

**Return of Private Foundation**  
**or Section 4947(a)(1) Nonexempt Charitable Trust**  
**Treated as a Private Foundation**

**2007**

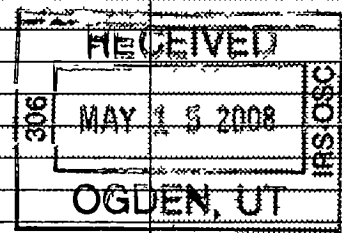
*Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.*

For calendar year 2007, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

G Check all that apply  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions	Name of foundation <b>THE ROE FOUNDATION</b>		A Employer identification number <b>23-7011541</b>
	Number and street (or P O box number if mail is not delivered to street address) <b>301 N. MAIN STREET</b>	Room/suite <b>1735</b>	B Telephone number <b>(864) 242-5007</b>
	City or town, state, and ZIP code <b>GREENVILLE, SC 29601</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ <b>39,094,699.</b>	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	203,168.	203,168.		STATEMENT 1
	4 Dividends and interest from securities	656,606.	656,606.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	4,731,862.			
	b Gross sales price for all assets on line 6a <b>23,675,423.</b>				
	7 Capital gain net income (from Part IV, line 2)		4,731,862.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11	5,591,636.	5,591,636.			
<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc	2,500.	500.		2,000.
	14 Other employee salaries and wages	44,060.	8,812.		35,248.
	15 Pension plans, employee benefits	175.	35.		140.
	16a Legal fees				
	b Accounting fees STMT 3	2,150.	430.		1,720.
	c Other professional fees STMT 4	246,132.	246,132.		0.
	17 Interest				
	18 Taxes STMT 5	69,583.	1,576.		2,678.
	19 Depreciation and depletion	1,038.	1,038.		
	20 Occupancy	18,659.	3,732.		14,927.
	21 Travel, conferences, and meetings	4,677.	884.		3,794.
	22 Printing and publications				
	23 Other expenses STMT 6	14,343.	3,483.		10,860.
	24 Total operating and administrative expenses. Add lines 13 through 23	403,317.	266,622.		71,367.
	25 Contributions, gifts, grants paid	1,646,500.			1,646,500.
26 Total expenses and disbursements. Add lines 24 and 25	2,049,817.	266,622.		1,717,867.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	3,541,819.				
b Net investment income (if negative, enter -0-)		5,325,014.			
c Adjusted net income (if negative, enter -0-)			N/A		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	14,605.	42,029.	42,029.
	2 Savings and temporary cash investments	10,808.	1,025,207.	1,025,207.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 7	1,945,153.	4,086,525.	4,102,161.
	b Investments - corporate stock STMT 8	30,436,964.	30,794,284.	33,922,708.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶ 36,235.				
Less accumulated depreciation ▶ 33,641.	1,290.	2,594.	2,594.	
15 Other assets (describe ▶ STATEMENT 9)	0.	0.	0.	
<b>16 Total assets (to be completed by all filers)</b>	<b>32,408,820.</b>	<b>35,950,639.</b>	<b>39,094,699.</b>	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
<b>23 Total liabilities (add lines 17 through 22)</b>	<b>0.</b>	<b>0.</b>		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
27 Capital stock, trust principal, or current funds	0.	0.		
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	32,408,820.	35,950,639.		
<b>30 Total net assets or fund balances</b>	<b>32,408,820.</b>	<b>35,950,639.</b>		
<b>31 Total liabilities and net assets/fund balances</b>	<b>32,408,820.</b>	<b>35,950,639.</b>		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	32,408,820.
2 Enter amount from Part I, line 27a	2	3,541,819.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	35,950,639.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	35,950,639.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a b SEE ATTACHED STATEMENT			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 23,675,423.		18,943,561.	4,731,862.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			
b			
c			
d			
e			4,731,862.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 } If (loss), enter -0- in Part I, line 7	2	4,731,862.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8	3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2006	1,732,801.	36,329,700.	.047697
2005	1,434,196.	34,118,671.	.042036
2004	1,378,895.	32,480,416.	.042453
2003	1,190,281.	28,774,126.	.041366
2002	1,206,822.	28,633,454.	.042147

2 Total of line 1, column (d)	2	.215699
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.043140
4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5	4	38,514,282.
5 Multiply line 4 by line 3	5	1,661,506.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	53,250.
7 Add lines 5 and 6	7	1,714,756.
8 Enter qualifying distributions from Part XII, line 4	8	1,717,867.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate  
See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows for excise tax calculation. Includes fields for exempt foundations, tax under section 511, total credits, and tax due. Total tax due is 5,750.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political influence, tax on political expenditures, and foundation status. Includes a 'Yes/No' column and a 'SEE STATEMENT 10' reference.

**Part VII-A Statements Regarding Activities** (continued)

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)			X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	N/A		
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A		X	
14	The books are in care of ▶ SHIRLEY W. ROE Telephone no ▶ (864) 242-5007 Located at ▶ 301 N. MAIN ST., STE. 1735, GREENVILLE, SC ZIP+4 ▶ 29601			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A			

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?	4b	X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required** (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here  N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
 If "Yes," attach the statement required by Regulations section 53.4945-5(d) N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
 If you answered "Yes" to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

	5b	
6b		X
7b		

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 11		2,500.	0.	0.

**2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ▶ 0

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶ 0

**Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	

**Part IX-B** Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
All other program-related investments. See instructions. 3 NONE	
<b>Total.</b> Add lines 1 through 3 <span style="float: right;">▶</span>	0.

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	39,009,311.
b	Average of monthly cash balances	1b	91,483.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	39,100,794.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	39,100,794.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	586,512.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	38,514,282.
6	Minimum investment return. Enter 5% of line 5	6	1,925,714.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part)

1	Minimum investment return from Part X, line 6	1	1,925,714.
2a	Tax on investment income for 2007 from Part VI, line 5	2a	53,250.
b	Income tax for 2007 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	53,250.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,872,464.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,872,464.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	1,872,464.

**Part XII Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	1,717,867.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,717,867.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	53,250.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,664,617.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.



**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				1,872,464.
2 Undistributed income, if any, as of the end of 2006				
a Enter amount for 2006 only			1,627,588.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2007				
a From 2002				
b From 2003				
c From 2004				
d From 2005				
e From 2006				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2007 from Part XII, line 4 ▶ \$ 1,717,867.				
a Applied to 2006, but not more than line 2a			1,627,588.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2007 distributable amount				90,279.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2006 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2007 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2008				1,782,185.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2002 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2003				
b Excess from 2004				
c Excess from 2005				
d Excess from 2006				
e Excess from 2007				

**Part XIV Private Operating Foundations** (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2007, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities					
3 Subtract line 2d from line 2c					
Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

**Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)**

**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

**SEE STATEMENT 12**

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

**Part XV** Supplementary Information (continued)

<b>3 Grants and Contributions Paid During the Year or Approved for Future Payment</b>				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
SEE ATTACHED STATEMENT				1646500.
<b>Total</b>			▶ <b>3a</b>	<b>1646500.</b>
<i>b Approved for future payment</i>				
NONE				
<b>Total</b>			▶ <b>3b</b>	<b>0.</b>

**Part XVI-A** Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	203,168.	
4 Dividends and interest from securities			14	656,606.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	4,731,862.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)			0.	5,591,636.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13 5,591,636.	

(See worksheet in line 13 instructions to verify calculations )

**Part XVI-B** Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)
▼	N/A

**Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

	Yes	No
<b>a</b> Transfers from the reporting foundation to a noncharitable exempt organization of		
(1) Cash		X
(2) Other assets		X
<b>b</b> Other transactions		
(1) Sales of assets to a noncharitable exempt organization		X
(2) Purchases of assets from a noncharitable exempt organization		X
(3) Rental of facilities, equipment, or other assets		X
(4) Reimbursement arrangements		X
(5) Loans or loan guarantees		X
(6) Performance of services or membership or fundraising solicitations		X
<b>c</b> Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X
<b>1c</b>		X

- a Transfers from the reporting foundation to a noncharitable exempt organization of
  - (1) Cash
  - (2) Other assets
- b Other transactions
  - (1) Sales of assets to a noncharitable exempt organization
  - (2) Purchases of assets from a noncharitable exempt organization
  - (3) Rental of facilities, equipment, or other assets
  - (4) Reimbursement arrangements
  - (5) Loans or loan guarantees
  - (6) Performance of services or membership or fundraising solicitations
- c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes  No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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 or fiduciary) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature of officer or trustee: Shirley W. Roe 15

**Paid Preparer's Use Only**

Preparer's signature: Kent Satterfield

Firm's name (or yours if self-employed), address, and ZIP code: DIXON HUGHES PLLC  
POST OFFICE BOX 25849  
GREENVILLE, SC 29616

THE ROE FOUNDATION

**Part IV** Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a AMERICAN FUNDS	P	VARIOUS	VARIOUS
b BERNSTEIN	P	VARIOUS	VARIOUS
c BOSTON	P	VARIOUS	VARIOUS
d SETTLEMENT PROCEEDS	P	VARIOUS	VARIOUS
e RICE HALL	P	VARIOUS	VARIOUS
f SMITH	P	VARIOUS	VARIOUS
g WEDGE	P	VARIOUS	VARIOUS
h EVERGREEN	P	VARIOUS	VARIOUS
i HIGH POINTE	P	VARIOUS	VARIOUS
j CAPITAL GAINS DIVIDENDS			
k			
l			
m			
n			
o			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 5,646,336.		3,232,279.	2,414,057.
b 1,449,239.		1,161,956.	287,283.
c 1,927,732.		1,496,351.	431,381.
d 344.			344.
e 2,032,476.		1,846,964.	185,512.
f 3,485,761.		3,110,505.	375,256.
g 1,723,972.		1,112,760.	611,212.
h 1,970,719.		1,960,435.	10,284.
i 4,858,404.		5,022,311.	<163,907.>
j 580,440.			580,440.
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			2,414,057.
b			287,283.
c			431,381.
d			344.
e			185,512.
f			375,256.
g			611,212.
h			10,284.
i			<163,907.>
j			580,440.
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	4,731,862.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

The Roe Foundation  
 EIN 23-7011541  
 December 31, 2007  
 Form 990-PF, Part XV - Grants and Contributions Paid During Year

Organization	Amount	Purpose
Acton Institute	5,000.00	General operating expense
Alabama Family Alliance	10,000 00	General operating expense
Allegheny Institute for Public Policy	2,500.00	General operating expense
American Legislative Exchange Council	2,500 00	General operating expense
American Spectator Foundation	2,500 00	General operating expense
Americans for Prosperity Foundation	2,000 00	General operating expense
America's Future Foundation	10,000.00	General operating expense
Arkansas Policy Foundation	2,500 00	General operating expense
Association of Small Foundations	1,000 00	General operating expense
Atlas Economic Research Foundation	25,000 00	General operating expense
Beacon Hill Institute	15,000 00	General operating expense
Bill of Rights Institute	1,000 00	General operating expense
Bluegrass Institute	15,000.00	General operating expense
Bob Jones University Museum & Gallery, Inc	5,000.00	General operating expense
Buckeye Institute	25,000.00	General operating expense
Calvert Institute for Policy Research	2,500 00	General operating expense
Capital Research Center	10,000.00	General operating expense
Carolina Ballet Theatre	10,000.00	General operating expense
Carolina Youth Symphony	2,500.00	General operating expense
Cascade Policy Institute	25,000.00	General operating expense
Cascade Policy Institute	25,000.00	General operating expense
Cato Institute	10,000 00	General operating expense
Center for Education Reform	25,000 00	General operating expense
Center for Policy Research of New Jersey	10,000.00	General operating expense
Center of the American Experiment	15,000 00	General operating expense
Christ Church Episcopal School	10,000.00	General operating expense
Clare Boothe Luce Institute	2,500 00	General operating expense
Claremont Institute-Golden State Center	15,000 00	General operating expense
Commonwealth Foundation	20,000 00	General operating expense
Competitive Enterprise Institute	10,000.00	General operating expense
Empire Center for State Policy	15,000 00	General operating expense
Ethan Allen Institute	10,000 00	General operating expense
Ethics and Public Policy Center	2,500 00	General operating expense
Evergreen Freedom Foundation	30,000.00	General operating expense
Federalist Society	5,000.00	General operating expense
Fidelity Charitable Gift Fund	144,250 00	General operating expense
Flint Hills Center	7,500.00	General operating expense
Foundation for Economic Education	2,500 00	General operating expense
Foundation for Individual Rights in Education	1,000.00	General operating expense
Foundation for Research on Economics & the Economy	2,500 00	General operating expense
Foundation for Teaching Economics	2,500 00	General operating expense
Free Congress Foundation	7,500 00	General operating expense
Freedom Works Foundation	1,000.00	General operating expense
Fund for American Studies	2,500 00	General operating expense
Galen Institute	7,000.00	General operating expense
George Mason Univ Dept of Economics	2,500 00	General operating expense
George Mason Univ Law & Economics Center	2,500 00	General operating expense
Goldwater Institute	30,000 00	General operating expense
Grassroot Institute of Hawaii	20,000.00	General operating expense
Greenville Council of Garden Clubs	3,250.00	General operating expense
Greenville Symphony Association	25,000.00	General operating expense
Heritage Foundation	100,000.00	General operating expense
Illinois Policy Institute	10,000 00	General operating expense

The Roe Foundation  
 EIN 23-7011541  
 December 31, 2007  
 Form 990-PF, Part XV - Grants and Contributions Paid During Year

Organization	Amount	Purpose
Independence Institute	25,000.00	General operating expense
Independent Women's Forum	5,000 00	General operating expense
Indiana Policy Review Foundation	20,000.00	General operating expense
Institute for Humane Studies	25,000.00	General operating expense
Institute for Justice	10,000 00	General operating expense
Institute of Economic Affairs	2,500 00	General operating expense
Intercollegiate Studies Institute	60,000.00	General operating expense
International Policy Network	2,500.00	General operating expense
James Madison Institute	30,000.00	General operating expense
John Locke Foundation	25,000 00	General operating expense
Josiah Bartlett Center for Public Policy	10,000 00	General operating expense
Landmark Legal Foundation	2,500 00	General operating expense
Leadership Institute	2,500 00	General operating expense
Lincoln Institute	2,500 00	General operating expense
Loaves and Fishes	5,000.00	General operating expense
Mackinac Center for Public Policy	30,000 00	General operating expense
Maine Heritage Policy Center	15,000 00	General operating expense
Maryland Public Policy Institute	20,000 00	General operating expense
Media Research Center	5,000 00	General operating expense
Mercatus Center	5,000.00	General operating expense
Miracle Hill Ministries	30,000 00	General operating expense
Mississippi Center for Public Policy	15,000.00	General operating expense
Mont Pelerin Society	10,000.00	General operating expense
National Defense Council Foundation	1,000.00	General operating expense
National Right to Work Legal Defense Foundation	1,000.00	General operating expense
National Taxpayers Union Foundation	1,000.00	General operating expense
Nevada Policy Research Institute	20,000.00	General operating expense
North Greenville University	25,000 00	General operating expense
Oklahoma Council of Public Affairs	30,000 00	General operating expense
Pacific Research Institute	20,000.00	General operating expense
Peace Center for the Performing Arts	5,000.00	General operating expense
PERC	10,000 00	General operating expense
Philadelphia Society	10,000 00	General operating expense
Philanthropy Roundtable	5,000.00	General operating expense
Piedmont Women's Center	7,500 00	General operating expense
Ray & Joan Kroc Corps Community Center	5,000 00	General operating expense
Reason Foundation	20,000 00	General operating expense
Rio Grande Foundation	15,000.00	General operating expense
Show-Me Institute	10,000 00	General operating expense
South Carolina Children's Theatre	7,500 00	General operating expense
South Carolina Governor's School	5,000 00	General operating expense
South Carolina Policy Council	75,000.00	General operating expense
St. Croix Review	1,000 00	General operating expense
State Policy Network	65,000 00	General operating expense
StudentNewsDaily.com	2,000 00	General operating expense
Sutherland Institute	15,000 00	General operating expense
Tax Foundation	10,000 00	General operating expense
Tennessee Center for Policy Research	20,000 00	General operating expense
Texas Public Policy Foundation	30,000 00	General operating expense
The Children's Museum	10,000 00	General operating expense
The Museum Association, Inc	25,000.00	General operating expense
Thomas Jefferson Institute	15,000 00	General operating expense
Toward Tradition	2,500 00	General operating expense



The Roe Foundation  
EIN 23-7011541  
December 31, 2007  
Form 990-PF, Part XV - Grants and Contributions Paid During Year

Organization	Amount	Purpose
Virginia Institute for Public Policy	15,000 00	General operating expense
Washington Policy Center	20,000 00	General operating expense
Wisconsin Policy Research Institute	15,000.00	General operating expense
Yankee Institute	20,000 00	General operating expense
<b>Total</b>	<b>1,646,500</b>	

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
VARIOUS	203,168.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	203,168.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
VARIOUS	1,237,046.	580,440.	656,606.
TOTAL TO FM 990-PF, PART I, LN 4	1,237,046.	580,440.	656,606.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,150.	430.		1,720.
TO FORM 990-PF, PG 1, LN 16B	2,150.	430.		1,720.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGERS	168,169.	168,169.		0.
INVESTMENT COUNSELORS	34,773.	34,773.		0.
FIDUCIARY FEES	43,190.	43,190.		0.
TO FORM 990-PF, PG 1, LN 16C	246,132.	246,132.		0.

## FORM 990-PF

## TAXES

STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	3,348.	670.		2,678.
FOREIGN TAXES	906.	906.		0.
FEDERAL EXCISE TAXES	65,329.	0.		0.
TO FORM 990-PF, PG 1, LN 18	69,583.	1,576.		2,678.

## FORM 990-PF

## OTHER EXPENSES

STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	2,451.	490.		1,961.
OFFICE EXPENSE	6,458.	1,292.		5,166.
POSTAGE	1,249.	250.		999.
TELEPHONE	3,417.	683.		2,734.
SUBSCRIPTIONS	768.	768.		0.
TO FORM 990-PF, PG 1, LN 23	14,343.	3,483.		10,860.

## FORM 990-PF

## U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS

STATEMENT 7

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US TREASURY	X		4,086,525.	4,102,161.
TOTAL U.S. GOVERNMENT OBLIGATIONS			4,086,525.	4,102,161.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			4,086,525.	4,102,161.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
PIMCO	4,245,078.	4,297,849.	
FIRST UNION - WEDGE	3,675,410.	4,895,296.	
BERNSTEIN	3,589,748.	4,197,635.	
SMITH	3,769,416.	4,755,701.	
HIGH POINTE	2,444,091.	2,444,091.	
RICE, HALL JAMES	2,125,549.	2,465,021.	
CHASE	4,558,377.	4,876,571.	
MUNDER	1,501,488.	1,395,445.	
DODGE & COX	4,885,127.	4,595,099.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	30,794,284.	33,922,708.	

FORM 990-PF	OTHER ASSETS	STATEMENT	9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
LEASEHOLD IMPROVEMENTS	18,292.	18,292.	
LESS ACCUMULATED AMORTIZATION	<18,292.>	<18,292.>	
TOTAL TO FORM 990-PF, PART II, LINE 15	0.	0.	

FORM 990-PF	EXPLANATION CONCERNING PART VII-A, LINE 8B	STATEMENT	10
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## EXPLANATION

IN PRIOR YEARS, THE SC ATTORNEY GENERAL'S OFFICE REQUESTED A COPY OF THE FEDERAL 990-PF. AT THIS POINT IN TIME, THE ATTORNEY GENERAL'S OFFICE NO LONGER WANTS THE ANNUAL FILING. HOWEVER, THE ATTORNEY GENERAL'S OFFICE MAINTAINS THE RIGHT TO REQUEST THE 990-PF SHOULD NEED ARISE. THE ROE FOUNDATION WILL COMPLY WITH ANY SUCH REQUESTS AS APPLICABLE.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 11

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
SHIRLEY W. ROE 301 N. MAIN STREET, SUITE 1735 GREENVILLE, SC 29601	CHAIRMAN 10.00	500.	0.	0.
EDWIN FEULNER, JR. 301 N. MAIN STREET, SUITE 1735 GREENVILLE, SC 29601	VICE CHAIRMAN 0.50	500.	0.	0.
CARL HELSTROM, III 301 N. MAIN STREET, SUITE 1735 GREENVILLE, SC 29601	DIRECTOR 0.50	500.	0.	0.
THOMAS WILLCOX 301 N. MAIN STREET, SUITE 1735 GREENVILLE, SC 29601	DIRECTOR 0.50	500.	0.	0.
TRACIE SHARP 301 N. MAIN STREET, SUITE 1735 GREENVILLE, SC 29601	DIRECTOR 0.50	500.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		2,500.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION  
PART XV, LINES 2A THROUGH 2D

STATEMENT 12

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

MS. SHIRLEY W. ROE  
301 N. MAIN ST., SUITE 1735  
GREENVILLE, SC 29601

TELEPHONE NUMBER

(864)242-5007

FORM AND CONTENT OF APPLICATIONS

LIST OF DIRECTORS, LATEST AUDITED FINANCIAL STATEMENTS, DESCRIPTION OF ORGANIZATION

ANY SUBMISSION DEADLINES

OCTOBER 31

RESTRICTIONS AND LIMITATIONS ON AWARDS

PUBLIC POLICY ORGANIZATION SUPPORTIVE OF A FREE MARKET AND INSTITUTIONS IN GREENVILLE

# Underpayment of Estimated Tax by Corporations

▶ See separate instructions.  
▶ Attach to the corporation's tax return.

FORM **990-PF**

**2007**

Name **THE ROE FOUNDATION** Employer identification number **23-7011541**

**Note:** Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 34 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

<b>Part I Required Annual Payment</b>			
<b>1</b> Total tax (see instructions)		<b>1</b>	<b>53,250.</b>
<b>2a</b> Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1			
<b>b</b> Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method			
<b>c</b> Credit for Federal tax paid on fuels (see instructions)			
<b>d</b> Total. Add lines 2a through 2c		<b>2d</b>	
<b>3</b> Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty.		<b>3</b>	<b>53,250.</b>
<b>4</b> Enter the tax shown on the corporation's 2006 income tax return (see instructions). <b>Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5.</b>		<b>4</b>	<b>32,329.</b>
<b>5</b> Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3.		<b>5</b>	<b>32,329.</b>

**Part II Reasons for Filing** - Check the boxes below that apply. If any boxes are checked, the corporation must file Form 2220 even if it does not owe a penalty (see instructions).

- 6**  The corporation is using the adjusted seasonal installment method
- 7**  The corporation is using the annualized income installment method
- 8**  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax

<b>Part III Figuring the Underpayment</b>		(a)	(b)	(c)	(d)
<b>9</b> Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year.	<b>g</b>	<b>05/15/07</b>	<b>06/15/07</b>	<b>09/15/07</b>	<b>12/15/07</b>
<b>10</b> Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column.	<b>10</b>	<b>8,082.</b>	<b>8,083.</b>	<b>5,695.</b>	<b>10,469.</b>
<b>11</b> Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15.	<b>11</b>	<b>12,000.</b>	<b>8,000.</b>	<b>2,000.</b>	<b>37,000.</b>
<b>Complete lines 12 through 18 of one column before going to the next column.</b>					
<b>12</b> Enter amount, if any, from line 18 of the preceding column.	<b>12</b>		<b>3,918.</b>	<b>3,835.</b>	<b>140.</b>
<b>13</b> Add lines 11 and 12.	<b>13</b>		<b>11,918.</b>	<b>5,835.</b>	<b>37,140.</b>
<b>14</b> Add amounts on lines 16 and 17 of the preceding column.	<b>14</b>				
<b>15</b> Subtract line 14 from line 13. If zero or less, enter -0-	<b>15</b>	<b>12,000.</b>	<b>11,918.</b>	<b>5,835.</b>	<b>37,140.</b>
<b>16</b> If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	<b>16</b>		<b>0.</b>	<b>0.</b>	
<b>17</b> Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.	<b>17</b>				
<b>18</b> Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.	<b>18</b>	<b>3,918.</b>	<b>3,835.</b>	<b>140.</b>	

**Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.**

**Part IV Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions) (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month )	<b>19</b>			
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19	<b>20</b>			
<b>21</b> Number of days on line 20 after 4/15/2007 and before 1/1/2008	<b>21</b>			
<b>22</b> Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 8\%}{365}$	<b>22</b> \$	\$	\$	\$
<b>23</b> Number of days on line 20 after 12/31/2007 and before 4/1/2008	<b>23</b>			
<b>24</b> Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 7\%}{366}$	<b>24</b> \$	\$	\$	\$
<b>25</b> Number of days on line 20 after 3/31/2008 and before 7/1/2008	<b>25</b>			
<b>26</b> Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times \%}{366}$	<b>26</b> \$	\$	\$	\$
<b>27</b> Number of days on line 20 after 6/30/2008 and before 10/1/2008	<b>27</b>			
<b>28</b> Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times \%}{366}$	<b>28</b> \$	\$	\$	\$
<b>29</b> Number of days on line 20 after 9/30/2008 and before 1/1/2009	<b>29</b>			
<b>30</b> Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times \%}{366}$	<b>30</b> \$	\$	\$	\$
<b>31</b> Number of days on line 20 after 12/31/2008 and before 2/16/2009	<b>31</b>			
<b>32</b> Underpayment on line 17 x $\frac{\text{Number of days on line 31} \times \%}{365}$	<b>32</b> \$	\$	\$	\$
<b>33</b> Add lines 22, 24, 26, 28, 30, and 32	<b>33</b> \$	\$	\$	\$
<b>34</b> <b>Penalty.</b> Add columns (a) through (d) of line 33. Enter the total here and on Form 1120, line 33, or the comparable line for other income tax returns			<b>34</b> \$	<b>0.</b>

\* For underpayments paid after March 31, 2008: For lines 26, 28, 30, and 32, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-4933 to get interest rate information.



**Schedule A** Adjusted Seasonal Installment Method and Annualized Income Installment Method (see instructions)

Form 1120S filers. For lines 1, 2, 3, and 21, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a), whichever applies

**Part I - Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for**

any 6 consecutive months is at least 70% See instructions )

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
<b>1</b>	Enter taxable income for the following periods				
	<b>a</b> Tax year beginning in 2004				
	<b>b</b> Tax year beginning in 2005				
	<b>c</b> Tax year beginning in 2006				
<b>2</b>	Enter taxable income for each period for the tax year beginning in 2007 (see instructions for the treatment of extraordinary items)				
<b>3</b>	Enter taxable income for the following periods	First 4 months	First 6 months	First 9 months	Entire year
	<b>a</b> Tax year beginning in 2004				
	<b>b</b> Tax year beginning in 2005				
	<b>c</b> Tax year beginning in 2006				
<b>4</b>	Divide the amount in each column on line 1a by the amount in column (d) on line 3a				
<b>5</b>	Divide the amount in each column on line 1b by the amount in column (d) on line 3b				
<b>6</b>	Divide the amount in each column on line 1c by the amount in column (d) on line 3c				
<b>7</b>	Add lines 4 through 6				
<b>8</b>	Divide line 7 by 3 0				
<b>9a</b>	Divide line 2 by line 8				
	<b>b</b> Extraordinary items (see instructions)				
	<b>c</b> Add lines 9a and 9b				
<b>10</b>	Figure the tax on the amt on ln 9c using the instr for Form 1120, Sch J, ln 2 (or comparable ln of corp's return)				
<b>11a</b>	Divide the amount in columns (a) through (c) on line 3a by the amount in column (d) on line 3a				
	<b>b</b> Divide the amount in columns (a) through (c) on line 3b by the amount in column (d) on line 3b				
	<b>c</b> Divide the amount in columns (a) through (c) on line 3c by the amount in column (d) on line 3c				
<b>12</b>	Add lines 11a through 11c				
<b>13</b>	Divide line 12 by 3 0				
<b>14</b>	Multiply the amount in columns (a) through (c) of line 10 by columns (a) through (c) of line 13 In column (d), enter the amount from line 10, column (d)				
<b>15</b>	Enter any alternative minimum tax for each payment period (see instructions)				
<b>16</b>	Enter any other taxes for each payment period (see instr)				
<b>17</b>	Add lines 14 through 16				
<b>18</b>	For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions)				
<b>19</b>	Total tax after credits Subtract line 18 from line 17 If zero or less, enter -0-				

**Part II - Annualized Income Installment Method**

		(a)	(b)	(c)	(d)
		First <u>2</u> months	First <u>3</u> months	First <u>6</u> months	First <u>9</u> months
<b>20</b> Annualization periods (see instructions)	<b>20</b>				
<b>21</b> Enter taxable income for each annualization period (see instructions)	<b>21</b>	745,135.	974,348.	1,457,347.	4,388,659.
<b>22</b> Annualization amounts (see instructions)	<b>22</b>	6.000000	4.000000	2.000000	1.333333
<b>23a</b> Annualized taxable income. Multiply line 21 by line 22	<b>23a</b>	4,470,810.	3,897,392.	2,914,694.	5,851,544.
<b>b</b> Extraordinary items (see instructions)	<b>23b</b>				
<b>c</b> Add lines 23a and 23b	<b>23c</b>	4,470,810.	3,897,392.	2,914,694.	5,851,544.
<b>24</b> Figure the tax on the amount on line 23c using the instructions for Form 1120, Schedule J, line 2 (or comparable line of corporation's return)	<b>24</b>	44,708.	38,974.	29,147.	58,515.
<b>25</b> Enter any alternative minimum tax for each payment period (see instructions)	<b>25</b>				
<b>26</b> Enter any other taxes for each payment period (see instr)	<b>26</b>				
<b>27</b> Total tax. Add lines 24 through 26	<b>27</b>	44,708.	38,974.	29,147.	58,515.
<b>28</b> For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions)	<b>28</b>				
<b>29</b> Total tax after credits. Subtract line 28 from line 27. If zero or less, enter -0-	<b>29</b>	44,708.	38,974.	29,147.	58,515.
<b>30</b> Applicable percentage	<b>30</b>	25%	50%	75%	100%
<b>31</b> Multiply line 29 by line 30	<b>31</b>	11,177.	19,487.	21,860.	58,515.

**Part III - Required Installments**

		1st	2nd	3rd	4th
		installment	installment	installment	installment
<b>Note:</b> Complete lines 32 through 38 of one column before completing the next column					
<b>32</b> If only Part I or Part II is completed, enter the amount in each column from line 19 or line 31. If both parts are completed, enter the smaller of the amounts in each column from line 19 or line 31	<b>32</b>	11,177.	19,487.	21,860.	58,515.
<b>33</b> Add the amounts in all preceding columns of line 32 (see instructions)	<b>33</b>		8,082.	16,165.	21,860.
<b>34</b> Adjusted seasonal or annualized income installments. Subtract line 33 from line 32. If zero or less, enter -0-	<b>34</b>	11,177.	11,405.	5,695.	36,655.
<b>35</b> Enter 25% of line 5 on page 1 of Form 2220 in each column. <b>Note:</b> "Large corporations," see the instructions for line 10 for the amounts to enter	<b>35</b>	8,082.	8,083.	8,082.	8,082.
<b>36</b> Subtract line 38 of the preceding column from line 37 of the preceding column	<b>36</b>				2,387.
<b>37</b> Add lines 35 and 36	<b>37</b>	8,082.	8,083.	8,082.	10,469.
<b>38</b> Required installments. Enter the smaller of line 34 or line 37 here and on page 1 of Form 2220, line 10 (see instructions)	<b>38</b>	8,082.	8,083.	5,695.	10,469.

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\*\* ANNUALIZED INCOME INSTALLMENT METHOD USING STANDARD OPTION