

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

2009

Department of the Treasury
Internal Revenue Service

For calendar year 2009 or other tax year beginning **SEPT 1**, 2009, and ending **AUGUST 31**, 2010. ▶ See separate instructions.

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

A Check box if address changed

B Exempt under section

501(c)(3)

408(e) 220(e)

408A 530(a)

529(a)

Print or Type

Name of organization (Check box if name changed and see instructions.)
HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC.

Number, street, and room or suite no. If a P.O. box, see page 8 of instructions.
340 W. MICHIGAN STREET

City or town, state, and ZIP code
INDIANAPOLIS, IN 46202

D Employer identification number (Employees' trust, see instructions for Block D on page 9.)
35 : 1162873

E Unrelated business activity codes (See instructions for Block E on page 9.)
453220 : 541800

C Book value of all assets at end of year
\$54,863,217

F Group exemption number (See instructions for Block F on page 9.) ▶

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

H Describe the organization's primary unrelated business activity. ▶ **STATEMENT 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 ▶ **MARY F. BURGER** Telephone number ▶ (**317**) **639-4534**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales	207,107			
b Less returns and allowances		1c 207,107		
2 Cost of goods sold (Schedule A, line 7)		2 103,858		
3 Gross profit. Subtract line 2 from line 1c		3 103,249		103,249
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 partnerships and S corporations (attach statement)		5		
6 Rent income (Schedule C)		6		
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 2,238	1,917	321
12 Other income (See page 10 of the instructions; attach schedule.)		12		
13 Total. Combine lines 3 through 12		13		103,570

Part II Deductions Not Taken Elsewhere (See page 11 of the 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	NONE
15 Salaries and wages	15	101,928
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	13,190
20 Charitable contributions (See page 13 of the instructions for limitation rules.)	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	321
28 Other deductions (attach schedule)	28	28,708
29 Total deductions. Add lines 14 through 28	29	144,147
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	-40,577
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	-40,577
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)	33	1,000
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	NONE

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15. 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) \$ _____ (2) \$ _____ (3) \$ _____

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 **35c** NONE

36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. Income tax on the amount on line 34 from: Tax rate schedule or Schedule D (Form 1041) **36**

37 Proxy tax. See page 16 of the instructions **37**

38 Alternative minimum tax **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies **39** NONE

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40a**

b Other credits (see page 16 of the instructions) **40b**

c General business credit. Attach Form 3800 **40c**

d Credit for prior year minimum tax (attach Form 8801 or 8827) **40d**

e Total credits. Add lines 40a through 40d **40e** NONE

41 Subtract line 40e from line 39 **41**

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule) **42**

43 Total tax. Add lines 41 and 42 **43** NONE

44a Payments: A 2008 overpayment credited to 2009 **44a**

b 2009 estimated tax payments **44b**

c Tax deposited with Form 8868 **44c**

d Foreign organizations: Tax paid or withheld at source (see instructions) **44d**

e Backup withholding (see instructions) **44e**

f Other credits and payments: Form 2439 Form 4136 Other Total **44f**

45 Total payments. Add lines 44a through 44f **45** NONE

46 Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached **46**

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47** NONE

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48**

49 Enter the amount of line 48 you want: Credited to 2010 estimated tax **49** Refunded

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 17)

1 At any time during the 2009 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 Yes No

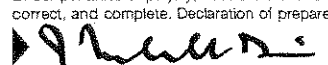
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file. Yes No

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

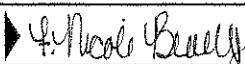
1 Inventory at beginning of year	1	93,920	6 Inventory at end of year	6	59,510
2 Purchases	2	69,448	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	103,858
3 Cost of labor	3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4a Additional section 263A costs (attach schedule)	4a				
b Other costs (attach schedule)	4b				
5 Total. Add lines 1 through 4b	5	163,368			

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  **12-15-10** **PRESIDENT**
 Signature of officer Date Title

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

Paid Preparer's Use Only

Preparer's signature  Date **12/12/10** Check if self-employed Preparer's SSN or PTIN **10252593**

Firm's name (or yours if self-employed), address, and ZIP code **BKD, LLP 201 N. ILLINOIS STREET INDIANAPOLIS, IN 46254** EIN _____ Phone no. **(317) 383-4000**

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

(see instructions on page 18)

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 on page 19)

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)		%		
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 on page 20)

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 on page 20)

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)				
Totals	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).

Schedule I—Exploited Exempt Activity Income, Other Than Advertising Income (see instructions on page 21)

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)						
Totals	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.

Schedule J—Advertising Income (see instructions on page 21)

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) STATEMENT 3	2,238	1,917		0	68,672	
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	2,238	1,917	321	0	68,672	321

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) STATEMENT 4						
(2)						
(3)						
(4)						
Totals from Part I	2,238	1,917				321
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, line 11, col. (A). 2,238	Enter here and on page 1, Part I, line 11, col. (B). 1,917				Enter here and on page 1, Part II, line 27. 321

Schedule K—Compensation of Officers, Directors, and Trustees (see instructions on page 21)

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			

Return by a U.S. Transferor of Property to a Foreign Corporation

Department of the Treasury
Internal Revenue Service

▶ Attach to your income tax return for the year of the transfer or distribution.

Attachment
Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor <u>HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC.</u>	Identifying number (see instructions) <u>35-1162873</u>
---	--

- 1** If the transferor was a corporation, complete questions 1a through 1d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- d** Have basis adjustments under section 367(a)(5) been made? Yes No

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.
- a** List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership

- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets? Yes No
- c** Is the partner disposing of its **entire** interest in the partnership? Yes No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? Yes No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) <u>COMMON SENSE LONG-BIASED OFFSHORE, LTD.</u>	4 Identifying number, if any
---	-------------------------------------

5 Address (including country)
C/O COMMON SENSE INVESTMENT MANAGEMENT LLC, 15350 SW SEQUOIA PARKWAY SUITE 250, PORTLAND, OR

6 Country code of country of incorporation or organization (see instructions)
CJ

7 Foreign law characterization (see instructions)
EXEMPTED COMPANY

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

For Paperwork Reduction Act Notice, see separate instructions.

Part III Information Regarding Transfer of Property (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	VAR		1,700,000.00		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp. Regs. sec. 1.367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in Temp. Regs. sec. 1.367(a)-4T(c))					
Property to be sold (as described in Temp. Regs. sec. 1.367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp. Regs. sec. 1.367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV Additional Information Regarding Transfer of Property (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 0.00 % (b) After 0.2022 %

10 Type of nonrecognition transaction (see instructions) ▶ SECTION 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

- a Gain recognition under section 904(f)(3) Yes No
- b Gain recognition under section 904(f)(5)(F) Yes No
- c Recapture under section 1503(d) Yes No
- d Exchange gain under section 987 Yes No

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Indicate whether the transferor was required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T for any of the following:

- a Tainted property Yes No
- b Depreciation recapture Yes No
- c Branch loss recapture Yes No
- d Any other income recognition provision contained in the above-referenced regulations Yes No

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? Yes No

15a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? Yes No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ \$ _____

16 Was cash the only property transferred? Yes No

17a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC
35-1162873

FORM 990-T

H. DESCRIBE THE ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

ADVERTISING
SALE OF MERCHANDISE

HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC
35-1162873

FORM 990-T Part II

Line 28 -- OTHER DEDUCTIONS

CONSULTING	544
BANK SERVICE FEES	7,053
SUPPLIES	2,776
TRAVEL, POSTAGE	2,564
OCCUPANCY	15,771
TOTAL	<u>28,708</u>

HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC
 35-1162873

FORM 990-T SCHEDULE J
 PART I, ADVERTISING INCOME REPORTED ON A CONSOLIDATED BASIS

NAME OF PERIODICAL	GROSS ADVERTISING INCOME	DIRECT ADVERTISING COSTS	ADVERTISING GAIN OR LOSS	CIRCULATION INCOME	READERSHIP COSTS	EXCESS READERSHIP COSTS
THE PRESERVATIONIST	2,238	1,917	321	-	68,672	321
TOTAL	2,238	1,917	321	-	68,672	321

HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC
 35-1162873

FORM 990-T SCHEDULE J
 PART II, ADVERTISING INCOME REPORTED ON A SEPARATE BASIS

NAME OF PERIODICAL	GROSS ADVERTISING INCOME	DIRECT ADVERTISING COSTS	ADVERTISING GAIN OR LOSS	CIRCULATION INCOME	READERSHIP COSTS	EXCESS READERSHIP COSTS
PART II TOTALS	2,238	1,917				321
PART I TOTALS						
SCHEDULE J TOTALS	<u>2,238</u>	<u>1,917</u>				<u>321</u>

HISTORIC LANDMARKS FOUNDATION OF INDIANA, INC
 35-1162873

FORM 990-T

UNRELATED BUSINESS TAXABLE INCOME - LINE 34
 NET OPERATING LOSS

YEAR ENDING	LINE 32 Unrelated business taxable income before specific deductions	LINE 33 Specific deduction	Unrelated business taxable income
8/31/2003	296	1,000	(704)
8/31/2004	(2,792)	1,000	(3,792)
8/31/2005	224	1,000	(776)
8/31/2006	(5,765)	1,000	(6,765)
8/31/2007	(24,977)	1,000	(25,977)
8/31/2008	(38,794)	1,000	(39,794)
8/31/2009	(63,799)	1,000	(64,799)
8/31/2010	(40,577)	1,000	(41,577)
TOTAL	(176,184)		(184,184)