

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

For calendar year 2009 or other tax year beginning , and ending

A Check box if address changed

Name of organization (Check box if name changed and see instructions.)

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

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

Print or Type

THE ABELL FOUNDATION, INC

52-6036106

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

111 S. CALVERT ST, NO. 2300

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

City or town, state, and ZIP code

BALTIMORE, MD 21202-6174

900000

C Book value of all assets at end of year

F Group exemption number (See instructions for Block F.)

180009770.

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

H Describe the organization's primary unrelated business activity. **SEE STATEMENT 15**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

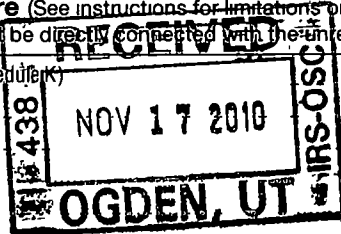
If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of **THE ABELL FOUNDATION, INC.** Telephone number **410-547-1300**

| 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 | | | |
| 2 | Cost of goods sold (Schedule A, line 7) | | | |
| 3 | Gross profit. Subtract line 2 from line 1c | | | |
| 4 a | Capital gain net income (attach Schedule D) | | | |
| b | Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | | | |
| c | Capital loss deduction for trusts | | | |
| 5 | Income (loss) from partnerships and S corporations (attach statement) | <711,374.> | STMT 16 | <711,374.> |
| 6 | Rent income (Schedule C) | | | |
| 7 | Unrelated debt-financed income (Schedule E) | | | |
| 8 | Interest, annuities, royalties, and rents from controlled organizations (Sch. F) | | | |
| 9 | Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | | | |
| 10 | Exploited exempt activity income (Schedule I) | | | |
| 11 | Advertising income (Schedule J) | | | |
| 12 | Other income (See instructions; attach schedule.) | | | |
| 13 | Total. Combine lines 3 through 12 | <711,374.> | | <711,374.> |

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) | | | |
| 15 | Salaries and wages | | | |
| 16 | Repairs and maintenance | | | |
| 17 | Bad debts | | | |
| 18 | Interest (attach schedule) | | | |
| 19 | Taxes and licenses | | | |
| 20 | Charitable contributions (See instructions for limitation rules.) | | | |
| 21 | Depreciation (attach Form 4562) | | | |
| 22 | Less depreciation claimed on Schedule A and elsewhere on return | | | |
| 23 | Depletion | | | |
| 24 | Contributions to deferred compensation plans | | | |
| 25 | Employee benefit programs | | | |
| 26 | Excess exempt expenses (Schedule I) | | | |
| 27 | Excess readership costs (Schedule J) | | | |
| 28 | Other deductions (attach schedule) | | | |
| 29 | Total deductions. Add lines 14 through 28 | | | 0. |
| 30 | Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 | | | <711,374.> |
| 31 | Net operating loss deduction (limited to the amount on line 30) | | | 0. |
| 32 | Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 | | | <711,374.> |
| 33 | Specific deduction (Generally \$1,000, but see instructions for exceptions.) | | | 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 | | | <711,374.> |



SEE STATEMENT 17

SCANNED DEC 08 2010

25

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 schedule)

42

43 Total tax. Add lines 41 and 42

43 0.

44a Payments: A 2008 overpayment credited to 2009

44a

b 2009 estimated tax payments

44b

c Tax deposited with Form 8868

44c

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

44d

e Backup withholding (see instructions)

44e

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

44f

45 Total payments. Add lines 44a through 44f

45

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 0.

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

48 0.

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

49

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

Table with 3 rows of questions regarding foreign accounts and trusts, with Yes/No columns.

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

N/A

Table for Schedule A with 8 rows and 4 columns for inventory and cost of goods sold.

Sign Here: Declaration of preparer, Signature of officer, Date, Title, and IRS discussion box.

Paid Preparer's Use Only: Preparer's signature, Date, Firm's name (RSM MCGLADREY, INC.), EIN (41-1944416), and Phone no. (410-246-9300).

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instr. on pg 18)

1. Description of property

Table with 4 rows for property description (1-4).

2. Rent received or accrued

Table with columns (a) From personal property, (b) From real and personal property, and 3(a) Deductions directly connected with the income.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0. (b) Total deductions. Enter here and on page 1, Part I, line 8, column (B) 0.

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

Table with columns 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, (b) Other deductions.

Table with columns 4. Amount of average acquisition debt on or allocable to debt-financed property, 5. Average adjusted basis of or allocable to debt-financed property, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions.

Totals Enter here and on page 1, Part I, line 7, column (A) 0. Enter here and on page 1, Part I, line 7, column (B) 0.

Total dividends-received deductions included in column 8

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

Table for Exempt Controlled Organizations with columns 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 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.

Nonexempt Controlled Organizations

Table with columns 7. Taxable income, 8. Net unrelated income (loss), 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.

Totals Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A) 0. Add columns 8 and 11 Enter here and on page 1, Part I, line 8, column (B) 0.

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

(see instructions on page 20)

| 1. Description of income | 2. Amount of income | 3. Deductions directly connected (attach schedule) | 4. Set-asides (attach schedule) | 5. Total deductions and set-asides (col 3 plus col 4) |
|--------------------------|---------------------|---|---------------------------------|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| | | Enter here and on page 1, Part I, line 9, column (A). | | Enter here and on page 1, Part I, line 9, column (B). |
| Totals | | 0. | | 0. |

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) | | | | | | |
| | | 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 28 |
| Totals | | 0. | 0. | | | 0. |

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)) | | 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) | | | | | | |
| (5) Totals from Part I | 0. | 0. | | | | 0. |
| | | 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 |
| Totals, Part II (lines 1-5) | | 0. | 0. | | | 0. |

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

| 1. Name | 2. Title | 3. Percent of time devoted to business | 4. Compensation attributable to unrelated business |
|---|----------|--|--|
| | | % | |
| | | % | |
| | | % | |
| | | % | |
| Total Enter here and on page 1, Part II, line 14 | | | 0. |

FORM 990-T DESCRIPTION OF ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY STATEMENT 15

INTEREST IN INVESTMENT LIMITED PARTNERSHIPS AND AN S CORPORATION

TO FORM 990-T, PAGE 1

FORM 990-T INCOME (LOSS) FROM PARTNERSHIPS STATEMENT 16

| DESCRIPTION | AMOUNT |
|--|------------|
| SEA SOLAR POWER, INC. | <1,053.> |
| CHESAPEAKE INVESTMENTS II LIMITED PARTNERSHIP | <359,068.> |
| CHESAPEAKE INVESTMENTS III LIMITED PARTNERSHIP | <345,284.> |
| GMO FORESTRY FUND | <5,969.> |
| TOTAL TO FORM 990-T, PAGE 1, LINE 5 | <711,374.> |

FORM 990-T CONTRIBUTIONS STATEMENT 17

| DESCRIPTION/KIND OF PROPERTY | METHOD USED TO DETERMINE FMV | AMOUNT |
|--------------------------------------|------------------------------|------------|
| CONTRIBUTION CARRYOVER | N/A | 9,194,400. |
| TOTAL TO FORM 990-T, PAGE 1, LINE 20 | | 9,194,400. |