

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

## 2013

For calendar year 2013 or other tax year beginning JUL 1, 2013 and ending JUN 30, 2014

▶ **Information about Form 990-T and its instructions is available at [www.irs.gov/form990t](http://www.irs.gov/form990t).**

▶ **Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).**

Department of the Treasury  
Internal Revenue Service

Open to Public Inspection for  
501(c)(3) Organizations Only

**A**  Check box if address changed

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

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

**B** Exempt under section  
 501(c)(3)  
 408(e)  220(e)  
 408A  530(a)  
 529(a)

Print or Type

AMERICAN LEGACY FOUNDATION

91-1956621

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

1724 MASSACHUSETTS AVENUE, NW

**E** Unrelated business activity codes (See instructions.)

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

WASHINGTON, DC 20036

900000 812930

**C** Book value of all assets at end of year  
1,151,506,314.

**F** Group exemption number (See instructions.)

**G** Check organization type  501(c) corporation  501(c) trust  401(a) trust  Other trust

**H** Describe the organization's primary unrelated business activity. ▶ **DEBT FINANCED INCOME**

**I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?  Yes  No

If "Yes," enter the name and identifying number of the parent corporation. ▶

**J** The books are in care of ▶ ANTHONY T. O'TOOLE, EVP/CFIO

Telephone number ▶ (202) 454-5555

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
<b>1a</b> Gross receipts or sales			
<b>b</b> Less returns and allowances			
<b>c</b> Balance			
<b>1c</b>			
<b>2</b> Cost of goods sold (Schedule A, line 7)			
<b>3</b> Gross profit. Subtract line 2 from line 1c			
<b>3</b>			
<b>4a</b> Capital gain net income (attach Form 8949 and Schedule D)	479,759.		479,759.
<b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
<b>4b</b>			
<b>c</b> Capital loss deduction for trusts			
<b>4c</b>			
<b>5</b> Income (loss) from partnerships and S corporations (attach statement)	<2,337,797.>	STMT 1	<2,337,797.>
<b>6</b> Rent income (Schedule C)			
<b>7</b> Unrelated debt-financed income (Schedule E)	1,660,277.	1,900,345.	<240,068.>
<b>8</b> Interest, annuities, royalties, and rents from controlled organizations (Sch. F)			
<b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
<b>10</b> Exploited exempt activity income (Schedule I)			
<b>11</b> Advertising income (Schedule J)			
<b>12</b> Other income (See instructions; attach schedule.) SEE STATEMENT 2	148,645.		148,645.
<b>13</b> Total. Combine lines 3 through 12	<49,116.>	1,900,345.	<1,949,461.>

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions.)  
(Except for contributions, deductions must be directly connected with the unrelated business income.)

<b>14</b> Compensation of officers, directors, and trustees (Schedule K)			
<b>15</b> Salaries and wages			
<b>16</b> Repairs and maintenance			
<b>17</b> Bad debts			
<b>18</b> Interest (attach schedule)			
<b>19</b> Taxes and licenses			6,909.
<b>20</b> Charitable contributions (See instructions for limitation rules.) SEE STATEMENT 3			0.
<b>21</b> Depreciation (attach Form 4562)	21		
<b>22</b> Less depreciation claimed on Schedule A and elsewhere on return	22a		
<b>22b</b>			
<b>23</b> Depletion			
<b>24</b> Contributions to deferred compensation plans			
<b>25</b> Employee benefit programs			
<b>26</b> Excess exempt expenses (Schedule I)			
<b>27</b> Excess readership costs (Schedule J)			
<b>28</b> Other deductions (attach schedule)			
<b>29</b> Total deductions. Add lines 14 through 28			6,909.
<b>30</b> Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			<1,956,370.>
<b>31</b> Net operating loss deduction (limited to the amount on line 30) SEE STATEMENT 4			
<b>32</b> Unrelated business taxable income before specific deduction. Subtract line 31 from line 30			<1,956,370.>
<b>33</b> Specific deduction (Generally \$1,000, but see instructions for exceptions.)			1,000.
<b>34</b> Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32			<1,956,370.>

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here... 36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: 37 Proxy tax. See instructions. 38 Alternative minimum tax. 39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116). 40b Other credits (see instructions). 40c General business credit. Attach Form 3800. 40d Credit for prior year minimum tax (attach Form 8801 or 8827). 40e Total credits. Add lines 40a through 40d. 41 Subtract line 40e from line 39. 42 Other taxes. Check if from: Form 4255, Form 8611, Form 8697, Form 8866, Other (attach schedule). 43 Total tax. Add lines 41 and 42. 44a Payments: A 2012 overpayment credited to 2013. 44b 2013 estimated tax payments. 44c Tax deposited with Form 8868. 44d Foreign organizations: Tax paid or withheld at source (see instructions). 44e Backup withholding (see instructions). 44f Credit for small employer health insurance premiums (Attach Form 8941). 44g Other credits and payments: Form 2439, Form 4136, Other. Total. 45 Total payments. Add lines 44a through 44g. 46 Estimated tax penalty (see instructions). Check if Form 2220 is attached. 47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed. 48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid. 49 Enter the amount of line 48 you want: Credited to 2014 estimated tax, Refunded.

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2013 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here SEE STATEMENT 5. 2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file. 3 Enter the amount of tax-exempt interest received or accrued during the tax year.

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

1 Inventory at beginning of year. 2 Purchases. 3 Cost of labor. 4a Additional section 263A costs (att. schedule). 4b Other costs (attach schedule). 5 Total. Add lines 1 through 4b. 6 Inventory at end of year. 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2. 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?

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: [Signature] Date: 5-13-15 Title: EVP, CFIO

May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [ ] No

Paid Preparer Use Only. Print/Type preparer's name: WILLIAM E. TURCO, CPA. Preparer's signature: [Signature]. Date: MAY 12 2015. Check self-employed. PTIN: P00369217. Firm's name: MCGLADREY LLP. Firm's EIN: 42-0714325. Firm's address: 9737 WASHINGTONIAN BLVD., #400 GAITHERSBURG MD 20878-7340. Phone no.: (301) 296-3600.

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

1. Description of property

(1)			
(2)			
(3)			
(4)			
<b>2. Rent received or accrued</b>		<b>3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)</b>	
<b>(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)</b>	<b>(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)</b>		
(1)			
(2)			
(3)			
(4)			
Total	0.	Total	0.
<b>(c) Total income.</b> Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)		<b>(b) Total deductions.</b> Enter here and on page 1, Part I, line 6, column (B)	
0.		0.	

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

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule) SEE STATEMENT 6	(b) Other deductions (attach schedule) SEE STATEMENT 7	
(1) M STREET HOLDING LLC	2,507,971.	988,913.	1,881,699.	
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) SEE STATEMENT 8	5. Average adjusted basis of or allocable to debt-financed property (attach schedule) SEE STATEMENT 9	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1) 17,374,302.	26,246,788.	66.20%	1,660,277.	1,900,345.
(2)		%		
(3)		%		
(4)		%		
<b>Totals</b>			1,660,277.	1,900,345.
<b>Total dividends-received deductions</b> included in column 8		0.		

**Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					
<b>Nonexempt Controlled Organizations</b>					
7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10	
(1)					
(2)					
(3)					
(4)					
<b>Totals</b>			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).	
0.			0.	0.	

**Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization**  
(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)
<b>Totals</b>		0.		0.

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income**  
(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A)	Enter here and on page 1, Part I, line 10, col. (B)			Enter here and on page 1, Part II, line 26.
<b>Totals</b>		0.	0.			0.

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
<b>Totals (carry to Part II, line (5))</b>		0.	0.			0.

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I</b>		0.	0.			0.
		Enter here and on page 1, Part I, line 11, col. (A)	Enter here and on page 1, Part I, line 11, col. (B)			Enter here and on page 1, Part II, line 27.
<b>Totals, Part II (lines 1-5)</b>		0.	0.			0.

**Schedule K - Compensation of Officers, Directors, and Trustees** (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total. Enter here and on page 1, Part II, line 14</b>			0.

FORM 990-T INCOME (LOSS) FROM PARTNERSHIPS AND S CORPORATIONS STATEMENT 1

DESCRIPTION	AMOUNT
PARK STREET CAPITAL PRIVATE EQUITY FUND VII, LP	<20,142.>
PARK STREET CAPITAL PRIVATE EQUITY FUND VIII, LP	34,521.
TIFF PRIVATE EQUITY PARTNERS 2006 LLC	1,088.
HIGHFIELDS CAPITAL IV LP	<11,232.>
AMBERBROOK V, LLC	<13,858.>
COMMONFUND CAPITAL VENTURE PARTNERS VIII, L.P.	<779.>
NORTHGATE IV, LP	173,468.
COMMONFUND CAPITAL INTERNATIONAL PARTNERS VI LP	1,400.
COMMONFUND CAPITAL VENTURE PARTNERS VII, L.P.	<20,435.>
METROPOLITAN REAL ESTATE PARTNERS GLOBAL II, LP	<4,153.>
QUANTUM ENERGY PARTNERS	<46,751.>
SIGULER GUFF DISTRESSED OPPORTUNITIES FUND III VIA ENERGY LP	5,222.
WCP REAL ESTATE FUND II (B) LP	<191,632.>
ROCKLAND POWER PARTNERS	<34,779.>
RESOURCE LAND FUND IV	<598,149.>
ATLAS ENERGY	<138,941.>
OAKTREE PRINCIPAL FUND V AIF	<670.>
GEM REALTY FUND IV LP	7,938.
VIA ENERGY II LP	<40,545.>
WCP REAL ESTATE III	<368,545.>
THE ENERGY & MINERALS GROUP FUND II	34,258.
ATLAS RESOURCES	<886,578.>
IRON POINT REAL ESTATE PARTNERS II TE LP	62.
KAYNE ANDERSON MEZZANINE PARTNERS	<38,018.>
AMBERBROOK VI LLC	<85,972.>
EMERALD HILL CAPITAL PARTNERS II	<4,549.>
GEM REALTY FUND V LP	<503.>
TOTAL TO FORM 990-T, PAGE 1, LINE 5	<89,523.>
	<2,337,797.>

FORM 990-T OTHER INCOME STATEMENT 2

DESCRIPTION	AMOUNT
PARKING GARAGE FEES	144,725.
WEBSITE ADVERTISING	3,920.
TOTAL TO FORM 990-T, PAGE 1, LINE 12	148,645.

FORM 990-T CONTRIBUTIONS STATEMENT 3

DESCRIPTION/KIND OF PROPERTY	METHOD USED TO DETERMINE FMV	AMOUNT
CONTRIBUTION CARRYOVER	N/A	2,546,663.
TOTAL TO FORM 990-T, PAGE 1, LINE 20		2,546,663.

FORM 990-T NET OPERATING LOSS DEDUCTION STATEMENT 4

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR
06/30/12	1,198,626.	0.	1,198,626.	1,198,626.
06/30/13	1,509,286.	0.	1,509,286.	1,509,286.
NOL CARRYOVER AVAILABLE THIS YEAR			2,707,912.	2,707,912.

FORM 990-T NAME OF FOREIGN COUNTRY IN WHICH ORGANIZATION HAS FINANCIAL INTEREST STATEMENT 5

- NAME OF COUNTRY
- CHILE
  - EGYPT
  - COLOMBIA
  - INDIA
  - INDONESIA
  - KOREA (SOUTH)
  - MALAYSIA
  - PHILIPPINES
  - BRAZIL
  - THAILAND
  - TURKEY
  - UNITED ARAB EMIRATES

FORM 990-T                      SCHEDULE E - DEPRECIATION DEDUCTION                      STATEMENT      6

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
DEPRECIATION		988,913.	
- SUBTOTAL -	1		988,913.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(A)			988,913.

FORM 990-T                      SCHEDULE E - OTHER DEDUCTIONS                      STATEMENT      7

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
INTEREST EXPENSE		406,086.	
BUILDING OPERATING EXPENSES		1,475,613.	
- SUBTOTAL -	1		1,881,699.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(B)			1,881,699.

FORM 990-T                      AVERAGE ACQUISITION DEBT ON OR  
ALLOCABLE TO DEBT-FINANCED PROPERTY                      STATEMENT      8

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
AVERAGE ACQUISITION DEBT		17,374,302.	
- SUBTOTAL -	1		17,374,302.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 4			17,374,302.





**Capital Gains and Losses**  
 ▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L,  
 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.  
 ▶ Information about Schedule D (Form 1120) and its separate instructions is at [www.irs.gov/form1120](http://www.irs.gov/form1120).

**2013**

Name **AMERICAN LEGACY FOUNDATION** Employer identification number **91-1956621**

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

See instructions for how to figure the amounts to enter on the lines below.  
 This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
<b>1a</b> Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked				
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked				<b>&lt;36,385.&gt;</b>
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked				
<b>4</b> Short-term capital gain from installment sales from Form 6252, line 26 or 37				<b>4</b>
<b>5</b> Short-term capital gain or (loss) from like-kind exchanges from Form 8824				<b>5</b>
<b>6</b> Unused capital loss carryover (attach computation)				<b>6</b> ( )
<b>7</b> Net short-term capital gain or (loss). Combine lines 1a through 6 in column h				<b>7</b> <b>&lt;36,385.&gt;</b>

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

See instructions for how to figure the amounts to enter on the lines below.  
 This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
<b>8a</b> Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked				<b>56,296.</b>
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked				
<b>11</b> Enter gain from Form 4797, line 7 or 9				<b>11</b> <b>459,848.</b>
<b>12</b> Long-term capital gain from installment sales from Form 6252, line 26 or 37				<b>12</b>
<b>13</b> Long-term capital gain or (loss) from like-kind exchanges from Form 8824				<b>13</b>
<b>14</b> Capital gain distributions				<b>14</b>
<b>15</b> Net long-term capital gain or (loss). Combine lines 8a through 14 in column h				<b>15</b> <b>516,144.</b>

**Part III Summary of Parts I and II**

<b>16</b> Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)	<b>16</b>	
<b>17</b> Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)	<b>17</b>	<b>479,759.</b>
<b>18</b> Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns	<b>18</b>	<b>479,759.</b>

Note. If losses exceed gains, see **Capital losses** in the instructions.

Form **8949**

Department of the Treasury  
Internal Revenue Service

## Sales and Other Dispositions of Capital Assets

**Information about Form 8949 and its separate instructions is at [www.irs.gov/form8949](http://www.irs.gov/form8949).**  
**File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.**

OMB No. 1545-0074

# 2013

Attachment  
Sequence No. **12A**

Name(s) shown on return

AMERICAN LEGACY FOUNDATION

**Social security number or  
taxpayer identification no.**

91-1956621

Most brokers issue their own substitute statement instead of using Form 1099-B. They also may provide basis information (usually your cost) to you on the statement even if it is not reported to the IRS. Before you check Box A, B, or C below, determine whether you received any statement(s) and, if so, the transactions for which basis was reported to the IRS. Brokers are required to report basis to the IRS for most stock you bought in 2011 or later.

**Part I Short-Term.** Transactions involving capital assets you held one year or less are short-term. For long-term transactions, see page 2.  
**Note.** You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 1a; you are not required to report these transactions on Form 8949 (see instructions).

**You must check Box A, B, or C below. Check only one box.** If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (A) Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above)
- (B) Short-term transactions reported on Form(s) 1099-B showing basis was not reported to the IRS
- (C) Short-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed (Mo., day, yr.)	(d) Proceeds (sales price)	(e) Cost or other basis. See the Note below and see Column (e) in the instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s)	(g) Amount of adjustment	
	PASSTHROUGH FROM OTHER ENTITIES							344.
	PASSTHROUGH FROM OTHER ENTITIES							218.
	PASSTHROUGH FROM OTHER ENTITIES							<154.>
	PASSTHROUGH FROM OTHER ENTITIES							<793.>
	PASSTHROUGH FROM OTHER ENTITIES							<43.>
	PASSTHROUGH FROM OTHER ENTITIES							2,058.
	PASSTHROUGH FROM OTHER ENTITIES							209.
	PASSTHROUGH FROM OTHER ENTITIES							<38,540.>
	PASSTHROUGH FROM OTHER ENTITIES							<4.>
	FORM 6781, PART I							320.

**2 Totals.** Add the amounts in columns (d), (e), (g) and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 1b (if Box A above is checked), line 2 (if Box B above is checked), or line 3 (if Box C above is checked) **▶**

**Note.** If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return. (Name and SSN or taxpayer identification no. not required if shown on other side.)

Social security number or taxpayer identification no.

AMERICAN LEGACY FOUNDATION

91-1956621

Most brokers issue their own substitute statement instead of using Form 1099-B. They also may provide basis information (usually your cost) to you on the statement even if it is not reported to the IRS. Before you check Box D, E, or F below, determine whether you received any statement(s) and, if so, the transactions for which basis was reported to the IRS. Brokers are required to report basis to the IRS for most stock you bought in 2011 or later.

Part II Long-Term. Transactions involving capital assets you held more than one year are long term. For short-term transactions, see page 1. Note. You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 8a; you are not required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above)
(E) Long-term transactions reported on Form(s) 1099-B showing basis was not reported to the IRS
(F) Long-term transactions not reported to you on Form 1099-B

Table with 8 columns: (a) Description of property, (b) Date acquired, (c) Date sold or disposed, (d) Proceeds (sales price), (e) Cost or other basis, (f) Code(s), (g) Amount of adjustment, (h) Gain or (loss). Rows include PASSTHROUGH FROM OTHER ENTITIES and FORM 6781, PART I.

2 Totals. Add the amounts in columns (d), (e), (g) and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked)
Note. If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.

Form **4797**

Department of the Treasury  
Internal Revenue Service  
Name(s) shown on return

**Sales of Business Property**  
(Also Involuntary Conversions and Recapture Amounts  
Under Sections 179 and 280F(b)(2))  
▶ Attach to your tax return.

▶ Information about Form 4797 and its separate instructions is at [www.irs.gov/form4797](http://www.irs.gov/form4797).

OMB No. 1545-0184

**2013**

Attachment  
Sequence No. **27**

AMERICAN LEGACY FOUNDATION

Identifying number  
91 1956621

1 Enter the gross proceeds from sales or exchanges reported to you for 2013 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20

1

**Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year** (see instructions)

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2						
SEE STATEMENT 10						459,848.

3	Gain, if any, from Form 4684, line 39	3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6	Gain, if any, from line 32, from other than casualty or theft	6	
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: <b>Partnerships (except electing large partnerships) and S corporations.</b> Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. <b>Individuals, partners, S corporation shareholders, and all others.</b> If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.	7	459,848.
8	Nonrecaptured net section 1231 losses from prior years (see instructions)	8	
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	9	459,848.

**Part II Ordinary Gains and Losses** (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):


11	Loss, if any, from line 7	11	
12	Gain, if any, from line 7 or amount from line 8, if applicable	12	
13	Gain, if any, from line 31	13	
14	Net gain or (loss) from Form 4684, lines 31 and 38a	14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17	Combine lines 10 through 16	17	
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:		
a	If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions	18a	
b	Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14	18b	

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 4797 (2013)

**Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255** (see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A			
B			
C			
D			
<b>These columns relate to the properties on lines 19A through 19D.</b>			
	▶	Property A	Property B
		Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20	
21	Cost or other basis plus expense of sale	21	
22	Depreciation (or depletion) allowed or allowable	22	
23	Adjusted basis. Subtract line 22 from line 21	23	
24	Total gain. Subtract line 23 from line 20	24	
25	<b>If section 1245 property:</b>		
a	Depreciation allowed or allowable from line 22	25a	
b	Enter the smaller of line 24 or 25a	25b	
26	<b>If section 1250 property:</b> If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.		
a	Additional depreciation after 1975 (see instructions)	26a	
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b	
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c	
d	Additional depreciation after 1969 and before 1976	26d	
e	Enter the smaller of line 26c or 26d	26e	
f	Section 291 amount (corporations only)	26f	
g	Add lines 26b, 26e, and 26f	26g	
27	<b>If section 1252 property:</b> Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).		
a	Soil, water, and land clearing expenses	27a	
b	Line 27a multiplied by applicable percentage	27b	
c	Enter the smaller of line 24 or 27b	27c	
28	<b>If section 1254 property:</b>		
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a	
b	Enter the smaller of line 24 or 28a	28b	
29	<b>If section 1255 property:</b>		
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a	
b	Enter the smaller of line 24 or 29a (see instructions)	29b	

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	

**Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less** (see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33
34	Recomputed depreciation (see instructions)	34
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35

FORM 4797

PROPERTY HELD MORE THAN ONE YEAR

STATEMENT 10

DESCRIPTION	DATE ACQUIRED	DATE SOLD	SALES PRICE	DEPR.	COST OR BASIS	GAIN OR LOSS
PASSTHROUGH FROM OTHER ENTITIES						1,973.
PASSTHROUGH FROM OTHER ENTITIES						25.
PASSTHROUGH FROM OTHER ENTITIES						10,450.
PASSTHROUGH FROM OTHER ENTITIES						10,211.
PASSTHROUGH FROM OTHER ENTITIES						<62,749.>
PASSTHROUGH FROM OTHER ENTITIES						338.
PASSTHROUGH FROM OTHER ENTITIES						2,231.
PASSTHROUGH FROM OTHER ENTITIES						27,486.
PASSTHROUGH FROM OTHER ENTITIES						34,100.
PASSTHROUGH FROM OTHER ENTITIES						19.
PASSTHROUGH FROM OTHER ENTITIES						177,549.
PASSTHROUGH FROM OTHER ENTITIES						<28,447.>
PASSTHROUGH FROM OTHER ENTITIES						<1,073.>
PASSTHROUGH FROM OTHER ENTITIES						278,161.
PASSTHROUGH FROM OTHER ENTITIES						9,302.
PASSTHROUGH FROM OTHER ENTITIES						272.
TOTAL TO 4797, PART I, LINE 2						459,848.

ELECTION TO EXPENSE INTANGIBLE DRILLING AND  
DEVELOPMENT COSTS FOR PRODUCTIVE OIL, GAS AND  
GEOTHERMAL WELLS

AMERICAN LEGACY FOUNDATION  
1724 MASSACHUSETTS AVENUE, NW  
WASHINGTON, DC 20036

EMPLOYER IDENTIFICATION NUMBER: 91-1956621

FOR THE YEAR ENDING JUNE 30, 2014

AMERICAN LEGACY FOUNDATION HEREBY ELECTS, PURSUANT TO IRC SEC.  
263(C) AND REG. SEC. 1.612-4 AND/OR REG. SEC. 1.612-5, TO  
DEDUCT ALL OF THE INTANGIBLE DRILLING AND DEVELOPMENT COSTS  
INCURRED IN THE PREPARATION AND DRILLING OF THE FOLLOWING  
WELLS:

DESCRIPTION OF EACH WELL	TOTAL COSTS INCURRED
OIL WELL:	
AMBERBROOK V LLC	4,726
AMBERBROOK VI LLC	13
OAKTREE PRINCIPAL FUND V AIF	1,816
PARK STREET CAPITAL PRIVATE EQUITY FUND VII LP	72,514
PARK STREET VIII	35,947
QUANTUM ENERGY PARTNERS	45,453
TIFF PRIVATE EQUITY 2006	7,186
VIA ENERGY II LP	214,814
VIA ENERGY LP	52,755
TOTAL FROM OIL WELLS	435,224