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Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

Do not enter social security numbers on this form as it may be made public.

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

OMB No. 1545-0052

2019

Open to Public Inspection

For calendar year 2019, or tax year beginning 01-01-2019, and ending 12-31-2019

Name of foundation
RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

Number and street (or P.O. box number if mail is not delivered to street address)
PO BOX 164

City or town, state or province, country, and ZIP or foreign postal code
NELIGH, NE 687560164

G Check all that apply:

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ Name change

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation

☐ Section 4947(a)(1) nonexempt charitable trust

☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)▶\$ 1,329,437

J Accounting method:

☐ Cash

☒ Accrual

☐ Other (specify) _____
(Part I, column (d) must be on cash basis.)

A Employer identification number
47-6234969

B Telephone number (see instructions)
(402) 887-5022

C If exemption application is pending, check here▶☐

D 1. Foreign organizations, check here.....▶☐
2. Foreign organizations meeting the 85% test, check here and attach computation ...▶☐

E If private foundation status was terminated under section 507(b)(1)(A), check here▶☐

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)	40,000		
	2 Check ▶ ☒ if the foundation is not required to attach Sch. B			
	3 Interest on savings and temporary cash investments	555	555	
	4 Dividends and interest from securities . . .	5,292	5,292	
	5a Gross rents	104,428	104,428	
	b Net rental income or (loss) _____ -37,057			
	6a Net gain or (loss) from sale of assets not on line 10			
	b Gross sales price for all assets on line 6a _____			
	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)				
12 Total. Add lines 1 through 11	150,275	110,275		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.			
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule)	27,588	6,896	20,692
	b Accounting fees (attach schedule)	6,442		6,442
	c Other professional fees (attach schedule)	39,847	33,847	
	17 Interest			
	18 Taxes (attach schedule) (see instructions) . . .	25,350	24,822	
	19 Depreciation (attach schedule) and depletion . . .	18,898	18,898	
	20 Occupancy	3,000		3,000
	21 Travel, conferences, and meetings	528		528
	22 Printing and publications			
	23 Other expenses (attach schedule)	58,525	57,022	1,503
	24 Total operating and administrative expenses. Add lines 13 through 23	180,178	141,485	32,165
	25 Contributions, gifts, grants paid	42,150		42,150
	26 Total expenses and disbursements. Add lines 24 and 25	222,328	141,485	74,315
	27 Subtract line 26 from line 12:			
	a Excess of revenue over expenses and disbursements	-72,053		
	b Net investment income (if negative, enter -0-)		0	
c Adjusted net income (if negative, enter -0-) . . .				

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 11289X

Form 990-PF (2019)

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	54,401	17,263	17,263
	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)	2,896	2,896	2,896
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶ _____ Less: accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans	73,212	56,778	56,778
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶ <u>1,487,931</u> Less: accumulated depreciation (attach schedule) ▶ <u>457,043</u>	1,049,786	1,030,888	1,252,500
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,180,295	1,107,825	1,329,437	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ _____)	417		
	23 Total liabilities (add lines 17 through 22)	417	0	
Net Assets or Fund Balances	Foundations that follow FASB ASC 958, check here ▶ ☐ and complete lines 24, 25, 29 and 30.			
	24 Net assets without donor restrictions			
	25 Net assets with donor restrictions			
	Foundations that do not follow FASB ASC 958, check here ▶ ☒ and complete lines 26 through 30.			
	26 Capital stock, trust principal, or current funds			
	27 Paid-in or capital surplus, or land, bldg., and equipment fund			
	28 Retained earnings, accumulated income, endowment, or other funds	1,179,878	1,107,825	
	29 Total net assets or fund balances (see instructions)	1,179,878	1,107,825	
30 Total liabilities and net assets/fund balances (see instructions) .	1,180,295	1,107,825		

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 29 (must agree with end-of-year figure reported on prior year's return)	1	1,179,878
2 Enter amount from Part I, line 27a	2	-72,053
3 Other increases not included in line 2 (itemize) ▶ _____	3	
4 Add lines 1, 2, and 3	4	1,107,825
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 29 .	6	1,107,825

Part IV Capital Gains and Losses for Tax on Investment Income

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

(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			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col.(h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
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	
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 does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2018	83,775	1,360,852	0.061561
2017	53,974	1,369,118	0.039422
2016	125,841	1,371,792	0.091735
2015	90,958	1,461,068	0.062254
2014	77,150	1,518,186	0.050817

2 Total of line 1, column (d)	2	0.305789
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	0.061158
4 Enter the net value of noncharitable-use assets for 2019 from Part X, line 5	4	1,335,881
5 Multiply line 4 by line 3	5	81,700
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	81,700
8 Enter qualifying distributions from Part XII, line 4	8	74,315

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ 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	1	0
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2.	3	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	
6	Credits/Payments:		
a	2019 estimated tax payments and 2018 overpayment credited to 2019	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached.	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2020 estimated tax ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition). <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		No
c Did the foundation file Form 1120-POL for this year?		No
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? <i>If "Yes," attach a detailed description of the activities.</i>		No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		No
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? <i>If "Yes," attach the statement required by General Instruction T.</i>		No
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?	Yes	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	Yes	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ NE		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation.</i>	Yes	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2019 or the taxable year beginning in 2019? See the instructions for Part XIV. <i>If "Yes," complete Part XIV</i>		No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions.	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement. See instructions	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	13	Yes	
14	The books are in care of ▶ <u>JAMES J MCNALLY</u> Telephone no. ▶ <u>(402) 887-5022</u>			

Located at ▶ 1008 S STREET PO BOX 164 NELIGH NE ZIP+4 ▶ 687560164

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 2019, 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	Yes No

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

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

1a	During the year did the foundation (either directly or indirectly):		Yes	No
	(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 ☐ Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐	1b		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2019?	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 2019, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2019? ☐ 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 2019 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 2019.)	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2019?	4b		No

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

5a	During the year did the foundation pay or incur any amount to:		Yes	No
(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		5b	
	Organizations 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		
	<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d).</i>			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No	6b	No
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			
	<i>If "Yes" to 6b, file Form 8870.</i>			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No		7b	
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 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, foundation managers and their compensation. See instructions				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JAMES J MCNALLY-TRUSTEE 1008 S STREET PO BOX 164 NELIGH, NE 687560164	TRUSTEE 2.50	0	0	0
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				

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	
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 N/A	
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	67,891
b	Average of monthly cash balances.	1b	35,833
c	Fair market value of all other assets (see instructions).	1c	1,252,500
d	Total (add lines 1a, b, and c).	1d	1,356,224
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	1,356,224
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	20,343
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,335,881
6	Minimum investment return. Enter 5% of line 5.	6	66,794

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	66,794
2a	Tax on investment income for 2019 from Part VI, line 5.	2a	
b	Income tax for 2019. (This does not include the tax from Part VI.).	2b	
c	Add lines 2a and 2b.	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	66,794
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	66,794
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	66,794

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	74,315
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	74,315
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	74,315

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 2018	(c) 2018	(d) 2019
1 Distributable amount for 2019 from Part XI, line 7				66,794
2 Undistributed income, if any, as of the end of 2019:				
a Enter amount for 2018 only.				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2019:				
a From 2014.				
b From 2015.				
c From 2016.				
d From 2017.				
e From 2018.				5,041
f Total of lines 3a through e.	5,041			
4 Qualifying distributions for 2019 from Part XII, line 4: ► \$ 74,315				
a Applied to 2018, but not more than line 2a				
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 2019 distributable amount.				66,794
e Remaining amount distributed out of corpus	7,521			
5 Excess distributions carryover applied to 2019. (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	12,562			
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 2018. Subtract line 4a from line 2a. Taxable amount—see instructions.				
f Undistributed income for 2019. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020.				0
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 2014 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a.	12,562			
10 Analysis of line 9:				
a Excess from 2015.				
b Excess from 2016.				
c Excess from 2017.				
d Excess from 2018.				5,041
e Excess from 2019.				7,521

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2019, enter the date of the ruling. ▶

b Check box to indicate whether the organization 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) 2019	(b) 2018	(c) 2017	(d) 2016	
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 e-mail address of the person to whom applications should be addressed:

JAMES J MCNALLY
1008 S STREET PO BOX 164
NELIGH, NE 687560164
(402) 887-5022

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

PAPER APPLICATION AMOUNT OF REQUEST AND PURPOSE FOR USE OF FUNDS

c Any submission deadlines:

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

NONE

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 <i>Paid during the year</i> See Additional Data Table				
Total			▶ 3a	42,150
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated.

[illegible]

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)		No
(2) Other assets.		1a(2)		No
b Other transactions:				
(1) Sales of assets to a noncharitable exempt organization.		1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.		1b(2)		No
(3) Rental of facilities, equipment, or other assets.		1b(3)		No
(4) Reimbursement arrangements.		1b(4)		No
(5) Loans or loan guarantees.		1b(5)		No
(6) Performance of services or membership or fundraising solicitations.		1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.		1c		No
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.				

[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.		
	*****	2020-07-08	*****
	_____ Signature of officer or trustee	_____ Date	_____ Title

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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	ALVIN G BECKMANN CPA		2020-07-08		P00053701
	Firm's name ▶ AUTEN PRUSS & BECKMANN PC				Firm's EIN ▶ 47-0699068
	Firm's address ▶ 1309 NORTH 9TH STREET NORFOLK, NE 687010854				Phone no. (402) 379-4488

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
KNIGHTS OF COLUMBUSLOCAL LOCAL NELIGH, NE 68756	NONE	501(C) 3 ORG	COMMUNITY ACTIVITY	500
ST JOHN PARISHLOCAL LOCAL CLEARWATER, NE 68726	NONE	501(C)3 ORG	UNRESTRICTED	5,000
CITY OF NELIGHLOCAL LOCAL NELIGH, NE 68756	NONE	501(C) 3 ORG	IMPROVEMENT	2,500
Total ▶ 3a				42,150

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
UNITED METHODIST CHURCHLOCAL LOCAL BARTLETT, NE 68622	NONE	501(C) 3 ORG	UNRESTRICTED	1,000
ANTELOPE COUNTY HEALTH CARE FOUNDAT LOCAL LOCAL NELIGH, NE 68756	NONE	501(C) 3 ORG	COMMUNITY ACTIVITY	400
POPE JOHN CENTRAL CATHOLICLOCAL LOCAL ELGIN, NE 68636	NONE	501(C)3 ORG	COMMUNITY ACTIVITY	2,000
Total ▶ 3a				42,150

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
POPE JOHN CENTRAL CATHOLICLOCAL LOCAL ELGIN, NE 68636	NONE	501(C) 3 ORG	COMMUNITY ACTIVITY	5,000
POPE JOHN CENTRAL CATHOLICLOCAL LOCAL ELGIN, NE 68636	NONE	501(C) 3 ORG	COMMUNITY ACTIVITY	2,000
ST JOHN LUTHERAN CHURCHLOCAL LOCAL CLEARWATER, NE 68726	NONE	501(C) 3 ORG	IMPROVEMENT	2,500
Total ▶ 3a				42,150

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ST JOHN CATHOLIC CHURCH PARISH LOCAL LOCAL CLEARWATER, NE 68726	NONE	501(C) 3 ORG	COMMUNITY ACTIVITY	2,500
ST FRANCIS OF ASSISI CATHOLIC CHUR LOCAL LOCAL NELIGH, NE 68756	NONE	501(C) 3 ORG	IMPROVEMENT	3,500
FRIENDS OF ST BONIFACE CATHOLIC SCH LOCAL LOCAL ELGIN, NE 68636	NONE	501(C) 3 ORG	COMMUNITY ACTIVITY	3,000
Total ▶ 3a				42,150

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ST BONIFACE CHURCHLOCAL LOCAL ELGIN, NE 68636	NONE	501(C)3 ORG	COMMUNITY ACTIVITY	750
NELIGH SENIOR CITIZENS PROGRAM LOCAL LOCAL NELIGH, NE 68756	NONE	501(C)3 ORG	UNRESTRICTED	2,500
POPE JOHN CENTRAL CATHOLIC MUSIC DE LOCAL LOCAL ELGIN, NE 68636	NONE	501(C) 3 ORG	UNRESTRICTED	1,500
Total ▶ 3a				42,150

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ANTELOPE COUNTY FOOD BANKLOCAL LOCAL NELIGH, NE 68756	NONE	501(C) 3 ORG	UNRESTRICTED	2,500
NELIGH METHODIST CHURCH FOOD BANK LOCAL LOCAL NELIGH, NE 68756	NONE	501(C) 3 ORG	UNRESTRICTED	5,000
Total ▶ 3a				42,150

TY 2019 Accounting Fees Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING -OUTSIDE SERVICE	1,700			1,700
ACCOUNTING -OUTSIDE SERVICE	4,742			4,742

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

TY 2019 Depreciation Schedule

Name: RICHARD KALVELAGE GIFT TRUST
 JAMES J MCNALLY
EIN: 47-6234969

Depreciation Schedule

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
WARD 6- DRUG STORE	2001-08-01	22,000	9,801	S/L	39.0000	564	564		
WARD 6-LAND	2001-08-01	3,000							
WARD 9-DRUG STORE	2001-08-01	12,000	5,231	S/L	39.0000	307	307		
WARD 9-LAND	2001-08-01	3,000							
REMODEL-STORAGE ROOM	2003-02-10	17,856	7,268	S/L	39.0000	458	458		
LAND	2006-05-05	35,000							
UNITS	2006-05-05	140,000	45,320	S/L	39.0000	3,590	3,590		
COSTS	2006-05-05	227	73	S/L	39.0000	6	6		
PROFESSIONAL FEES	2006-05-05	3,482	1,127	S/L	39.0000	89	89		
ADDITIONAL IMPROVEMENTS	2007-04-09	44,496	13,358	S/L	39.0000	1,141	1,141		
FENCING	2007-05-08	19,878	7,852	S/L	39.0000	497	497		
LAND	2006-06-30	66,000							
UNITS	2006-06-30	264,000	84,897	S/L	39.0000	6,770	6,770		
COSTS	2006-06-30	152	49	S/L	39.0000	4	4		
PROFESSIONAL FEES	2006-06-30	6,000	1,930	S/L	39.0000	153	153		
PROFESSIONAL FEES	2007-01-01	7,327	2,247	S/L	39.0000	187	187		
FENCING	2007-01-01	54,200	21,409	S/L	39.0000	1,355	1,355		
PAVING	2007-01-01	33,602	10,303	S/L	39.0000	862	862		
ADDITIONAL IMPROVEMENTS	2007-01-19	13,500	4,139	S/L	39.0000	347	347		
ASPHALT	2007-07-02	18,350	7,248	S/L	39.0000	459	459		

Depreciation Schedule

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
IMPROVE	2007-07-01	11,120	4,392	S/L	39.0000	278	278		
CARPET	2007-06-27	3,433	3,433	200DB	5.0000				
WINDOWS	2007-05-15	5,102	1,521	S/L	39.0000	131	131		
LAND	2007-03-07	160,006							
IRRIGATION SYSTEM	2007-03-07	21,500	21,500	S/L	10.0000				
IRRIGATION WELL	2007-03-07	21,500	21,500	S/L	10.0000				
IRRIGATION MOTOR	2007-03-07	3,500	3,500	S/L	10.0000				
IRRIGATION TANK	2007-03-07	1,500	1,500	S/L	10.0000				
LAND	2007-03-01	320,004							
2 IRRIGATION SYSTEMS, MOTORS, TANKS	2007-03-01	70,000	70,000	S/L	10.0000				
2 IRRIGATION WELLS	2007-03-01	50,000	50,000	S/L	10.0000				
GRAIN BIN (36X22)	2007-03-01	20,000	20,000	S/L	10.0000				
2 SET DROP NOZZLES	2007-05-11	8,809	8,809	S/L	10.0000				
ADDITIONAL DRAINAGE	2008-05-08	13,860	4,158	S/L	39.0000	347	347		
GRAIN BIN (N)	2014-10-01	13,527	5,580	S/L	10.0000	1,353	1,353		

TY 2019 Investments Corporate Stock Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Investments Corporation Stock Schedule

Name of Stock	End of Year Book Value	End of Year Fair Market Value
PATRONAGE DIVIDEND RETAINED	2,896	2,896

**TY 2019 Land, Etc.
Schedule**

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
	900,921	457,043	443,878	
	587,010		587,010	1,252,500

TY 2019 Legal Fees Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
RENTAL PROPERTY-STORAGE	8,710			8,710
RENTAL PROPERTY-FARM	11,720			11,720
RENTAL PROPERTY-OTHER	262			262
RENTAL PROPERTIES	6,896	6,896		

TY 2019 Other Expenses Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
RENTAL PROPERTIES				
RENTAL PERMITS/FEES	60	60		
RENTALS-INSURANCE	9,300	9,300		
RENTALS-ADVERTISING	1,729	1,729		
RENTALS-REPAIRS	10,101	10,101		
RENTALS-UTILITIES	7,572	7,572		
RENTALS-BANK CHARGES	634	634		
RENTALS-CUSTOM LABOR	510	510		
RENTALS-BAD DEBTS	135	135		
RENTALS-FERTILIZER & SEED	24,941	24,941		

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
RENTALS -FUEL	2,040	2,040		
EXPENSES				
OFFICE EXPENSE	1,155			1,155
SUPPLIES EXPENSE	274			274
POSTAGE	74			74

TY 2019 Other Liabilities Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Description	Beginning of Year - Book Value	End of Year - Book Value
OTHER PAYABLE	417	

TY 2019 Other Professional Fees Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OTHER PROFESSIONAL FEES-FEES, ET	6,000			
RENTAL PROPERTIES	33,847	33,847		

TY 2019 Taxes Schedule

Name: RICHARD KALVELAGE GIFT TRUST
JAMES J MCNALLY

EIN: 47-6234969

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
RENTAL PROPERTIES	24,822	24,822		
INDIRECT TAXES/LICENSES	528			