

Form **990-T****Exempt Organization Business Income Tax Return**
(and proxy tax under section 6033(e)) **1912**

OMB No 1545-0047

2019Department of the Treasury
Internal Revenue Service

For calendar year 2019 or other tax year beginning _____, 2019, and ending _____, 20

▶ Go to 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

A <input type="checkbox"/> Check box if address changed	Print or Type	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions) Robert R. McCormick Foundation	D Employer identification number (Employees' trust, see instructions) 36-3689171
B Exempt under section <input checked="" type="checkbox"/> 501(c) (3) (3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)		Number, street, and room or suite no. If a P.O. box, see instructions 205 N. Michigan Avenue, Suite 4300	E Unrelated business activity code (See instructions) 900099
C Book value of all assets at end of year 1,418,560,225		City or town, state or province, country, and ZIP or foreign postal code Chicago, IL 60601	
F Group exemption number (See instructions.) ▶			
G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> 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 ▶ **Invsey in LP's & LLC's that own debt financ**. 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 ▶ **Louis J. Marsico Jr.** Telephone number ▶ **630-260-8151**

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)	2		
3 Gross profit Subtract line 2 from line 1c	3		
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from a partnership or an S corporation (attach statement)	5	3,576,882	3,576,882
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions, attach schedule)	12		
13 Total. Combine lines 3 through 12	13	3,576,882	3,576,882

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	
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	54,508
20 Depreciation (attach Form 4562)	20	
21 Less depreciation claimed on Schedule A and elsewhere on return	21a	21b
22 Depletion	22	95,606
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	61,719
28 Total deductions. Add lines 14 through 27	28	211,833
29 Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13	29	3,365,049
30 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)	30	895,409
31 Unrelated business taxable income. Subtract line 30 from line 29	31	2,469,640

For Paperwork Reduction Act Notice, see instructions.

Cat No 11291J

Form **990-T** (2019)

SCANNED APR 29 2021

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Ogden, UT

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Part III Total Unrelated Business Taxable Income

32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32	
33	Amounts paid for disallowed fringes	33	
34	Charitable contributions (see instructions for limitation rules)	34	246,964
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	2,222,676
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36	32,387
37	Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35	37	2,190,289
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)	38	1,000
39	Unrelated business taxable income. Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39	2,189,289

Part IV Tax Computation

40	Organizations Taxable as Corporations. Multiply line 39 by 21% (0.21)	40	459,751
41	Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41	
42	Proxy tax. See instructions	42	
43	Alternative minimum tax (trusts only)	43	
44	Tax on Noncompliant Facility Income. See instructions	44	
45	Total. Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45	459,751

Part V Tax and Payments

46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a	
b	Other credits (see instructions)	46b	
c	General business credit. Attach Form 3800 (see instructions)	46c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d	
e	Total credits. Add lines 46a through 46d	46e	
47	Subtract line 46e from line 45	47	459,751
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	Total tax. Add lines 47 and 48 (see instructions)	49	459,751
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50	
51a	Payments: A 2018 overpayment credited to 2019	51a	1,000,000
b	2019 estimated tax payments	51b	
c	Tax deposited with Form 8868	51c	
d	Foreign organizations. Tax paid or withheld at source (see instructions)	51d	
e	Backup withholding (see instructions)	51e	
f	Credit for small employer health insurance premiums (attach Form 8941)	51f	
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input checked="" type="checkbox"/> Other F8827 Total	51g	26,411
52	Total payments. Add lines 51a through 51g	52	1,026,411
53	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	53	
54	Tax due. If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54	
55	Overpayment. If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55	566,660
56	Enter the amount of line 55 you want Credited to 2020 estimated tax 566,660 Refunded	56	0

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

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	Yes	No
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		✓
59	Enter the amount of tax-exempt interest received or accrued during the tax year \$		

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 *11/9/20*Title **SVP Operations & Treasurer**May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☒ No**Paid Preparer Use Only**

Print/Type preparer's name

Norah Jones

Preparer's signature *[Signature]*

Date

11/12/20

Check ☐ if self-employed

PTIN

P01388669

Firm's name **Quarles & Brady LLP**Firm's EIN **39-0432630**Firm's address **300 N. LaSalle Street, Suite 4000, Chicago, IL 60654**Phone no **312-715-5000**

Schedule A—Cost of Goods Sold. Enter method of inventory valuation ►

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		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
b Other costs (attach schedule)	4b				
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		
(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)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ►
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ►		

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 × column 6)	8. Allocable deductions (column 6 × total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)
Totals				
Total dividends-received deductions included in column 8				

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)

Totals ▶**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)

Totals ▶**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

Totals ▶**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)						

Totals (carry to Part II, line (5)) ▶

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)						
Totals from Part I ▶						
Totals, Part II (lines 1–5) ▶	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 26

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)		%	
Total. Enter here and on page 1, Part II, line 14 ▶			

Robert R. McCormick Foundation**EIN: 36-3689171****2019 Form 990-T****Part I, Line 5 Attachment****Income (loss) from partnerships and S corporations:**

Partnership	Income (loss)
AG Energy Credit Opportunities Fund LP	\$ 36
The Blackstone Group L.P.	\$ 348
Flexpoint Fund II, LP	\$ 170,448
Flexpoint Fund III, LP	\$ (88,381)
Flexpoint Fund III AIV (Cayman), LP	\$ 35,322
Flexpoint Special Assets Fund, L.P.	\$ 149,299
Flexpoint Special Assets Fund AIV (Cayman), L.P.	\$ 33,213
Fortress Credit Opportunities Fund (B) LP	\$ 110
Fortress Credit Opportunities Fund II (B) LP	\$ 2,118
Fortress Credit Opportunities Fund III (B) LP	\$ (49)
GAIP 2017 AIV A, LP	\$ (4,177)
Kayne Anderson Energy Fund VI, L.P.*	\$ (1,138,911)
Kayne Credit Opportunities Fund (QP), L.P.	\$ 24,842
Madison Dearborn Capital Partners VI-B, LP	\$ 2,474,583
Madison Dearborn Capital Partners VII-A, L.P.	\$ 8,116
Madison Dearborn Capital Partners VII-B, LP	\$ (67,197)
Oaktree Senior Loan Fund, L.P.**	\$ 6,230
Owl Rock First Lien Fund, L.P.	\$ 200,945
Walton Street Real Estate Fund VI, L.P.	\$ 184,132
Walton Street Real Estate Fund VII, L.P.	\$ 926,986
Walton Street Real Estate Fund VIII, L.P.	\$ 658,869
Total income (loss) from partnerships and S corporations	\$ 3,576,882

Several of the above listed partnerships generated unrelated debt-financed income ("UDFI"), however, the amount of UDFI was computed at the partnership level. These partnerships do not provide the Taxpayer with sufficient detail to complete all of the columns on Schedule E. Accordingly, the net amount of UDFI computed by the partnerships is included above and not on Schedule E.

* Net of \$90,607 depletion reported on line 23.

** Net of \$4,999 depletion reported on line 23.

Robert R. McCormick Foundation
EIN: 36-3689171

2019 Form 990-T
Statement 1

Part II, line 27

Other Deductions	Amount
Legal fees	\$61,719
Total Other Deductions	\$61,719

Part II, line 30

Net Operating Loss Deduction:

Loss Year Ending	Original Loss	Loss Previously Used	Loss Available
12/31/2018	\$895,409	\$0	\$895,409

Total net operating loss arising in tax years beginning on or after January 1, 2018: **\$895,409**

Election to Waive NOL Carryback under Section 172(b)(3)

Robert R. McCormick Foundation (the "Taxpayer") incurred a net operating loss on its Form 990-T for the year ended December 31, 2018, in the amount of \$895,409 (the "NOL"). The Taxpayer hereby elects to apply section 172(b)(3) of the Internal Revenue Code (the "Code"), in accordance with Revenue Procedure 2020-24.

Note that, on the Taxpayer's originally filed 2018 Form 990-T, the Taxpayer reported having incurred \$22,608 of disallowed fringes under then-section 512(a)(7) of the Code. The Taxpayer Certainty and Disaster Tax Relief Act of 2019 (the "Act"), found in Division Q of the Further Consolidated Appropriations Act, 2020 (H.R. 1865), which was signed into law on December 20, 2019, retroactively repealed section 512(a)(7), which had expanded the definition of unrelated business taxable income to include certain transportation and parking fringe benefits provided to employees.

Prior to the filing of its 2019 Form 990-T, Taxpayer filed an amended 2018 Form 990-T to claim a credit of the \$22,608 of disallowed fringes under then-section 512(a)(7) of the Code, pursuant to applicable procedures published by the Internal Revenue Service.

Accordingly, the 2018 NOL applied to the Taxpayer's 2019 taxable income reflects the repeal of section 512(a)(7) and credit for previously disallowed fringes.

Form **8827**

(Rev. May 2020)

Department of the Treasury
Internal Revenue Service**Credit for Prior Year Minimum Tax—Corporations**

OMB No 1545-0123

2019

▶ Attach to the corporation's tax return.

▶ Go to www.irs.gov/Form8827 for the latest information.

Name

Robert R. McCormick Foundation

Employer identification number

36-3689171

1	Minimum tax credit carryforward from 2018. Enter the amount from line 9 of the 2018 Form 8827	1	26,411
2	Enter the corporation's 2019 regular income tax liability minus allowable tax credits (see instructions)	2	461,916
3	Enter the refundable minimum tax credit (see instructions)	3	0
4	Add lines 2 and 3	4	461,916
5a	Enter the smaller of line 1 or line 4. If the corporation had a post-1986 ownership change or has pre-acquisition excess credits, see instructions	5a	26,411
b	Current year minimum tax credit. Enter the smaller of line 1 or line 2 here and on Form 1120, Schedule J, Part I, line 5d (or the applicable line of your return). If the corporation had a post-1986 ownership change or has pre-acquisition excess credits, see instructions. If you made an entry on line 3, go to line 5c. Otherwise, skip line 5c	5b	26,411
c	Subtract line 5b from line 5a. This is the current year refundable minimum tax credit. Include this amount on Form 1120, Schedule J, Part III, line 20c (or the applicable line of your return)	5c	0
6	Minimum tax credit carryforward. Subtract line 5a from line 1. Keep a record of this amount to carry forward and use in future years	6	0