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Form 990-T

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

OMB No 1545-0047

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

2019

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

Department of the Treasury Internal Revenue Service

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) 408A 529(a)

Print or Type

CHARLES KOCH FOUNDATION

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

48-0918408

1320 N. COURTHOUSE RD., SUITE 500

E Unrelated business activity code (See instructions)

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

ARLINGTON, VA 22201

523000

C Book value of all assets at end of year

F Group exemption number (See instructions)

550, 602, 542.

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 PARTNERSHIP INCOME FROM K-1

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

J The books are in care of KARA HARTNETT Telephone number 571-290-6811

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales, Less returns and allowances, Cost of goods sold, Gross profit, Capital gain net income, Net gain (loss), Capital loss deduction for trusts, Income (loss) from a partnership or an S corporation, Rent income, Unrelated debt-financed income, Interest, annuities, royalties, and rents from a controlled organization, Investment income of a section 501(c)(7), (9), or (17) organization, Exploited exempt activity income, Advertising income, Other income, Total. Includes a RECEIVED stamp: NOV 23 2020 OGDEN, UT.

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

Table with 2 columns: Description, Amount. Rows include Compensation of officers, directors, and trustees, Salaries and wages, Repairs and maintenance, Bad debts, Interest, Taxes and licenses, Depreciation, Less depreciation claimed on Schedule A and elsewhere on return, Depletion, Contributions to deferred compensation plans, Employee benefit programs, Excess exempt expenses, Excess readership costs, Other deductions, Total deductions, Unrelated business taxable income before net operating loss deduction, Deduction for net operating loss arising in tax years beginning on or after January 1, 2018, Unrelated business taxable income.

For Paperwork Reduction Act Notice, see instructions.

Form 990-T (2019)

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JSA 9x2740 1 000

Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Includes lines 32-39 for unrelated business taxable income calculations.

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Includes lines 40-45 for tax computation.

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 46a-56 for tax credits, taxes, and payments.

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

Table with 3 columns: Line number, Description, and Yes/No. Includes lines 57-59 regarding foreign activities and tax-exempt interest.

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 (Shawnell Linot), Date (11/16/2020), Title (Treasurer).

Paid Preparer Use Only: Print/Type preparer's name (SHAWNELL LINOT), Preparer's signature, Date (11/16/2020), Firm's name (BKD, LLP), Firm's address (1551 N WATERFRONT PKWY, STE 300, WICHITA, KS 67206-6601).

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

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		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
4a	Additional section 263A costs (attach schedule)	4a				N/A	
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	
(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) ▶

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 ▶				

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. ▶						
	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
Totals, Part II (lines 1-5) ▶						

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) ATCH 3		%	
(3)		%	
(4)		%	
Total Enter here and on page 1, Part II, line 14 ▶			

FORM 990T - LINE 5 - INCOME (LOSS) FROM PARTNERSHIPS OR S CORPORATIONS

NET ORDINARY INCOME - EFPRP INVESTMENTS K-1	111,337.
INCOME (LOSS) FROM PARTNERSHIPS	<u>111,337.</u>

FORM 990T - PART II - LINE 27 - TOTAL OTHER DEDUCTIONS

ACCOUNTING FEES

3,300.

PART II - LINE 27 - OTHER DEDUCTIONS

3,300.

SCHD. K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>BUSINESS PERCENT</u>	<u>COMPENSATION</u>
CHARLES CHASE KOCH P.O. BOX 5004 WICHITA, KS 67201-5004	DIRECTOR	0	0.
ELIZABETH B KOCH P.O. BOX 5004 WICHITA, KS 67201-5004	DIRECTOR	0	0.
CHARLES G KOCH P.O. BOX 5004 WICHITA, KS 67201-5004	DIRECTOR / CHAIRMAN	0	0.
BRIAN MENKES 1320 N. COURTHOUSE RD., SUITE 500 ARLINGTON, VA 22201	SECRETARY	0	0.
DALE GIBBENS 1320 N. COURTHOUSE RD., SUITE 500 ARLINGTON, VA 22201	DIRECTOR	0	0.
BRIAN HOOKS 1320 N. COURTHOUSE RD., SUITE 500 ARLINGTON, VA 22201	PRESIDENT / DIRECTOR	0	0.
RYAN STOWERS 1320 N. COURTHOUSE RD., SUITE 500 ARLINGTON, VA 22201	EXECUTIVE VICE PRESIDENT	0	0.
SUSAN MOTIFF 1320 N. COURTHOUSE RD., SUITE 500 ARLINGTON, VA 22201	TREASURER	0	0.
WILLIAM RUGER 1320 N. COURTHOUSE RD., SUITE 500 ARLINGTON, VA 22201	VP OF RESEARCH & POLICY	0	0.
TOTAL COMPENSATION			<u>0.</u>

Charles Koch Foundation
Form 990-T, Line 31 - Net Operating Loss Deduction
Tax Year: 12/31/2019

EIN: 48-0918408

NET OPERATING LOSS DEDUCTION

<u>Loss Year Ending</u>	<u>NOL Generated</u>	<u>Loss Previously used</u>	<u>Loss Available</u>
12/31/2014	(9,702)	9,702	-
12/31/2015	(1,460,074)	811,431	(648,643)
12/31/2017	(417,612)		(417,612)
12/31/2018	(67,022)		(67,022)
12/31/2019	-		-
			<hr/>
Net Operating Loss Available			(1,133,277)
Net Operating Loss Deduction (Limited to Taxable Income) - 12/31/2029			<u>108,037</u>
Net Operating Loss Carryforward to 12/31/2020			<u>(1,025,240)</u>

Net Operating Losses were generated from unrelated business losses that were pass-through to the organization from investments reported on Schedule K-1, UBTI