

# FOR PUBLIC INSPECTION

Form **990-T**

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

OMB No. 1545-0687

# 2012

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

Department of the Treasury  
Internal Revenue Service

For calendar year 2012 or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

<b>A</b> <input type="checkbox"/> Check box if address changed	<b>B</b> Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.) <b>THE DAVID AND LUCILE PACKARD FOUNDATION</b> Number, street, and room or suite no. If a P.O. box, see instructions. <b>343 SECOND STREET</b> City or town, state, and ZIP code <b>LOS ALTOS, CA 94022-3622</b>	<b>D</b> Employer identification number (Employees' trust, see instructions.) <b>94-2278431</b>  <b>E</b> Unrelated business activity codes (See instructions.) <b>523000</b>
<b>C</b> Book value of all assets at end of year <b>100,000.</b>	<b>F</b> Group exemption number (see instructions) _____ <b>G</b> Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust		

**H** Describe the organization's primary unrelated business activity. **▶ INVESTMENTS IN PARTNERSHIPS**

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

**J** The books are in care of **▶ CRAIG NEYMAN, CFO** Telephone number **▶ 6509487658**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales _____			
b Less returns and allowances _____ c Balance _____	1c		
2 Cost of goods sold (Schedule A, line 7) _____	2		
3 Gross profit. Subtract line 2 from line 1c _____	3		
4 a Capital gain net income (attach Schedule D) _____	4a	3,115,089.	3,115,089.
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) _____	4b		
c Capital loss deduction for trusts _____	4c		
5 Income (loss) from partnerships and S corporations (attach statement) _____	5	-2,324,503. <b>STMT 3</b>	-2,324,503.
6 Rent income (Schedule C) _____	6		
7 Unrelated debt-financed income (Schedule E) _____	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F) _____	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) _____	9		
10 Exploited exempt activity income (Schedule I) _____	10		
11 Advertising income (Schedule J) _____	11		
12 Other income (see instructions; attach statement) _____	12		
13 <b>Total.</b> Combine lines 3 through 12 _____	13	790,586.	790,586.

Part II Deductions Not Taken Elsewhere (see instructions for limitations on deductions) (except for contributions, deductions must be directly connected with the unrelated business income)			
14 Compensation of officers, directors, and trustees (Schedule K) _____	14		
15 Salaries and wages _____	15		
16 Repairs and maintenance _____	16		
17 Bad debts _____	17		
18 Interest (attach statement) _____ <b>SEE STATEMENT 4</b>	18		290,479.
19 Taxes and licenses _____	19		106,996.
20 Charitable contributions (see instructions for limitation rules) <b>STATEMENT 7 SEE STATEMENT 5</b>	20		0.
21 Depreciation (attach Form 4562) _____	21		
22 Less depreciation claimed on Schedule A and elsewhere on return _____	22a		22b
23 Depletion _____	23		
24 Contributions to deferred compensation plans _____	24		
25 Employee benefit programs _____	25		
26 Excess exempt expenses (Schedule I) _____	26		
27 Excess readership costs (Schedule J) _____	27		
28 Other deductions (attach statement) _____ <b>SEE STATEMENT 6</b>	28		4,324,698.
29 <b>Total deductions.</b> Add lines 14 through 28 _____	29		4,722,173.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 _____	30		-3,931,587.
31 Net operating loss deduction (limited to the amount on line 30) _____ <b>SEE STATEMENT 8</b>	31		
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 _____	32		-3,931,587.
33 Specific deduction (generally \$1,000, but see instructions for exceptions) _____	33		1,000.
34 <b>Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 _____	34		-3,931,587.



**Part III Tax Computation**

**35 Organizations taxable as corporations** (see instructions for tax computation).  
 Controlled group members (sections 1561 and 1563) check here  See instructions and:  
**a** Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):  
 (1) \$ \_\_\_\_\_ (2) \$ \_\_\_\_\_ (3) \$ \_\_\_\_\_  
**b** Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ \_\_\_\_\_  
 (2) Additional 3% tax (not more than \$100,000) \$ \_\_\_\_\_  
**c** Income tax on the amount on line 34 **35c** 0.

**36 Trusts taxable at trust rates** (see instructions for tax computation). Income tax on the amount on line 34 from:  
 Tax rate schedule or  Schedule D (Form 1041) **36**

**37 Proxy tax** (see instructions) **37**

**38 Alternative minimum tax** **38**

**39 Total.** Add lines 37 and 38 to line 35c or 36, whichever applies **39** 0.

**Part IV Tax and Payments**

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

**b Other credits** (see instructions) **40b**

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

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

**e Total credits.** Add lines 40a through 40d **40e**

**41** Subtract line 40e from line 39 **41** 0.

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

**43 Total tax.** Add lines 41 and 42 **43** 0.

**44 a Payments:** A 2011 overpayment credited to 2012 **44a** 51,223.

**b 2012 estimated tax payments** **44b**

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

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

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

**f Credit for small employer health insurance premiums** (Attach Form 8941) **44f**

**g Other credits and payments:**  Form 2439  Form 4136  Other \_\_\_\_\_ Total **44g**

**45 Total payments.** Add lines 44a through 44g **45** 51,223.

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

**47 Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed **47**

**48 Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** 51,223.

**49 Enter the amount of line 48 you want:** Credited to 2013 estimated tax 51,223. Refunded **49** 0.

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

**1** At any time during the 2012 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here **SEE STATEMENT 9** Yes No

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

**3** Enter the amount of tax-exempt interest received or accrued during the tax year **\$**

**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation **N/A**

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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ **CFO** Title \_\_\_\_\_ May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**Paid Preparer Use Only**

Print/Type preparer's name <b>SHARON L. ZORBACH</b>	Preparer's signature <i>Sharon Zorbach</i>	Date 11/13/13	Check <input type="checkbox"/> if self-employed	PTIN P00125475
Firm's name <b>DELOITTE TAX LLP</b>			Firm's EIN <b>86-1065772</b>	
Firm's address <b>225 WEST SANTA CLARA STREET SAN JOSE, CA 95113</b>			Phone no. <b>408-704-4000</b>	

**Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)** (see instructions)

1. Description of property

(1)			
(2)			
(3)			
(4)			
2. Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach statement)	
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)		
(1)			
(2)			
(3)			
(4)			
Total	0.	Total	0.
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)		(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B)	
0.		0.	

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach statement)	(b) Other deductions (attach statement)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach statement)	5. Average adjusted basis of or allocable to debt-financed property (attach statement)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)
Total dividends-received deductions included in column 8			0.	0.

**Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
0.			0.	0.

**Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization**

(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach statement)	4. Set-asides (attach statement)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
<b>Totals</b>	0.			0.

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income**

(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b>	0.	0.				0.

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals (carry to Part II, line (5))</b>	0.	0.				0.

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I</b>	0.	0.				0.
<b>Totals, Part II (lines 1-5)</b>	0.	0.				0.

**Schedule K - Compensation of Officers, Directors, and Trustees** (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total. Enter here and on page 1, Part II, line 14</b>			0.

**Alternative Minimum Tax—Corporations**

Department of the Treasury  
Internal Revenue Service

▶ Attach to the corporation's tax return.

▶ Information about Form 4626 and its separate instructions is at [www.irs.gov/form4626](http://www.irs.gov/form4626).

**2012**

Name

Employer identification number

THE DAVID AND LUCILE PACKARD FOUNDATION

94-2278431

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

<b>1</b>	Taxable income or (loss) before net operating loss deduction	<b>1</b>	(3,931,587)
<b>2</b>	<b>Adjustments and preferences:</b>		
<b>a</b>	Depreciation of post-1986 property	<b>2a</b>	243,550
<b>b</b>	Amortization of certified pollution control facilities	<b>2b</b>	
<b>c</b>	Amortization of mining exploration and development costs	<b>2c</b>	
<b>d</b>	Amortization of circulation expenditures (personal holding companies only)	<b>2d</b>	
<b>e</b>	Adjusted gain or loss	<b>2e</b>	(71,019)
<b>f</b>	Long-term contracts	<b>2f</b>	
<b>g</b>	Merchant marine capital construction funds	<b>2g</b>	
<b>h</b>	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	<b>2h</b>	
<b>i</b>	Tax shelter farm activities (personal service corporations only)	<b>2i</b>	
<b>j</b>	Passive activities (closely held corporations and personal service corporations only)	<b>2j</b>	
<b>k</b>	Loss limitations	<b>2k</b>	
<b>l</b>	Depletion	<b>2l</b>	
<b>m</b>	Tax-exempt interest income from specified private activity bonds	<b>2m</b>	
<b>n</b>	Intangible drilling costs	<b>2n</b>	2,278,994
<b>o</b>	Other adjustments and preferences	<b>2o</b>	
<b>3</b>	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	<b>3</b>	(1,480,062)
<b>4</b>	<b>Adjusted current earnings (ACE) adjustment:</b>		
<b>a</b>	ACE from line 10 of the ACE worksheet in the instructions	<b>4a</b>	(1,480,062)
<b>b</b>	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions)	<b>4b</b>	0
<b>c</b>	Multiply line 4b by 75% (.75). Enter the result as a positive amount	<b>4c</b>	0
<b>d</b>	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). <b>Note:</b> You must enter an amount on line 4d (even if line 4b is positive)	<b>4d</b>	
<b>e</b>	ACE adjustment.		
	<ul style="list-style-type: none"> <li>• If line 4b is zero or more, enter the amount from line 4c</li> <li>• If line 4b is less than zero, enter the <b>smaller</b> of line 4c or line 4d as a negative amount</li> </ul>	<b>4e</b>	0
<b>5</b>	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	<b>5</b>	(1,480,062)
<b>6</b>	Alternative tax net operating loss deduction (see instructions)	<b>6</b>	
<b>7</b>	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	<b>7</b>	
<b>8</b>	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):		
<b>a</b>	Subtract \$150,000 from line 7 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	<b>8a</b>	
<b>b</b>	Multiply line 8a by 25% (.25)	<b>8b</b>	
<b>c</b>	Exemption. Subtract line 8b from \$40,000 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	<b>8c</b>	
<b>9</b>	Subtract line 8c from line 7. If zero or less, enter -0-	<b>9</b>	
<b>10</b>	Multiply line 9 by 20% (.20)	<b>10</b>	
<b>11</b>	Alternative minimum tax foreign tax credit (AMTFTC) (see instructions)	<b>11</b>	
<b>12</b>	Tentative minimum tax. Subtract line 11 from line 10	<b>12</b>	
<b>13</b>	Regular tax liability before applying all credits except the foreign tax credit	<b>13</b>	
<b>14</b>	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	<b>14</b>	

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FOOTNOTES

STATEMENT 2

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IN ACCORDANCE WITH INTERNAL REVENUE CODE  
SECTION 172(B)(3), TAXPAYER HEREBY ELECTS  
TO RELINQUISH THE NET OPERATING LOSS  
CARRYBACK PERIOD.

FORM 990-T

INCOME (LOSS) FROM PARTNERSHIPS

STATEMENT 3

DESCRIPTION	AMOUNT
ABRAMS CAPITAL PARTNERS II, LP	28,609.
ANDRESSEN HOROWITZ FUND III (AIV), LP	-1,868.
BAUPOST VALUE PARTNERS IV, LP	866,751.
CARMEL PARTNERS INVESTMENT FUND III, LP	1,409.
CARMEL PARTNERS INVESTMENT FUNC IV, LP	656.
CONVERSUS CAPITAL, LP	6,869.
DENHAM COMMODITY PARTNERS FUND V, LP	6,712.
DENHAM COMMODITY PARTNERS FUND VI, LP	-122,289.
ENERGY CAPITAL PARTNERS II (SUMMIT CO-INVEST), LP	-893,906.
GOLDEN GATE CAPITAL OPPORTUNITY FUND, LP	-207,465.
HOUSATONIC EQUITY INVESTORS V, LP	-138.
JBG INVESTMENT FUND VII, LLC	327,175.
JBG INVESTMENT FUND VIII, LLC	211,954.
NATURAL GAS PARTNERS IX, LP	817,743.
NORTHWOOD REAL ESTATE CO-INVESTORS TE, LP	21,543.
NORTHWOOD REAL ESTATE CO-INVESTORS TE (AIV 2), LP	-37,646.
NORTHWOOD REAL ESTATE CO-INVESTORS TE (PALACE AIV) FEEDER LP	-147,283.
NORTHWOOD REAL ESTATE CO-INVESTORS TE (NR AIV) LP	496.
NORTHWOOD REAL ESTATE PARTNERS TE, LP	8,991.
NORTHWOOD REAL ESTATE PARTNERS TE (AIV 1), LP	9,723.
NORTHWOOD REAL ESTATE PARTNERS TE (AIV 2), LP	-68,500.
NORTHWOOD REAL ESTATE PARTNERS TE (AIV 3), LP	-198,829.
NORTHWOOD REAL ESTATE PARTNERS TE (AIV 4), LP	9,145.
NORTHWOOD REAL ESTATE PARTNERS TE (NR AIV), LP	1,055.
NORTHWOOD REAL ESTATE PARTNERS TE (PALACE AIV), LP	-212,480.
RIVA CAPITAL PARTNERS II, LP	3,462.
RIVA CAPITAL PARTNERS III, LP	-780.
SPO PARTNERS II, LP	-229,657.
TA XI, LP	-7,918.
TA XI AM-A AIV, LP	11,211.
TA XI ECM AIV, LP	31,422.
TA XI FS-B FEEDER, LP	-1,544.
VALIANT CAPITAL PARTNERS, LP	-191,346.
THE VARDE FUND IX, LP	-8,784.
THE VARDE FUND IX-A	-5,919.
THE VARDE FUND X(B) FEEDER, LP	2,317.
YORKTOWN ENERGY PARTNERS IX, LP	-2,355,394.
TOTAL TO FORM 990-T, PAGE 1, LINE 5	-2,324,503.

FORM 990-T	INTEREST PAID	STATEMENT	4
DESCRIPTION		AMOUNT	
PARTNERSHIP INTEREST EXPENSES		290,479.	
TOTAL TO FORM 990-T, PAGE 1, LINE 18		290,479.	

FORM 990-T	CONTRIBUTIONS	STATEMENT	5
DESCRIPTION/KIND OF PROPERTY	METHOD USED TO DETERMINE FMV	AMOUNT	
CONTRIBUTIONS	N/A	100,000.	
TOTAL TO FORM 990-T, PAGE 1, LINE 20		100,000.	

FORM 990-T	OTHER DEDUCTIONS	STATEMENT	6
DESCRIPTION		AMOUNT	
IRC SECTION 59(E)(2)		3,785,410.	
OTHER INVESTMENT DEDUCTIONS		12,863.	
DEPLETION		526,425.	
TOTAL TO FORM 990-T, PAGE 1, LINE 28		4,324,698.	

FORM 990-T		NET OPERATING LOSS DEDUCTION		STATEMENT	8
TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR	
12/31/09	2,788,922.	1,970,684.	818,238.	818,238.	
NOL CARRYOVER AVAILABLE THIS YEAR			818,238.	818,238.	

FORM 990-T	NAME OF FOREIGN COUNTRY IN WHICH ORGANIZATION HAS FINANCIAL INTEREST	STATEMENT	9
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NAME OF COUNTRY

- UNITED KINGDOM
- IRELAND
- ETHIOPIA
- AUSTRIA
- CANADA
- SWITZERLAND
- DENMARK
- MALAYSIA
- SINGAPORE
- SWEDEN
- JAPAN
- MEXICO
- SOUTH AFRICA
- THAILAND
- GUERNSEY
- NETHERLANDS

**Capital Gains and Losses**  
 ▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L,  
 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.  
 ▶ Information about Schedule D (Form 1120) and its separate instructions is at [www.irs.gov/form1120](http://www.irs.gov/form1120).

**2012**

Name **THE DAVID AND LUCILE PACKARD FOUNDATION** Employer identification number **94-2278431**

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

Complete Form 8949 before completing line 1, 2, or 3. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price) from Form(s) 8949, Part I, line 2, column (d)	(e) Cost or other basis from Form(s) 8949, Part I, line 2, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
1 Short-term totals from all Forms 8949 with <b>box A</b> checked in <b>Part I</b> .....				
2 Short-term totals from all Forms 8949 with <b>box B</b> checked in <b>Part I</b> .....				
3 Short-term totals from all Forms 8949 with <b>box C</b> checked in <b>Part I</b> .....				<b>-23,247.</b>
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37 .....				4
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824 .....				5
6 Unused capital loss carryover (attach computation) .....				6 ( )
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column h .....				<b>-23,247.</b>

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

Complete Form 8949 before completing line 8, 9, or 10. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price) from Form(s) 8949, Part II, line 4, column (d)	(e) Cost or other basis from Form(s) 8949, Part II, line 4, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 4, column (g)	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
8 Long-term totals from all Forms 8949 with <b>box A</b> checked in <b>Part II</b> .....				
9 Long-term totals from all Forms 8949 with <b>box B</b> checked in <b>Part II</b> .....				
10 Long-term totals from all Forms 8949 with <b>box C</b> checked in <b>Part II</b> .....				<b>10,668.</b>
11 Enter gain from Form 4797, line 7 or 9 .....				11 <b>3,127,668.</b>
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37 .....				12
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824 .....				13
14 Capital gain distributions .....				14
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column h .....				15 <b>3,138,336.</b>

**Part III Summary of Parts I and II**

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15) .....	16	
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7) .....	17	<b>3,115,089.</b>
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns .....	18	<b>3,115,089.</b>

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





Form **4797**

Department of the Treasury  
Internal Revenue Service (99)

**Sales of Business Property**  
(Also Involuntary Conversions and Recapture Amounts  
Under Sections 179 and 280F(b)(2))  
▶ Attach to your tax return.

OMB No. 1545-0184

**2012**

Attachment  
Sequence No. **27**

▶ Information about Form 4797 and its separate instructions is at [www.irs.gov/form4797](http://www.irs.gov/form4797).

Name(s) shown on return

Identifying number

**THE DAVID AND LUCILE PACKARD FOUNDATION**

**94-2278431**

**1** Enter the gross proceeds from sales or exchanges reported to you for 2012 on Form(s) 1099-B or 1099-S  
(or substitute statement) that you are including on line 2, 10, or 20

**1**

**Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year** (see instructions)

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
<b>2</b>						
<b>SEE STATEMENT 10</b>						<b>3,898,635.</b>

<b>3</b> Gain, if any, from Form 4684, line 39	<b>3</b>	
<b>4</b> Section 1231 gain from installment sales from Form 6252, line 26 or 37	<b>4</b>	
<b>5</b> Section 1231 gain or (loss) from like-kind exchanges from Form 8824	<b>5</b>	
<b>6</b> Gain, if any, from line 32, from other than casualty or theft	<b>6</b>	
<b>7</b> Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: <b>Partnerships (except electing large partnerships) and S corporations.</b> Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. <b>Individuals, partners, S corporation shareholders, and all others.</b> If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.	<b>7</b>	<b>3,127,668.</b>
<b>8</b> Nonrecaptured net section 1231 losses from prior years (see instructions)	<b>8</b>	
<b>9</b> Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	<b>9</b>	<b>3,127,668.</b>

**Part II Ordinary Gains and Losses** (see instructions)

**10** Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):


<b>11</b> Loss, if any, from line 7	<b>11</b>	
<b>12</b> Gain, if any, from line 7 or amount from line 8, if applicable	<b>12</b>	
<b>13</b> Gain, if any, from line 31	<b>13</b>	
<b>14</b> Net gain or (loss) from Form 4684, lines 31 and 38a	<b>14</b>	
<b>15</b> Ordinary gain from installment sales from Form 6252, line 25 or 36	<b>15</b>	
<b>16</b> Ordinary gain or (loss) from like-kind exchanges from Form 8824	<b>16</b>	
<b>17</b> Combine lines 10 through 16	<b>17</b>	
<b>18</b> For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below: <b>a</b> If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions <b>b</b> Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14	<b>18a</b>	
	<b>18b</b>	

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2012)

**Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255** (see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A					
B					
C					
D					
These columns relate to the properties on lines 19A through 19D.		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis. Subtract line 22 from line 21	23			
24	Total gain. Subtract line 23 from line 20	24			
<b>25 If section 1245 property:</b>					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
<b>26 If section 1250 property:</b> If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
<b>27 If section 1252 property:</b> Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage	27b			
c	Enter the smaller of line 24 or 27b	27c			
<b>28 If section 1254 property:</b>					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
<b>29 If section 1255 property:</b>					
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instructions)	29b			

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	

**Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less** (see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33
34	Recomputed depreciation (see instructions)	34
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35

FORM 4797

PROPERTY HELD MORE THAN ONE YEAR

STATEMENT 10

DESCRIPTION	DATE ACQUIRED	DATE SOLD	SALES PRICE	DEPR.	COST OR BASIS	GAIN OR LOSS
BAUPOST VALUE PARTNERS LP						2,395,064.
NATURAL GAS PARTNERS IX, LP						736,623.
SPO PARTNERS II, LP						-4,019.
TOTAL TO 4797, PART I, LINE 2						3,127,668.