

The Donald J. Trump Foundation

725 Fifth Avenue
New York, New York 10022

June 28, 2016

By Federal Express

Karin Kunstler Goldman, Esq.
Assistant Attorney General
New York State Department of Law Charities Bureau
120 Broadway - 3rd Floor
New York, NY 10271

Dear Ms. Kunstler Goldman:

I write in response to your June 9, 2016 letter requesting information concerning a \$25,000 contribution made by The Donald J. Trump Foundation (the "Foundation") to an organization known as "And Justice for All" (the "Contribution").

In short, the Contribution was made in error due to a case of mistaken identity involving organizations with the same name. Both the Foundation and Mr. Trump first learned of this mistake in March 2016 after seeing it reported in the media. Upon learning of this mistake, the Foundation promptly filed IRS Form 4720, the relevant IRS Form used for this purpose, and Mr. Trump paid the excise tax due under Section 4955 with a personal check. In addition, the Foundation was reimbursed \$25,000. The Foundation will not provide a donor acknowledgment letter for this reimbursement, and no one will claim a charitable contribution deduction for such reimbursement.

This was an isolated occurrence. From January 1, 2013 to the present, there have been no other similar incidents. To prevent any mistakes in the future, the Foundation's staff received training on May 11, 2016, led by legal counsel specializing in tax-exempt organizations law, regarding the federal tax rules and regulations applicable to private foundations. As part of this training, Foundation staff were advised to collect additional information about proposed grantees using the IRS Exempt Organizations Select Check tool to verify the tax status of potential grantees based on their taxpayer identification numbers rather than relying solely on their names. This will eliminate the possibility of confusion in the circumstance when two organizations share the same name. The Foundation will also provide its accountants with the name, address, and taxpayer identification number of its grantees in the future to ensure correct Form 990-PF reporting.

* * *

The Foundation regrets the mistake described above. It is committed to complying fully with the federal tax laws governing private foundations. Please let me know if you have any further questions.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Allen W.', with a stylized flourish at the end.

Allen Weisselberg
Treasurer
The Donald J. Trump Foundation



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
(212) 416-8392

ERIC T. SCHNEIDERMAN
Attorney General

Division of Social Justice
Charities Bureau

June 9, 2016

Mr. Donald J. Trump, President
The Donald J. Trump Foundation
c/o Weisermazars LLP
60 Crossways Park Drive
Woodbury, New York 11797

Re: The Donald J. Trump Foundation
Political Contributions

Dear Mr. Trump:

The Attorney General's Charities Bureau has responsibility for regulating New York not-for-profits, including your organization. One of our goals is to assure that the individuals responsible for managing these organizations do not jeopardize their mission and their tax exempt status by failing to comply with IRS rules governing their tax exempt status. Your organization is receiving this letter because one or more political organizations have reported that you have made a contribution.

The Internal Revenue Code prohibits organizations that are exempt from taxation under Section 501(c)(3) from contributing to political candidates, whether directly to the candidate's campaign or indirectly through a political committee. See *The Restriction of Political Campaign Intervention by Section 501(c)(3) Tax-Exempt Organizations* posted by the IRS at <https://www.irs.gov/charities-non-profits/charitable-organizations/the-restriction-of-political-campaign-intervention-by-section-501-c-3-tax-exempt-organizations>. The relevant language from that publication states:

"Under the Internal Revenue Code, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against

political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes.”

Additional guidance posted by the IRS at <https://www.irs.gov/uac/election-year-activities-and-the-prohibition-on-political-campaign-intervention-for-section-501-c-3-organizations> includes the following definition of Political Campaign Intervention:

“Political campaign intervention includes any and all activities that favor or oppose one or more candidates for public office. The prohibition extends beyond candidate endorsements. Contributions to political campaign funds or public statements of position (verbal or written) made by or on behalf of an organization in favor of or in opposition to any candidate for public office clearly violate the prohibition on political campaign intervention. Distributing statements prepared by others that favor or oppose any candidate for public office will also violate the prohibition. Allowing a candidate to use an organization’s assets or facilities will also violate the prohibition if other candidates are not given an equivalent opportunity...”

The Attorney General’s website has an FAQ on the same topic: posted at https://www.charitiesnys.com/faqs_political_new.html

May 501(c) (3) organizations make a contribution to a candidate for office, a political party or a political action committee?

No. Organizations that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code are absolutely prohibited from contributing to a candidate for office, a political party or a political action committee. An organization that violates this prohibition risks losing its tax exemption and may also be in violation of state law.

Public campaign finance records posted by the Florida Department of State’s Division of Elections, a copy of which is enclosed, report that your organization has made the following a political committee:

- \$25,000 on September 17, 2013 to And Justice for All

We request that, within 20 days of the date of this letter, you provide us with the following information:

- 1) Whether the reported contribution or payment by your organization is accurate.
- 2) Whether the organization which received the contribution has returned it.
- 3) Your plans, if any, to obtain the return of the contribution or payment.
- 4) The dates, amounts and recipient of any political contributions made by your organization from January 1, 2013 to the present.
- 5) For any contributions reported to us in response to number 4 above, whether the contributions have been returned and, if not, your plans to obtain return of the contributions.
- 6) The steps, if any, you have taken to ensure that no political contributions are made in the future.

Please sign your response.

Your response will be filed with and become a part of the official records of the Office of Attorney General.

If you have any questions concerning this request, please contact me at the phone number above or by email to Karin.kunstlergoldman@ag.ny.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Karin Kunstler Goldman". The signature is fluid and cursive, with the first name "Karin" being more prominent.

Karin Kunstler Goldman
Assistant Attorney General
Deputy Bureau Chief

Morgan Lewis

Sheri A. Dillon

Partner

+1-202-739-5749

sheridillon@morganlewis.com

July 25, 2016

Karin Kunstler Goldman, Esq.
Assistant Attorney General
Deputy Bureau Chief
New York State Department of Law Charities Bureau
120 Broadway - 3rd Floor
New York, New York 10271

Dear Ms. Kunstler Goldman:

This letter is in response to your letter dated July 15, 2016, requesting additional information concerning the \$25,000 contribution made by The Donald J. Trump Foundation ("Foundation") to an organization called And Justice for All. Mr. Allen Weisselberg, Treasurer of the Foundation and to whom your letter was addressed, requested that I respond on behalf of the Foundation. Mr. Weisselberg has reviewed this response and confirmed that it is accurate.

Your requests and the Foundation's response are set forth below.

1. A copy of the check to And Justice for All, both front and back or other record of the payment if the contribution was not paid by check.
 - Please see attached Exhibit 1.
2. The name of the individual or entity from which the reimbursement to the Foundation was received, all correspondence to and from the Foundation relating the reimbursement and documentation confirming that the reimbursement was deposited in an account in the name of the Foundation.
 - The reimbursement was received from Mr. Trump and provided to Mr. Weisselberg for deposit into the Foundation's account. Please see attached Exhibit 2.
3. A copy of the form 4720 submitted to the IRS by the Foundation.
 - Please see attached Exhibit 3.
4. A copy of the check both front and back, or other record of payment of the excise tax to the IRS if the payment was not made by check.
 - Please see attached Exhibit 4.

Morgan, Lewis & Bockius LLP

2020 K Street, NW
Washington, DC 20006-1806
United States

+1.202.373.6000

FOIL 160645 000006

Karin Kunstler Goldman, Esq.
July 25, 2016
Page 2

5. Copies of any instructions, guidelines or other material distributed to or used by the Foundation's officers, directors and/or staff in connection with the training conducted on May 11, 2016.
 - Please see attached Exhibit 5.
6. A description of the procedures the Foundation will employ to train its officers, directors and staff to ensure that it will not use any of its funds for political purposes in the future.
 - Please see attached Exhibits 3 (discussing corrective actions taken) and 5 (providing training to prevent mistakes in the future).

The Foundation is committed to complying fully with the laws governing private foundations. We trust this response will demonstrate that commitment.

Sincerely,



Sheri A. Dillon

Enclosures

EXHIBIT 1

THE DONALD J. TRUMP FOUNDATION, INC.
725 5TH AVENUE
NEW YORK, NY 10022

CHECK NO. 001310
CHECK DATE 09/09/13
CHECK AMOUNT \$25,000.00

PAY FIFTY FIVE THOUSAND DOLLARS AND NO CENTS

TO THE ORDER OF AND JUSTICE FOR ALL

[Signature]

[Redacted]

DO NOT WRITE STRIKE OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

For Deposit Only
And Justice for All

[Redacted]

DO NOT WRITE STRIKE OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

[Redacted]

EXHIBIT 2

1. THIS CHECK IS PRINTED ON CHEMICAL RESISTIVE PAPER WHICH CONTAINS A WATERMARK AND HAS MICRO PRINTING IN THE SIGNATURE STRIP.

DONALD J. TRUMP
725 5TH AVENUE
NEW YORK, NY 10022

CAPITAL ONE, N.A.
 31 WEST 37TH STREET
 NEW YORK, NY 10018

NO. **001699**

CHECK DATE **03/23/16**

CHECK AMOUNT *******\$25,000.00****

PAY **TWENTY FIVE THOUSAND DOLLARS AND NO CENTS*****

TO THE ORDER OF **THE DONALD J. TRUMP FOUNDATION, INC**

REIMBURSEMENT TO CORRECT ERROR

[Signature]

[REDACTED]

Capital One, N.A. Richmond VA 065000090

[REDACTED]

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE
 RESERVED FOR FINANCIAL INSTITUTION USE

ENDORSE HERE

[Signature]

065000090
 9770420160328000083873665000090<

CAPITAL ONE, NA
 0003447676 03282016
 RICHMOND, VA 1430

Deposit [REDACTED]

DONALD J. TRUMP FOUNDATION, INC.
OPERATING ACCOUNT
C/O THE TRUMP CORP
725 5TH AVENUE FL 26
NEW YORK NY 10022

► Contact your Relationship Manager to discuss
targeted solutions for your evolving business needs.

ACCOUNT SUMMARY FOR PERIOD MARCH 01, 2016 - MARCH 31, 2016

Commercial Analyzed Ckg [REDACTED]

**DONALD J. TRUMP FOUNDATION,
INC.**

ACCOUNT DETAIL FOR PERIOD MARCH 01, 2016 - MARCH 31, 2016

Commercial Analyzed Ckg [REDACTED]

**DONALD J. TRUMP
FOUNDATION, INC.**

Date	Description	Deposits/Credits	Withdrawals/Debits	Resulting Balance
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Thank you for banking with us.

PAGE 1 OF 2

ACCOUNT DETAIL CONTINUED FOR PERIOD MARCH 01, 2016 - MARCH 31, 2016

Date	Description	Deposits/Credits	Withdrawals/Debits	Resulting Balance
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03/28	Customer Deposit	\$25,000.00		
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Total

Commercial Analyzed Ckg

**DONALD J. TRUMP
FOUNDATION, INC.**

Checks * designates gap in check sequence

Check No.	Date	Amount	Check No.	Date	Amount	Check No.	Date	Amount
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EXHIBIT 3

Form **4720**Department of the Treasury
Internal Revenue Service**Return of Certain Excise Taxes Under Chapters
41 and 42 of the Internal Revenue Code**(Sections 170(f)(10), 664(c)(2), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, 4958, 4959, 4965, 4966, and 4967)
► Information about Form 4720 and its separate instructions is at www.irs.gov/form4720.

OMB No. 1545-0052

2015

For calendar year 2015 or other tax year beginning January 1, 2015, and ending December 31, 2015	Employer identification number 13-3404773
Name of organization or entity Donald J. Trump Foundation, Inc.	Check box for type of annual return: <input type="checkbox"/> Form 990 <input type="checkbox"/> Form 990-EZ <input checked="" type="checkbox"/> Form 990-PF <input type="checkbox"/> Form 5227
Number, street, and room or suite no. (or P.O. box if mail is not delivered to street address) C/O Weisermazars LLP, 60 Crossways Park Drive West, Suite 301	
City or town, state or province, country, and ZIP or foreign postal code Woodbury, NY 11797-2018	

- | | Yes | No |
|---|-------------------------------------|-------------------------------------|
| A Is the organization a foreign private foundation within the meaning of section 4948(b)? | | <input checked="" type="checkbox"/> |
| B Has corrective action been taken on any taxable event that resulted in Chapter 42 taxes being reported on this form? (Enter "N/A" if not applicable) | <input checked="" type="checkbox"/> | |
- If "Yes," attach a detailed description and documentation of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ► \$ 25,000.00. If "No," (i.e., any uncorrected acts or transactions), attach an explanation (see instructions).

Part I Taxes on Organization (Sections 170(f)(10), 664(c)(2), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), 4955(a)(1), 4959, 4965(a)(1), and 4966(a)(1))

1	Tax on undistributed income—Schedule B, line 4	1	
2	Tax on excess business holdings—Schedule C, line 7	2	
3	Tax on investments that jeopardize charitable purpose—Schedule D, Part I, column (e)	3	
4	Tax on taxable expenditures—Schedule E, Part I, column (g)	4	
5	Tax on political expenditures—Schedule F, Part I, column (e)	5	\$2,500
6	Tax on excess lobbying expenditures—Schedule G, line 4	6	
7	Tax on disqualifying lobbying expenditures—Schedule H, Part I, column (e)	7	
8	Tax on premiums paid on personal benefit contracts	8	
9	Tax on being a party to prohibited tax shelter transactions—Schedule J, Part I, column (h)	9	
10	Tax on taxable distributions—Schedule K, Part I, column (f)	10	
11	Tax on a charitable remainder trust's unrelated business taxable income. Attach statement	11	
12	Tax on failure to meet the requirements of section 501(r)(3)—Schedule M, Part II, line 2	12	
13	Total (add lines 1–12)	13	\$2,500

Part II-A Taxes on Managers, Self-Dealers, Disqualified Persons, Donors, Donor Advisors, and Related Persons (Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), 4958(a), 4965(a)(2), 4966(a)(2), and 4967(a))

(a) Name and address of person subject to tax: City or town, state or province, country, ZIP or foreign postal code		(b) Taxpayer identification number	
a			
b			
c			
(c) Tax on self-dealing—Schedule A, Part II, col. (d), and Part III, col. (d)	(d) Tax on investments that jeopardize charitable purpose—Schedule D, Part II, col. (d)	(e) Tax on taxable expenditures—Schedule E, Part II, col. (d)	(f) Tax on political expenditures—Schedule F, Part II, col. (d)
a			
b			
c			
Total			
(g) Tax on disqualifying lobbying expenditures—Schedule H, Part II, col. (d)	(h) Tax on excess benefit transactions—Schedule I, Part II, col. (d), and Part III, col. (d)	(i) Tax on being a party to prohibited tax shelter transactions—Schedule J, Part II, col. (d)	(j) Tax on taxable distributions—Schedule K, Part II, col. (d)
a			
b			
c			
Total			
(k) Tax on prohibited benefits—Sch. L, Part II, col. (d), and Part III, col. (d)	(l) Total—Add cols. (c) through (k)		
a			
b			
c			
Total			

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No. 13021D

Form **4720** (2015)

Part II-B Summary of Taxes (See Tax Payments in the instructions.)

1	Enter the taxes listed in Part II-A, column (i), that apply to managers, self-dealers, disqualified persons, donors, donor advisors, and related persons who sign this form. If all sign, enter the total amount from Part II-A, column (i)	1	0
2	Total tax. Add Part I, line 13, and Part II-B, line 1	2	\$2,500
3	Total payments including amount paid with Form 8868 (see instructions)	3	0
4	Tax due. If line 2 is larger than line 3, enter amount owed (see instructions)	4	\$2,500
5	Overpayment. If line 2 is smaller than line 3, enter the difference. This is your refund	5	0

SCHEDULE A—Initial Taxes on Self-Dealing (Section 4941)**Part I Acts of Self-Dealing and Tax Computation**

(a) Act number	(b) Date of act	(c) Description of act		
1				
2				
3				
4				
5				
(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealing (10% of col. (e))	(g) Tax on foundation managers (if applicable) (lesser of \$20,000 or 5% of col. (e))	

Part II Summary of Tax Liability of Self-Dealers and Proration of Payments

(a) Names of self-dealers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col. (c)) (see instructions)

Part III Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (g), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE B—Initial Tax on Undistributed Income (Section 4942)

1	Undistributed income for years before 2014 (from Form 990-PF for 2015, Part XIII, line 6d)	1	
2	Undistributed income for 2014 (from Form 990-PF for 2015, Part XIII, line 6e)	2	
3	Total undistributed income at end of current tax year beginning in 2015 and subject to tax under section 4942 (add lines 1 and 2)	3	
4	Tax —Enter 30% of line 3 here and on Part I, line 1	4	

SCHEDULE C—Initial Tax on Excess Business Holdings (Section 4943)**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions for each line item before making any entries.

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

	(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1 Foundation holdings in business enterprise	1 %	%	
2 Permitted holdings in business enterprise	2 %	%	
3 Value of excess holdings in business enterprise	3		
4 Value of excess holdings disposed of within 90 days; or, other value of excess holdings not subject to section 4943 tax (attach statement)	4		
5 Taxable excess holdings in business enterprise — line 3 minus line 4	5		
6 Tax—Enter 10% of line 5	6		
7 Total tax—Add amounts on line 6, columns (a), (b), and (c); enter total here and on Part I, line 2	7		

SCHEDULE D—Initial Taxes on Investments That Jeopardize Charitable Purpose (Section 4944)**Part I Investments and Tax Computation**

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (10% of col. (d))	(f) Initial tax on foundation managers (if applicable)—(lesser of \$10,000 or 10% of col. (d))
1					
2					
3					
4					
5					

Total—Column (e). Enter here and on Part I, line 3

Total—Column (f). Enter total (or prorated amount) here and in Part II, column (c), below

Part II Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Investment no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE E—Initial Taxes on Taxable Expenditures (Section 4945)**Part I Expenditures and Computation of Tax**

(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5				
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (20% of col. (b))	(h) Initial tax imposed on foundation managers (if applicable) (lesser of \$10,000 or 5% of col. (b))
Total—Column (g). Enter here and on Part I, line 4				
Total—Column (h). Enter total (or prorated amount) here and in Part II, column (c), below				

Part II Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (h), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE F—Initial Taxes on Political Expenditures (Section 4955)**Part I Expenditures and Computation of Tax**

(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col. (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col. (b))
1	\$25,000	Sept. 9, 2013	Mistaken payment to And Justice for All	\$2,500	N/A - See attached statement.
2			(a section 527 organization) -		
3			See attached statement.		
4					
5					
Total—Column (e). Enter here and on Part I, line 5				\$2,500	

Total—Column (f). Enter total (or prorated amount) here and in Part II, column (c), below

Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments

(a) Names of organization managers or foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)
N/A			

SCHEDULE G—Tax on Excess Lobbying Expenditures (Section 4911)

1	Excess of grassroots expenditures over grassroots nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1h). (See the instructions before making an entry.)	1	
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1i). (See the instructions before making an entry.)	2	
3	Taxable lobbying expenditures—enter the larger of line 1 or line 2	3	
4	Tax—Enter 25% of line 3 here and on Part I, line 6	4	

SCHEDULE H—Taxes on Disqualifying Lobbying Expenditures (Section 4912)**Part I Expenditures and Computation of Tax**

(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col. (b))	(f) Tax imposed on organization managers (if applicable)—(5% of col. (b))
1					
2					
3					
4					
5					
Total—Column (e). Enter here and on Part I, line 7					

Total—Column (f). Enter total (or prorated amount) here and in Part II, column (c), below

Part II Summary of Tax Liability of Organization Managers and Proration of Payments

(a) Names of organization managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE I—Initial Taxes on Excess Benefit Transactions (Section 4958)**Part I Excess Benefit Transactions and Tax Computation**

(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		
(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col. (d))	(f) Tax on organization managers (if applicable) (lesser of \$20,000 or 10% of col. (d))

Part II Tax Imposed on Entity Managers (Section 4965) Continued

(a) Name of entity manager	(b) Transaction number from Part I, col. (a)	(c) Tax—enter \$20,000 for each transaction listed in col. (b) for each manager in col. (a)	(d) Manager's total tax liability (add amounts in col. (c))

SCHEDULE K—Taxes on Taxable Distributions of Sponsoring Organizations Maintaining Donor Advised Funds (Section 4966). See the instructions.**Part I Taxable Distributions and Tax Computation**

(a) Item number	(b) Name of sponsoring organization and donor advised fund	(c) Description of distribution	
1			
2			
3			
4			
(d) Date of distribution	(e) Amount of distribution	(f) Tax imposed on organization (20% of col. (e))	(g) Tax on fund managers (lesser of 5% of col. (e) or \$10,000)
Total—Column (f). Enter here and on Part I, line 10			
Total—Column (g). Enter total (or prorated amount) here and in Part II, column (c), below			

Part II Summary of Tax Liability of Fund Managers and Proration of Payments

(a) Name of fund managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (g) or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE L—Taxes on Prohibited Benefits Distributed From Donor Advised Funds (Section 4967).
See the instructions.

Part I Prohibited Benefits and Tax Computation

(a) Item number	(b) Date of prohibited benefit	(c) Description of benefit
1		
2		
3		
4		
5		
(d) Amount of prohibited benefit	(e) Tax on prohibited benefit (125% of col. (d)) (see instructions)	(f) Tax on fund managers (if applicable) (lesser of 10% of col. (d) or \$10,000) (see instructions)

Part II	Summary of Tax Liability of Donors, Donor Advisors, Related Persons and Proration of Payments
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(a) Names of donors, donor advisor, or related persons liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (e) or prorated amount	(d) Donor, donor advisor, or related persons total tax liability (add amounts in col. (c)) (see instructions)

Part III Tax Liability of Fund Managers and Proration of Payments

[illegible]

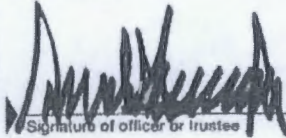
Schedule M—Tax on Failure to Meet the Community Health Needs Assessment Requirements (Sections 4959 and 501(r)(3)). (See instructions.)

Part I Name of Hospital Facility and Summary of Failure to Meet Section 501(r)(3)				
(a) Item number	(b) Name of facility	(c) Description of the failure	(d) Tax year hospital facility last conducted a CHNA	(e) Tax year hospital facility last adopted an implementation strategy
1				
2				
3				
4				
5				

Part II Computation of Tax		
1	Number of hospital facilities operated by the hospital organization that failed to meet the Community Health Needs Assessment requirements of section 501(r)(3)	1
2	Tax —Enter \$50,000 multiplied by line 1 here and on Part I, line 12	2

Form **4720** (2015)

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.



President

Title

3/23/16

Date

Signature of officer or trustee

**Sign
Here**

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person

Date

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person

Date

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person

Date

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person

Date

May the IRS discuss this return with the preparer shown below? (see instructions)

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

DONALD BENDER

3/23/16

P00312738

Firm's name ▶ WEISERMAZARS LLP

Firm's EIN ▶ 13-1459550

Firm's address ▶ 60 CROSSWAYS PARK DRIVE WEST, WOODBURY, NY 11797

Phone no. 516-488-1200

Form 4720 (2015)

The Donald J. Trump Foundation, Inc.

EIN: 13-3404773

Attachment to Form 4720

On September 9, 2013, The Donald J. Trump Foundation Inc. (the "Foundation") inadvertently made a contribution of \$25,000 to a political organization by the name of And Justice For All (the "Political Organization"). See Attachment A (canceled check payable to And Justice For All). The payment was intended to be made from Mr. Trump's personal funds, and was mistakenly made from the Foundation due to confusion between the Political Organization, a Section 527 organization, and a Section 501(c)(3) organization by the same name. The circumstances leading to the mistake are described below.

In August, 2013, Mr. Trump directed his staff to make a \$25,000 payment to "And Justice For All," intending this to be the Political Organization. Based on the name, his staff assumed this was a Section 501(c)(3) organization. Staff researched and determined that an organization by that name was listed in IRS Publication 78. See Attachment B (photocopy of page from IRS Publication 78 on which Foundation staff marked the name And Justice For All). Staff also searched the Internet and located the Section 501(c)(3) organization. See Attachment C (September 9, 2013, print out from the And Justice For All website). Accordingly, a determination was made that this payment should be made from the Foundation. The organization that received the check, however, was not the Section 501(c)(3) organization but rather the Political Organization. There was a second mistake when the Foundation's 990-PF was prepared. The Foundation's accountants were provided the name of the grantee and amount of the grant. They then looked up the status of the organization on the IRS master business file using the name "Justice For All" without the "And." This led the accountants to list a different Section 501(c)(3) organization – Justice For All – on the Form 990-PF.

Once Mr. Trump learned of the mistake from the news media, he publicly acknowledged the mistake and promptly took corrective action. This included reimbursing the Foundation \$25,000 from his personal funds to correct the transaction. See Attachment D. The Foundation will not provide Mr. Trump with a donor acknowledgment letter for this reimbursement and he will not claim a charitable contribution deduction. Mr. Trump also directed the Foundation to take appropriate corrective action with the IRS, and the Foundation has done so by filing Form 4720. Because this was a mistake, Mr. Trump paid the excise tax under Section 4955 with his own funds. See Attachment E.

The use of Foundation funds to make the payment arose from an error of mistaken identity, as did the listing of the incorrect organization on the Form 990-PF. The Foundation intends to enhance its grantmaking diligence procedures in the future by seeking additional information about proposed grantees rather than relying solely on the grantees' name. This should safeguard against the possibility of confusion in the unusual circumstance when two organizations share

the same name. The Foundation will also provide its accounting firm with the name, address and taxpayer identification number of its grantees in the future to ensure correct 990-PF reporting.

As final corrective action, Foundation staff will complete a training program on grantmaking procedures by May 15, 2016, to further safeguard against any future improper expenditures by the Foundation. This will also include training about the use of the up-to-date IRS process for checking the tax status of charitable organizations which replaces Publication 78.



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THE DONALD J. TRUMP FOUNDATION, INC.
725 5TH AVENUE
NEW YORK, NY 10022

CAPITAL ONE, N.A.
37 WEST 57TH STREET
NEW YORK, NY 10019

50-791/214

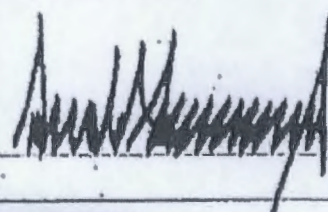
NO.
001310


CHECK DATE
09/09/13

CHECK AMOUNT
****\$25,000.00**

PAY **TWENTY FIVE THOUSAND DOLLARS AND NO CENTS*****

TO THE ORDER OF AND JUSTICE FOR ALL





FOR DEPOSIT ONLY
X For Deposit Only

And Justice for All

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
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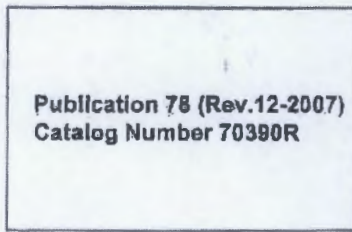
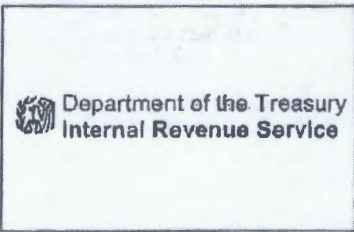
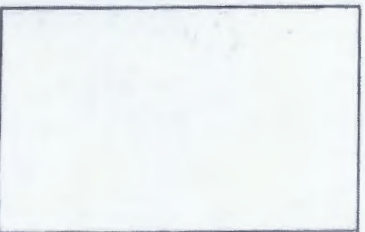
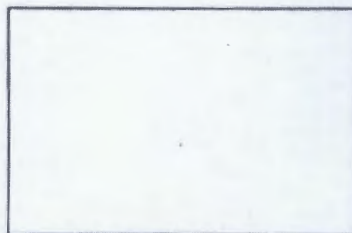
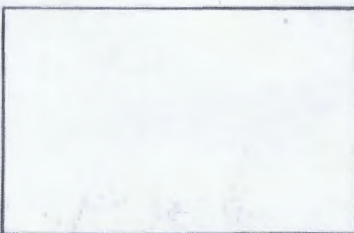
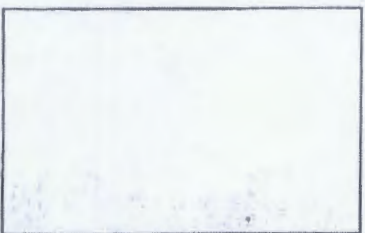
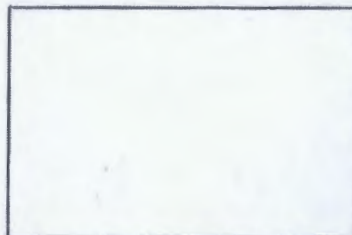
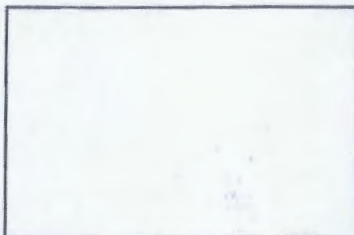
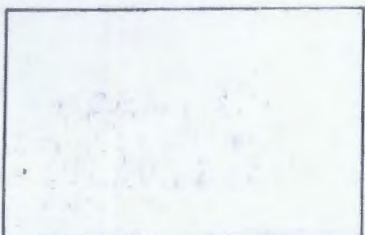
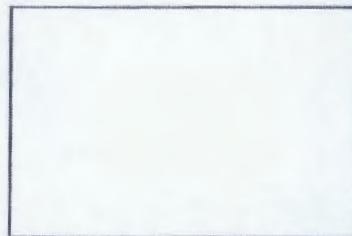
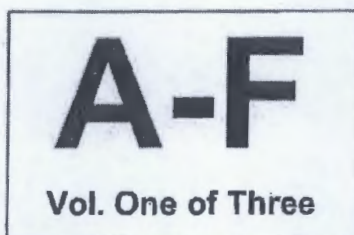
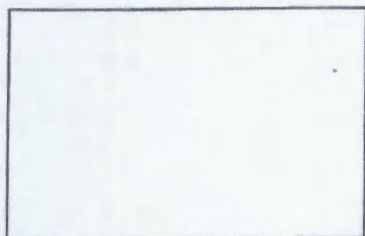
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2017-04-20 02:00 THE BANK OF TAMPA

Cumulative List of Organizations

Revised to
September 30, 2007

described in Section 170(c) of the
Internal Revenue Code of 1986



- Harry J. Anderson Memorial Trust, Kewanee, Il. (4)
 Anderson Mental Retardation Center Advisory Council Inc., Anderson, S. C.
 Anderson Merchandisers Associate Assistance Fund, Amarillo, Tx.
 Anderson Mid-Day Lions Club Inc., Anderson, S. C.
 Anderson Mill Elementary School Parent Teacher Organization, Moore, S. C.
 Anderson Missions Inc., Lees Summit, Mo.
 Anderson National Bank Agricultural Foundation, Anderson, S. C. (4)
 Anderson Oconee Speech & Hearing Services Inc., Anderson, S. C.
 Anderson Orchestra Boosters Inc., Until July 2009, Cincinnati, Oh.
 Anderson Orthopaedic Research Institute, Alexandria, Va.
 Anderson Outreach Ministries Cdc, Until December 2008, Jackson, Ms.
 Anderson Parents Association, Dickson, Ca.
 Anderson Place Apartments Inc., Louisville, Ky.
 Anderson Press and C. R. Gibson Associate Emergency Assistance Pl, Until December 2010, Atlanta, Ga.
 Anderson Prize Foundation, San Francisco, Ca. (4)
 Anderson Promise Land Inc., Until December 2007, Batesville, Ar.
 Anderson Publications, Roseville, Mn.
 Agnes Anderson R. M. Riley Fund Tr Dept Seattle 1st Natl Bank, Seattle, Wa.
 Anderson Ranch Arts Foundation, Snowmass Vlg, Co.
 Anderson Sanford Charitable Foundation Tr 10-10-206-5592170, Los Angeles, Ca. (4)
 Anderson Scholarship Fund, Columbus, Oh. (4)
 Anderson School District Five Educational Foundation, Anderson, S. C.
 Anderson Smith Cemetery Association, Mt. Vernon, Il. (6)
 Anderson Soap Box Derby Inc., Anderson, In.
 Anderson Springs Community Alliance, Middletown, Ca.
 Anderson Street United Methodist Church, Bristol, Tn.
 Anderson Study Group, Until December 2010, Chicago, Il.
 Anderson Summer Soiree, Anderson, S. C.
 Anderson Sunshine House Inc., Anderson, S. C.
 Anderson Support and Development Foundation Inc., Meridian, Ms.
 Anderson Symphony Orchestra Association Inc., Anderson, In.
 Anderson Township Historical Society Inc., Cincinnati, Oh.
 Anderson Township Volunteer Fire Department, Burlington, N. C. (6)(7)
 Anderson Township Volunteer Fire Department, Tell City, In.
 James W. Anderson Tr Ua Bank of New England West Tax Dept, Providence, R. I. (4)
 William W. Anderson Trust for Friendship Baptist Church, Winston Salem, N. C. (4)
 Mary Anderson Trust, Until December 2008, Philadelphia, Pa.
 Albert Anderson Trust UW FBO Duke University, Winston Salem, N. C. (4)
 Anderson Trusts 4676, St. Paul, Mn.
 Anderson United Soccer Club, Clinton, Tn.
 Anderson University, Anderson, S. C.
 Anderson University Inc., Anderson, In.
 Anderson University J. Wilson Fund, Cleveland, Oh.
 Anderson Urban Enterprise Association Inc., Anderson, In.
 Anderson Valley Ambulance Service, Boonville, Ca.
 Anderson Valley Apple Show and Fair, Boonville, Ca.
 Anderson Valley Arts, Until December 2008, Boonville, Ca.
 Anderson Valley Education Foundation, Boonville, Ca.
 Anderson Valley Elderhome, Philo, Ca.
 Anderson Valley Health Center Inc., Boonville, Ca.
 Anderson Valley Historical Society, Boonville, Ca.
 Anderson Valley Housing Association Inc., Philo, Ca.
 Anderson Valley Land Trust Incorporated, Boonville, Ca.
 Anderson Valley Senior Citizens Center Inc., Boonville, Ca.
 Anderson Valley Volunteer Firefighters Association, Boonville, Ca.
 Anderson Woods Inc., Henderson, Ky.
 Anderson Workshop Advisory Board, Anderson, S. C.
 Anderson Young Ballet Theatre Inc., Anderson, In.
 Anderson Youth Camp, Clemson, S. C.
 Anderson Youth Soccer League, Anderson, Ca.
 Anderson-Cherokee Community Enrichment Services, Jacksonville, Tx.
 Anderson-Cohn Corporation, Dallas, Tx.
 Anderson-Cottonwood Adult Daycare Inc., Cottonwood, Ca.
 Anderson-Cottonwood Christian Assistance Inc., Anderson, Ca.
 Anderson-Huffman Scholarship Trust Fund, Cleveland, Oh. (4)
 Anderson-Lee Library Inc., Silver Creek, N. Y.
 Douglas G. Anderson-Leigh R., Elmira, N. Y. (4)
 Anderson-Leon County Medical Alliance Inc., Palestine, Tx.
 Anderson-Madison County Homeless Task Force, Anderson, In.
 Anderson-Oconee Council on Teen Pregnancy Prevention Inc., Anderson, S. C.
 Anderson-Paffard Foundation Incorporated, New London, Ct. (4)
 Anderson-Rogers Foundation Inc., New York, N. Y. (4)
 Andersons Emergency Kitchen Inc., Anderson, S. C.
 Andersons Fund Supporting Organization, Toledo, Oh.
 Anderson-Stephenson Perpetual Care Tr, Columbia, Tn. (6)
 Anderson-Terrell-Keeler Community Development Corporation, Montgomery, Al. (4)
 Andersonville Baptist Seminary Inc., Camilla, Ga.
 Andersonville Development Corporation Nfp, Chicago, Il.
 Andersonville Elementary Parent Teacher Organization, Davisburg, Mi.
 Andersonville Guild Inc., Andersonville, Ga.
 Anderton Bentley Fund 400112700, Cincinnati, Oh. (4)
 Andes Business School Inc., Chicago, Il.
 Andes Childrens Foundation, Until May 2008, Plano, Tx.
 Andes Foundation, Ogden, Ut.
 Andes Society for History & Culture Endowment Fund Tr Natl Bank Delawa, Walton, N. Y.
 Ben and Esther Rosenbloom Foundation Inc., Baltimore, Md. (4)
 And God Said Ministries Inc., Houston, Tx.
 And God Said Tree of Life Christian Church End Time Ministries Inc., Detroit, Mi.
 Andhow Theater Company I. Inc., Brooklyn, N. Y.
 Andhra Adventists Association, Germantown, Md.
 Andhra Devanga Sangham of North America, Glendale Hts, Il.
 Andhra Medical College of North America, Until December 2009, Ploosmoor, Il.
 Andi Collins Foundation, Newport Beach, Ca. (4)
 Andiamo Motorcycles Charity Inc., Until December 2007, Haworth, N. J.
 Andice Cemetery Association, Georgetown, Tx. (6)
 Andien-Phuchung, Glen Allen, Va.
 Andini Relief Fund, Until December 2009, Wichita, Ks.
 Andisheb Center, Portland, Or.
 Andite Corporation, Chicago, Il.
 And Justice for All, Salt Lake City, Ut.
 E. Rhodes and Leona B. Carpenter Foundation, Philadelphia, Pa. (4)
 Andlinger Family Foundation, Vero Beach, Fl. (4)
 Eugene G. and Margaret M. Blackford Trust for the Second Congregation, Providence, R. I.
 Andolan Inc., Jackson Hts, N. Y.
 Andona Society, Anderson, Ma.
 And Ope to Grow on Incorporated, Alpharetta, Ga.
 Andonie Foundation, Metairie, La. (4)
 Andonios Foundation Inc., Atlanta, Ga. (4)
 Andor Capital Management Foundation, Greenwich, Ct. (4)
 Andorc, Until December 2008, Houston, Tx.
 Andover Advantage Foundation Inc., Andover, Ks.
 Andover Alano Society Inc., Andover, Mn.
 Andover Area Caring & Sharing Inc., Until December 2007, Andover, Ks.
 Andover Area Lacrosse Association, Until September 2007, Coon Rapids, Mn.
 Andover Athletic Association, Andover, Ma.
 Andover Band Association Inc., Andover, Ma.
 Andover Band Booster Organization, Until March 2010, Andover, Mn.
 Andover Baseball Association, Anoka, Mn.
 Andover Bible Chapel Inc., Andover, Ma.
 Andover Center Ice Club, Andover, Mn.
 Andover Chamber Music Series Inc., Andover, Ma.
 Andover Cheerleading Boosters, Bloomfield, Mi.
 Andover Chinese Cultural Exchange Inc., Andover, Ma.
 The Andover Choral Society Inc., Andover, Ma.
 Andover Christian Church, Andover, Ma.
 Andover Civic Improvement Corporation, Andover, Oh.
 Andover Committee for A Better Chance Inc., Andover, Ma.
 The Andover Community Fund Incorporated, Andover, Vi.
 Andover Community Trust Inc., Andover, Ma.
 Andover Educational Fund Inc., Andover, Me.
 Andover Educational Improvement Association Inc., Andover, Ma. (4)
 Andover Fish & Game Club, Andover, N. H.
 Andover Football Association Inc., Anoka, Mn.
 Andover Football League Incorporated, Linthicum, Md.
 Andover Foundation for Archaeological Research Limited, Honolulu, Hi.
 Andover Foundation Inc., Andover, Oh. (4)
 Andover Free Library, Andover, N. Y.
 Andover Fund for Education Inc., Andover, Ma.
 Andover Girls Traveling Basketball Association, Andover, Mn.
 Andover Green Lacrosse Club, Until December 2008, Andover, N. J.
 Andover Hebron Marlborough Youth Services, Hebron, Ct.
 Andover High School Parent Advisory Council, Until June 2009, Andover, Ma.
 Andover Historic Preservation Corp, Andover, N. Y.
 Andover Historical Society, Andover, N. H.
 Andover Historical Society, Andover, Ma. (3)
 Andover Historical Society Inc., Andover, Ks.
 Andover Hockey Association Inc., Andover, Ma.
 Andover Home for Aged People, Andover, Ma. (4)
 Andover Hook & Ladder Company, Andover, Me.
 Andover Huskies Youth Hockey Association, Andover, Mn.
 Andover Instrumental Music Supporters, Bloomfield, Mi.
 Andover Junior Football League Inc., Andover, Ma.
 Andover Kinderfest Committee, Andover, Ia.
 Andover Little League Inc., Until September 2009, Andover, Ma.
 Andover Newton Theological School, Newton, Ma.
 Andover Nordic Ski Club, Andover, Mn.
 Andover Public Library, Andover, Oh.
 Andover Public Library Friends, Andover, Ks.
 Andover Regional Educational Foundation Tr, Andover, N. J.
 Andover School of Montessori Inc., Andover, Ma.
 Andover Senior Citizens Association Inc., Bristol, S. D.
 Andover Senior Citizens Club Inc., Andover, Ks.
 Andover Sister Towns Association, Until December 2009, Andover, Ma.
 Andover Township Fire Department, Newton, N. J. (6)(7)
 Andover Traveling Basketball Inc., Andover, Mn.
 Andover Village Improvement Society, Andover, Ma.
 Andover Volunteer Fire Department Inc., Andover, Oh.
 Andover Youth Baseball Inc., Andover, N. Y.
 Andover Youth Foundation, Andover, Ma.
 Herman T. and Phenie R. Pott Foundation, St. Louis, Mo. (4)
 Andrade Family Foundation, Oklahoma City, Ok. (4)
 Andragathia Inc., Winter Spgs, Fl.
 Andrah Foundation, Ann Arbor, Mi. (4)
 Andranest Foster Homes, Plymouth, Mn.
 Andras Foundation, Houston, Tx. (4)
 Andre Agassi Charitable Foundation, Woodland Hts, Ca.
 Andre and Elaine Suan Foundation, Westport, Ct. (4)
 Andre and Elizabeth Kertesz Foundation Inc., New York, N. Y. (4)
 Andre and Katherine Merage Foundation Colorado, Englewood, Co. (4)
 Andre and Katherine Merage Foundation of Nevada, Newport Beach, Ca. (4)
 Andre Bosse Center, Hart, Mi.
 Andre D. Auteuil Family Foundation, Cranston, R. I. (4)
 Andre Dawson Foundation Inc., Miami, Fl.
 Andre F. Tocce Sr Family Foundation, Lafayette, La. (4)
 Andre Family Foundation Inc., Melbourne, Fl. (4)
 Andre Gist Memorial Foundation Inc., Until December 2009, Temple Hills, Md.



WHO WE ARE

WHO WE HELP

EVENTS

DONATIONS

Home

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Welcome to
**"and
 Justice
 for all"**

We believe access to justice is a fundamental right for all members of our society. Our work supports free civil legal aid programs for individuals and families dealing with poverty, violence in the home, disability, discrimination and other issues.

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June 13, 2013

2013 Law Day Run



Run for the Dream: Education and Equality for All

May 18, 2013



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2012 Newsletter

Legal Resource Guide



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Gap:
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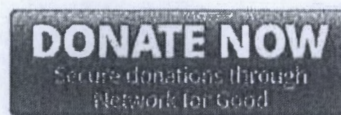


DONATIONS

We are grateful for the generous contributors who support "AND JUSTICE FOR ALL" and our mission to increase access to justice in Utah.

When you make a donation to "AND JUSTICE FOR ALL", your gift will help our community's most vulnerable citizens solve every day legal problems and get on with their lives.

Your donation is tax-deductible, and will be used throughout the state of Utah, both in rural and urban areas.



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Rule 6.1 of the Utah Rules of Professional Conduct for Attorneys

Attachment D

DONALD J. TRUMP (Com: DJT)

CD-120632 DJTFDN

Inv Date	Invoice Number	Description	Invoice Amt	Deductions	Net Amount
03/23/16	03/23/16		25,000.00		25,000.00
TO: THE DONALD J. TRUMP FOUNDATION, INC			Check Date 03/23/16	Ck. No. 001699	25,000.00

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CD-120632

DONALD J. TRUMP
 725 5TH AVENUE
 NEW YORK, NY 10022

CAPITAL ONE, N.A.
 57 WEST 57TH STREET
 NEW YORK, NY 10019

50-791/214

NO.

001699

CHECK DATE

03/23/16

CHECK AMOUNT

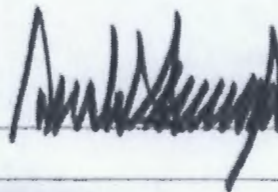
******\$25,000.00****

PAY **TWENTY FIVE THOUSAND DOLLARS AND NO CENTS*****

TO THE
ORDER OF

THE DONALD J. TRUMP FOUNDATION, INC

REIMBURSEMENT TO CORRECT ERROR



MP

Attachment E

DONALD J. TRUMP (Com: DJT)

CD-120632

UST

Inv Date	Invoice Number	Description	Invoice Amt	Deductions	Net Amount
03/23/16	03/23/16		2,500.00		2,500.00
TO: UNITED STATES TREASURY			Check Date 03/23/16	Ck. No. 001700	2,500.00

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CD-120632

DONALD J. TRUMP
 725 5TH AVENUE
 NEW YORK, NY 10022

CAPITAL ONE, N.A.
 37 WEST 57TH STREET
 NEW YORK, NY 10019

50-791/214

NO.

001700

CHECK DATE

03/23/16

CHECK AMOUNT

****\$2,500.00**

PAY **TWO THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS*****

TO THE
ORDER OF

UNITED STATES TREASURY

FORM 4720 PAYMENT ON BEHALF OF
 DONALD J. TRUMP FOUNDATION, INC.

FOIL 160645 000035

EXHIBIT 4

EXHIBIT 5

Morgan Lewis

MEMORANDUM

TO: The Donald J. Trump Foundation
FROM: Alexander Reid
Celia Roady
DATE: May 10, 2016
SUBJECT: Overview of Federal Tax Rules Applicable to Private Foundations

As a private foundation, the Donald J. Trump Foundation (the "Foundation") is subject to certain federal tax law restrictions on its operations. It is important for the Foundation's directors and officers to understand these restrictions because violations may subject the Foundation and, in some cases its directors and officers, to excise taxes.

This memorandum is intended to provide a basic outline of certain federal tax rules that are relevant to the Foundation, focusing in particular on the applicable grantmaking and lobbying rules, to assist the Foundation staff in executing the Foundation's grantmaking and other activities.

I. Background: Private Foundation Classification

Every Section 501(c)(3) organization is classified as either a public charity or a private foundation. The classification is based on the nature and diversity of the sources of the organization's financial support. Private foundations receive support from relatively few sources, often a corporation, family, or individual, while public charities receive support from multiple sources. Private foundations are subject to a number of restrictions that do not apply to public charities, based on concerns that private foundations may be more vulnerable to abuse. With these rules, Congress intended to foreclose any potential for abuse, even prohibiting some transactions that would be beneficial to a foundation.

II. Excise Tax Provisions Affecting Private Foundations

Congress enacted several provisions to address perceived or potential abusive activities by private foundations. The following provisions were created to address concerns that officers and directors may use assets of a foundation to benefit the individuals involved with the foundation rather than charitable programs, would fail to use prudence in managing foundation assets, or would use of foundation assets for non-charitable purposes.

A. Code Section 4941: Self-Dealing

Section 4941 imposes an excise tax on each act of self-dealing between a "disqualified person" and a private foundation. Disqualified persons include directors, officers, substantial contributors to the foundation and certain family members of the above, as well as government officials at certain levels.

The statutory definition of self-dealing is broad, and includes the following transactions:

1. the sale, exchange or leasing of property;
2. lending of money or extensions of credit (other than the lending of money to a private foundation on an interest-free basis);

3. furnishing of goods, services, or facilities (other than by a disqualified person at no charge to the foundation);
4. payment of compensation (other than reasonable compensation for certain personal services); and
5. transfer to, or use by or for the benefit of, a disqualified person of the income or assets of the foundation.

The self-dealing rules are very strict. There is no exception for inadvertent violations, and even transactions that clearly benefit the foundation may be subject to tax as an act of self-dealing. For example, a disqualified person may not rent space to a private foundation, even at a below-market rate.

The self-dealing excise tax requires the self-dealing transaction to be undone so that the funds are returned to the foundation. In addition, excise taxes are imposed on the disqualified person who has engaged in the self-dealing transaction and on any foundation manager who knowingly participates in the transaction. The tax liabilities under Section 4941 are imposed on a two tier system. At the first level, disqualified persons are taxed at a rate of 10% of the "amount involved" in the act of self-dealing. Foundation managers are taxed at a rate of 5% of the amount involved (up to a maximum of \$20,000 per act). Where the self-dealing transaction involves the use of money (i.e., a loan) or other property, the "amount involved" generally means the greater of the amount paid for the use of the property or fair market value for the period for which the money or other property is used. Thus, for example, if a private foundation leases space from a disqualified person, the amount involved is the greater of the amount of rent received by the disqualified person from the foundation or the fair rental value of the building for the period the foundation uses the building.

A second tier of taxes is imposed at much higher rates where an act of self-dealing has occurred and is not undone within a certain specified period of time. The rate imposed on a disqualified person who fails to correct the act of self-dealing is 200% of the amount involved, and the rate imposed on foundation managers is 50% of the amount involved (capped at \$20,000).

B. Code Section 4942: Mandatory Distributions

To ensure that foundations distribute assets for charitable purposes each year, Section 4942 requires a private foundation to make annual "qualifying distributions" in an amount equal to or greater than 5% of its net investment assets. The amount that a foundation must distribute is calculated annually; however, the foundation has two years in which to make qualifying distributions of that amount – the year for which the distributable amount is calculated and the subsequent year.

Qualifying distributions generally include grants to public charities and expenditures for charitable purposes, including administrative expenses associated with the conduct of the foundation's charitable activities and for the acquisition of assets that will be used for charitable purposes. Amounts set aside for future long-term charitable purposes also may be treated as qualifying distributions if certain conditions are met.

If a foundation distributes more than is necessary to meet its distribution requirements in a given year, those excess qualifying distributions can be carried forward to reduce the distributable amounts in the following five years. For example, assume that a private foundation has distributable amounts for 2012, 2013 and 2014 of \$1,000 each year; it makes no qualifying distributions in 2012; and it makes a qualifying distribution of \$2,500 in 2013. The 2013 distribution will satisfy the \$1,000 distribution requirements for 2012 and 2013. Moreover, the foundation will carry forward the \$500 excess qualifying distribution to apply to its distributable amounts for the years 2014 through 2018.

Failure to comply with the distribution requirement results in an initial penalty tax of 30% of the foundation's undistributed income (the amount which should have been, but was not, paid out). The

foundation will receive notice of its failure to meet the distribution requirement and will have 90 days to correct the problem by making additional qualifying distributions. If the foundation does not make the corrective qualifying distributions in a timely manner, Section 4942 imposes an additional tax of 100% of the amount remaining undistributed.

C. Code Section 4943: Excess Business Holdings

Section 4943 prohibits a private foundation from owning more than specified equity interests in business enterprises including corporations, partnerships, estates or trusts. This provision was enacted out of concern that significant ownership in a business might divert foundation assets and attention from their intended charitable purposes.

While the rules are fairly complex, a private foundation, together with all disqualified persons, generally may not hold more than 20% voting stock in a business enterprise. The limit increases to 35% if effective control of the business is in the hands of one or more persons who are not disqualified persons. These rules do not apply if the foundation owns 2% or less of a business, if the business engages in activities that are substantially related to the foundation's charitable purposes, or if at least 95% of the gross income of the business is derived from passive sources, such as rent. Since it can be difficult to track the equity holdings of all disqualified persons, many foundations avoid the application of the excess business holding rules by not exceeding 2% ownership of any business.

If a foundation acquires business holdings other than by purchase (e.g., by gift or bequest), and the additional holdings would result in the foundation having excess business holdings, the foundation effectively has five years to reduce those holdings to permissible levels. The IRS can allow an additional five-year period for the disposition of excess business holdings in the case of an unusually large gift or bequest.

The initial tax imposed on a foundation with excess business holdings is 10% of the value of such holdings during the taxable year. The amount of the excess holdings is determined as of the day during the tax year when the foundation's excess holdings in a business enterprise were the greatest. If the foundation fails to divest itself of the excess holdings within a certain period of time, there is an additional tax of 200% of their value.

D. Code Section 4944: Jeopardy Investments

Section 4944 prohibits a private foundation from investing its charitable assets in an imprudent manner. To ensure that investments do not jeopardize the ability of the organization to accomplish its exempt purposes, the regulations provide that:

[A]n investment shall be considered to jeopardize the carrying out of the exempt purpose of a private foundation if it is determined that the foundation managers, in making such investment, have failed to exercise ordinary business care and prudence, under the facts and circumstances prevailing at the time of making the investment, in providing for the long- and short-term financial needs of the foundation to carry out its exempt purposes.

No category of investments is a *per se* violation of Section 4944, but certain types of investments may be closely scrutinized by the IRS (trading in securities on margin, trading in commodities futures, buying puts, calls and straddles, selling short, etc.).

Section 4944 does not apply to an investment that is contributed to a private foundation. However, there may be fiduciary and investment management concerns that would compel a foundation to dispose of some property acquired by gift, such as to provide for greater diversification. There is also an exception from Section 4944 for investments that qualify as "program-related" investments for which the primary purpose is to achieve a charitable objective rather than to produce income. For example, a foundation

may be able to further its charitable purpose of improving an economically depressed area by making loans to local corporations when commercial financing is unavailable.

An initial tax of 10% of the amount of the investment is levied on the foundation for any violation of Section 4944. In addition, a 10% tax (up to a maximum of \$10,000) may be imposed on the foundation managers. A second-level tax of 25% may be imposed on the foundations (5% for the foundation managers, up to a maximum of \$20,000) if the jeopardy situation is not corrected with a certain period.

E. Code Section 4945: Taxable Expenditures in General

Section 4945 places a series of restrictions on types of grants that private foundations may make. It defines the following as "taxable expenditures":

- any amount paid or incurred to engage in lobbying activities;
- any expenditure to influence the outcome of any specific public election or to conduct a voter registration drive;
- any grant to an individual for travel, study, or other similar purpose, unless (1) the grant is awarded on an objective and nondiscriminatory basis, and (2) the grant is made pursuant to a procedure approved in advance by the IRS;
- any grant to an organization other than a public charity or exempt operating foundation, unless the grant is for charitable purposes and the grantor foundation exercises "expenditure responsibility" with respect to the grant to ensure that it is spent solely for the purposes for which it was made; and
- any amount paid or incurred for any noncharitable purpose, other than expenditures to acquire investments to produce income that will be used in furtherance of charitable purposes.

Section 4945 imposes a first-tier tax of 20% of each taxable expenditure on the private foundation. In addition, a 5% first-tier tax (up to a maximum of \$10,000) is imposed on private foundation managers who knowingly make taxable expenditures. Failure to correct the expenditure in a certain period of time will result in the imposition of a second-tier of tax: 100% of the amount of the expenditure on the foundation and 50% (up to a maximum of \$20,000) on foundation managers.

F. Code Section 4955: Taxes on Political Expenditures of Section 501(c)(3) Organizations

As discussed above, Section 501(c)(3) prohibits all organizations described in that section from engaging in political activity. Section 4945 regarding taxable expenditures includes a separate prohibition against the use of private foundation funds for election activities. Congress later enacted Section 4955 which imposes excise taxes similar in structure to those imposed by Section 4945 on political expenditures of Section 501(c)(3) organizations. The provision provides that if a tax is imposed with respect to a political expenditure made by a private foundation, that expenditure is not treated as a political expenditure for purposes of Section 4945.

III. Taxable Expenditures and Grants to Organizations and Individuals

The tax laws place certain restrictions on the grantmaking activities of private foundations. These rules, which are designed to ensure that private foundations expend their assets exclusively for charitable purposes, can be quite complicated and require that a private foundation pay close attention to both the purposes of its grants and the nature and tax status of its grantees.

As discussed above, Section 4945 places restrictions on the grant activities of private foundations in order to limit the purposes and activities for which these types of organizations can spend their funds. A

"taxable expenditure" is defined to include any grant to an organization other than a public charity or exempt operating foundation, unless the grant is for charitable purposes and the grantor foundation exercises "expenditure responsibility" with respect to the grant to ensure that it is spent solely for the purposes for which it was made.

To comply with these rules, the Foundation will need to conduct basic due diligence about the tax status of its grantees and determine that each grant will be used for a permissible purpose, i.e., one that would not constitute a taxable expenditure. In addition, depending on the tax status of the grantee, the Foundation may have ongoing monitoring requirements over the grant. The following is a discussion of the necessary steps when grants are made to: (1) Section 501(c)(3) public charities and governmental entities, (2) Section 501(c)(3) private foundations, (3) noncharitable organizations, (4) foreign organizations (both charitable and non-charitable), and (5) individuals.

A. Grants to Public Charities and Governmental Entities

The basic requirements governing grants to public charities are fairly straightforward. They are easy to satisfy and will place the least amount of administrative burden on the Foundation's staff. In most cases, the Foundation will simply need to confirm that the organization is indeed a public charity. For general support grants, the Foundation need not make a determination about the purposes of the grant, since the organization will use the funds in its general charitable program. Grants for a particular project, in contrast, will require that the Foundation confirm that the project itself is charitable.

Specifically, the Foundation will need to:

- obtain the organization's information including its name, address, and employer identification number (EIN). It is not sufficient to obtain only the grantee's name, as other organizations may have similar names;
- confirm the organization's tax status (Section 501(c)(3) exemption and public charity status) using a tool such as the IRS EO Select Check tool, which lists all of the organizations which are exempt under Section 501(c)(3). This publication may be accessed at <https://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check>. IRS Publication 78 is outdated and cannot be used for this purpose. There are other services that offer a similar product such as the GuideStar Charity Check. It is important to search organizations based on the EIN rather than the name whenever possible because many organizations have similar names. It is also important to verify that the name and location match those provided by the organization; and
- in the case of a grant to fund a specific project, determine that the grant will be used for charitable purposes and not for impermissible purposes (e.g., lobbying or political activity).

Once the Foundation has determined that an organization qualifies as a public charity and, in the case of a project grant, is satisfied that the purposes of the grant, it may release the grant funds. Grants to governmental entities (including the agencies or instrumentalities of foreign governments) are treated as grants to public charities so long as such grants are made exclusively for public purposes, and grant letters to governmental entities should include this statement.

B. Expenditure Responsibility Grants: Grants to Private Foundations and Noncharitable Organizations

Grants to private foundations and noncharitable organizations involve a greater degree of oversight than grants to public charities,¹ and require that the Foundation exercise "expenditure responsibility" with

¹ The Foundation is not precluded from funding non-charitable organizations, so long as such grants are made solely for charitable purposes.

respect thereto. In this regard, the Foundation must "exert all reasonable efforts and establish adequate procedures" to (1) see that the grant is spent solely for the purposes for which it is awarded, (2) obtain full and complete reports from the grantee on how grant funds are spent, and (3) make full and detailed reports with respect to such grants to the IRS.

Prior to making an expenditure responsibility grant, the Foundation will need to conduct a limited "pre-grant inquiry" into the potential grantee. This process will enable the Foundation to obtain basic information about the activities, history and relevant experience of the grantee organization and its managers, and such other information as may be necessary for the Foundation's consideration of the grant and the organization's ability to accomplish the purposes and goals thereof. The Foundation is not required to conduct such an inquiry with respect to past grantees that have complied with the requirements of their previous grants and have submitted all required reports and information.

After the grant has been approved, the Foundation and the grantee must execute a grant agreement specifying the terms of the grant, including the permissible uses of funds. This agreement will describe the purpose of the grant and the grantee must at a minimum agree to (1) repay any part of the grant which is not used for the purposes of the grant, (2) provide full and complete annual reports detailing how the grant funds were spent, compliance with the terms of the grant and the progress made toward accomplishing the purposes of the grant, (3) maintain records of receipts and expenditures and make its books available for inspection by the Foundation, and (4) not use grant funds for any impermissible purposes including lobbying or political activity. In the case of a grant to a noncharitable organization, the grantee must also agree to maintain all of the grant funds in a separate fund that is dedicated to charitable purposes.

The grantee must provide the Foundation with annual reports detailing how it spent the grant funds, as well as the steps taken to comply with the terms of the grant and the progress made towards accomplishing its purposes. These reports must be furnished within a reasonable time period following the close of each fiscal year during which grant funds were expended.

Following the completion of the grant, the grantee must provide the Foundation with a final report detailing how the grant funds were spent and describing the progress made towards achieving the purposes of the grant. This report is due within a reasonable time after the end of the tax year in which the grant was completed and it is not necessary for the grantee to provide a separate annual report for that year. Please note that the Foundation is not required to verify the information contained in these reports, unless it has reason to doubt the accuracy or reliability of such information.

Although grants made to noncharitable organizations for charitable purposes count towards meeting the Foundation's annual minimum distribution requirement (as of course do grants to public charities),² grants to private foundations will only count if they satisfy the so-called "out of corpus" rules. Under these rules, a grant from one private foundation to another must be spent by the grantee organization no later than one year following the end of the tax year in which the grant was made and the expenditure by the grantee private foundation must be treated as having been made "out of corpus." For these purposes, only the portion of a grantee foundation's distributions that exceeds the amount necessary to satisfy its own minimum distribution requirement for either the immediately prior tax year or the current tax year will be treated as having been made out of corpus. While this rule appears complicated to administer, a U.S. private foundation's form 990-PF will contain all the information necessary for the Foundation to make a determination on how to treat a grant to such private foundation for the purpose of calculating the Foundation's own minimum distribution requirement. Moreover, as a practical matter, since the Foundation has such a significant amount of excess qualifying distributions, it may, in the near

² Under Section 4942, a private foundation is required to make annual "qualifying distributions" in an amount equal to 5% of its net investment assets.

term, simply disregard these types of grants for purposes of satisfying the annual minimum distribution requirement.

C. Grants to Foreign Organizations

In general, the rules described above with respect to grants to charitable organizations, private foundations and noncharitable organizations apply to their foreign equivalents. The difficult part is, of course, determining how a particular foreign organization would be treated for U.S. tax purposes and then applying the U.S. tax requirements in the context of the laws and customs to which the foreign organization is subject.

If a foreign organization has received a ruling or a determination letter from the IRS that it is described in either Section 509(a)(1), (2) or (3) (i.e., it is considered a public charity rather than a private foundation), then the Foundation may treat the organization in the same manner as a domestic public charity. In the absence of such a ruling, the Foundation may make a "good faith determination" that the organization would so qualify. This determination must be based on an opinion of counsel (or other qualified tax practitioner) of either the Foundation or the grantee that the organization is the foreign equivalent of a U.S. public charity. In either case, the document needs to contain sufficient information about the organization's operations and support for the IRS to determine that the organization qualifies as a public charity. Thus, the organization will generally be required to provide detailed financial information, information about its organizational structure and activities.

In all other cases—whether the organization in question is noncharitable or the foreign equivalent of a private foundation—the Foundation must exercise expenditure responsibility over the grant and, where applicable, require that grant funds be kept in a segregated account devoted to charitable purposes.

Finally, the Foundation may treat grants to foreign organizations in the same manner as it would treat grants to their domestic counterparts for purposes of meeting its annual minimum distribution requirement. Thus, grants to foreign public charities and noncharitable organizations, as well as grants to the foreign private foundations where the grant satisfies the out of corpus rules, may be counted as qualifying distributions.³

The IRS recognizes that it is often difficult for a private foundation to determine whether a foreign organization should be treated as a public charity or a private foundation. As a result, the IRS permits U.S. private foundations to treat grants to foreign organizations in the same manner as grants to noncharitable organizations, without inquiring into the organization's tax status or verifying that the funds were spent out of corpus. Thus, if the Foundation exercises expenditure responsibility and requires that grant funds be maintained in a segregated account dedicated for charitable purposes, it will be able to treat the grant as a qualifying distribution for purposes of its minimum distribution requirement. Unless the Foundation has good reason to believe that a foreign grantee would qualify as a public charity, it should treat the organization as noncharitable grantee and monitor the grant accordingly.

D. Grants to Individuals

Generally, a private foundation may make grants to individuals for one or more charitable purposes such as providing direct assistance to those in need. However, if a private foundation intends to make grants to individuals for travel, study or other similar purposes, it must first obtain one-time approval for its grant procedures from the IRS. In addition, all such grants must be awarded on an objective and nondiscriminatory basis and constitute either (1) a qualified scholarship or fellowship for study at an educational institution, (2) an award or prize given to a member of the general public, or (3) a grant to

³ Monitoring the out of corpus requirement for grants to foreign private foundations is often quite difficult and complicated as such organizations (unlike U.S. private foundations) do not generally maintain their records in a manner that facilitates the necessary calculations.

achieve a specific objective, produce a report or other similar product or improve or enhance a literary, artistic, musical, scientific, teaching or other similar capacity, skill or talent of the grantee.

The procedures that a private foundation establishes for making grants for travel, study or similar purposes, must ensure that all awards are consistent with the purposes of the foundation and that they satisfy the requirements enumerated above. The foundation will be required to have an independent selection committee and there can be no direct or indirect benefit to members of the selection committee in the choice of one candidate over another. Grant procedures must ensure, among other things, that grantees are chosen from a sufficiently broad class of potential recipients, that objective selection criteria and performance measures are used to determine awards and that adequate reporting requirements are implemented. In the event the Foundation is interested in establishing an individual grant program, please note that we will need to obtain prior IRS approval of the grant procedures used in connection therewith.

Finally, these rules do not preclude the Foundation from hiring employees or consultants to conduct research or to provide services on its behalf. However, in such cases, it must be clear that the employee or consultant is carrying out the project on behalf of the Foundation and that the Foundation retains all rights to the work product produced by the employee or consultant.

IV. Taxable Expenditures and Lobbying Activities

As discussed in Section II above, Section 4945 prohibits private foundations from expending funds for lobbying, and any such expenditures are subject to a 20% excise tax. Further, foundation managers who approve such expenditures may be subject to a 5% excise tax penalty, not to exceed \$10,000, on a joint and several basis.

Lobbying for these purposes includes both direct lobbying and grassroots lobbying. Direct lobbying is defined as an attempt to influence legislation through communication with a legislator that refers to specific legislation and reflects a view on such legislation. Grassroots lobbying is an attempt to influence legislation through communication with the public that refers to specific legislation, reflects a view on such legislation and includes a "call to action."

A legislator is any member or staff of a legislative body, including Congress, state legislatures, local councils and other similar bodies that enact laws. It does not include executive, or administrative bodies or officials, unless they have responsibility over legislative matters.

A. Lobbying Exceptions

Certain exceptions to the definition of "lobbying" allow private foundations to engage in advocacy activities without violating the lobbying prohibition. The most relevant exceptions include:

1. Nonpartisan Analysis, Study or Research

Lobbying does not include preparation or funding of nonpartisan analysis, study or research. The research may have a point of view, advocate for a position, and even conclude that legislation is appropriate to achieve a given objective, as long as it presents a "sufficiently full and fair exposition of the pertinent facts to enable the public or an individual to form an independent opinion or conclusion."⁴ This exception generally covers reports that include a balanced examination of both sides of an issue before reaching a conclusion.

2. Examinations of Broad Social, Economic, and Similar Problems

⁴ Treas. Reg. § 53.4945-2(d)(1)(ii).

Such examinations may focus on topics that are the subject of specific legislation, provided that the examination does not refer to the legislation or make statements encouraging the readers to take action with respect to such legislation.

3. Technical Advice or Assistance to a Governmental Body in Response to a Written Request

Lobbying does not include providing technical advice such as written or oral testimony to a legislative body, committee or subcommittee in response to a written request, even if the testimony involves proposed legislation about which the foundation expresses a view. The technical advice must be made available on a bipartisan basis, and the exception does not apply to advice provided to an individual legislator.

4. Self-Defense

A private foundation threatened by legislative proposals affecting the foundation's existence, powers, duties, tax-exempt status, or the deductibility of contributions may engage in direct lobbying in self-defense (but not grassroots lobbying).

B. Grantmaking to Organizations that Lobby

In general, the prohibition against lobbying expenditures by private foundations does not extend to grants made to public charities that lobby. Private foundations may make general support grants to public charities that lobby, provided that the grants are not specifically earmarked to be used for lobbying purposes. A grant is considered "earmarked" if it is made pursuant to an agreement, either written or oral, that a grant will be used for specific purposes.

Private foundations may also make specific project grants to public charities that lobby provided that the specific project grant is not earmarked for lobbying and the total amount given to the grantee in a taxable year for that project, plus any other grants given by the foundation for that project, does not exceed the amount budgeted by the grantee for nonlobbying program activities. In determining whether a grant meets these requirements, a private foundation may rely on budget documents or other sufficient evidence provided by the grantee. Both the general and specific project grant regulations apply equally to grants to electing and nonelecting public charities.

V. Taxable Expenditures and Political Activity

As discussed in Section II above, Sections 501(c)(3), 4945 and 4955 prohibit private foundations from expending funds for political campaign activities and any such expenditures are subject to the same to a 20% excise tax. Further, foundation managers who approve such expenditures may be subject to a 5% excise tax penalty, not to exceed \$10,000, on a joint and several basis. A private foundation may also lose its exemption for engaging in any amount of political campaign activity. Any grant made to a recipient that is not a Section 501(c)(3) organization should specifically prohibit the use of the grant funds for political campaign activity. If the grant is being made to an organization that does engage in political campaign activity, such as a Section 501(c)(4) or 501(c)(6) organization, the grant should be restricted for a charitable project that does not include any political campaign activity. Further, a private foundation cannot make a grant to an organization that is formed for the purpose of engaging in political activity, such as Section 527 organization.

* * *

The rules governing private foundations are intended to ensure that all private foundation assets are devoted exclusively for charitable purposes. The Foundation and its managers should understand these rules and implement procedures to ensure compliance.



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
(212) 416-8392

ERIC T. SCHNEIDERMAN
Attorney General

Division of Social Justice
Charities Bureau

June 9, 2016

Mr. Donald J. Trump, President
The Donald J. Trump Foundation
c/o Weisermazars LLP
60 Crossways Park Drive
Woodbury, New York 11797

Re: The Donald J. Trump Foundation
Political Contributions

Dear Mr. Trump:

The Attorney General's Charities Bureau has responsibility for regulating New York not-for-profits, including your organization. One of our goals is to assure that the individuals responsible for managing these organizations do not jeopardize their mission and their tax exempt status by failing to comply with IRS rules governing their tax exempt status. Your organization is receiving this letter because one or more political organizations have reported that you have made a contribution.

The Internal Revenue Code prohibits organizations that are exempt from taxation under Section 501(c)(3) from contributing to political candidates, whether directly to the candidate's campaign or indirectly through a political committee. See *The Restriction of Political Campaign Intervention by Section 501(c)(3) Tax-Exempt Organizations* posted by the IRS at <https://www.irs.gov/charities-non-profits/charitable-organizations/the-restriction-of-political-campaign-intervention-by-section-501-c-3-tax-exempt-organizations>. The relevant language from that publication states:

"Under the Internal Revenue Code, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against

political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes."

Additional guidance posted by the IRS at <https://www.irs.gov/uac/election-year-activities-and-the-prohibition-on-political-campaign-intervention-for-section-501-c-3-organizations> includes the following definition of Political Campaign Intervention:

"Political campaign intervention includes any and all activities that favor or oppose one or more candidates for public office. The prohibition extends beyond candidate endorsements. Contributions to political campaign funds or public statements of position (verbal or written) made by or on behalf of an organization in favor of or in opposition to any candidate for public office clearly violate the prohibition on political campaign intervention. Distributing statements prepared by others that favor or oppose any candidate for public office will also violate the prohibition. Allowing a candidate to use an organization's assets or facilities will also violate the prohibition if other candidates are not given an equivalent opportunity..."

The Attorney General's website has an FAQ on the same topic: posted at https://www.charitiesnys.com/faqs_political_new.html

May 501(c) (3) organizations make a contribution to a candidate for office, a political party or a political action committee?

No. Organizations that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code are absolutely prohibited from contributing to a candidate for office, a political party or a political action committee. An organization that violates this prohibition risks losing its tax exemption and may also be in violation of state law.

Public campaign finance records posted by the Florida Department of State's Division of Elections, a copy of which is enclosed, report that your organization has made the following a political committee:

- \$25,000 on September 17, 2013 to And Justice for All

We request that, within 20 days of the date of this letter, you provide us with the following information:

- 1) Whether the reported contribution or payment by your organization is accurate.
- 2) Whether the organization which received the contribution has returned it.
- 3) Your plans, if any, to obtain the return of the contribution or payment.
- 4) The dates, amounts and recipient of any political contributions made by your organization from January 1, 2013 to the present.
- 5) For any contributions reported to us in response to number 4 above, whether the contributions have been returned and, if not, your plans to obtain return of the contributions.
- 6) The steps, if any, you have taken to ensure that no political contributions are made in the future.

Please sign your response.

Your response will be filed with and become a part of the official records of the Office of Attorney General.

If you have any questions concerning this request, please contact me at the phone number above or by email to Karin.kunstlergoldman@ag.ny.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karin Kunstler Goldman".

Karin Kunstler Goldman
Assistant Attorney General
Deputy Bureau Chief

The Donald J. Trump Foundation
725 Fifth Avenue
New York, New York 10022

June 28, 2016

By Federal Express

Karin Kunstler Goldman, Esq.
Assistant Attorney General
New York State Department of Law Charities Bureau
120 Broadway - 3rd Floor
New York, NY 10271

Dear Ms. Kunstler Goldman:

I write in response to your June 9, 2016 letter requesting information concerning a \$25,000 contribution made by The Donald J. Trump Foundation (the "Foundation") to an organization known as "And Justice for All" (the "Contribution").

In short, the Contribution was made in error due to a case of mistaken identity involving organizations with the same name. Both the Foundation and Mr. Trump first learned of this mistake in March 2016 after seeing it reported in the media. Upon learning of this mistake, the Foundation promptly filed IRS Form 4720, the relevant IRS Form used for this purpose, and Mr. Trump paid the excise tax due under Section 4955 with a personal check. In addition, the Foundation was reimbursed \$25,000. The Foundation will not provide a donor acknowledgment letter for this reimbursement, and no one will claim a charitable contribution deduction for such reimbursement.

This was an isolated occurrence. From January 1, 2013 to the present, there have been no other similar incidents. To prevent any mistakes in the future, the Foundation's staff received training on May 11, 2016, led by legal counsel specializing in tax-exempt organizations law, regarding the federal tax rules and regulations applicable to private foundations. As part of this training, Foundation staff were advised to collect additional information about proposed grantees using the IRS Exempt Organizations Select Check tool to verify the tax status of potential grantees based on their taxpayer identification numbers rather than relying solely on their names. This will eliminate the possibility of confusion in the circumstance when two organizations share the same name. The Foundation will also provide its accountants with the name, address, and taxpayer identification number of its grantees in the future to ensure correct Form 990-PF reporting.

* * *

The Foundation regrets the mistake described above. It is committed to complying fully with the federal tax laws governing private foundations. Please let me know if you have any further questions.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Allen W.', with a stylized flourish at the end.

Allen Weisselberg
Treasurer
The Donald J. Trump Foundation



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
(212) 416-8392

Eric T. Schneiderman
Attorney General

Division of Social Justice
Charities Bureau

July 15, 2016

Mr. Allen Weisselberg
The Donald J. Trump Foundation
725 Fifth Avenue
New York, NY 10022

Dear Mr. Weisselberg:

I write in response to your letter of June 28, 2016 and to request additional information concerning the contribution of \$25,000 made by The Donald J. Trump Foundation ("the Foundation") to an organization called And Justice for All. In your letter, you advised me that the Foundation was reimbursed for the donation it made to And Justice for All.

Within ten days of the date of this letter, please provide me with the following additional information concerning the contribution and the Foundation's actions concerning it:

A copy of the check to And Justice for All, both front and back, or other record of the payment if the contribution was not paid by check.

The name of the individual or entity from which the reimbursement to the Foundation was received, all correspondence to and from the Foundation relating to the reimbursement and documentation confirming that the reimbursement was deposited in an account in the name of the Foundation.

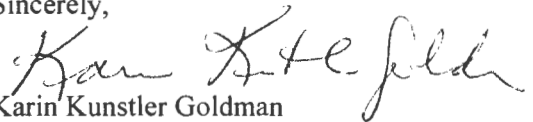
A copy of the form 4720 submitted to the IRS by the Foundation.

A copy of the check, both front and back, or other record of payment of the excise tax to the IRS if the payment was not made by check.

Copies of any instructions, guidelines or other material distributed to or used by the Foundation's officers, directors and/or staff in connection with the training conducted on May 11, 2016.

A description of the procedures the Foundation will employ to train its officers, directors and staff to ensure that it will not use any of its funds for political purposes in the future.

Sincerely,


Karin Kunstler Goldman
Assistant Attorney General
Deputy Bureau Chief
Charities Bureau



**STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
(212) 416-8392**

**Eric T. Schneiderman
Attorney General**

**Division of Social Justice
Charities Bureau**

July 15, 2016

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The Donald J. Trump Foundation
725 Fifth Avenue
New York, NY 10022**

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The name of the individual or entity from which the reimbursement to the Foundation was received, all correspondence to and from the Foundation relating to the reimbursement and documentation confirming that the reimbursement was deposited in an account in the name of the Foundation.

A copy of the form 4720 submitted to the IRS by the Foundation.

A copy of the check, both front and back, or other record of payment of the excise tax to the IRS if the payment was not made by check.

Copies of any instructions, guidelines or other material distributed to or used by the Foundation's officers, directors and/or staff in connection with the training conducted on May 11, 2016.


120 Broadway, 3rd fl., New York, NY 10271 □ (212) 416-8401 □ Fax (212) 416-8393

<http://www.charitiesnys.com>

FOIL 160645 000056

A description of the procedures the Foundation will employ to train its officers, directors and staff to ensure that it will not use any of its funds for political purposes in the future.

Sincerely,



Karin Kunstler Goldman
Assistant Attorney General
Deputy Bureau Chief
Charities Bureau