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Form **990-T**

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

OMB No 1545-0087

2017

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

Department of the Treasury
Internal Revenue Service

For calendar year 2017 or other tax year beginning 07/01, 2017, and ending 06/30, 2018

▶ 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)

A <input type="checkbox"/> Check box if address changed		Name of organization (<input type="checkbox"/> Check box if name changed and see instructions) <u>BAYLOR COLLEGE OF MEDICINE</u>		D Employer identification number (Employees' trust, see instructions) 74-1613878	
B Exempt under section <input checked="" type="checkbox"/> 501(c) (23) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)		Print or Type Number, street, and room or suite no. If a P.O. box, see instructions <u>ONE BAYLOR PLAZA BCM 200</u>		E Unrelated business activity codes (See instructions) 523900	
C Book value of all assets at end of year 2532203399		F Group exemption number (See instructions) ▶ 2532203399		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 Describe the organization's primary unrelated business activity ▶ ATTACHMENT 1

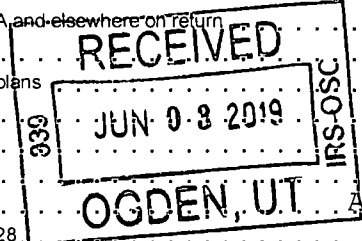
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☐ Yes ☒ No
If "Yes," enter the name and identifying number of the parent corporation ▶

J The books are in care of ▶ JULIE B. NICKELL Telephone number ▶ 713-798-4441

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	2,824,832.	2,824,832.
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 partnerships and S corporations (attach statement)	5	1,185,036.	1,185,036.
6	Rent income (Schedule C)	6	ATCH 2	
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from controlled organizations (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	4,923,976.	4,923,976.
13	Total Combine lines 3 through 12	13	8,933,844.	8,933,844.

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)		
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)	18
19	Taxes and licenses	19
20	Charitable contributions (See instructions for limitation rules) ATTACHMENT 4	20
21	Depreciation (attach Form 4562)	21
22	Less depreciation claimed on Schedule A and elsewhere on return	22a
23	Depletion	23
24	Contributions to deferred compensation plans	24
25	Employee benefit programs	25
26	Excess exempt expenses (Schedule I)	26
27	Excess readership costs (Schedule J)	27
28	Other deductions (attach schedule) ATTACHMENT 5	28
29	Total deductions Add lines 14 through 28	29
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30
31	Net operating loss deduction (limited to the amount on line 30)	31
32	Unrelated business taxable income before specific deduction Subtract line 31 from line 30	32
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33
34	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	34

SCANNED JUL 01 2019



Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here ☒ **See Instructions and**

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order)
 (1) \$ 50,000. (2) \$ 25,000. (3) \$ 2,455,218.

b Enter organization's share of (1) Additional 5% tax (not more than \$11,750). \$
 (2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34. **ATCH. 1** **35c** 691,238.

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: ☐ Tax rate schedule or ☐ Schedule D (Form 1041). **36**

37 Proxy tax. See instructions. **37**

38 Alternative minimum tax **38**

39 Tax on Non-Compliant Facility Income. See instructions. **39**

40 Total. Add lines 37, 38 and 39 to line 35c or 36, whichever applies. **44** **40** 691,238.

Part IV Tax and Payments

41 a Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116). **41a**

b Other credits (see instructions). **41b**

c General business credit. Attach Form 3800 (see instructions). **41c**

d Credit for prior year minimum tax (attach Form 8801 or 8827). **41d**

e **Total credits.** Add lines 41a through 41d. **41e**

42 Subtract line 41e from line 40. **42** 691,238.

43 Other taxes. Check if from ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule). **43**

44 **Total tax.** Add lines 42 and 43. **44** 691,238.

45 a Payments. A 2016 overpayment credited to 2017. **45a**

b 2017 estimated tax payments. **45b** 883,182.

c Tax deposited with Form 8868. **45c** 50,000.

d Foreign organizations: Tax paid or withheld at source (see instructions). **45d**

e Backup withholding (see instructions). **45e**

f Credit for small employer health insurance premiums (Attach Form 8941). **45f**

g Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other. **Total** **45g**

46 **Total payments.** Add lines 45a through 45g. **46** 933,182.

47 Estimated tax penalty (see instructions). Check if Form 2220 is attached. **47**

48 **Tax due.** If line 46 is less than the total of lines 44 and 47, enter amount owed. **48**

49 **Overpayment.** If line 46 is larger than the total of lines 44 and 47, enter amount overpaid. **49** 241,944.

50 Enter the amount of line 49 you want: **Credited to 2018 estimated tax** **241,944.** **Refunded** **50**

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

51 At any time during the 2017 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 **AR, BC, CJ, CO, LT, MI, RO, WZ, TZ, UG** **Yes** **No**

52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? **Yes** **No**

53 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

Julie Nickell
 Signature of officer

15/13/19
 Date

VP AND CFO
 Title

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

Paid Preparer Use Only

Print/Type preparer's name

PATRICK SHIELDS

Preparer's signature

Patrick Shields

Date

05/14/19

Check ☐ if self-employed

PTIN

P01508556

Firm's name **ERNST & YOUNG U.S. LLP**Firm's EIN **34-6565596**Firm's address **2 NORTH CENTRAL AVENUE STE 2300, PHOENIX, AZ 85004**Phone no **602-322-3000**Form **990-T** (2017)

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				
b Other costs (attach schedule)	4b				
5 Total. Add lines 1 through 4b	5				X

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)		%		
			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 26

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 27
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)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14 ▶			

Form **990-T** (2017)

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

INVESTMENT PARTNERSHIPS & QUALIFIED TRANSPORTATION FRINGE BENEFITS

ATTACHMENT 2FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS

ABRY HERITAGE PARTNERS, LP	-20,461.
ABRY PARTNERS V, LP	3,728.
ABRY PARTNERS VI, LP	2,036,869.
ABRY PARTNERS VII, LP	-6,298.
ABRY PARTNERS VIII, LP	-306,810.
ABRY SENIOR EQUITY II, L.P.	74,093.
ABRY SENIOR EQUITY IV, L.P.	14,033.
CODIFIED GENOMICS LLC	3,262.
GENESIS ENERGY, L.P.	-237,002.
HORSLEY BRIDGE INTERNATIONAL IV, L.P.	300.
HORSLEY BRIDGE INTERNATIONAL V, L.P.	-112.
HORSLEY BRIDGE IX, L.P.	-141.
HORSLEY BRIDGE VIII, L.P.	3.
KING RANCH PRIVATE EQUITY, L.P.	8,703.
OCM OPPORTUNITIES FUND VI, L.P.	-20,001.
PENNYBACKER III, L.P.	-259,930.
PENNYBACKER IV, L.P.	-91,127.
ROYAL HAWAIIAN ORCHARD, L.P.	-1,459.
SANGO PRIVATE EQUITY II, L.P.	-12,614.

INCOME (LOSS) FROM PARTNERSHIPS

1,185,036.

ATTACHMENT 3

PART I - LINE 12 - OTHER INCOME

512(A)(7) QUALIFIED TRANSPORTATION FRINGE BENEFITS	4,735,433.
AESTHETICS CENTER REVENUE	186,028.
DOCUMENT SERVICE CENTER REVENUE	2,515.

PART I - LINE 12 - OTHER INCOME

4,923,976.

FORM 990T - PART II - LINE 20 - CHARITABLE CONTRIBUTIONS

UNRELATED TRADE OR BUSINESS INCOME	8,933,844.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	0.
LESS: DEDUCTIONS WITHOUT CHARITABLE CONTRIBUTIONS AND DPAD	<u>2,335,620.</u>
	* 10%
CHARITABLE CONTRIBUTION LIMITATION (10%)	659,822.
CHARITABLE CONTRIBUTION	2,552.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>2,552.</u>

ATTACHMENT 5FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

DOMESTIC PRODUCTION ACTIVITIES DEDUCTION UNDER SECTION 199

ALLOCATED MANAGEMENT FEE	1,186,509.
OTHER EXPENSES OF AESTHETICS CENTER	140,073.
HEWITT CONSULTANT FEES	51,597.
TOWNSEND GROUP CONSULTANT FEES	43,992.
OTHER EXPENSES OF DOCUMENT SERVICE CENTER	2,525.
FUNDRIVER FEES	139.

PART II - LINE 28 - OTHER DEDUCTIONS

1,424,835.

FORM 990-T: FISCAL YEAR CORPORATION TAX COMPUTATION APPLYING BLENDED TAX RATE

1 UNRELATED BUSINESS TAXABLE INCOME (PAGE1, PART II, LINE 34).	2,530,218.
2 TAX ON LINE 1 FIGURED USING THE TAX RATE SCHEDULE OR TAX COMPUTATION WORKSHEET FOR MEMBERS OF A CONTROLLED GROUP.....	848,524.
3 TAX ON LINE 1 FIGURED USING THE 21% RATE.....	531,346.
4 MULTIPLY LINE 2 BY THE NUMBER OF DAYS 184 IN THE CORPORATION'S TAX YEAR BEFORE 01/01/2018.....	156,128,416.
5 MULTIPLY LINE 3 BY THE NUMBER OF DAYS 181 IN THE CORPORATION'S TAX YEAR AFTER 12/31/2017.....	96,173,626.
6 DIVIDE LINE 4 BY THE TOTAL NUMBER OF DAYS 365 IN THE CORPORATION'S TAX YEAR.....	427,749.
7 DIVIDE LINE 5 BY THE TOTAL NUMBER OF DAYS 365 IN THE CORPORATION'S TAX YEAR.....	263,489.
8 ADD LINES 6 AND 7: THE TOTAL TAX FOR THE FISCAL YEAR.....	691,238.

Baylor College of Medicine
 EIN: 74-1613878
 Year End: 6/30/2018

ATTACHMENT 7

2017 Form 990-T, Part II, Line 31 - Net Operating Loss Deduction

Date Generated Expiration Date *						Contribution	
Fiscal Year Ended	Fiscal Year Ended	Amount Generated	Amount Previously Utilized	Amount Utilized	Amount Expired	Converted to NOL	Balance
6/30/2012	6/30/2032	746,845	(665,861)	(80,984)	-	-	-
6/30/2013	6/30/2033	436,775	-	(436,775)	-	-	-
6/30/2014	6/30/2034	607,701	-	(607,701)	-	-	-
6/30/2015	6/30/2035	819,350	-	(819,350)	-	-	-
6/30/2016	6/30/2036	1,119,018	-	(1,119,018)	-	-	-
6/30/2017	6/30/2037	1,000,626	-	(1,000,626)	-	-	-
6/30/2018	6/30/2038	-	-	4,064,454	-	-	-
Carryforward to 6/30/2019		4,730,315	(665,861)	-	-	-	-

*Available for use against future Unrelated Business Income. If not utilized, the net operating loss will expire in the fiscal year ended indicated above.

2017 Form 4626, Line 6 - Alternative Minimum Tax Net Operating Loss Deduction

Date Generated Expiration Date *						Contribution	
Fiscal Year Ended	Fiscal Year Ended	Amount Generated	Amount Previously Utilized	Amount Utilized	Amount Expired	Converted to NOL	Balance
6/30/2012	6/30/2032	746,845	(665,861)	(80,984)	-	-	-
6/30/2013	6/30/2033	436,775	-	(436,775)	-	-	-
6/30/2014	6/30/2034	607,701	-	(607,701)	-	-	-
6/30/2015	6/30/2035	819,350	-	(819,350)	-	-	-
6/30/2016	6/30/2036	1,119,018	-	(1,119,018)	-	-	-
6/30/2017	6/30/2037	1,000,626	-	(1,000,626)	-	-	-
6/30/2018	6/30/2037	-	-	4,064,454	-	-	-
Carryforward to 6/30/2019		4,730,315	(665,861)	-	-	-	-

*Available for use against future Unrelated Business Income. If not utilized, the net operating loss will expire in the fiscal year ended indicated above.

Baylor College of Medicine
EIN: 74-1613878
Year End: 6/30/18

Attachment 8

Form 4626: Fiscal Year Corporation Alternative Tax Computation Apppyling Blended Tax Rate

1	Alternative Minumum Taxable Income		\$	2,525,825
2	Alternative Minumum Tax - 20%		\$	505,165
3	Multiply Line 2 By The Number Of Days			
	In The Corporation's Tax Year Before 01/01/2018	184	\$	92,950,360
4	Divide Line 3 By The Number Of Days			
	In The Corporation's Tax Year	365	\$	<u>254,659</u>
	Total Alternative Minimum Tax For The Fiscal Year		\$	<u>254,659</u>

Alternative Minimum Tax - Corporations

OMB No 1545-0123

2017Department of the Treasury
Internal Revenue Service

▶ Attach to the corporation's tax return.

▶ Go to www.irs.gov/Form4626 for instructions and the latest information.

Name

BAYLOR COLLEGE OF MEDICINE

Employer identification number

74-1613878

Note: See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e)

1	Taxable income or (loss) before net operating loss deduction	1	6,595,672
2	Adjustments and preferences:		
a	Depreciation of post-1986 property	2a	35,367
b	Amortization of certified pollution control facilities	2b	
c	Amortization of mining exploration and development costs	2c	
d	Amortization of circulation expenditures (personal holding companies only)	2d	
e	Adjusted gain or loss	2e	(40,430)
f	Long-term contracts	2f	
g	Merchant marine capital construction funds.	2g	
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2h	
i	Tax shelter farm activities (personal service corporations only).	2i	
j	Passive activities (closely held corporations and personal service corporations only)	2j	
k	Loss limitations	2k	
l	Depletion	2l	
m	Tax-exempt interest income from specified private activity bonds	2m	
n	Intangible drilling costs	2n	
o	Other adjustments and preferences	2o	(330)
3	Pre-adjustment alternative minimum taxable income (AMTI) Combine lines 1 through 2o	3	6,590,279
4	Adjusted current earnings (ACE) adjustment:		
a	ACE from line 10 of the ACE worksheet in the instructions.	4a	6,590,279
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions.	4b	0
c	Multiply line 4b by 75% (0.75). Enter the result as a positive amount.	4c	0
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. Note: You must enter an amount on line 4d (even if line 4b is positive).	4d	0
e	ACE adjustment • If line 4b is zero or more, enter the amount from line 4c • If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount }	4e	0
5	Combine lines 3 and 4e. If zero or less, stop here, the corporation does not owe any AMT.	5	6,590,279
6	Alternative tax net operating loss deduction. See instructions.	6	4,064,454
7	Alternative minimum taxable income. Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions.	7	2,525,825
8	Exemption phase-out (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c)		
a	Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-.	8a	
b	Multiply line 8a by 25% (0.25).	8b	
c	Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-.	8c	
9	Subtract line 8c from line 7. If zero or less, enter -0-.	9	2,525,825
10	Multiply line 9 by 20% (0.20).	10	254,659
11	Alternative minimum tax foreign tax credit (AMTFTC). See instructions.	11	
12	Tentative minimum tax. Subtract line 11 from line 10.	12	254,659
13	Regular tax liability before applying all credits except the foreign tax credit.	13	691,238
14	Alternative minimum tax. Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return.	14	0

For Paperwork Reduction Act Notice, see separate instructions

Form **4626** (2017)

**SCHEDULE D
(Form 1120)**Department of the Treasury
Internal Revenue Service**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▶ Go to www.irs.gov/Form1120 for instructions and the latest information

OMB No 1545-0123

2017

Name

BAYLOR COLLEGE OF MEDICINE

Employer identification number

74-1613878

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)
1a 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				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37				4
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824				5
6 Unused capital loss carryover (attach computation)				6 ()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h				7

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)
8a 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				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
- 9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				1,509,305.
11 Enter gain from Form 4797, line 7 or 9				11 1,315,527.
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37				12
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824				13
14 Capital gain distributions (see instructions)				14
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h				15 2,824,832.

Part III Summary of Parts I and II

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)	16	
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)	17	2,824,832.
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns. If the corporation has qualified timber gain, also complete Part IV	18	2,824,832.

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

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule D (Form 1120) 2017

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 number

BAYLOR COLLEGE OF MEDICINE

74-1613878

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II **Long-Term.** Transactions involving capital assets you held more than 1 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 totals directly on Schedule D, line 8a, you aren't 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 **wasn't** reported to the IRS

☒ (F) Long-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) (see instructions)	(e) Cost or other basis See the Note below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss If you enter an amount in column (g), enter a code in column (f). See the separate instructions		(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	PARTNERSHIP LT CAPITAL GAIN							1,509,305
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) ►							1,509,305

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.