

2018

Open to Public Inspection

Form 990-PF

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

1812

For calendar year 2018 or tax year beginning

and ending

Name of foundation LUKIS FOUNDATION			A Employer identification number 41-1708009	
Number and street (or P.O. box number if mail is not delivered to street address) 125 WESTWOOD LANE		Room/suite	B Telephone number (see instructions)	
City or town, state or province, country, and ZIP or foreign postal code WAYZATA MN 55391				
Foreign country name		Foreign province/state/county	Foreign postal code	
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				
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation 04 <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation				
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 36,976,834		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		
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)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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				
4 Dividends and interest from securities	1,013,716	1,013,716		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-81,678			
b Gross sales price for all assets on line 6a 8,565,586				
7 Capital gain net income (from Part IV, line 2)				
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)	43,928	43,928		
12 Total. Add lines 1 through 11	975,966	1,057,644	0	
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)	2,574	2,574		
c Other professional fees (attach schedule)	199,615	199,615		
17 Interest				
18 Taxes (attach schedule) (see instructions)	51,196	51,196		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses. Add lines 13 through 23	253,385	253,385	0	0
25 Contributions, gifts, grants paid	1,890,000			1,890,000
26 Total expenses and disbursements. Add lines 24 and 25	2,143,385	253,385	0	1,890,000
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-1,167,419			
b Net investment income (if negative, enter -0-)		804,259		
c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

HTA

Form 990-PF (2018)

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 3-4
 Revenue
 SCANNED JUN 22 2020
 Operating and Administrative Expenses

 RECEIVED
 JAN 23 2020
 OGDEN, UT

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			
	2 Savings and temporary cash investments	757,290	1,272,383	1,272,383
	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)	12,916,332	12,550,092	12,148,471
	b Investments—corporate stock (attach schedule)	18,412,631	18,164,237	18,972,472
	c Investments—corporate bonds (attach schedule)			
Liabilities	11 Investments—land, buildings, and equipment, basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	5,937,966	4,856,093	4,549,122
	14 Land, buildings, and equipment, basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶ FORM 990-PF TAX DEPOSIT)	20,391	34,386	34,386
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	38,044,610	36,877,191	36,976,834
	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)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26, and lines 30 and 31. <input checked="" type="checkbox"/>			
	24 Unrestricted	38,044,610	36,877,191	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	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			
29 30	30 Total net assets or fund balances (see instructions)	38,044,610	36,877,191	
	31 Total liabilities and net assets/fund balances (see instructions)	38,044,610	36,877,191	

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	38,044,610
2 Enter amount from Part I, line 27a	2	-1,167,419
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	36,877,191
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	36,877,191

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	ABBOT DOWNING SHT TRM - SCHEDULE I	P	VARIOUS	12/31/2018
b	ABBOT DOWNING LNG TRM - SCHEDULE II	P	VARIOUS	12/31/2018
c				
d				
e	Capital Gains Distributions			

(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 1,869,980		1,950,015	-80,035
b 6,607,576		6,697,249	-89,673
c			
d			
e			88,030

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			-80,035
b			-89,673
c			
d			
e			88,030

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	-81,678
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	0

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	906,164	39,360,664	0.023022
2016	346,000	36,477,940	0.009485
2015	1,198,500	37,485,029	0.031973
2014	2,216,800	32,554,828	0.068094
2013	230,150	21,695,851	0.010608

2 Total of line 1, column (d)	2	0.143182
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	0.028636
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	38,510,138
5 Multiply line 4 by line 3	5	1,102,776
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,043
7 Add lines 5 and 6	7	1,110,819
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	1,890,000

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)
- b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b
- 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-)
- 3 Add lines 1 and 2
- 4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)
- 5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-
- 6 Credits/Payments
- a 2018 estimated tax payments and 2017 overpayment credited to 2018
- b Exempt foreign organizations—tax withheld at source
- c Tax paid with application for extension of time to file (Form 8868)
- d Backup withholding erroneously withheld
- 7 Total credits and payments. Add lines 6a through 6d
- 8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached
- 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** 46,343 **Refunded**

1	8,043	
2	0	
3	8,043	
4		
5	8,043	
6a	34,386	
6b		
6c	20,000	
6d		
7	54,386	
8		
9	0	
10	46,343	
11	0	

Part VII-A Statements Regarding Activities

- 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?
- 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
MN
- 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

	Yes	No
1a		X
1b		X
1c		
2		X
3		X
4a		X
4b	N/A	
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		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 ▶	13	X
14 The books are in care of ▶ <u>LAWRENCE LUKIS</u> Telephone no ▶ Located at ▶ <u>125 WESTWOOD LANE WAYZATA MN</u> ZIP+4 ▶ <u>55391</u>		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here ▶ <input type="checkbox"/> 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	X

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

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

	Yes	No
1a During the year, did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)–(6), did 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. Organizations relying on a current notice regarding disaster assistance, check here ▶ <input type="checkbox"/>	1b	N/A
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	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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? <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	N/A
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 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	N/A
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 2018?	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		
Organizations relying on a current notice regarding disaster assistance, check here	<input checked="" 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?		
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?		
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 SCHEDULE III		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
ABBOT DOWNING 600 SOUTH 4TH STREET - 14TH FLOOR, MINNEAPOLIS, MN 55402	INVESTMENT MANAGEMENT	196,309
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 CONTRIBUTIONS TO OTHER CHARITABLE ORGANIZATIONS	
SEE SCHEDULE IV	1,890,000
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	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	38,495,242
b	Average of monthly cash balances	1b	601,345
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	39,096,587
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	39,096,587
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	586,449
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	38,510,138
6	Minimum investment return. Enter 5% of line 5	6	1,925,507

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	1,925,507
2a	Tax on investment income for 2018 from Part VI, line 5	2a	8,043
b	Income tax for 2018 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	8,043
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,917,464
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,917,464
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	1,917,464

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	1,890,000
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	1,890,000
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	8,043
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,881,957

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				1,917,464
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only			1,686,488	
b Total for prior years 20 ____, 20 ____, 20 ____				
3 Excess distributions carryover, if any, to 2018.				
a From 2013				
b From 2014				
c From 2014				
d From 2016				
e From 2017				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ 1,890,000				
a Applied to 2017, but not more than line 2a			1,686,488	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2018 distributable amount				203,512
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	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				
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				1,713,952
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 2014				
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)**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 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

Tax year	Prior 3 years			(e) Total
(a) 2018	(b) 2017	(c) 2016	(d) 2015	
				0
b 85% of line 2a				0
c Qualifying distributions from Part XII, line 4 for each year listed				0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				0
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				0
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)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

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).)

LAWRENCE LUKIS

DONNA LUKIS

- 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**

<div>Recipient</div> <div>Name and address (home or business)</div>	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 SCHEDULE IV	NONE			1,890,000
Total				3a 1,890,000
b Approved for future payment				
Total				3b 0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated					
	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					
4 Dividends and interest from securities			14	1,013,716	
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			14	43,928	
8 Gain or (loss) from sales of assets other than inventory			18	-81,678	
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)		0		975,966	0
13 Total. Add line 12, columns (b), (d), and (e)				975,966	975,966

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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?
- a** Transfers from the reporting foundation to a noncharitable exempt organization of
- (1)** Cash
- (2)** Other assets
- b** Other transactions
- (1)** Sales of assets to a noncharitable exempt organization
- (2)** Purchases of assets from a noncharitable exempt organization
- (3)** Rental of facilities, equipment, or other assets
- (4)** Reimbursement arrangements
- (5)** Loans or loan guarantees
- (6)** Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- 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.

	Yes	No
1a(1)		X
1a(2)		
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[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

Date _____

Title

May the IRS discuss this return with the preparer shown below?
See instructions ☒ Yes ☐

**Paid
Preparer
Use Only**

Print/Type preparer's name

KEVIN J MOORE, CPA

Preparer's signature

Erin Mann CFA

Date _____

11/8/2019

Check ☐ if self-employed

PTIN

P01426276

Firm's name ► HINSHAW & CULBERTSON LLP

Firm's EIN ▶ 36-2128133

Firm's address ► 333 SOUTH 7TH ST, SUITE 2000, MINNEAPOLIS, MN 55402

Phone no	(612) 334-2542
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Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

Amount														Net Gain or Loss																											
Long Term CG Distributions														88,030		-		81,678																							
Short Term CG Distributions														0				0																							
Totals														Gross Sales		Cost or Other Basis, Expenses, Depreciation and Adjustments		Net Gain or Loss																							
Capital Gains/Losses														8,565,586		8,647,264		-		81,678																					
Other sales														0		0		0																							
Description														CUSIP #		Check "X" to include in Part IV		Purchaser		Check "X" if Purchaser is a Business		Date Acquired		Date Sold		Gross Sales Price		Cost or Other Basis		Valuation Method		Expense of Sale and Cost of Improvements		Depreciation		Adjustments		Net Gain or Loss			
1 ABBOT DOWNING SHI TRM -																X						VARIOUS		12/31/2018		1,969,980		1,950,015												-80,035	
2 ABBOT DOWNING LNG TRM -																X						VARIOUS		12/31/2018		6,607,576		6,697,249												-89,673	

Part I, Line 11 (990-PF) - Other Income

		43,928	43,928	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	JP MORGAN / E TRACS ALERIAN MLP INDEX + INFRASTRU	43,928	43,928	
2	SECTION 1250 GAINS - MUTUAL FUNDS		0	

Part I, Line 16b (990-PF) - Accounting Fees

		2,574	2,574	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	HINSHAW & CULBERTSON	2,574	2,574		0

Part I, Line 16c (990-PF) - Other Professional Fees

		199,615	199,615	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	ABBOT DOWNING AND ADR FEES	199,615	199,615		0

Part I, Line 18 (990-PF) - Taxes

		51,196	51,196	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Real estate tax not included in line 20	0			
2	Tax on investment income (2017 FORM 990-PF)	26,005	26,005		
3	Income tax	0			
4	FOREIGN TAX	25,191	25,191		

Part II, Line 10a (990-PF) - Investments - U.S. and State Government Obligations

		Federal		State/Local							
		12,916,332	12,550,092	0	0	12,782,760	12,148,471				
		Book Value	Book Value	Book Value	Book Value	FMV	FMV				
		Beg of Year	End of Year	Beg of Year	End of Year	Beg of Year	End of Year				
1	BONDS AND NOTES - ABBOTT DOWNING	12,916,332	12,550,092			12,782,760	12,148,471				

Part II, Line 10b (990-PF) - Investments - Corporate Stock

		18,412,631	18,164,237	21,685,432	18,972,472
		Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
		Num Shares/ Face Value			
1	EQUITIES - ABBOT DOWNING		18,412,631	21,685,432	18,972,472

Part II, Line 13 (990-PF) - Investments - Other

Asset Description		Basis of Valuation	Book Value Beg. of Year	Book Value End of Year	FMV End of Year
1	COMPLEMENTARY STRATEGIES AND OTH	AT COST	5,937,966	4,856,093	4,549,122
2	UNSETTLED TRADES	AT COST			
			5,901,603	4,494,594	4,187,623
			36,363	361,499	361,499

Part II, Line 15 (990-PF) - Other Assets

		20,391	34,386	34,386
Asset Description		Book Value Beg of Year	Book Value End of Year	FMV End of Year
1	FORM 990-PF TAX DEPOSIT	20,391	34,386	34,386

Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

		Amount													
Long Term CG Distributions		88,030													
Short Term CG Distributions		0													

Part VII-A, Line 12 (990-PF) - Distribution to a Donor Advised Fund

☒ Check ("X") if the distribution was treated as a qualifying distribution

THE FOUNDATION TREATED THE DISTRIBUTIONS TO THE DONOR ADVISED FUNDS BRIAN AND LISA LUKIS FUND AT THE MINNEAPOLIS FOUNDATION, JASON AND DANEAL LUKIS FUND AT THE IN FAITH COMMUNITY FOUNDATION, AND KEVIN AND LISA LUKIS FUND AT THE MAINE COMMUNITY FOUNDATION AS QUALIFYING DISTRIBUTIONS AS EACH RECIPIENT IS A PUBLIC CHARITY SUPPORTING EDUCATIONAL CHARITIES, RELIGIOUS INSTITUTIONS, AND SOCIAL SERVICE ORGANIZATIONS AS DEFINED IN IRC SECTION 170(c)(2)(B) ALTHOUGH EACH OF THESE FUNDS IS NEW THIS YEAR, IT IS EXPECTED THAT ALL GRANTS OUT OF THESE FUNDS WILL BE TO QUALIFIED CHARITABLE ORGANIZATIONS AND IN COMPLIANCE WITH THE RULES AND REGULATIONS OF THE MINNEAPOLIS FOUNDATION, THE IN FAITH COMMUNITY FUND, AND THE MAINE COMMUNITY FOUNDATION - OR ELSE THEY WILL NOT DISBURSE THE FUNDS

SCHEDULE IV**Lukis Foundation
41-1708009
12/31/18**

Name and Address	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
Treehouse Attn: Development 2100 24th Avenue South, #200 Seattle, WA 98144	N/A	501(c)(3)	Unrestricted	20,000
Hospice Foundation of America 1710 Rhode Island Avenue, NW Suite 400 Washington, DC 20036	N/A	501(c)(3)	Unrestricted	20,000
Greater Minneapolis Crisis Nursery NW 6189 P.O. Box 1450 Minneapolis, MN 55485-6189	N/A	501(c)(3)	Unrestricted	20,000
Department of Development Mayo Clinic 200 First Street SW Rochester, MN 55905	N/A	501(c)(3)	Unrestricted	100,000
Minnesota Public Radio 480 Cedar Street St. Paul, MN 55101	N/A	501(c)(3)	Unrestricted	20,000
Arthritis Foundation 662 Transfer Road St. Paul, MN 55104	N/A	501(c)(3)	Unrestricted	20,000
Camp Amnicon 8450 E. Camp Amnicon Rd South Range, WI 54874	N/A	501(c)(3)	Unrestricted	20,000
Lake Superior Tall Ships P.O. Box 1126 Bayfield, WI 54814	N/A	501(c)(3)	Unrestricted	150,000
University of Buffalo Foundation 101 Service Center Rd Buffalo, NY 14260	N/A	501(c)(3)	Unrestricted	20,000
Minneapolis Foundation 80 South 8 th Street, Suite 800	N/A	501(c)(3)	Unrestricted	500,000

Name and Address	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
Minneapolis, MN 55402 Brian and Lisa Lukis Donor Advised Fund				
In Faith Community Foundation 625 South 4 th Avenue Minneapolis, MN 55402 Jason and Danae Lukis Donor Advised Fund	N/A	501(c)(3)	Unrestricted	500,000
Maine Community Foundation 245 Main Street Ellsworth, ME 04605-9735 Kevin and Lisa Lukis Donor Advised Fund	N/A	501(c)(3)	Unrestricted	500,000
Total				<u>1,890,000</u>