



Marguerite
Casey
Foundation

1425 4th Avenue Suite 900
Seattle, Washington 98101
(206) 691-3134

www.caseygrants.org

Reader's Guide to the 2022 Form 990-PF

The annual Form 990-PF is a public document that provides information about a private foundation's financial and charitable activities. Marguerite Casey Foundation (the Foundation) posts this form on its website at caseygrants.org. The form provides information about the Foundation's financial and charitable activities for the year and assesses any taxes owed to the IRS. Given that some of the underlying tax rules for private foundations can be quite complex, we offer this reader's guide to highlight and clarify key information. In addition, we provide responses to some of the most frequently asked questions regarding the Form 990-PF.

Frequently Asked Questions

ANNUAL PAYOUT

How much was Marguerite Casey Foundation required to distribute in 2022?

The Foundation was **required** to distribute (in cash) \$43,536,855 as shown on Page 8, Part X, Line 7. Distributable amount (also referred to as 'annual payout') is the term the IRS uses for the required annual five percent minimum payout. The **actual** amount of qualifying distributions the Foundation made in 2022 was \$58,552,416 as shown on Page 8, Part XI, line 4.

How is the required payout calculated?

Private Foundations are required to annually pay out 5% of their average non-charitable use assets, which is equivalent to the Foundation's investment assets, adjusted for excise and income taxes paid and recoveries of amounts previously treated as qualifying distributions. This calculation is summarized on Page 8 in Parts IX and X of the Form 990-PF return.

Shifting Power. **Powering Freedom.**

What types of disbursements count toward Marguerite Casey Foundation's annual payout requirement?

Grants, program-related investments, exempt operating costs (those that further the Foundation's charitable purpose), and amounts paid to acquire assets used directly in carrying out the Foundation's charitable purpose (i.e. furniture and equipment) all count toward the annual payout. This is reflected on Page 8, Part XI of the Form 990-PF return.

TAXES AND OTHER

What kind of taxes does Marguerite Casey Foundation pay?

The Foundation is exempt from income taxes, however, the Foundation is required to pay a 1.39% excise tax on net investment income. Net investment income includes interest, dividends, rents, royalties, net realized capital gains and other similar items, less expenses incurred for managing such investments. The Foundation's net investment income for 2022 is shown on Page 1, Part I, line 27b, column (b). The 2022 net investment income was \$19,074,180, resulting in an excise tax liability of \$265,131 as shown on Page 3, Part V, line 5 of the Form 990-PF.

While the Foundation is exempt from income taxes, it may be subject to unrelated business income tax if it has activities that meet the following requirements: it is a trade or business, regularly carried on, and not substantially related to its exempt purpose. Due to the nature of the income derived from some of the investment vehicles held in the investment portfolio, the Foundation was subject to income tax in 2022 and filed a Form 990-T. This tax is calculated at a flat 21% on its net unrelated business taxable income. The 2022 unrelated business income as reported on the Form 990-T, Part I, line 11 was \$955,884, resulting in income tax of \$200,736 as shown on Form 990-T, Part II, line 7.



Shifting Power. Powering Freedom.

Key Data Points from the 2022 Form 990-PF for Marguerite Casey Foundation

Topic	Line Reference	Dollar Value	Comments
Operating and administrative expenses	Page 1, Part I, line 24, column (d)	\$10,749,740	Consists of expenses for direct charitable activities, as well as administrative costs to operate the Foundation.
Grants paid	Page 1, Part I, line 25, column (d)	\$45,838,250	Represents grants paid during the year
Excise tax liability	Page 3, Part V, line 5	\$265,131	Excise taxes are calculated as 1.39% of its net investment income as shown on Page 1, Part 1, line 27b column (b).
Compensation of officers and directors	Page 6, Part VII, line 1, column (c)	\$1,361,731	The Foundation provides a listing of compensation and benefits paid to the MCF's officers and board of directors on Statement 14
Compensation of five highest-paid employees	Page 6, Part VII, line 2, column (c)	\$1,090,243	The Foundation provides a listing of compensation and benefits paid for the five highest paid employees.
Minimum investment return	Page 8, Part IX, line 6	\$43,901,452	Represents 5% of the total fair market value of the Foundation's non-charitable use assets.
Distributable amount	Page 8, Part X, line 7	\$43,536,855	This represents the Foundation's required distribution and must be distributed by the end of December 31, 2023.
Qualifying distributions	Page 8, Part XI, line 4	\$58,552,416	The amount the Foundation actually spent for charitable purposes during the year.

Shifting Power. Powering Freedom.