



990-T

EXTENDED TO NOVEMBER 16, 2020  
**Exempt Organization Business Income Tax Return**  
(and proxy tax under section 6033(e))

2939307901617  
1912

OMB No. 1545-0047

**2019**

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06  
11644

For calendar year 2019 or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information

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

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

Department of the Treasury  
Internal Revenue Service

A  Check box if address changed

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

Name of organization (  Check box if name changed and see instructions )  
**ESTHER AND HAROLD MERTZ FOUNDATION**  
**C/O DIANNE R. STADTFELD SDTC LLC**

Number, street, and room or suite no. If a P.O. box, see instructions  
**212 S. MAIN AVE SUITE 133**

City or town, state or province, country, and ZIP or foreign postal code  
**SIoux FALLS, SD 57104**

D Employer identification number (Employees' trust, see instructions)  
**13-7231616**

E Unrelated business activity code (See instructions)  
**525990**

C Book value of all assets at end of year  
**688,975,591.**

F Group exemption number (See instructions.)

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

H Enter the number of the organization's unrelated trades or businesses **1** Describe the only (or first) unrelated trade or business here **SEE STATEMENT 14** If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V

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 **DIANNE R. STADTFELD, SDTC LLC** Telephone number **605-271-5154**

**Part I Unrelated Trade or Business Income**

	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
c Balance			
1c			
2 Cost of goods sold (Schedule A, line 7)			
3 Gross profit Subtract line 2 from line 1c			
4a Capital gain net income (attach Schedule D)			
4b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
4c Capital loss deduction for trusts			
5 Income (loss) from a partnership or an S corporation (attach statement)	2,104,097.	STMT 16	2,104,097.
6 Rent income (Schedule C)		Internal Revenue Service Received US Bank - USB	
7 Unrelated debt-financed income (Schedule E)		345	
8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F)			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		NOV 30 2020	
10 Exploited exempt activity income (Schedule I)			
11 Advertising income (Schedule J)			
12 Other income (See instructions; attach schedule)		Ogden, UT	
13 Total. Combine lines 3 through 12	2,104,097.		2,104,097.

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

14 Compensation of officers, directors, and trustees (Schedule K)		14	76,803.
15 Salaries and wages		15	
16 Repairs and maintenance		16	
17 Bad debts		17	
18 Interest (attach schedule) (see instructions)		18	
19 Taxes and licenses		19	229,000.
20 Depreciation (attach Form 4562)		20	
21 Less depreciation claimed on Schedule A and elsewhere on return		21a	21b
22 Depletion		22	
23 Contributions to deferred compensation plans		23	
24 Employee benefit programs		24	
25 Excess exempt expenses (Schedule I)		25	
26 Excess readership costs (Schedule J)		26	
27 Other deductions (attach schedule)		27	49,449.
28 Total deductions Add lines 14 through 27		28	355,252.
29 Unrelated business taxable income before net operating loss deduction Subtract line 28 from line 13		29	1,748,845.
30 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		30	0.
31 Unrelated business taxable income Subtract line 30 from line 29		31	1,748,845.

SEE STATEMENT 17

60 Received In  
Batching Ogden  
DEC 23 2020

TPN/col  
B4

6.9 4

<b>Part III Total Unrelated Business Taxable Income</b>			
32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32	1,748,845.
33	Amounts paid for disallowed fringes	33	
34	Charitable contributions (see instructions for limitation rules)	34	1,048,707.
35	Total unrelated business taxable income before pre 2018 NOLs and specific deduction Subtract line 34 from the sum of lines 32 and 33	35	700,138.
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36	
37	Total of unrelated business taxable income before specific deduction Subtract line 36 from line 35	37	700,138.
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions) <b>SEE STATEMENT</b>	38	140,828.
39	<b>Unrelated business taxable income</b> Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39	559,310.

<b>Part IV Tax Computation</b>			
40	<b>Organizations Taxable as Corporations</b> Multiply line 39 by 21% (0.21)	40	
41	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 39 from: <input checked="" type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41	205,303.
42	<b>Proxy tax</b> See instructions	42	
43	<b>Alternative minimum tax</b> (trusts only)	43	
44	<b>Tax on Noncompliant Facility Income</b> See instructions	44	
45	<b>Total</b> Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45	205,303.

<b>Part V Tax and Payments</b>			
46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a	
46b	Other credits (see instructions)	46b	
46c	General business credit Attach Form 3800	46c	
46d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d	
46e	<b>Total credits.</b> Add lines 46a through 46d	46e	
47	Subtract line 46e from line 45	47	205,303.
48	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	48	
49	<b>Total tax</b> Add lines 47 and 48 (see instructions)	49	205,303.
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50	0.
51a	Payments. A 2018 overpayment credited to 2019	51a	510,031.
51b	2019 estimated tax payments	51b	715,000.
51c	Tax deposited with Form 8868	51c	
51d	Foreign organizations Tax paid or withheld at source (see instructions)	51d	
51e	Backup withholding (see instructions)	51e	
51f	Credit for small employer health insurance premiums (attach Form 8941)	51f	
51g	Other credits, adjustments, and payments. <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	51g	
52	<b>Total payments</b> Add lines 51a through 51g	52	1,225,031.
53	Estimated tax penalty (see instructions) Check if Form 2220 is attached <input type="checkbox"/>	53	
54	<b>Tax due</b> If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54	
55	<b>Overpayment</b> If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55	1,019,728.
56	Enter the amount of line 55 you want: <b>Credited to 2020 estimated tax</b> 419,728. <b>Refunded</b> 600,000.	56	600,000.

<b>Part VI Statements Regarding Certain Activities and Other Information</b> (see instructions)		Yes	No
57	At any time during the 2019 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 FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here		X
58	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		X
59	Enter the amount of tax-exempt interest received or accrued during the tax year \$		

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

**Sign Here**  
 Signature of officer: *Dianne R. Stadt* Date: 11-13-20  
 Title: TRUSTEE

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

**Paid Preparer Use Only**  
 Print/Type preparer's name: WARSHAW, HOWARD K  
 Preparer's signature: *Howard K. Warsaw* Date: 11/10/2020  
 Check  if self-employed  
 PTIN: P00082352  
 Firm's name: MARKS PANETH LLP  
 Firm's EIN: 11-3518842  
 Firm's address: 685 THIRD AVENUE  
 Phone no.: 212-503-8800  
 NEW YORK, NY 10017

ESTHER AND HAROLD MERTZ FOUNDATION

Form 990-T (2019) C/O DIANNE R. STADTFELD SDTC LLC

13-7231616

Page 3

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

1	Inventory at beginning of year	1		6	Inventory at end of year	6	
2	Purchases	2		7	Cost of goods sold Subtract line 6 from line 5 Enter here and in Part I, line 2	7	
3	Cost of labor	3					
4a	Additional section 263A costs (attach schedule)	4a					
b	Other costs (attach schedule)	4b		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
5	Total. Add lines 1 through 4b	5					

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

(see instructions)

1 Description of property		
(1)		
(2)		
(3)		
(4)		
2 Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(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)	
(1)		
(2)		
(3)		
(4)		
Total	0.	Total 0.
(c) Total income Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)		(b) Total deductions Enter here and on page 1, Part I, line 6, column (B)
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)	(b) Other deductions (attach schedule)
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	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)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)
Total dividends-received deductions included in column 8			0.	0.

ESTHER AND HAROLD MERTZ FOUNDATION

Form 990-T (2019) C/O DIANNE R. STADTFELD SDTC LLC

13-7231616

Page 4

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

1 Name of controlled organization	2 Employer identification number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7 Taxable income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A)	Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B)
<b>Totals</b>			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 25
<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.

ESTHER AND HAROLD MERTZ FOUNDATION

Form 990-T (2019) C/O DIANNE R. STADTFELD SDTC LLC

13-7231616

**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>	<b>0.</b>	<b>0.</b>				<b>0.</b>
<b>Totals, Part II (lines 1-5)</b>	<b>0.</b> <small>Enter here and on page 1, Part I, line 11, col (A)</small>	<b>0.</b> <small>Enter here and on page 1, Part I, line 11, col (B)</small>				<b>0.</b> <small>Enter here and on page 1, Part II, line 26</small>

**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) NANCY L CLOSE	DIRECTION ADVISOR	5.00 %	76,803.
(2)		%	
(3)		%	
(4)		%	
<b>Total</b> Enter here and on page 1, Part II, line 14			<b>76,803.</b>

## FOOTNOTES

STATEMENT 15

## FOOTNOTE FOR 990-T PART I LINE 5

THE ESTHER AND HAROLD MERTZ FOUNDATION (TAXPAYER) IS TAXED AS A CHARITABLE TRUST AND ITS PRINCIPAL ASSET IS AN 80.9267% OWNERSHIP INTEREST IN A LIMITED LIABILITY COMPANY KNOWN AS 2015 LAVENDER HOLDINGS LLC (HOLDCO).

HOLDCO'S TAX REPORTING IS ON A CALENDAR YEAR BASIS, AS IS, THE TAXPAYER'S. HOLDCO'S FEDERAL EMPLOYER IDENTIFICATION NUMBER IS 81-2443775.

HOLDCO HAS TWO PRIMARY ACTIVITIES. THE FIRST ONE IS THE DIRECT AND INDIRECT SOLE OWNERSHIP OF TWO COMMERCIAL OFFICE RENTAL PROPERTIES. HOWEVER, THE TAXPAYER RECEIVED ITS INTEREST IN HOLDCO ON AUGUST 27, 2016, AS A BEQUEST MADE IN ACCORDANCE WITH THE POST DATE OF DEATH PROVISIONS OF A GRANTOR TRUST. CONSEQUENTLY, PURSUANT TO IRC SECTION 514(C)(2)(B), THE MORTGAGES ENCUMBERING THE COMMERCIAL RENTAL PROPERTIES ARE NOT TREATED AS ACQUISITION DEBT FOR TEN YEARS BEGINNING WITH THE DATE THE TAXPAYER RECEIVED ITS INTEREST IN HOLDCO. THEREFORE, NONE OF THE COMMERCIAL INCOME ALLOCATED FROM HOLDCO TO THE TAXPAYER FOR THE YEAR 2019 IS SUBJECT TO UNRELATED BUSINESS INCOME TAX.

HOLDCO'S SECOND PRIMARY ACTIVITY, IS THE OWNERSHIP OF A 15% MINORITY INTEREST IN PUBLISHERS CLEARING HOUSE LLC (PCH). PCH'S TAX REPORTING IS ALSO ON A CALENDAR YEAR BASIS, AS IS THE TAXPAYER'S. PCH'S FEDERAL EMPLOYER IDENTIFICATION NUMBER IS 11-1730276.

THE NET AMOUNT OF HOLDCO'S SHARE OF PCH ORDINARY INCOME OR LOSS FROM TRADE OR BUSINESS ACTIVITIES SUBJECT TO UNRELATED BUSINESS INCOME TAX FOR 2019 AS REPORTED ON THE PCH SCHEDULE K-1 (FORM 1065) ISSUED BY PCH TO HOLDCO WAS \$2,600,003. IN ACCORDANCE WITH THE TAXPAYER'S OWNERSHIP PERCENTAGE OF HOLDCO, 80.9267%, OR \$2,104,097 WAS REPORTED BY THE TAXPAYER ON FORM 990 T, PART I, LINE 5 FOR THE YEAR 2019.

THE REMAINING ACTIVITIES OF HOLDCO INCLUDE THE OWNERSHIP OF RAW LAND AND PERFORMING CERTAIN MANAGEMENT ACTIVITIES SOLELY FOR THE TWO COMMERCIAL OFFICE RENTAL PROPERTIES.

THE TAXPAYER ALSO HAS 100% EFFECTIVE OWNERSHIP INTEREST IN LAVENDER FOUNDATION INVESTMENTS LLC. ITS FEDERAL EMPLOYER IDENTIFICATION NUMBER IS 83-1192629 AND ITS TAX REPORTING IS ALSO ON A CALENDAR YEAR BASIS. NONE OF THE INCOME ALLOCATED FROM LAVENDER FOUNDATION INVESTMENTS LLC TO THE TAXPAYER FOR THE YEAR 2019 IS SUBJECT TO UNRELATED BUSINESS INCOME TAX.

FOOTNOTE FOR 990-T PART III LINE 34

CARRYOVER OF PRIOR YEAR UNUSED CONTRIBUTIONS - 50% LIMIT

FOR TAX YEAR 2014	\$0
FOR TAX YEAR 2015	\$0
FOR TAX YEAR 2016	\$0
FOR TAX YEAR 2017	\$8,847,651
FOR TAX YEAR 2018	\$16,189,700

CURRENT YEAR UNUSED CONTRIBUTION \$4,000,000

TOTAL CARRYOVER TO 2020 \$29,037,351

CARRYOVER OF PRIOR YEAR UNUSED CONTRIBUTIONS - 60% LIMIT

FOR TAX YEAR 2014	\$0
FOR TAX YEAR 2015	\$0
FOR TAX YEAR 2016	\$0
FOR TAX YEAR 2017	\$0
FOR TAX YEAR 2018	\$0

CURRENT YEAR UNUSED CONTRIBUTION \$14,349,093

TOTAL CARRYOVER TO 2020 \$14,349,093

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FORM 990-T	INCOME (LOSS) FROM PARTNERSHIPS	STATEMENT 16
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DESCRIPTION	NET INCOME OR (LOSS)
UNRELATED BUSINESS INCOME FROM 2015 LAVENDER HOL - ORDINARY BUSINESS INCOME	2,104,097.
TOTAL INCLUDED ON FORM 990-T, PAGE 1, LINE 5	2,104,097.

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FORM 990-T	OTHER DEDUCTIONS	STATEMENT 17
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DESCRIPTION	AMOUNT
ADMIN EXPENSES	3,730.
ACCOUNTING FEES	26,719.
ADVISORY FEES	19,000.
TOTAL TO FORM 990-T, PAGE 1, LINE 27	49,449.

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FORM 990-T	OTHER DEDUCTIONS	STATEMENT 18
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DESCRIPTION	AMOUNT
QUALIFIED BUSINESS INCOME DEDUCTION	139,828.
TOTAL TO FORM 990-T, PAGE 2, LINE 38	139,828.



**SCHEDULE I  
(Form 1041)**

**Alternative Minimum Tax - Estates and Trusts**

OMB No 1545-0092

**2019**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1041.  
▶ Go to [www.irs.gov/Form1041](http://www.irs.gov/Form1041) for instructions and the latest information.

Name of estate or trust **ESTHER AND HAROLD MERTZ FOUNDATION C/O D** Employer identification number **13-7231616**

**Part I Estate's or Trust's Share of Alternative Minimum Taxable Income**

1	Adjusted total income or (loss) (from Form 1041, line 17) ESBTs, see instructions	1	700,138.
2	Interest	2	
3	Taxes	3	
4	Refund of taxes	4	( )
5	Depletion (difference between regular tax and AMT)	5	
6	Net operating loss deduction Enter as a positive amount	6	
7	Interest from specified private activity bonds exempt from the regular tax	7	
8	Qualified small business stock (see instructions)	8	
9	Exercise of incentive stock options (excess of AMT income over regular tax income)	9	
10	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	10	
11	Disposition of property (difference between AMT and regular tax gain or loss)	11	
12	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	12	
13	Passive activities (difference between AMT and regular tax income or loss)	13	
14	Loss limitations (difference between AMT and regular tax income or loss)	14	
15	Circulation costs (difference between regular tax and AMT)	15	
16	Long-term contracts (difference between AMT and regular tax income)	16	
17	Mining costs (difference between regular tax and AMT)	17	
18	Research and experimental costs (difference between regular tax and AMT)	18	
19	Income from certain installment sales before January 1, 1987	19	( )
20	Intangible drilling costs preference	20	
21	Other adjustments, including income-based related adjustments	21	-139,828.
22	Alternative tax net operating loss deduction (See the instructions for the limitation that applies)	22	( )
23	Adjusted alternative minimum taxable income Combine lines 1 through 22	23	560,310.
<b>Note:</b> Complete Part II below before going to line 24			
24	Income distribution deduction from Part II, line 42	24	N/A
25	Estate tax deduction (from Form 1041, line 19)	25	N/A
26	Add lines 24 and 25	26	
27	Estate's or trust's share of alternative minimum taxable income Subtract line 26 from line 23	27	560,310.

If line 27 is

- \$25,000 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust isn't liable for the alternative minimum tax.
- Over \$25,000, but less than \$183,500, go to line 43.
- \$183,500 or more, enter the amount from line 27 on line 49 and go to line 50.
- ESBTs, see instructions.

**Part II Income Distribution Deduction on a Minimum Tax Basis** N/A

28	Adjusted alternative minimum taxable income (see instructions)	28	
29	Adjusted tax-exempt interest (other than amounts included on line 7)	29	
30	Total net gain from Schedule D (Form 1041), line 19, column (1). If a loss, enter -0-	30	
31	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)	31	
32	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)	32	
33	Capital gains computed on a minimum tax basis included on line 23	33	( )
34	Capital losses computed on a minimum tax basis included on line 23 Enter as a positive amount	34	
35	Distributable net alternative minimum taxable income (DNAMTI) Combine lines 28 through 34. If zero or less, enter -0-	35	
36	Income required to be distributed currently (from Form 1041, Schedule B, line 9)	36	
37	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)	37	
38	Total distributions Add lines 36 and 37	38	
39	Tax-exempt income included on line 38 (other than amounts included on line 7)	39	
40	Tentative income distribution deduction on a minimum tax basis Subtract line 39 from line 38	40	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule I (Form 1041) (2019)

<b>Part II   Income Distribution Deduction on a Minimum Tax Basis</b> (continued)		N/A
<b>41</b>	Tentative income distribution deduction on a minimum tax basis Subtract line 29 from line 35 If zero or less, enter -0-	41
<b>42</b>	<b>Income distribution deduction on a minimum tax basis.</b> Enter the smaller of line 40 or line 41 Enter here and on line 24	42

<b>Part III   Alternative Minimum Tax</b>		
<b>43</b>	Exemption amount	43 \$25,000
<b>44</b>	Enter the amount from line 27	44
<b>45</b>	Phase-out of exemption amount	45 \$83,500
<b>46</b>	Subtract line 45 from line 44 If zero or less, enter -0-	46
<b>47</b>	Multiply line 46 by 25% (0 25)	47
<b>48</b>	Subtract line 47 from line 43 If zero or less, enter -0-	48
<b>49</b>	Subtract line 48 from line 44	49 560,310.
<b>50</b>	Go to Part IV of Schedule I to figure line 50 if the estate or trust has qualified dividends or has a gain on lines 18a and 19 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary) Otherwise, if line 49 is: • \$194,800 or less, multiply line 49 by 26% (0 26) • Over \$194,800, multiply line 49 by 28% (0 28) and subtract \$3,896 from the result	50 152,991.
<b>51</b>	Alternative minimum foreign tax credit (see instructions)	51
<b>52</b>	Tentative minimum tax Subtract line 51 from line 50	52 152,991.
<b>53</b>	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)	53 205,303.
<b>54</b>	<b>Alternative minimum tax.</b> Subtract line 53 from line 52 If zero or less, enter -0- Enter here and on Form 1041, Schedule G, line 1c	54 0.

<b>Part IV   Line 50 Computation Using Maximum Capital Gains Rates</b>		
<b>Caution:</b> If you didn't complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, see the instructions before completing this part		
<b>55</b>	Enter the amount from line 49	55
<b>56</b>	Enter the amount from line 26 of Schedule D (Form 1041), line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as refigured for the AMT, if necessary)	56
<b>57</b>	Enter the amount from Schedule D (Form 1041), line 18b, column (2) (as refigured for the AMT, if necessary) If you didn't complete Schedule D for the regular tax or the AMT, enter -0-	57
<b>58</b>	If you didn't complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 56 Otherwise, add lines 56 and 57 and enter the <b>smaller</b> of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	58
<b>59</b>	Enter the <b>smaller</b> of line 55 or line 58	59
<b>60</b>	Subtract line 59 from line 55	60
<b>61</b>	If line 60 is \$194,800 or less, multiply line 60 by 26% (0 26) Otherwise, multiply line 60 by 28% (0 28) and subtract \$3,896 from the result	61
<b>62</b>	Maximum amount subject to the 0% rate	62 \$2,650
<b>63</b>	Enter the amount from line 27 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as figured for the regular tax) If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 23; if zero or less, enter -0-	63
<b>64</b>	Subtract line 63 from line 62 If zero or less, enter -0-	64
<b>65</b>	Enter the <b>smaller</b> of line 55 or line 56	65
<b>66</b>	Enter the <b>smaller</b> of line 64 or line 65 This amount is taxed at 0%	66
<b>67</b>	Subtract line 66 from line 65	67

**Part IV Line 50 Computation Using Maximum Capital Gains Rates** (continued)

68	Maximum amount subject to rates below 20%	68	\$12,950	
69	Enter the amount from line 64	69		
70	Enter the amount from line 27 of Schedule D (Form 1041), line 18 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 23, if zero or less, enter -0-	70		
71	Add line 69 and line 70	71		
72	Subtract line 71 from line 68. If zero or less, enter -0-	72		
73	Enter the smaller of line 67 or 72	73		
74	Multiply line 73 by 15% (0.15)	74		
75	Add lines 66 and 73	75		
If lines 75 and 55 are the same, skip lines 76 through 80 and go to line 81. Otherwise, go to line 76.				
76	Subtract line 75 from line 65	76		
77	Multiply line 76 by 20% (0.20)	77		
If line 57 is zero or blank, skip lines 78 through 80 and go to line 81. Otherwise, go to line 78.				
78	Add lines 60, 75, and 76	78		
79	Subtract line 78 from line 55	79		
80	Multiply line 79 by 25% (0.25)	80		
81	Add lines 61, 74, 77, and 80	81		
82	If line 55 is \$194,800 or less, multiply line 55 by 26% (0.26). Otherwise, multiply line 55 by 28% (0.28) and subtract \$3,896 from the result	82		
83	Enter the smaller of line 81 or line 82 here and on line 50	83		

