reports or with which it is registered. See instructions ▶ <u>Texas, Tennessee</u>		
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? If "No," attach explanation	✓	
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 2018 or the tax year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV		✓
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		✓

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	✓
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	✓
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►	13	✓
14 The books are in care of ► <u>Dwight Martin</u> Telephone no. ► <u>972-322-3565</u> Located at ► <u>290 Chancery Dr, Gallatin, TN</u> ZIP+4 ► <u>37066</u>		
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 2018, 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 the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	✓

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?	☐ Yes	☒ No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes	☐ No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes	☒ No
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions	1b	✓
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 2018?	1c	✓
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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018?	☐ Yes	☒ 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?	☐ Yes	☒ No
b If "Yes," did it have excess business holdings in 2018 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 2018.)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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 2018?	4b	✓

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year, did the foundation pay or incur any amount to:(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions ☐ Yes ☒ NoOrganizations relying on a current notice regarding disaster assistance, check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870.**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**8** Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? ☐ Yes ☒ No**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
See Statement 4		40,000	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 ☐

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

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

Total number of others receiving over \$50,000 for professional services ▶

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 None	
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	
2	
All other program-related investments See instructions	
3	

Total. Add lines 1 through 3 ▶

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,692,947
b	Average of monthly cash balances	1b	160,955
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,853,902
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	1,853,902
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	27,809
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,826,093
6	Minimum investment return. Enter 5% of line 5	6	91,305

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	91,305
2a	Tax on investment income for 2018 from Part VI, line 5 2a	1,270	
b	Income tax for 2018. (This does not include the tax from Part VI.) 2b		
c	Add lines 2a and 2b	2c	1,270
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	90,035
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	90,305
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	90,035

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	91,880
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	4	91,880
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions	5	1,270
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	90,610

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				90,035
2 Undistributed income, if any, as of the end of 2018:				
a Enter amount for 2017 only			87,774	
b Total for prior years: 20 <u>16</u> , 20 <u> </u> , 20 <u> </u>		90		
3 Excess distributions carryover, if any, to 2018:				
a From 2013				
b From 2014				
c From 2015				
d From 2016				
e From 2017				
f Total of lines 3a through e				
4 Qualifying distributions for 2018 from Part XII, line 4: ► \$ <u>91,880</u>				
a Applied to 2017, but not more than line 2a			87,774	
b Applied to undistributed income of prior years (Election required—see instructions)		90		
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2018 distributable amount				4,016
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2018 (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				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2017. Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2018. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2019				86,019
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 2013 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2014				
b Excess from 2015				
c Excess from 2016				
d Excess from 2017				
e Excess from 2018				

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

- | Tax year | Prior 3 years | |
|---|---------------|----------|
| (a) 2018 | (b) 2017 | (c) 2016 |
| (d) 2015 | (e) Total | |
| 1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, enter the date of the ruling ▶ | | |
| 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 | | |
| 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 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).) |
| 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., 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: |
| b | The form in which applications should be submitted and information and materials they should include: |
| c | Any submission deadlines: |
| d | Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors. |

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 Statement 5				56,000
Total			3a	56,000
b Approved for future payment None				
Total			3b	

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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		
1 Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments			14	6,717		
4 Dividends and interest from securities			14	43,448		
5 Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory			18	94,798		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)				144,963		
13 Total. Add line 12, columns (b), (d), and (e)				13		144,963

(See worksheet in line 13 instructions to verify calculations.)

[illegible]

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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) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes | No |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | | | |
| | (1) Cash | 1a(1) | | ✓ |
| | (2) Other assets | 1a(2) | | ✓ |
| b | Other transactions: | | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | ✓ |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | ✓ |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | | ✓ |
| | (4) Reimbursement arrangements | 1b(4) | | ✓ |
| | (5) Loans or loan guarantees | 1b(5) | | ✓ |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | | ✓ |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | ✓ |
| 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. | | | |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) (other than section 501(c)(3)) or in section 527? ☐ Yes ☐ No
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee Quight Martin Date 3-12-19 Title Trustee

May the IRS discuss this return with the preparer shown below?
See instructions. ☐ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

Form **990-PF** (2018)

The Carol Foundation

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	A	B	C	D
	<u>Per Books</u>	<u>Net Inv Inc</u>	<u>Adj Inv Inc</u>	<u>Charitable</u>
<i>Schedule 1</i>				
Page 1 Line 18				
Taxes				
TN Franchise Tax	21			21
Foreign Tax Paid	375	375		
Payroll Tax	3,060	765		2,295
Total	3,456	1,140		2,316

Schedule 2

Page 1 Line 23

Other Expenses

Internet Service	2,012	1,512	500
Office Expense	223		223
Inv. Publications	5,316	5,316	
Total	7,551	6,828	723

SCHEDULE 3

The Carol Foundation
Investments 12/31/2018
Part II Line 10b

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<u>Shares</u>	<u>Inv</u>	Market <u>Value</u>	<u>Cost</u>	Unrealized <u>Gain/Loss</u>
590	AZSEY	11,882.60	9,879.93	2,002.67
8800	AAU	5,896.00	8,205.03	- 2,309.03
420	AXP	40,034.40	41,220.91	- 1,186.51
3840	NLY	37,708.80	39,347.75	- 1,638.95
200	AAPL	31,548.00	44,352.49	- 12,804.49
1000	ASNA	2,510.00	3,355.25	- 845.25
760	AXS	39,246.40	40,285.84	- 1,039.44
544	WRB	40,207.04	39,118.83	1,088.21
2460	FRA	29,274.00	35,111.11	- 5,837.11
2576	BXMT	82,071.36	81,313.39	757.97
536	CBRE	21,461.44	23,783.86	- 2,322.42
300	CSCO	12,999.00	13,721.39	- 722.39
295	KO	13,968.25	13,460.43	507.82
100	COST	20,371.00	21,546.72	- 1,175.72
370	CVS	24,242.40	28,016.61	- 3,774.21
500	CYTK	3,160.00	4,004.88	- 844.88
135	DLR	14,384.25	14,508.86	- 124.61
168	LABU	5,520.48	8,497.15	- 2,976.67
725	EPD	17,827.75	19,935.03	- 2,107.28
54	3SPR	2,484.00	2,107.66	376.34
100	FTNT	7,043.00	8,170.45	- 1,127.45
816	FCX	8,412.96	14,291.85	- 5,878.89
824	GIS	32,086.56	36,149.24	- 4,062.68
1000	GLUU	8,070.00	6,526.85	1,543.15
200	HD	34,364.00	38,377.49	- 4,013.49
356	IR	32,477.88	32,368.43	109.45
400	INTC	18,772.00	18,872.14	- 100.14

Schedule 3

The Carol Foundation

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Investments 12/31/2018

Part II Line 10b

<u>Shares</u>	<u>Inv</u>	<u>Market Value</u>	<u>Cost</u>	<u>Unrealized Gain/loss</u>
260 IP		10,493.60	11,742.78	- 1,249.18
9 ISRG		4,310.28	4,299.95	10.33
800 IIM		10,816.00	10,678.87	137.13
695 PBP		13,726.25	16,991.04	- 3,264.79
300 TAO		7,305.00	8,316.95	- 1,011.95
805 INVH		16,164.40	17,105.07	- 940.67
220 TIP		24,092.20	24,709.61	- 617.41
700 FXI		27,356.00	28,699.95	- 1,343.95
125 LQD		14,102.50	14,727.63	- 625.13
100 JNJ		12,905.00	14,703.95	- 1,798.95
500 KMI		7,690.00	9,086.90	- 1,396.90
416 MIC		15,208.96	16,000.07	- 791.11
120 MKTX		25,357.20	22,787.95	2,569.25
500 MTCH		21,385.00	20,236.95	1,148.05
94 MELI		27,527.90	32,317.85	- 4,789.95
516 MSFT		52,410.12	49,282.66	3,127.46
230 NSRGY		18,620.80	19,440.35	- 819.55
1155 NYT		25,744.95	26,202.70	- 457.75
23 NOC		5,632.70	6,161.75	- 529.05
1105 NXQ		14,818.05	15,384.34	- 566.29
200 OKTA		12,760.00	7,902.95	4,857.05
240 RXL		21,820.80	26,102.90	- 4,282.10
495 UYG		16,146.90	21,715.22	- 5,568.32
164 TQQQ		6,074.56	7,919.97	- 1,845.41
100 QCOM		5,691.00	6,367.27	- 676.27
1120 RRC		10,718.40	15,092.23	- 4,373.83
280 O		17,651.20	14,382.15	3,269.05
80 ROKU		2,451.20	4,148.31	- 1,697.11
300 SCI		12,078.00	13,203.11	- 1,125.11

Schedule 3

The Carol Foundation

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Investments 12/31/2018

Part II Line 10b

100 SNAP	551.00	678.07	-	127.07
300 SBUX	19,320.00	20,484.95	-	1,164.95
100 BX	2,981.00	3,432.90	-	451.90
360 HSY	38,584.80	32,559.90		6,024.90
112 TRV	13,412.00	16,594.83	-	3,182.83
350 EMLC	11,550.00	12,030.15	-	480.15
235 VWO	8,953.50	10,200.12	-	1,246.62
315 VNQ	23,489.55	24,386.31	-	896.76
200 VZ	11,244.00	12,157.95	-	913.95
200 WMT	18,630.00	19,165.48	-	535.48
150 DIS	16,447.50	15,171.95		1,275.55
34 WDAY	5,429.12	4,144.50		1,284.62
10 761519BD8	7,525.00	7,723.50	-	198.50
10.669 12509JAA7	2,080.46			2,080.46
12 609453AGO	2,985.00	10,503.00	-	7,518.00
-2 AAP LCALL	- 20.16	- 315.52		295.36
-2 HD CALL	- 36.00	- 263.52		227.52
-2 PM CALL	- 2,655.00	- 307.52	-	2,347.48
			-	-
			-	-
Totals	1,239,554.31	1,320,588.05	-	81,033.74
			-	-
			-	-
			-	-
			-	-
			-	-

Schedule 4

The Carol Foundation
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Part VIII

Page 6 Line 1

	TITLE	Compensation	Contribution to Retirement	Expense Account
Carol Martin 290 Chancery Dr Gallatin, TN 37066	Trustee 4	\$5,000	\$0	\$0
Dwight Martin 290 Chancery Dr Gallatin, TN 37066	Sec / Trustee Inv Manager 12	\$15,000	\$0	\$0
Jóy Henderson 109 Locks Farm Lane Downingtown, PA 19335	Pres / Trustee 4	\$10,000	\$0	\$0
Lorrie Gideon 800 s Browns Ln #O-3 Gallatin TN 37066	VP Trustee 4	\$5,000	\$0	\$0
Melissa Black 3211 Wellingford Dr High Point NC 27265	Grant Mgr Trustee 4	\$5,000	\$0	\$0
TOTALS		\$40,000	\$0	\$0

Schedule 5

The Carol Houdation

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12/31/2018

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Part XV

Page 11 Line 3a

<u>Name & Address</u>	<u>Relationship</u>	<u>Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Mercy Multiplied 15328 Old Hickory Blvd Nashville TN 37211	N/A	501 c 3	Fund Operations	10,000
Faith Comes by Hearing 2421 Aztec Rd Albuquerque NM 87107	N/A	501 c 3	Operating Expenses	5,000
Alliance for Freedom, Restoration and Justice PO Box 1509 Laramie WY 82073-1509	N/A	501 c 3	Operating Expense	5,000
Teen Challenge 1108 W 33rd St Chattanooga TN 37410	N/A	501 c 3	Fund Operations	10,000
One For Israel P.O.Box 93000, 300 State Street Southlake TX 76092-09998	N/A	501 c 3	Fund Operations	5,000
Salvus Center 556 Hartsville Pike Ste 200 Gallatin TN 37066	N/A	501 c 3	Fund Operating Expenses	5,000

The Carol Foundation

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Schedule 5

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Part XV

Page 11 Line 3a

Cumberland Chrisis

N/A

501 c 3

Operating

6,000

Pregnancy Center

Expenses

P.O. Box 1037

Hendersonville TN 37077

Summer Institute Of Lingu N/A

501 c 3

Fund

10,000

P.O. Box 628200

Operations

Orlando FL 32862

TOTAL

56,000
