Form **990-T** Department of the Treasury Internal Revenue Service

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

For calendar year 2008 or other tax year beginning 07/01, 2008, and ending 06/30, 2009. ▶ See separate instructions.

OMB No 1545-0687

2008

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

A ☐ Check box if address changed

B Exempt under section
☒ 501(c)(3)
☐ 408(e) ☐ 220(e)
☐ 408A ☐ 530(a)
☐ 529(a)

C Book value of all assets at end of year: 669,314,078.

Print or Type

Name of organization (☐ Check box if name changed and see instructions): BOSTON FOUNDATION, INC.

Number, street, and room or suite no If a P O box, see page 9 of instructions: 75 ARLINGTON STREET 10TH FL.

City or town, state, and ZIP code: BOSTON, MA 02116-3936

D Employer identification number (Employees trust see instructions for Block D on page 9): 04-2104021

E Unrelated business activity codes (See instructions for Block E on page 9): 900000

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

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

H Describe the organization's primary unrelated business activity ▶ PARTNERSHIP INVESTMENTS

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 ▶ ALFRED F. VAN RANST JR., CFO Telephone number ▶ 617-338-1700

SCANNED JUN 03 2010

Part I Unrelated Trade or Business Income

			(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales				
b	Less returns and allowances	c Balance ▶ 1c			
2	Cost of goods sold (Schedule A, line 7)	2			
3	Gross profit Subtract line 2 from line 1c	3			
4a	Capital gain net income (attach Schedule D)	4a			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b			
c	Capital loss deduction for trusts	4c			
5	Income (loss) from partnerships and S corporations (attach statement)	5	-1,021,120.	STMT 1	-1,021,120.
6	Rent income (Schedule C)	6			
7	Unrelated debt-financed income (Schedule E)	7			
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9			
10	Exploited exempt activity income (Schedule I)	10			
11	Advertising income (Schedule J)	11			
12	Other income (See page 11 of the instructions, attach schedule)	12			
13	**Total.** Combine lines 3 through 12	13	-1,021,120.		-1,021,120.

Part II Deductions Not Taken Elsewhere (See page 11 of the instructions for limitations on deductions.)

(Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)	14	
15	Salaries and wages	15	
16	Repairs and maintenance	16	
17	Bad debts	17	
18	Interest (attach schedule)	18	
19	Taxes and licenses STMT 2	19	800.
20	Charitable contributions (See page 13 of the instructions for limitation rules)	20	
21	Depreciation (attach Form 4562) 21 NONE		
22	Less depreciation claimed on Schedule A and elsewhere on return 22a	22b	NONE
23	Depletion	23	
24	Contributions to deferred compensation plans	24	
25	Employee benefit programs	25	
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule)	28	
29	**Total deductions.** Add lines 14 through 28	29	800.
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30	-1,021,920.
31	Net operating loss deduction (limited to the amount on line 30)	31	
32	Unrelated business taxable income before specific deduction Subtract line 31 from line 30	32	-1,021,920.
33	Specific deduction (Generally $1,000, but see line 33 instructions for exceptions)	33	1,000.
34	**Unrelated business taxable income.** Subtract line 33 from line 32 If line 33 is greater than line 32, enter the smaller of zero or line 32	34	-1,021,920.

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Part III Tax Computation

35	**Organizations Taxable as Corporations.** See instructions for tax computation on page 15 Controlled group members (sections 1561 and 1563) check here ▶ ☐ **See instructions** and		
a	Enter your share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order) (1) (2) (3)		
b	Enter organization's share of (1) Additional 5% tax (not more than $11,750)		
	(2) Additional 3% tax (not more than $100,000)		
c	Income tax on the amount on line 34 ▶	35c	
36	**Trusts Taxable at Trust Rates.** See instructions for tax computation on page 16. Income tax on the amount on line 34 from ☐ Tax rate schedule or ☐ Schedule D (Form 1041) ▶	36	
37	**Proxy tax.** See page 16 of the instructions ▶	37	
38	Alternative minimum tax	38	
39	**Total.** Add lines 37 and 38 to line 35c or 36, whichever applies	39	

Part IV Tax and Payments

40a	Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116)	40a		
b	Other credits (see page 17 of the instructions)	40b		
c	General business credit Attached 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	
42	Other taxes. Check if from ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)		42	
43	**Total tax.** Add lines 41 and 42		43	
44a	Payments A 2007 overpayment credited to 2008	44a		
b	2008 estimated tax payments	44b		
c	Tax deposited with Form 8868	44c		
d	Foreign organizations Tax paid or withheld at source (see instructions)	44d		
e	Backup withholding (see instructions)	44e		
f	Other credits and payments ☐ Form 2439 ☐ Form 4136 ☐ Other Total ▶	44f		
45	**Total payments.** Add lines 44a through 44f		45	
46	Estimated tax penalty (see page 4 of the instructions) Check if Form 2220 is attached ▶ ☐		46	
47	**Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed ▶		47	NONE
48	**Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ▶		48	NONE
49	Enter the amount of line 48 you want **Credited to 2009 estimated tax** ▶ **Refunded** ▶		49	NONE

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 18)

		Yes	No
1	At any time during the 2008 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 ▶		X
2	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file		X
3	Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $		

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶

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

Sign Here

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

▶ Van Kamat 5/14/2010 ▶ CFO

Signature of officer Date Title

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

Paid Preparer's Use Only

Preparer's signature	Robert Burbank	Date 5.13.10	Check if self-employed ☐
Preparer's SSN or PTIN	P00037953		
Firm's name (or yours if self-employed), address, and ZIP code	KPMG LLP 99 HIGH STREET BOSTON, MA 02110	EIN	13-5565207
		Phone no	617-988-1000

Form **990-T** (2008)

JSA

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Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)
(see instructions on page 19)

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 schedule)
	(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		Total	

(c) **Total income.** Add totals of columns 2(a) and 2(b) Enter here and on page 1, Part I, line 6, column (A) . . . . . ▶

(b) **Total deductions.** Enter here and on page 1, Part I, line 6, column (B) . . . ▶

Schedule E - Unrelated Debt-Financed Income (see instructions on page 19)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property	
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)			
(2)			
(3)			
(4)			

	4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 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 ▶					

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 20)

Exempt Controlled Organizations

1 Name of controlled organization	2 Employer identification number	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)

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions on page 21)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
Totals ▶	Enter here and on page 1, Part I, line 9, column (A)			Enter here and on page 1, Part I, line 9, column (B)

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

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
Totals ▶	Enter here and on page 1, Part I, line 10, col (A)	Enter here and on page 1, Part I, line 10, col (B)				Enter here and on page 1, Part II, line 26

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

Part I Income From Periodicals Reported on a Consolidated Basis

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

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

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I						
Totals, Part II (lines 1-5) ▶	Enter here and on page 1, Part I, line 11, col (A)	Enter here and on page 1, Part I line 11, col (B)				Enter here and on page 1, Part II, line 27

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 22)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
Total. Enter here and on page 1, Part II, line 14 ▶			

FORM 8865, PAGE 2 DETAIL

SCHEDULE A-2 - AFFILIATION SCHEDULE

NAME	ADDRESS	ID NUMBER	TOTAL ORDINARY INCOME OR LOSS	FOR PSHIP
BAIN CAPITAL (CCD), L.P.	111 HUNTINGTON AVENUE BOSTON MA 02199-7165	98-0592026		X

BOSTON FOUNDATION, INC. 04-2104021

FORM 990-T, PART I, LINE 5:

PARTNER NAME AND EIN:	UNRELATED BUSINESS INCOME GENERATED
Baupost Value Partners, L.P. - IV EIN: 26-2208448	(14,348)
Baynorth Realty Fund VI, LP EIN:20-1810288	(690,530)
Baynorth Realty Fund VII, LP EIN: 20-5943631	(298,592)
Berkshire Fund VII (OS), L P. EIN. 98-0540463	(453)
CharlesBank Equity Fund VI, LP EIN: 26-0108217	(4,798)
Charlesbank Realty Fund V, LP EIN: 04-3537051	221,247
Denham Commodity Partners Fund IV LP EIN: 20-3471021	(34,173)
Endowment Private Equity Partners IV, LP EIN: 06-1563330	335,268
Fidelity Real Estate - Growth Fund II, LP EIN· 20-0102803	(409,748)
Fidelity Real Estate Growth Fund III, L.P. EIN: 20-8558723	(122,446)
GC Entrepreneurs Fund V, L P. EIN: 83-0498002	(263)
Highfields Capital IV LP EIN· 11-3841276	(32)
Tucker Anthony Private Equity Fund III, L.P. EIN: 04-3505905	(2,252)
TOTAL	(1,021,120)

STATEMENT 1

FORM 990T - PART II - LINE 31 - NET OPERATING LOSS CARRY FORWARD:

YEAR	AMOUNT GENERATED	AMOUNT UTILIZED	AMOUNT EXPIRED	AMOUNT REMAINING
JUNE 30, 1997	137,153	137,153		-
JUNE 30, 1998	-			-
JUNE 30, 1999	157,085	157,085		-
JUNE 30, 2000	314,822	314,822		-
JUNE 30, 2001	769,757	505,948		263,809
JUNE 30, 2002	217,287			217,287
JUNE 30, 2003	-			-
JUNE 30, 2004	-			-
JUNE 30, 2005	-			-
JUNE 30, 2006	67,463			67,463
JUNE 30, 2007	2,829			2,829
JUNE 30, 2008	542,577			542,577
JUNE 30, 2009	1,021,920			1,021,920
TOTALS	3,230,893	1,115,008	-	2,115,885

Form **8868**
(Rev April 2009)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . . ▶ ☐
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only . . . . . ▶ ☒

All other corporations (including 1120-C filers) partnerships REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing *(e-file)*. Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T) However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated From 990-T Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868 For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

Type or print	Name of Exempt Organization	Employer identification number
File by the due date for filing your return See instructions	BOSTON FOUNDATION, INC.	04-2104021
	Number, street and room or suite no If a P O box see instructions 75 ARLINGTON STREET, 10TH FLOOR	
	City, town or post office state and ZIP code For a foreign address, see instructions BOSTON, MA 02116	

Check type of return to be filed (file a separate application for each return)

☐ Form 990	☒ Form 990-T (corporation)	☐ Form 4720
☐ Form 990-BL	☐ Form 990-T (sec 401(a) or 408(a) trust)	☐ Form 5227
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 6069
☐ Form 990-PF	☐ Form 1041-A	☐ Form 8870

- The books are in the care of ▶ TREASURER

Telephone No ▶ 617-338-1700 FAX No ▶ 617-338-1604

- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . ▶ ☐ If it is for part of the group, check this box . . ▶ ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until MAY 17 , 2010 , to file the exempt organization return for the organization named above The extension is for the organization's return for

▶ ☐ calendar year _____ or
▶ ☒ tax year beginning JULY 1 , 2008 , and ending JUNE 30 , 2009

2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL 990-PF 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 0
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 0
c	**Balance Due.** Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Privacy Act and Paperwork Reduction Act Notice, see Instructions. Form **8868** (Rev 4-2009)

JSA
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