Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung

benefit trust or private foundation) ▶ The organization may have to use a copy of this return to satisfy state reporting requirements. OMB No 1545-0047

Open to Public Inspection

A F	or the	2011 calendar year, or tax year beginning $$ OCT 1 , $$ $$ 20 $$ 1 $$ $$ and ending	SEP 30, 2012	_									
Во	heck if	C Name of organization	D Employer identifi	cation number									
	pplicable: Address _change	THE REASON FOUNDATION	217 9000										
F	Name change	05 3309330											
	Initial return	Number and street (or P.O. box if mail is not delivered to street address) Room/suite E Telephone number											
	Termin- ated Amende	5737 MESMER AVENUE	The second second) 391-2245									
-	∐return ∏Applica-	City or town, state or country, and ∠IP + 4	G Gross receipts \$ H(a) Is this a group re	9,281,200.									
	∐tiön pending		for affiliates?	Yes X No									
		SAME AS C ABOVE	H(b) Are all affiliates inc										
T T	ax-exer			list. (see instructions)									
		WWW.REASON.ORG	H(c) Group exemption										
		AND THE PROPERTY OF THE PROPER		A State of legal domicile: CA									
	art I	Summary	****										
0	1 B	riefly describe the organization's mission or most significant activities: ${ t TO \ \ ADVAN}$	CE A FREE SOC	IETY BY									
Activities & Governance	I	EVELOPING, APPLYING, AND PROMOTING LIBERTAR	IAN PRINCIPLE	S INCLUDING									
rna	2 0	heck this box 🕨 🔲 if the organization discontinued its operations or disposed of r	nore than 25% of its net as	ssets.									
ove	3 N	umber of voting members of the governing body (Part VI, line 1a)	3	21									
ğ		umber of independent voting members of the governing body (Part VI, line 1b)		19									
Se	190 W. A	otal number of individuals employed in calendar year 2011 (Part V, line 2a)	4000P (1.10 400P (1.10 400 P (1.10 400P (1.10 400 P (1.10 40 P (1.	62									
Ĭţ		otal number of volunteers (estimate if necessary)		0									
cti	7a⊺	otal unrelated business revenue from Part VIII, column (C), line 12	7a	125,869.									
⋖		et unrelated business taxable income from Form 990-T, line 34		0.									
100			Prior Year	Current Year									
Φ	8 0	ontributions and grants (Part VIII, line 1h)	7,179,389.	8,147,254.									
E		rogram service revenue (Part VIII, line 2g)	757,865.	895,742.									
Revenue		vestment income (Part VIII, column (A), lines 3, 4, and 7d)	59,630.	83,768.									
щ		other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	81,178.	-19,918.									
		otal revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	8,078,062.	9,106,846.									
10		irants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.									
		enefits paid to or for members (Part IX, column (A), line 4)	0.										
g	2000 CO. 100 CO.	alaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	4,162,930.	4,734,453.									
Expenses	 16a P	rofessional fundraising fees (Part IX. column (A). line 11e)	0.	0.									
be	bΤ	otal fundraising expenses (Part IX, column (D), line 25) 935,628.											
û	17 C	other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,623,732.	4,050,409.									
		otal expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	7,786,662.	8,784,862.									
	19 R	evenue less expenses. Subtract line 18 from line 12	291,400.										
or		•	Beginning of Current Year	End of Year									
sets	20 ⊤	otal assets (Part X, line 16)	5,344,900.	7,352,487.									
Net Assets or Fund Balances	21 T	otal liabilities (Part X, line 26)	1,091,966.	2,474,484.									
Pet	22 N	et assets or fund balances. Subtract line 21 from line 20	4,252,934.	4,878,003.									
Pa	art II	Signature Block											
Unde	er penalt	ies of perjury, I declare that I have examined this return, including accompanying schedules and sta	atements, and to the best of m	y knowledge and belief, it is									
true,	correct,	and complete. Declaration of preparer (other than officer) is based on all information of which prep	arer has any knowledge.										
				-									
Sigr	n	Signature of officer	Date										
Her		DAVID NOTT, PRESIDENT AND CEO											
		Type or print name and title		-04									
, per		Print/Type preparer's name Preparer's signature	Date Check	PTIN									
Paid	ı þ	TENIFER SIOU	if self-employ	ed P00616514									
Prep	oarer [irm's name NSBN LLP	Firm's EIN ▶	95-2399533									
Use	Only	Firm's address 9454 WILSHIRE BLVD., 4TH FLOOR											
	25.	BEVERLY HILLS, CA 90212-2907	Phone no. (310)273-2501									
Мау	the IR	S discuss this return with the preparer shown above? (see instructions)		X Yes No									

Pai	rt III Statement of Program Service Accomplishments
	Check if Schedule O contains a response to any question in this Part III
1	Briefly describe the organization's mission:
	TO ADVANCE A FREE SOCIETY BY DEVELOPING, APPLYING, AND PROMOTING
	LIBERTARIAN PRINCIPLES, INCLUDING INDIVIDUAL LIBERTY, FREE MARKETS,
	AND THE RULE OF LAW. WE USE JOURNALISM AND PUBLIC POLICY RESEARCH TO
	INFLUENCE THE FRAMEWORKS AND ACTIONS OF POLICYMAKERS, JOURNALISTS, AND
2	Did the organization undertake any significant program services during the year which were not listed on
	the prior Form 990 or 990-EZ?
	If "Yes," describe these new services on Schedule O.
3	Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes X No
	If "Yes," describe these changes on Schedule O.
4	Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.
	Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to
5	others, the total expenses, and revenue, if any, for each program service reported.
4a	(Code:) (Expenses \$ 1,368,694. including grants of \$) (Revenue \$)
	REASON.TV PRODUCING FREE MARKET IDEAS THROUGH VIDEO JOURNALISM ONLINE
	TO STATE OF THE PROPERTY OF TH
	NUEDAGE OF 017 000 VIDEOG PLAVED FACH MONEY (INCLUDES VOLUMEDE COM
	AVERAGE OF 917,000 VIDEOS PLAYED EACH MONTH (INCLUDES YOUTUBE.COM
	PLAYCOUNT)
	·
46	(Code:) (Expenses \$ 2,961,200 · including grants of \$) (Revenue \$ 765,304 ·)
4b	(Code:) (Expenses \$ 2,961,200. including grants of \$) (Revenue \$) (Revenue \$)
	DISCUSSING "FREE MINDS AND FREE MARKETS" SINCE 1968
	11 ISSUES PUBLISHED
	50,000 PAID/REQUESTED COPIES
	1,000 NEWSSTAND COPIES SOLD
	AVERAGE OF 2.4 MILLION USER VISITS PER MONTH AT REASONONLINE
	·
4c	(Code:) (Expenses \$ 2,229,354 · including grants of \$) (Revenue \$)
	REASON FOUNDATION
	RESEARCH AND ANALYSIS OF ISSUES RELATING TO PRIVATIZATION,
	TRANSPORTATION, EDUCATION, LAND USE AND THE ENVIRONMENT; EDUCATIONAL
	OUTREACH FROM A LIBERTARIAN PERSPECTIVE TO POLICYMAKERS, RELEVANT
	STAKEHOLDERS AND THE GENERAL PUBLIC
	10,000 ARTICLES CITING REASON EXPERTS
	TOTAL CIRCULATION OF ARTICLES: 850 MILLION
	1,247 MEDIA APPEARANCES BY REASON EXPERTS
	13 APPEARANCES TO PROVIDE LEGISLATIVE TESTIMONY; 21 POLICY STUDIES; 12
	SURFACE TRANSPORTATION INNOVATIONS NEWSLETTERS; 12 AIR SECURITY
	NEWSLETTERS; 12 AIR TRAFFIC CONTROL NEWSLETTERS; 4 REASON REPORT
	NEWSLETTERS.
4d	Other program services (Describe in Schedule O.)
	(Expenses \$ 757,732 • including grants of \$) (Revenue \$
4e	Total program service expenses ► 7,316,980.

Form 990 (2011) THE REASON F Part IV Checklist of Required Schedules

		0 0	Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	Х	,
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for			
	public office? If "Yes," complete Schedule C, Part I	3		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect			
	during the tax year? If "Yes," complete Schedule C, Part II	4	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or			
	similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to			
	provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space,	2000		7.7
	the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II.	7	7	X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete	-		Х
_	Schedule D, Part III	8		
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide			X
40	credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		Δ
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent	10	х	
44	endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X	10	21	
11	as applicable.			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D,			
ű	Part VI	11a	Х	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total			3
	assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b		X
С	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total			0
	assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c		Х
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in			
	Part X, line 16? If "Yes," complete Schedule D, Part IX	11d		X
е	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e		Х
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses	020000000000000000000000000000000000000	77	
2000	the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete		х	
■ 233	Schedule D, Parts XI, XII, and XIII	12a	Δ	
D	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.	12b		х
12	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		X
	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business,	114		
~	investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000			
	or more? If "Yes," complete Schedule F, Parts I and IV	14b		Х
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization			
	or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals			200000
	located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16		Х
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX,			
	column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		Х
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines			
	1c and 8a? If "Yes," complete Schedule G, Part II	18	Х	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes,"	<u>1</u> 58 <u>1</u> 50		7.7
00	complete Schedule G, Part III	19		X
	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a		
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Form 990 (2011) THE REASON FOUNDAT Part IV Checklist of Required Schedules (continued)

			Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the	927901		v
25125	United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		Х
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		Х
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current			
	and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete			
	Schedule J	23	Х	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25	24a		х
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
С	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease			
	any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a			
	disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		Х
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and			
	that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete			
	Schedule L, Part I	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified			
	person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial			
	contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member			77
	of any of these persons? If "Yes," complete Schedule L, Part III	27		Х
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV			
	instructions for applicable filing thresholds, conditions, and exceptions):			Х
a		28a	Х	Λ
	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	Δ	_
С	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer,	200		Х
29	director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	28c 29		X
30	Did the organization receive more than \$25,000 in non-cash contributions <i>in res, complete schedule in</i> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation	29		-2.5
30	and the High Children II committee Cohody to M.	30		Х
31	Did the organization liquidate, terminate, or dissolve and cease operations?			===
0.	If "Yes," complete Schedule N, Part I	31		х
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete			
505	Schedule N, Part II	32		Х
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations		0	e e
	sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33		Х
34	Was the organization related to any tax-exempt or taxable entity?			
	If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34		Х
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of			-contra
	section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b		Х
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization?			
	If "Yes," complete Schedule R, Part V, line 2	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization			
	and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	S-15-200	7,7	
	Note. All Form 990 filers are required to complete Schedule O	38	X	

Form **990** (2011)

Form 990 (2011) THE REASON FOUNDATION Part V Statements Regarding Other IRS Filings and Tax Compliance

	Check if Schedule O contains a response to any question in this Part V			
			Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable			
	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable 1b	7		
С	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming			
	(gambling) winnings to prize winners?	1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements,			
	filed for the calendar year ending with or within the year covered by this return 2a 6	2		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
За	Did the organization have unrelated business gross income of \$1,000 or more during the year?	За	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Х	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a			220
	financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	5/8 dc	X
b	If "Yes," enter the name of the foreign country: ►			
	See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	1200		
	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	1	X
	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	-	Х
	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	1	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit	102		X
12.	any contributions that were not tax deductible?	6a	1	Δ
D	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts	- Gh		
7	were not tax deductible? Organizations that may receive deductible contributions under section 170(c).	6b	1	
7 a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor'	7a	х	
	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X	
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required	10		
•	to file Form 8282?	7c		x
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d			
	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting			
	organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		$oxed{oxed}$
9	Sponsoring organizations maintaining donor advised funds.			
	Did the organization make any taxable distributions under section 4966?	9a	1	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter:			
	Initiation fees and capital contributions included on Part VIII, line 12	_		
	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	-		
11	Section 501(c)(12) organizations. Enter: Gross income from members or shareholders 11a			
	Gross income from members or shareholders	-		
D	amounts due or received from them.)			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12.0		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
	Is the organization licensed to issue qualified health plans in more than one state?	13a		
9 73 8	Note. See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the			
	organization is licensed to issue qualified health plans			
С	Enter the amount of reserves on hand			
	Did the organization receive any payments for indoor tanning services during the tax year?	14a		Х
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		
		Г	DOO.	(0044)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions

	to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
	Check if Schedule O contains a response to any question in this Part VI			X
Sec	tion A. Governing Body and Management			
	Company to the strength of the Company of the Compa	7	Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year 11a 21		1,500	
	If there are material differences in voting rights among members of the governing body, or if the governing	á		
	body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b	Enter the number of voting members included in line 1a, above, who are independent 1b 19			
05/1		į		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other	2		Х
_	officer, director, trustee, or key employee?			22
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision	_		X
	of officers, directors, or trustees, or key employees to a management company or other person?	3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	-	
6	Did the organization have members or stockholders?	6		X
7a		535		77
	more members of the governing body?	7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or			
	persons other than the governing body?	7b		Х
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		122	
а	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the			
	organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	.,	Х
Sec	tion B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)	-		
			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		X
	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates,			
	and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Х	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Х	
b	STATE OF THE STATE	12b	Х	
С	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe			
	in Schedule O how this was done	12c	Х	
13	Did the organization have a written whistleblower policy?	13	Х	
14	Did the organization have a written document retention and destruction policy?	14	Х	
15	Did the process for determining compensation of the following persons include a review and approval by independent			
2000	persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
а	The organization's CEO, Executive Director, or top management official	15a	Х	
	Other officers or key employees of the organization	15b	Х	
_	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		19905	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a			
Section	taxable entity during the year?	16a		Х
h	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation	iou		
D	in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's			
	exempt status with respect to such arrangements?	16b		
Sec	tion C. Disclosure	IOD		
17	List the states with which a copy of this Form 990 is required to be filed ►AL, AK, AZ, AR, CA, CO, CT, FL, GA	, нт	. TT.	.KS
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) a			,
10		avallaD	16	
	for public inspection. Indicate how you made these available. Check all that apply.			
40	Own website Another's website X Upon request	.ı e:		
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, an	u tinar	icial	
00	statements available to the public during the tax year.		10	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organiza JONATHAN GRAFF - (310) 391-2245	iion: 🕨	_	
	5737 MESMER AVENUE. LOS ANGELES. CA 90230			
	S.S. HEDITER HYDROD, EOD FRIGHED, OR JUGUV			

132006 01-23-12

132007 01-23-12

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- 1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.
- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's current key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization (A)	(B)	l	ai 112 c		C)	npe	isa	(D)	(E)	(F)
Name and Title	Average			Pos	ition	ì		Reportable	Reportable	Estimated
Ivalle and file	hours per					than is bot		compensation	compensation	amount of
	week					or/trus		from	from related	other
	(describe	director						the	organizations	compensation
	hours for	rdire				paj		organization	(W-2/1099-MISC)	from the
	related	trustee or	ustee		-	seusa		(W-2/1099-MISC)		organization
	organizations	al fru:	on al tr		lloyee	du oo				and related
	in Schedule	Individual	Institutional trustee	Officer	Key employee	Highest compensated employee	шег			organizations
(1) THOMAS E. BEACH	O)	ڪ	Ē	5	Ke	王易	온			
CHAIRMAN	1.00	x		Х				0.	0.	0.
(2) BARON BOND										
TRUSTEE	1.00	Х						0.	0.	0.
(3) DREW A. CAREY										200
TRUSTEE	1.00	Х						0.	0.	0.
(4) DERWOOD S. CHASE, JR.										
TRUSTEE	1.00	Х						0.	0.	0.
(5) JAMES R. CURLEY		120000							20	120
TRUSTEE	1.00	Х						0.	0.	0.
(6) RICHARD J. DENNIS	1	١							•	
TRUSTEE	1.00	Х						0.	0.	0.
(7) WILLIAM A. DUNN	1 1 00							_	•	•
TRUSTEE	1.00	Х				-		0.	0.	0.
(8) DAVID FLEMING	1 00	177						_	0	0
TRUSTEE (9) C. BOYDEN GRAY	1.00	Х				-		0.	0.	0.
TRUSTEE	1.00	x						0.	0.	0.
(10) JAMES D. JAMESON	1.00	^		_	-	┢	_	0.	0.	· ·
TRUSTEE	1.00	х						0.	0.	0.
(11) MANUEL S. KLAUSNER	1.00									
TRUSTEE	1.00	x						0.	0.	0.
(12) DAVID H. KOCH										
TRUSTEE	1.00	х						0.	0.	0.
(13) JAMES LINTOTT	300 M 2000000					İ		500 00	194007490	200
TRUSTEE	1.00	Х						0.	0.	0.
(14) STEPHEN MODZELEWSKI										
TRUSTEE	1.00	Х						0.	0.	0.
(15) GEORGE F. OHRSTROM	3521 3304 20							2002	25	(2002)
TRUSTEE	1.00	X						0.	0.	0.
(16) CAROL SANDERS	4							_	:: -	-
TRUSTEE	1.00	X						0.	0.	0.
(17) VERNON L. SMITH	1 00	77								
TRUSTEE	1.00	X						0.	0.	0

Form **990** (2011)

Form 990 (2011) THE REASON FOUNDATION 95-3298239									F	age 8		
Part VII Section A. Officers, Directors, Tru	ıstees, Key Eı	nplo	oyee	s, a	nd F	ligh	est	t Compensated Employ	rees (continued)			
(A) Name and title	(B) Average hours per week	(do box	not c		C) ition more rson	l than is bot	one h an	(D) Reportable compensation	(E) Reportable compensation	1900		t of
	(describe hours for related organizations in Schedule O)	tee or director	Institutional trustee	Officer		Highest compensated employee		the organization (W-2/1099-MISC)	from related organizations (W-2/1099-MISC)	f org an	othe npens rom tl ganiza d rela aniza	ation ne ation ated
(18) RICHARD A. WALLACE	8801 880 80							220				5573
TRUSTEE	1.00	Х						0.	0			0.
(19) FRED M. YOUNG, JR.												
TRUSTEE	1.00	Х						0.	0	•		0.
(20) DAVID NOTT	p⊒uledao vidaosterino	200000		700000				technikasingina techniki kisifa.	229000			
PRESIDENT & CEO	40.00	Х		Х				287,231.	0	•		0.
(21) ROBERT W. POOLE, JR.	120120 520 52							(2002-2012) 120 12 (20	2			822
FOUNDER	40.00	X		X				253,322.	0			0.
(22) MICHAEL ALISSI									10-2			-
VICE PRESIDENT, OPERATIONS	40.00			Х				159,667.	0	•		0.
(23) NICHOLAS GILLESPIE	40.00							205 205				_
VICE PRESIDENT, REASON ONL	40.00		ļ	X				205,807.	0	•		0.
(24) JONATHAN GRAFF	1 40 00			7.7				157 200	^			^
TREASURER, SECRETARY	40.00		-	X		_		157,309.	0	•		0.
(25) ADRIAN T. MOORE	40.00			x				172 202	0			0
VICE PRESIDENT, POLICY (26) JULIAN MORRIS	40.00		-	^	-			172,282.	U	•		0.
VICE PRESIDENT, RESEARCH	40.00			x				47,001.	0			0.
	Amyddy 10 ddy 61			[V/9203		_		1,282,619.	0	221		0.
1b Sub-total c Total from continuation sheets to Part VI								149,649.	0	54		0.
d Total (add lines 1b and 1c)								1,432,268.	0			Ō.
Total number of individuals (including but n						2) W	201	<u> </u>				
compensation from the organization	ot minica to tr	1030	· IISt	Ju u	DOV	J) WV	101	CCCIVCO INOIC INDITION	,000 of reportable			7
component from the organization											Yes	_
3 Did the organization list any former officer,	director, or tru	uste	e. ke	ev er	olan	vee	. or	highest compensated e	mplovee on			
line 1a? If "Yes," complete Schedule J for s										3		Х
4 For any individual listed on line 1a, is the su		5.000										
and related organizations greater than \$15	0,000? <i>If "Yes,</i>	" co	mpl	ete S	Sche	dul	e J	for such individual		4	Х	
5 Did any person listed on line 1a receive or a	accrue compe	nsat	ion 1	from	any	uni	ela	ted organization or indiv	idual for services			
rendered to the organization? If "Yes," com	plete Schedul	e J f	for s	uch	pers	on .				5		X
Section B. Independent Contractors												
1 Complete this table for your five highest co	mpensated in	depe	ende	ent c	ontr	acto	ors	that received more than	\$100,000 of compen	sation	from	
the organization. Report compensation for	the calendar y	ear	endi	ng v	vith	or w	ithi	n the organization's tax	year.			
(A)				-				(B)			C)	
Name and business	address	N	INC	5				Description of s	ervices	Compe	ensati	on
,												
-												
Er.												

Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 0
SEE PART VII, SECTION A CONTINUATION SHEETS

Form 990 (2011) THE REAS	SON FOUN	DA'	CIC	NC					95-329	8239
Part VII Section A. Officers, Directors, T	rustees, Key E	mplo	yee	s, a	nd F	ligh	est	Compensated Employ	rees (continued)	
(A) Name and title	(B) Average hours	(B) (C) erage Position ours (check all that app			(C)			(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of
	per week	Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	from the organization (W-2/1099-MISC)	from related organizations (W-2/1099-MISC)	other compensation from the organization and related organizations
(27) MATT WELCH	10.00							140 640	0	_
VICE PRESIDENT, MAGAZINE	40.00			Х				149,649.	0.	0.
Total to Part VII, Section A, line 1c								149,649.		

Forn	n 990	(2011) THE R	EASON FO	UNDATION			95-3298	239 Page 9
	rt VI		i ue					-
					(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
nts	1 a	a Federated campaigns	1a					
Contributions, Gifts, Grants and Other Similar Amounts	b	b Membership dues	1b					
	c	c Fundraising events	1c	84,121.				
a gi	d	d Related organizations	1d					
'n,	е	e Government grants (contributi	ons) 1e					
e S	f	f All other contributions, gifts, grant						
ള		similar amounts not included abov	e 1f 8,	063,133.				
בַּבְּ	g	g Noncash contributions included in lines	1a-1f: \$					
<u>ặ 5</u>	h	h Total. Add lines 1a-1f			8,147,254.			
		SUDSEDIDETON SI		Business Code	EC4 0E2	EC4 0E2		
Program Service Revenue	2 a			900099	764,873.	764,873.	100 020	
ne v	b			511120	108,930.		108,930.	
m S	С	$_{ m c}$ MAILING LIST RE RESEARCH INCOME		511120 900099	16,939. 5,000.		16,939.	E 000
gra	d	d RESEARCH INCOME		900099	5,000.			5,000.
jo	е	N (2)						
-	f				895,742.		4	
_	377533	g Total. Add lines 2a-2f			093,742.			
	3	Investment income (including of		1000	83,768.			83,768.
	4	other similar amounts)		The second secon	03,7001			00,7001
	5	Royalties		and management Stor				
		noyaliles	(i) Real	(ii) Personal				
	6 9	a Gross rents	(I) Treat	(ii) i eisoriai				
	b							
		c Rental income or (loss)						
		d Net rental income or (loss)	<i>\(\)</i>	\				
		a Gross amount from sales of	(i) Securities	(ii) Other				
		assets other than inventory						
	b	b Less: cost or other basis						
		and sales expenses						
	С	c Gain or (loss)						
		d Net gain or (loss)		>				
<u>o</u>	8 a	a Gross income from fundraising						
eur		including \$84,1	21. of					
3e		contributions reported on line						
Other Revenue		Part IV, line 18		154,005.				
e l		b Less: direct expenses		174,354.	00 040			20 242
		c Net income or (loss) from fund		>	-20,349.			-20,349.
	9 a	a Gross income from gaming ac						
		Part IV, line 19						
		b Less: direct expensesc Net income or (loss) from gamine						
		a Gross sales of inventory, less i						
	10 a	and allowances						
	h	b Less: cost of goods sold						
		c Net income or (loss) from sales						
Ì		Miscellaneous Revenue	7	Business Code				
	11 a	a MISC. INCOME		900099	431.	431.		
	b	b						
	c							
		d All other revenue						
		e Total. Add lines 11a 11d			431.	TCT 224	105 000	CO 410
	12	Total revenue. See instructions.			9,106,846.	/65,304.	⊥⊿5,869 .	68,419.

Form 990 (2011) THE REASON FOR Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

- 100 - 100	olete columns (B), (C), and (D).				
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Check if Schedule O contains a respon			(O) 1	(D)
	not include amounts reported on lines 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
^					
2	Grants and other assistance to individuals in				
^	the United States. See Part IV, line 22				
3	Grants and other assistance to governments,				
	organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors,				
	trustees, and key employees	1,432,269.	1,134,015.	91,647.	206,607
6	Compensation not included above, to disqualified				
	persons (as defined under section 4958(f)(1)) and				
	persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	2,800,927.	2,368,971.	108,819.	323,137
8	Pension plan accruals and contributions (include		,	·	•
0001	section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	202,428.	166,481.	9,821.	26,126
10	Payroll taxes	298,829.	248,315.	13,594.	36,920
11	Fees for services (non-employees):				
а	Management				
b	-1 00 000 00-1	4,113.	3,800.	86.	227
С	50 S. C.	15,000.	12,366.	712.	1,922
d	W WAY SAY SAY				
е	B (1 1(1 11 1 1 B B 1871 13				
f	Investment management fees				
g	Other				
12	Advertising and promotion	247,876.	234,206.	1,135.	12,535
13	Office expenses	136,446.	110,343.	5,720.	20,383
14	Information technology				
15	Royalties			4= 44.5	4- 4-6
16	Occupancy	383,758.	321,242.	17,410.	45,106
17	Travel	543,384.	421,677.	10,291.	111,416
18	Payments of travel or entertainment expenses				
	for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates	22,749.	18,848.	1,066.	2,835
22	Depreciation, depletion, and amortization	78,769.	65,877.	3,730.	9,162
23	Insurance Other expenses. Itemize expenses not covered	70,705.	05,077.	3,730.	7,102
24	above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
а	COMMUNICATION CERTIFICATION	1,292,235.	1,260,421.	7,033.	24,781
b	MANUFACTURING AND DISTR	526,071.	525,460.	16.	595
С	UNFULFILLED PLEDGES	250,000.	0.	250,000.	0
d	MISCELLANEOUS	106,141.	93,334.	5,044.	7,763
е	All other expenses	443,867.	331,624.	6,130.	106,113
25	Total functional expenses. Add lines 1 through 24e	8,784,862.	7,316,980.	532,254.	935,628
26	Joint costs. Complete this line only if the organization				
	reported in column (B) joint costs from a combined				
	educational campaign and fundraising solicitation.				
,	Check here if following SOP 98-2 (ASC 958-720)				Form 990 (2011)

Form 990 (2011)

Pa	rt X	Balance Sheet			
			(A) Beginning of year		(B) End of year
10	1	Cash - non-interest-bearing	537,954.	1	552,344.
	2	Savings and temporary cash investments	678,660.	2	24,883.
	3	Pledges and grants receivable, net	476,889.	3	305,350.
	4	Accounts receivable, net	67,758.	4	79,069.
	5	Receivables from current and former officers, directors, trustees, key			
		employees, and highest compensated employees. Complete Part II			
		of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section			10
		4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing			
		employers and sponsoring organizations of section 501(c)(9) voluntary			
		employees' beneficiary organizations (see instructions)		6	, v
ets	7	Notes and loans receivable, net		7	*
Assets	8	Inventories for sale or use		8	Ø ¹
1000.	9	Prepaid expenses and deferred charges		9	<i>**</i>
	10a	Land, buildings, and equipment: cost or other			
		basis. Complete Part VI of Schedule D 10a 3,452,779.			
	b	basis. Complete Part VI of Schedule D Less: accumulated depreciation 10a 3,452,779. 10b 914,762.	31,038.	10c	2,538,017.
	11	Investments - publicly traded securities	3,428,157.	11	3,670,890.
	12	Investments - other securities. See Part IV, line 11		12	Ø1
	13	Investments - program-related. See Part IV, line 11		13	**
	14	Intangible assets		14	3-
	15	Other assets. See Part IV, line 11	124,444.	15	181,934.
	16	Total assets. Add lines 1 through 15 (must equal line 34)	5,344,900.	16	7,352,487.
*	17	Accounts payable and accrued expenses	664,207.	17	1,070,924.
	18	Grants payable		18	2
	19	Deferred revenue	427,759.	19	364,694.
	20	Tax-exempt bond liabilities		20	
S	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
Liabilities	22	Payables to current and former officers, directors, trustees, key employees,			
japi		highest compensated employees, and disqualified persons. Complete Part II			
		of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	0.	23	1,038,866.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third			
		parties, and other liabilities not included on lines 17-24). Complete Part X of			
		Schedule D		25	
-	26	Total liabilities. Add lines 17 through 25	1,091,966.	26	2,474,484.
		Organizations that follow SFAS 117, check here X and complete			
es		lines 27 through 29, and lines 33 and 34.			
anc	27	Unrestricted net assets	4,107,705.	27	4,778,375.
Bal	28	Temporarily restricted net assets	101,950.	28	55,349.
2	29	Permanently restricted net assets	43,279.	29	44,279.
교		Organizations that do not follow SFAS 117, check here and			
ō	0.000.000	complete lines 30 through 34.		AMAZOS	
;ets	30	Capital stock or trust principal, or current funds		30	-
Ass	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
Net Assets or Fund Balances	32	Retained earnings, endowment, accumulated income, or other funds	4 050 004	32	4 050 000
Z	33	Total net assets or fund balances	4,252,934.	33	4,878,003.
	34	Total liabilities and net assets/fund balances	5,344,900.	34	7,352,487.

Form **990** (2011)

	1000 (2011))=100,E10 (0,=01,==0)		1 4	90
Pa	rt XI Reconciliation of Net Assets				
	Check if Schedule O contains a response to any question in this Part XI				X
1	Total revenue (must equal Part VIII, column (A), line 12)	1	9,10		
2	Total expenses (must equal Part IX, column (A), line 25)	2	8,78		
3	Revenue less expenses. Subtract line 2 from line 1	3	2.1		84.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,25		
5	Other changes in net assets or fund balances (explain in Schedule O)	5			85.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	4,87	8,0	03.
Pa	rt XII Financial Statements and Reporting				7
	Check if Schedule O contains a response to any question in this Part XII				X
				Yes	No
1	Accounting method used to prepare the Form 990: Cash X Accrual Other				
	If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule	Ο.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		2a		X
b	Were the organization's financial statements audited by an independent accountant?		2b	X	72
C	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the	e audit,			70
	review, or compilation of its financial statements and selection of an independent accountant?		2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Sch	edule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issue	d on a			
	separate basis, consolidated basis, or both:				
	X Separate basis Consolidated basis Both consolidated and separate basis				
За	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Si	ngle Audit			
	Act and OMB Circular A-133?	***************************************	За		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required	ired audit			
	or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		3b		

Form **990** (2011)

SCHEDULE A

Department of the Treasury Internal Revenue Service

(Form 990 or 990-EZ)

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No. 1545-0047

pen to Public

Name of the organization

THE REASON FOUNDATION

Employer identification number

95-3298239

Reason for Public Charity Status (All organizations must complete this part.) See instructions. Part I The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.) 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i), 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.) 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii). 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.) 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v). An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.) 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.) An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.) 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4). 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h. b Type II c Type III - Functionally integrated J Type III - Other By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, Yes No the governing body of the supported organization? 11g(i) (ii) A family member of a person described in (i) above? 11g(ii) (iii) A 35% controlled entity of a person described in (i) or (ii) above? Provide the following information about the supported organization(s). h (iii) Type of (vi) Is the (iv) Is the organization (v) Did you notify the (i) Name of supported (ii) EIN (vii) Amount of organization organization in col. organization in col. in col. (i) listed in your organization support (described on lines 1-9 aovernina document? (i) of your support? U.S.? above or IRC section (see instructions)) Yes Yes Yes

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

Total

Part II | Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Sec	ction A. Public Support						
Cale	ndar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1	Gifts, grants, contributions, and		7000 - 20		1001 00		2000
	membership fees received. (Do not						
	include any "unusual grants.")	6267769.	6093799.	6399733.	7123746.	8063133.	33948180.
2	Tax revenues levied for the organ-		.1				*
	ization's benefit and either paid to						
	or expended on its behalf						
3	The value of services or facilities						
	furnished by a governmental unit to						
	the organization without charge						
4	Total. Add lines 1 through 3	6267769.	6093799.	6399733.	7123746.	8063133.	33948180.
5	The portion of total contributions	773	857 773 857				500 B
	by each person (other than a						
	governmental unit or publicly						
	supported organization) included						
	on line 1 that exceeds 2% of the						
	amount shown on line 11,						
	column (f)						
6	Public support. Subtract line 5 from line 4.						33948180.
	ction B. Total Support						
-	ndar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
	Amounts from line 4	6267769.	6093799.	6399733.	7123746.	8063133.	33948180.
8	Gross income from interest,						
	dividends, payments received on						
	securities loans, rents, royalties						
	and income from similar sources	117,733.	78,392.	50,137.	59,630.	83,768.	389,660.
9	Net income from unrelated business		7070521	50/10/1	35,0001	00,7001	00570001
9							
	activities, whether or not the						
24	business is regularly carried on					,	-
10	Other income. Do not include gain						
	or loss from the sale of capital	1,983.	1,211.	2,082.	1,183.	431.	6 890
12072	assets (Explain in Part IV.)	1,905.	1,211.	2,002.	1,100.	£31.	6,890. 34344730.
11	Total support. Add lines 7 through 10	TOTAL A TOTAL CONTROL AND A STREET OF THE ST				2	,950,695.
	Gross receipts from related activities,		~			W - 42 - 100 - 102	, 930, 093.
13	SERVICE OF ANY COURT AND A DESCRIPTION OF SERVICE OF CONTRACT OF SERVICE OF ANY CONTRACT OF SERVICE						
Sac	organization, check this box and storection C. Computation of Publ	ic Support Pe	rcentage				P
-	The Robert of States and States a			-1 (A)		l a a T	98.85 %
	Public support percentage for 2011 (I				STOCK CONTRACTOR STOCK	14	00 00
	Public support percentage from 2010					15	
108	33 1/3% support test - 2011. If the c						
	stop here. The organization qualifies						
D	33 1/3% support test - 2010. If the c						
	and stop here. The organization qual						
17a	10% -facts-and-circumstances tes						
	and if the organization meets the "fac						22
ig i	meets the "facts-and-circumstances"						
b	10% -facts-and-circumstances tes						
	more, and if the organization meets the						
3250	organization meets the "facts-and-circ						407 TO ACCOUNT TO ACCOUNT TO THE
18	Private foundation. If the organization	n did not check a	box on line 13, 16	a, 16b, 17a, or 17b	o, check this box a	and see instruction	ıs ▶∟

Schedule A (Form 990 or 990-EZ) 2011 Part III | Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Se	ction A. Public Support						
Cale	endar year (or fiscal year beginning in) 🕨	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1				· · · · · ·			2472
	membership fees received. (Do not include any "unusual grants.")	8					2
2							
3	Gross receipts from activities that are not an unrelated trade or bus-						
4	iness under section 513 Tax revenues levied for the organ-						
	ization's benefit and either paid to or expended on its behalf						
5	The value of services or facilities furnished by a governmental unit to the organization without charge						
6	Total. Add lines 1 through 5						77
7 8	Amounts included on lines 1, 2, and 3 received from disqualified persons						,
ł	Armounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the						
	amount on line 13 for the year						
	Add lines 7a and 7b						
	Public support (Subtract line 7c from line 6.) ction B. Total Support						<u> </u>
-	endar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
	Amounts from line 6	(a) 2007	(b) 2000	(6) 2003	(a) 2010	(6) 2011	(i) Total
	a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						,
t	Unrelated business taxable income						
	(less section 511 taxes) from businesses acquired after June 30, 1975						
	Add lines 10a and 10b Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
	Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
	Total Support (Add lines 9, 10c, 11, and 12.)				<u> </u>		
14	First five years. If the Form 990 is fo	2 3 7	65	2 2	5	A 58 S 170	
Sa	check this box and stop here ction C. Computation of Pub						
15	Public support percentage for 2011 (column (f))		15	%
16						16	
	ction D. Computation of Inve					110 1	70
_	Investment income percentage for 20			ne 13. column (f))	VC05122AVC05123AVC05123AVC05122A	17	%
18	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					18	%
	a 33 1/3% support tests - 2011. If the					N- 1	
-	more than 33 1/3%, check this box a						1980
ŀ	33 1/3% support tests - 2010. If the						
	line 18 is not more than 33 1/3%, che					Secondary Control of Secondary Control	
20	Private foundation. If the organization	on did not check a	box on line 14, 19	a, or 19b, check t	his box and see in	structions	>

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury Internal Revenue Service

Schedule of Contributors

Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

2011

Name of the organization **Employer identification number** THE REASON FOUNDATION 95-3298239 Organization type (check one): Filers of: Section: X 501(c)(3) (enter number) organization Form 990 or 990-EZ 4947(a)(1) nonexempt charitable trust not treated as a private foundation 527 political organization Form 990-PF 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundation Check if your organization is covered by the General Rule or a Special Rule. Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions. General Rule For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. **Special Rules** X For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II. For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III. For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year. contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF),

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to

certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization Employer identification number

MUD	DEACON	FOUNDATION
IDE	KEADUN	COUNDATION

95-3298239

Part III	Exclusively religious, charitable, etc., indi year. Complete columns (a) through (e) and the total of exclusively religious, charitable, et Use duplicate copies of Part III if addition	vidual contributions to section s he following line entry. For organ c., contributions of \$1,000 or le	01(c)(7), (8), izations comp ss for the year	or (10) organizations that total more than \$1,000 for the leting Part III, enter (Enter this information once.)
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	-	(d) Description of how gift is held
	Transferee's name, address, a	(e) Transfer o		elationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift		(d) Description of how gift is held
-	Transferee's name, address, a	(e) Transfer o		elationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift		(d) Description of how gift is held
	Transferee's name, address, a	(e) Transfer o		elationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift		(d) Description of how gift is held
_	(e) Transf Transferee's name, address, and ZIP + 4			elationship of transferor to transferee
8				

SCHEDULE C

(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

See separate instructions.

OMB No. 1545-0047

Open to Public Inspection

Department of the Treasury Internal Revenue Service ➤ Complete if the organization is described below. ➤ Attach to Form 990 or Form 990-EZ.

If the organization answered "Yes" to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then • Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.

• Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.

Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35c (Proxy Tax), then

•	Section 501(c)(4), (5), or (6) organiza	tions: Complete Part III.			
Nan	ne of organization			En	nployer identification number
		SON FOUNDATION			95-3298239
Pέ	art I-A Complete if the org	ganization is exempt unde	r section 501(c) o	or is a section 527	organization.
2 3	Provide a description of the organize Political expenditures Volunteer hours			>	
200		ganization is exempt unde		-0.0	1.00
1	Enter the amount of any excise tax	incurred by the organization unde	r section 4955		`\$
2	Enter the amount of any excise tax	incurred by organization managers	s under section 4955		`\$
	If the organization incurred a section				
	a Was a correction made?				Yes No
	o If "Yes," describe in Part IV. art I-C Complete if the org	ganization is exempt unde	r section 501(c)	except section 50	1(c)(3).
	Enter the amount directly expended			73	· \$
	Enter the amount of the filing organ			10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Ψ
_	exempt function activities		•		· \$
3	Total exempt function expenditures				<u> </u>
3373	line 17b		NOT THE PROPERTY OF THE PARTY AND THE PARTY OF THE PARTY	>	· \$
4	Did the filing organization file Form				
	Enter the names, addresses and er				
	made payments. For each organiza	ition listed, enter the amount paid	from the filing organiza	ation's funds. Also ente	rthe amount of political
	contributions received that were pr			CONTRACTOR AND CONTRACTOR AND	arate segregated fund or a
,	political action committee (PAC). If	additional space is needed, provid	le information in Part I	V.	
	(a) Name	(b) Address	(c) EIN	(d) Amount paid fron	and the state of t
				filing organization's funds. If none, enter-	100
				Turius, il riorie, enter-	delivered to a separate
					political organization.
					If none, enter -0
8					9
9					
) 					
				I	

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2011

Schedule C (Form 990 or 990-EZ) 2011					298239 Page 2
Part II-A Complete if the org		npt under sectio	n 501(c)(3) and fil	ed Form 5768	
(election under sec					
	tion belongs to an affil		Part IV each affiliated	group member's nam	e, address, EIN,
	re of excess lobbying of	A STATE OF THE PARTY OF THE PAR			
B Check Lifthe filing organiza	tion checked box A an	id "limited control" pro	visions apply.	02535000000	
Limi	ts on Lobbying Exper	nditures		(a) Filing organization's	(b) Affiliated group totals
(The term "expend	ditures" means amou	nts paid or incurred.)		totals	totals
1a Total lobbying expenditures to influ	uence public opinion (c	arass roots lobbying)			*
b Total lobbying expenditures to influ		Service and an experience of the service and an experience of the service of the		9,391.	7
c Total lobbying expenditures (add li				9,391.	7/
d Other exempt purpose expenditure				8,023,588.	
e Total exempt purpose expenditure	s (add lines 1c and 1d)	1 000 1 3 4 4 4 1 2 1 2 1 2 1 3 4 4 4 7 2 2 2 2 3 4 4 4 7 1 2 2 3 3 4 4 7 1 2 2 3 3 4 4 7 1 2 2 3 3 4 4 4 8 7	8,032,979.	
f Lobbying nontaxable amount. Enter	er the amount from the	following table in bot	h columns.	551,649.	
If the amount on line 1e, column (a) o	or (b) is: The lobi	oying nontaxable am	ount is:		*
Not over \$500,000	20% of t	the amount on line 1e.			
Over \$500,000 but not over \$1,000	0,000 \$100,00	0 plus 15% of the exc	ess over \$500,000.		
Over \$1,000,000 but not over \$1,5		0 plus 10% of the exc	ess over \$1,000,000.		
Over \$1,500,000 but not over \$17	000,000 \$225,00	0 plus 5% of the exce	ss over \$1,500,000.		
Over \$17,000,000	\$1,000,0	000.			
				127 012	*
g Grassroots nontaxable amount (er				137,912.	7
h Subtract line 1g from line 1a. If zer	, A 104			0.	
i Subtract line 1f from line 1c. If zero				0.	
j If there is an amount other than ze		seen see semeseen keiskesse			Yes No
reporting section 4911 tax for this		raging Period Under	Section FO1/b)	L	Yes NO
(Some organiz	ations that made a s	CONTRACTOR	PER PER PER PARADA MENDER DESCRIPTION POR PET CONTRA	olete all of the five	
	lumns below. See the				
	Lobbying Exper	ditures During 4-Yea	ar Averaging Period	N 45	
					- 47
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
(or notal year beginning my					
CANADA WO WORKER RATEO NO	476 172	460 530	E0E 24E	FF1 640	1 005 606
2a Lobbying nontaxable amount	476,173.	462,539.	505,245.	551,649.	1,995,606.
b Lobbying ceiling amount					2,993,409.
(150% of line 2a, column(e))		y.			4,333,403.
c Total lobbying expenditures	12,067.	2,077.		9,391.	23,535.
o Totalloppying expenditures	22,007.	2,011		5,051.	23,333.
d Grassroots nontaxable amount	119,043.	115,635.	126,311.	137,912.	498,901.
e Grassroots ceiling amount	and the second of the second o	A			
(150% of line 2d, column (e))					748,352.

Schedule C (Form 990 or 990-EZ) 2011

f Grassroots lobbying expenditures

Schedule C (Form 990 or 990-EZ) 2011 THE REASON FOUNDATION 95-329823 Part II-B | Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For	each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description	(a	а)	(b))
	e lobbying activity.	Yes	No	Amo	370
		50205	22.615	93/2019/5/0	
1	During the year, did the filing organization attempt to influence foreign, national, state or				
	local legislation, including any attempt to influence public opinion on a legislative matter				
	or referendum, through the use of:				
6	Volunteers?				
	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?				
	Media advertisements?				
	Mailings to members, legislators, or the public?				
	Publications, or published or broadcast statements?				
f	Grants to other organizations for lobbying purposes?	0 0			
ę	200 miles (100 miles (
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?				
	Other activities?				
	Total. Add lines 1c through 1i				
	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?				
	If "Yes," enter the amount of any tax incurred under section 4912				
	lf "Yes," enter the amount of any tax incurred by organization managers under section 4912				
_ (If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?				
Pa	rt III-A Complete if the organization is exempt under section 501(c)(4), section	on 501(c)	(5), or se	ction	
	501(c)(6).			1.00k	210
				Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?				
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?				
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?				
Pa	rt III-B Complete if the organization is exempt under section 501(c)(4), section				
	501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered answered "Yes."		(b) Part	III-A, IIn	e 3, IS
1	Dues, assessments and similar amounts from members		1		
2	Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political				
	expenses for which the section 527(f) tax was paid).				
ē	Current year		2a		
	Carryover from last year				
	: Total				
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues				
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the exc				
400. * 9	does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and p				
	expenditure next year?		4		
5	Taxable amount of lobbying and political expenditures (see instructions)		5		
	rt IV Supplemental Information				
Con	plete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part I-B, line 4; Part I-B, line 4; Part I-C, line 5; Part I-B, line 4; Part I-C, line 5; Part I-B, line 4; Part I-B, line 4; Part I-C, line 5; Part I-B, line 4; Part I-B,	art II-A: and	Part II-B. lin	ne 1. Also. d	complete
	part for any additional information.			00 000 DE00400	
	, — · · · - · · · · · · · · · · · · · · ·				
-					
,					

SCHEDULE D

(Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

➤ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. ➤ Attach to Form 990. ➤ See separate instructions. 2011
Open to Public Inspection

Name of the organization

THE REASON FOUNDATION

Employer identification number 95-3298239

Pai	rt I Organizations Maintaining Donor Advised	Funds or Other Similar Fund	s or Accounts. Complete if the
	organization answered "Yes" to Form 990, Part IV, line	6.	
		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		-
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		-
4	Aggregate value at end of year		
5	Did the organization inform all donors and donor advisors in wi	riting that the assets held in donor adv	ised funds
	are the organization's property, subject to the organization's ex		entransian to continue to
6	Did the organization inform all grantees, donors, and donor ad		
	for charitable purposes and not for the benefit of the donor or		
	impermissible private benefit?		2 F 16
Pai			
1	Purpose(s) of conservation easements held by the organization		and the second s
	Preservation of land for public use (e.g., recreation or ed		istorically important land area
	Protection of natural habitat		rtified historic structure
	Preservation of open space		The state of the s
2	Complete lines 2a through 2d if the organization held a qualifie	d conservation contribution in the form	of a conservation easement on the last
_	day of the tax year.		Total sorrous sales in sales in the last
	aa, or the tax your.		Held at the End of the Tax Year
а	Total number of conservation easements		
b	+ 101		0.1
С	Number of conservation easements on a certified historic structure.		200
d	Number of conservation easements included in (c) acquired af		
	listed in the National Register		Management of the Control of the Con
3	Number of conservation easements modified, transferred, release		
	year >		and which was the second of th
4	Number of states where property subject to conservation ease	ement is located >	
5	Does the organization have a written policy regarding the period		
	violations, and enforcement of the conservation easements it h	nolds?	Yes No
6	Staff and volunteer hours devoted to monitoring, inspecting, a	nd enforcing conservation easements	during the year ▶
7	Amount of expenses incurred in monitoring, inspecting, and er	nforcing conservation easements durin	g the year▶\$
8	Does each conservation easement reported on line 2(d) above	satisfy the requirements of section 17	O(h)(4)(B)(i)
	and section 170(h)(4)(B)(ii)?		Yes No
9	In Part XIV, describe how the organization reports conservation		
	include, if applicable, the text of the footnote to the organization	on's financial statements that describe	s the organization's accounting for
	conservation easements.		
Pai	rt III Organizations Maintaining Collections of		Other Similar Assets.
	Complete if the organization answered "Yes" to Form 9	90, Part IV, line 8.	
1a	If the organization elected, as permitted under SFAS 116 (ASC	958), not to report in its revenue state	ement and balance sheet works of art,
	historical treasures, or other similar assets held for public exhib	oition, education, or research in further	ance of public service, provide, in Part XIV,
	the text of the footnote to its financial statements that describe	es these items.	
b	If the organization elected, as permitted under SFAS 116 (ASC	958), to report in its revenue stateme	nt and balance sheet works of art, historical
	treasures, or other similar assets held for public exhibition, edu	ication, or research in furtherance of p	ublic service, provide the following amounts
	relating to these items:		
	(i) Revenues included in Form 990, Part VIII, line 1		> \$
	(ii) Assets included in Form 990, Part X		> \$
2	If the organization received or held works of art, historical treas		ial gain, provide
	the following amounts required to be reported under SFAS 116	6 (ASC 958) relating to these items:	
а	Revenues included in Form 990, Part VIII, line 1		> \$
b	Assets included in Form 990, Part X		

	t III Organizations Maintaining C	collections of A	THE PERSON NAMED IN COLUMN	easures, or Oth				Page Z
3	Using the organization's acquisition, accessi		**	W/W				
9	(check all that apply):	on, and other record	is, check any or the	TOHOWING THAT ARE A	signineant a	Se Of its	Collection	THEIRS
а	Public exhibition	d	Loan or evo	hange programs				
b	Scholarly research	e e	224606	nange programs				
C	Preservation for future generations	C	Outer					
4	Provide a description of the organization's co	ollections and explain	n how they further t	ne organization's ev	empt purpos	e in Par	E VIV	
5	During the year, did the organization solicit o					ociiii aii	. AIV.	
376	to be sold to raise funds rather than to be ma						Yes	☐ No
Par	t IV Escrow and Custodial Arran						1000	
	reported an amount on Form 990, Par		oto II alio olganizado	Transmissa 100 t	0 1 01111 000,	· care re, r		
	Is the organization an agent, trustee, custodi	APPAIRIO VIA COLLINIA DE CONCER	diary for contribution	s or other assets no	ot included			- 9
	on Form 990, Part X?					ĺ.	Yes	☐ No
b	If "Yes," explain the arrangement in Part XIV							
		enteriore de l'archeologie Proprié des estre de l'archeologie de l'archeol					Amount	*
С	Beginning balance				1c			o'
	Additions during the year							
	Distributions during the year				3.500			
f	Ending balance							
2a	Did the organization include an amount on Fe	orm 990, Part X, line	21?				Yes	☐ No
	If "Yes," explain the arrangement in Part XIV.							
Par	t V Endowment Funds. Complete i	f the organization an	swered "Yes" to Fo	rm 990, Part IV, line	10.			
		(a) Current year	(b) Prior year	(c) Two years back			(e) Four	years back
1a	Beginning of year balance	43,279.	42,279.		2 J. 1920	0,279.		
b	Contributions	1,000.	1,000.	1,000.		1,000.		- 14
	Net investment earnings, gains, and losses							
d	Grants or scholarships							
е	Other expenditures for facilities							
	and programs							
	Administrative expenses	959 VXS-4156	99703 VASSE 8 A	18000 VALS-100		eur versane		
g	End of year balance		43,279.		. 4	1,279.		76
2	Provide the estimated percentage of the curr	rent year end balanc	e (line 1g, column (a	a)) held as:				
	Board designated or quasi-endowment	SECTION	_%					
	Permanent endowment >	%						
С	Temporarily restricted endowment	%						
	The percentages in lines 2a, 2b, and 2c should be a sh	35						
За	Are there endowment funds not in the posse	ssion of the organiza	ation that are held a	nd administered for	the organiza	ation	Г	
	by:							Yes No
	(i) unrelated organizations						3a(i)	X
L							3a(ii)	^A
D	If "Yes" to 3a(ii), are the related organizations						3b	
Par	Describe in Part XIV the intended uses of the tVI Land, Buildings, and Equipm							
1 41	Description of property	(a) Cost or o		or other (c)	Accumulated	. 1	(d) Book	(value
	Description of property	basis (investr		Marie Contraction of the contrac	epreciation	'	(u) Book	value
10	Land			8,473.			1.90	3,473.
	Land Buildings			7,874.		_	52'	7,874.
D	Leasehold improvements	****		1,725.	21,72	5.	***	0 -
	Equipment	The state of the s		4,707.	893,03		101	L,670.
	Other			- / ·				_,
	. Add lines 1a through 1e. (Column (d) must e		X, column (B), line 1	0(c).)		>	2,538	3,017.

Schedule D (Form 990) 2011

Part VII Investments - Other Securities.	See Form 990, Part X, li	ne 12.	3170,05373,8800	rage
(a) Description of security or category (including name of security)	(b) Book value		(c) Method of valua ost or end-of-year mar	
(1) Financial derivatives				
(2) Closely-held equity interests				
(3) Other				
(A)				
(B)				
(C)	<u> </u>			
(D)	1			
(E) (F)				
(G)				
(H)				
(1)				
Total . (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶				
Part VIII Investments - Program Related.	See Form 990, Part X,	line 13.		
(a) Description of investment type	(b) Book value	С	(c) Method of valua ost or end-of-year mar	
(1)	3			
(2)				
(3)	4			
(4)				
(5)				
(6) (7)				
(8)				
(9)	\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.			
(10)				
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.)				
Part IX Other Assets. See Form 990, Part X, lin				100 Alexan (20)
View of the second of the sec	a) Description			(b) Book value
(1)				
(2)				
(3)				
(4)				
(7)				
(8)				
(9)				
(10)				
Total. (Column (b) must equal Form 990, Part X, col (B) li			>	
Part X Other Liabilities. See Form 990, Part X	K, line 25.			
1. (a) Description of liability		(b) Book value	4	
(1) Federal income taxes				
(2)				
(3)			-	
(4)			-	
(5) (6)	1		-	
(7)				
(8)				
(9)				
(10)				
(11)				
Total. (Column (b) must equal Form 990, Part X, col (B) li. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote 2. FIN 48 (ASC 740).	ne 25.)to the organization's financial	statements that reports the orga	unization's liability for uncerta	in tax positions under

2. FIN 4 132053 01-23-12

THE	REASON	FOUND	иотпи

	t XI Reconciliation of Change in Net Assets from Form 990 to A	N 13.4			:-I CI-I		<u></u>
		Audii	tea Fi	nanc		emen	NAME OF THE PARTY
1	Total revenue (Form 990, Part VIII, column (A), line 12)			_	1		9,106,846.
2	Total expenses (Form 990, Part IX, column (A), line 25)				2		8,784,862.
3	Excess or (deficit) for the year. Subtract line 2 from line 1				3		321,984.
4	Net unrealized gains (losses) on investments				4		303,085
5	Donated services and use of facilities				5		
6	Investment expenses				6		
7	Prior period adjustments			L	7		
8	Other (Describe in Part XIV.)				8		
9	Total adjustments (net). Add lines 4 through 8			L	9		303,085
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and				10		625,069
Pai	t XII Reconciliation of Revenue per Audited Financial Statemen	ts W	ith R	eveni	ue per F	Returi	
1	Total revenue, gains, and other support per audited financial statements					1	9,584,282
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	8					
а	Net unrealized gains on investments	2a		303	,083.	,	
	Donated services and use of facilities	2b				1	
	Recoveries of prior year grants	2c					
	Other (Describe in Part XIV.)	2d		174	,353		
	Add lines 2a through 2d					2e	477,436
3	Subtract line 2e from line 1					3	9,106,846
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:						
157	Investment expenses not included on Form 990, Part VIII, line 7b	4a	l				
	Other (Describe in Part XIV.)	4h				-	
	A CETT A CONTRACT TO A CONTRAC					4c	0.
							9,106,846
Da	rt XIII Reconciliation of Expenses per Audited Financial Statemen	nte V	Mith F	ynan	SAS NA		
20 oon						1	8,959,216.
1	Total expenses and losses per audited financial statements						0,555,210
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		l				
	Donated services and use of facilities	2a				4	
	Prior year adjustments	2b				4	
	Other losses	2c		1 - 1	254	4	
	Other (Describe in Part XIV.)	2d			,354	_	184 584
е	Add lines 2a through 2d					2e	174,354
3	Subtract line 2e from line 1					3	8,784,862
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	6					
а	Investment expenses not included on Form 990, Part VIII, line 7b	4a					
b	Other (Describe in Part XIV.)	4b					
C	Add lines 4a and 4b					4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)					5	8,784,862.
Pa	rt XIV Supplemental Information						
Com	olete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III,	lines '	1a and	4; Part	IV, lines	1b and	2b; Part V, line 4; Part
	e 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also comple				1950 PM		
	RT X, LINE 2: THE FOUNDATION IS EXEMPT FROM						
	•						
RE	VENUE CODE SECTION 501 (C) (3) AND CALIFORN	ΙA	REVI	ENUE	AND	TAX	ATION CODE
10							
SEC	CTION 23701(D). THE FOUNDATION IS SUBJECT '	ТО	A 2	t (1	% IF	CER	TAIN
				- 1			
CR.	TERIA ARE MET) FEDERAL EXCISE TAX ON NET I	NVE	стмі	ZNT.	TNCOM	Æ.	
CIV.	TIBRIA ARB MBI, IBDBRAD BRCIDE IAN ON NBI I	14.4.17	OIII	71/ T	111001	111.	
<i>D</i>							
λď	REQUIRED BY FASB ASC NUMBER 740-10, "ACCOUNT	мпт	אורי י	ZOD.	IINCET	эт х т	אוויע דאו
AD	VENOTIVED DI LUSO MOC NOMBER 140-10' ACCOON	14 T.T	140 1	· OR	OMCER	VIAT.	TAT T TIA
INC	COME TAXES," THE FOUNDATION RECOGNIZES THE	EFF	ECT	OF	INCO	1E T.	AX
POS	SITIONS ONLY IF THOSE POSITIONS ARE MORE LI	KEL	Y TI	HAN	NOT (OF B	EING
	*						

95-3298239 Page 5

Part XIV Supplemental Information (continued)
SUSTAINED. MANAGEMENT OF THE FOUNDATION DOES NOT BELIEVE THE FINANCIAL
STATEMENTS INCLUDE ANY UNCERTAIN TAX POSITIONS. THE FOUNDATION'S RETURNS
FOR THE YEARS ENDED SEPTEMBER 30, 2009, 2010, AND 2011, ARE SUBJECT TO
EXAMINATION BY FEDERAL AND STATE TAXING AUTHORITIES, GENERALLY FOR THREE
YEARS AFTER THEY ARE FILED.
PART XII, LINE 2D - OTHER ADJUSTMENTS:
REASON WEEKEND 174,353.
PART XIII, LINE 2D - OTHER ADJUSTMENTS:
REASON WEEKEND 174,353.
ROUNDING 1.
TOTAL TO SCHEDULE D, PART XIII, LINE 2D 174,354.

SCHEDULE G

(Form 990 or 990-EZ)

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No. 1545-0047

Open To Public

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. ► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

Inspection

Name of the organization	SON FOUNDATION					Employer ide 95-3298	ntification number 239
Part I Fundraising Activities required to complete this par	Complete if the organization answer t.	ered "Y	es" to	Form 990, Part IV, I	ine 17	. Form 990-EZ	filers are not
Indicate whether the organization rais a	e Solicitat f Solicitat g Special or oral agreement with any individual art VII) or entity in connection with p ividuals or entities (fundraisers) purs	tion of tion of fundra (includerofess	non-g gover sising o ding o ional f	overnment grants nment grants events fficers, directors, true undraising services?	stees (Yes	
(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) fundr have co or con contribu	ustody trol of	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)		(vi) Amount paid to (or retained by) organization
		Yes	No		17		
					9		
					9		
Total			>				
3 List all states in which the organization or licensing.	on is registered or licensed to solicit	contrib	utions	or has been notified	d it is e	exempt from re	egistration
							21
							*

Sch	edu	le G (Form 990 or 990 EZ) 2011 THE REA	SON FOUNDATI	ON	95-	-3298239 Page 2
Pa	ırt l	Fundraising Events. Complete if the	ne organization answered	"Yes" to Form 990, Par	t IV, line 18, or reported	more than \$15,000
		of fundraising event contributions and gr	oss income on Form 990 (a) Event #1 REASON WEEKEND (event type)	-EZ, lines 1 and 6b. List (b) Event #2 (event type)	(c) Other events NONE (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1	Gross receipts	238,126.	V		238,126.
	2	Less: Charitable contributions	84,121.			84,121.
13	3	Gross income (line 1 minus line 2)	154,005.			154,005.
	4	Cash prizes				
ses	5	Noncash prizes				
Direct Expenses	6	Rent/facility costs				
Direct	7	Food and beverages				
	9	Entertainment Other direct expenses Direct expense summary. Add lines 4 through	174,354.			174,354. (174,354;
Pa	11 irt	Net income summary. Combine line 3, colum III Gaming. Complete if the organization	n (d), and line 10answered "Yes" to Form	990, Part IV, line 19, or i	reported more than	-20,349.
		\$15,000 on Form 990-EZ, line 6a.	T.	A		
Revenue			(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
ď	1	Gross revenue				
ses	2	Cash prizes				
Expenses	3	Noncash prizes				
Direct	4	Rent/facility costs				
	5	Other direct expenses				
	6	Volunteer labor	Yes % No	Yes % No	Yes % No	
	7	Direct expense summary. Add lines 2 through	n 5 in column (d)		>	()
	8	Net gaming income summary. Combine line	1, column d, and line 7		>	
а	ls t	ter the state(s) in which the organization opera the organization licensed to operate gaming ac No," explain:	ctivities in each of these	states?		Yes No

b If "Yes," explain:

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

Schedule G (Form 990 or 990 EZ) 2011 THE REASON FOUNDATION 9	5-3298	3239	Page 3
11 Does the organization operate gaming activities with nonmembers?		Yes	No
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed			
to administer charitable gaming?		Yes	∟ No
13 Indicate the percentage of gaming activity operated in:	10-		0.0
a The organization's facility			<u>%</u> %
b An outside facility14 Enter the name and address of the person who prepares the organization's gaming/special events books and records			70
5 4 SHIPPIN SECREPORTURE STEERINGERS SECREPORTURE SECREPO			
Name			77
Address			
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?		Yes	☐ No
b If "Yes," enter the amount of gaming revenue received by the organization ▶\$ and the amoun	nt		
of gaming revenue retained by the third party > \$			
c If "Yes," enter name and address of the third party:			
Name			
Address >			ő
16 Gaming manager information:			
Name			-
Coming manager compensation • •			
Gaming manager compensation > \$			
Description of services provided			
:			
Director/officer Employee Independent contractor			
17 Mandatory distributions:			
a Is the organization required under state law to make charitable distributions from the gaming proceeds to			
retain the state gaming license?		Yes	☐ No
b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in	the		
organization's own exempt activities during the tax year ► \$ Part IV Supplemental Information. Complete this part to provide the explanations required by Part I. line 2b. column	en 1		B
Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, column lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information.			
			Ö
			8
			0

SCHEDULE J (Form 990)

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

Open to Public Inspection

Name of the organization

Department of the Treasury Internal Revenue Service

THE REASON FOUNDATION

Employer identification number 95-3298239

Pa	rt I Questions Regarding Compensation			
			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990,			
	Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	First-class or charter travel Housing allowance or residence for personal use			
	Travel for companions Payments for business use of personal residence			
	Tax indemnification and gross-up payments Health or social club dues or initiation fees			
	Discretionary spending account Personal services (e.g., maid, chauffeur, chef)			
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or			
***	reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,			
	trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
	tradicad, and the oboteker birotoli, regulating the forms of collection in the			
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's			
•	CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to			
	establish compensation of the CEO/Executive Director. Explain in Part III.			
	X Compensation committee Written employment contract			
	Independent compensation consultant Independent compensation consultant Independent compensation consultant			
	Torm 990 of other organizations X Approval by the board or compensation committee			
	Approval by the board of compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing			
4	organization or a related organization:			
	Receive a severance payment or change-of-control payment?	4a		х
				X
	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b 4c		X
C	Participate in, or receive payment from, an equity-based compensation arrangement?	40		21
	If "Yes" to any of lines 4a·c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation			
9	contingent on the revenues of:			
9		5a		х
	The organization? Any related organization?	5b		X
D	Any related organization? If "Yes" to line 5a or 5b, describe in Part III.	JD		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation			
U	contingent on the net earnings of:			
_		6a		х
	The organization?			X
D	Any related organization?	6b		
7	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments	7		Х
_	not described in lines 5 and 6? If "Yes," describe in Part III			23
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the			y
•	initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in	<u>_</u>		
	ROBUSTIONS COSTION 53 (MSR-6/01)			

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2011

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

		(B) Breakdown of	W-2 and/or 1099-MI	SC compensation	(C) Retirement and	(D) Nontaxable	(E) Total of columns	(F) Compensation
(A) Name	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(i)-(D)	reported as deferred in prior Form 990	
		212,231.	75,000.	0.	0.	0.	287,231.	0.
	ii)	0.	0.	0.	0.	0.	0.	0.
	(i)	223,322.	30,000.	0.	0.	0.	253,322.	0.
	ii)	0.	0.	0.	0.	0.	0.	
	(i)	121,667.	38,000.	0.	0.	0.	159,667. 0.	
	ii)	0. 175,807.	0. 30,000.	0. 0.	0.	0.	205,807.	
	(i)	0.	30,000.	0.	0.	0.	205,807.	
	(ii)	132,309.	25,000.	0.	0.	0.	157,309.	
	(i) (ii)	0.	0.	0.	0.	0.	0.	
	(i)	142,282.	30,000.	0.	0.	0.	172,282.	
	ii)	0.	0.	0.	0.	0.	0.	
	(i)	V	V		Ÿ			3
	ii)							
	(i)							
	ii)							
	(i)		5					
	ii)							
	(i)			,				
	(ii)							
	(i) (ii)							
	(i)	1	9	:				
	(ii)	3						
	(i)	-		,	,			
	ii)		,					
2	(i)							
	ii)							
	(i)							
	(ii)							
1000	(i)							
16	ii)							

SCHEDULE L

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Transactions With Interested Persons

► Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

Open To Public Inspection

Name of the organization

	e organization THE	E REASO	N FO	UNDATI	ON			197)5-32			unibei
Part I						n 501(c)(4) organizatio						
	Complete if the orga	nization ansv	vered "\	es" on Form	990, Part IV,	line 25a or 25b, or Fo	rm 990-E	Z, Part	V, line 40)b.	I (-) 0	
1	(a) Name of dis	qualified pers	on			(b) Description	of transa	ction			T BETTY I	rected?
											Yes	No
·												
O Entart	ha amazunt af tav impa	aaad an tha a	rassias	tion manages	ro av diagualifi	ad navaga duvia a the		dor				
section	the amount of tax impo		0.000		- 50	ea persons auring the	154		> \$			
	the amount of tax, if ar											
						57.535 www						
Part II	Loans to and/o	r From Int	ereste	d Person	S.							
55 M 20100				T		line 26, or Form 990-E	Τ' -			ravad	T	
(a) Name of interested person and purpose		(b) Loan the organ			inal principal mount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
		То	Fron	1			Yes	No	Yes	No	Yes	No
<i>)</i>		1		- 4				0	de			U
,		-		-					1			
-									1			
;												
,												
					121 13							
Total Part III	Grants or Assis	tance Ber	efitin	n Interest	▶ \$	e -						
i dit iii	Complete if the orga											
la	a) Name of interested		vereu i			een interested person	and	i	(c) Am	ount an	d type o	f
	,			(-)	the or	ganization	North August			assistar		•
5			1									
,			+					-				
												
·												
LIA ForD	ananyark Daduation	Act Notice	aga tha	Instructions	for Form 00	0 or 000 EZ		hobodu.	la I /Ear	m 000 c	* 000 E	7) 2011

Part IV Business Transactions Inv	volving Interested Persons.				1 age 2
	ered "Yes" on Form 990, Part IV, line 28a, 2	9h or 29a			
(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	organiz	aring of zation's nues?
TERI MOORE	OFFICER'S SPOUSE	4,548.	RUNS A COMP	Yes	No X
D IV IO I III I					
Part V Supplemental Information Complete this part to provide addi	1 itional information for responses to question	ns on Schedule L (see	instructions).		
SCH L, PART IV, BUSINESS		- 180			
		NG INIERESI	ED FERSONS.		
(A) NAME OF PERSON: TER	I MOORE				
(D) DESCRIPTION OF TRANS	SACTION: RUNS A COMPAN	Y WHICH PER	RFORMS EDITI	NG	
SERVICES FOR THE FOUNDAY	TION STUDIES.				
5					
5					

SCHEDULE 0

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or 990-EZ.

2011
Open to Public Inspection

Name of the organization

THE REASON FOUNDATION

Employer identification number 95-3298239

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

INDIVIDUAL LIBERTY, FREE MARKETS, AND THE RULE OF LAW. WE USE

JOURNALISM AND PUBLIC POLICY RESEARCH TO INFLUENCE THE FRAMEWORKS AND

ACTIONS OF POLICYMAKERS, JOURNALISTS, AND OPINION LEADERS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION: OPINION LEADERS.

FORM 990, PART VI, SECTION B, LINE 11: PRIOR TO FILING WITH THE IRS THE

DRAFT 990 WILL BE EMAILED TO THE ENTIRE BOARD OF TRUSTEES FOR REVIEW,

FEEDBACK WILL BE PROVIDED TO THE CFO.

FORM 990, PART VI, SECTION B, LINE 12C: TRUSTEES AND OFFICERS OF THE

FOUNDATION WILL COMPLETE A FORM TO CERTIFY THAT THERE ARE NO EXISTING

CONFLICTS. IF THERE ARE ANY CHANGES TO THAT STATUS THEY WILL COMPLETE AND

SUBMIT ANOTHER FORM.

OTHER EMPLOYEES HAVE CERTIFIED THAT THEY ARE AWARE OF THE POLICY AND WILL DISCUSS AND POTENTIAL CONFLICTS WITH THEIR IMMEDIATE SUPERVISOR.

FORM 990, PART VI, SECTION B, LINE 15: COMPARABLE DATA WAS ASSEMBLED FROM
PUBLIC 990 FILINGS FOR SIMILAR POSITIONS WITHIN OTHER NONPROFIT

ORGANIZATIONS AND PRESENTED TO THE FINANCE COMMITTEE OF THE BOARD OF
TRUSTEES WITH RECOMMENDATIONS FOR COMPENSATION. THE FINANCE COMMITTEE THEN
DISCUSSED AND APPROVED COMPENSATION IN AN EXECUTIVE COMMITTEE MEETING OF
THE FULL BOARD.

Name of the organization THE REASON FOUNDATION	Employer identification number 95-3298239
FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY	OF FORM 990:
AL, AK, AZ, AR, CA, CO, CT, FL, GA, HI, IL, KS, ME, MD, MA, MI, MN, MS, NH,	NJ,NM,NY,NC,ND,OH
OK,OR,PA,RI,SC,TN,UT,VA,WA,DC,WV,WI,KY,LA,MO	
FORM 990, PART VI, SECTION C, LINE 19: UPON REQUEST THE D	OCUMENTS WILL BE
MAILED OR E-MAILED TO THE REQUESTING PARTY.	
FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:	
NET UNREALIZED GAINS ON INVESTMENTS:	303,085.
FORM 990, PART XI, LINE 2C	
THE ORGANIZATION'S AUDIT COMMITTEE ASSUMES OVERSIGHT OVER	
	HAS REMAINED
THE SAME AS PRIOR YEAR.	

2011 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 10 990

Asset No.	Description	Date Acquired	Method	Life	Conv	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
	MANAGEMENT AND GENERAL														
1	FURNITURE & FIXTURES	VARIOUS	SL	3.00		16	880,899.				880,899.	866,124.		9,131.	875,255.
2	LEASEHOLD IMPROVEMENTS	VARIOUS	SL	5.00		16	21,725.				21,725.	21,725.		0.	21,725.
3	FURNITURE & FIXTURES	07/01/10	SL	3.00		16	20,848.				20,848.	4,585.		6,949.	11,534.
4	MACBOOK PRO DC OFFICE	12/01/11	SL	3.00		16	2,755.				2,755.			765.	765.
5	IMAC LA OFFICE (SHARIF)	12/01/11	SL	3.00		16	2,499.				2,499.			694.	69 4.
6	IMAC LA OFFICE (ALEX)	12/01/11	SL	3.00		16	2,775.				2,775.			771.	771.
7	MONTIOR LA OFFICE	12/01/11	SL	3.00		16	1,024.				1,024.			284.	284.
8	LAPTOP KATIE HOOKS	01/01/12	SL	3.00		16	1,298.				1,298.			325.	325.
9	MACBOOK PRO CHARLOTTE	05/01/12	SL	3.00		16	2,371.				2,371.			329.	329.
10	COMPUTER FOR CATHY R.	05/01/12	SL	3.00		16	1,431.				1,431.			199.	199.
11	COMPUTER FOR BARB BURCE	05/01/12	SL	3.00		16	2,383.				2,383.			331.	331.
12	COMPUTER FOR BOB POOLE	07/01/12	SL	3.00		16	1,557.				1,557.			130.	130.
13	2 SONY NEXFS700 CAMERAS DC	08/01/12	SL	3.00		16	15,998.				15,998.			889.	889.
14	2 SONY NEXFS700 CAMERAS LA	08/01/12	SL	3.00		16	15,998.				15,998.			889.	889.
15	2 SONY NEXFS700 CAMERAS NY	08/01/12	SL	3.00		16	15,998.				15,998.			889.	889.
16	LEXMARK COPIER DC	09/01/12	SL	3.00		16	6,269.				6,269.			174.	174.
17	OFFICE CHAIRS FOR LA OFFICE	10/01/12	SL	3.00		16	13,919.				13,919.			0.	

2011 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 10 990

Asset No.	Description	Date Acquired	Method	Life	C o n v	Line No.	Unad justed Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
18	COPY MACHINE	10/01/12	SL	3.00	1	16	5,758.				5,758.			0.	
19	BUILDING	10/01/12	SL	39.00	1	16	527,874.				527,874.			0.	
20	LAND	10/01/12	L				1,908,473.				1,908,473.			0.	
	* 990 PAGE 10 TOTAL MANAGEMENT AND GENERAL						3,451,852.				3,451,852.	892,434.		22,749.	915,183.
	* GRAND TOTAL 990 PAGE 10 DEPR						3,451,852.				3,451,852.	892,434.		22,749.	915,183.
					П										

Form	990-T	E	xempt Orga				ax Returr		2011	
	tment of the Treasury al Revenue Service	Force	(a) alendar year 2011 or other tax y	nd proxy tax under tear beginning OCT 1			EP 30, 20	12	pen to Public Inspection for 1(c)(3) Organizations Only	
A	Check box if address changed			Check box if name cl			•	D Employ	er identification number yees' trust, see	
	kempt under section	Print	THE REASON	FOUNDATION				The second second second	3-3298239	
X	501(c)(3)	or Type	Number, street, and roon		c, see in	structions.		E Unrelated business activity codes (See instructions.)		
	408(e) 220(e)	Lype	5737 MESMER						•	
<u></u>	408A530(a)		City or town, state, and Z						A second Administra	
	529(a)		LOS ANGELES	150 EST	-63	16		5111	.20	
C Bo	ok value of all assets end of year		exemption number (See i			When services a representation	The second of th			
_ 7	,352,487.		corganization type 🕨			501(c) trust	401(a) trust		Other trust	
			ary unrelated business acti			STATEMENT 1		Fast	1 ++1 32	
	77.0 E. S	70	oration a subsidiary in an	1270 FF 15	ıt-subsi	diary controlled group?		Yes	X No	
			tifying number of the parer					2101	201 204E	
			JONATHAN GRA de or Business Inc			(A) Income	ne number 🕨 ((B) Expense:	310)	391-2245 (C) Net	
1500 3000	Machine Committee Committe		ae or business ind	юте	i	(A) Ill collie	(D) Expense:	,	(O) Net	
	Gross receipts or sale		22	• Dolonos	4					
	Less returns and allo		A line 7)		1c			-	20	
2 3	Gross profit. Subtrac		A, line 7)	ATTENDED TO A MARK THE PARK TH	3				<u> </u>	
- 2	CANDON AND AND AND AND AND AND AND AND AND AN		h Schedule D)		4a				2º	
			art II, line 17) (attach Forn		4b				7,	
			sts		4c					
5	Income (Ince) from n	artnoreh	ips and S corporations (at	tach etatomont)	5					
6	Rent income (Schedu		ipo ana o oorporanono (at	1400 10000000000	6					
7			ne (Schedule E)		7				***	
8			and rents from controlled a		8				0	
9			on 501(c)(7), (9), or (17) o						**	
-	70 T T L 6V			Part Of September 2 of Contract September 2	9					
10	(c)		me (Schedule I)		10	16,939.	3,8	86.	13,053.	
			(J)		11	120,176.	117,8		2,277.	
12	Other income (See in	struction	s; attach schedule.)		12	***				
			gh 12		13	137,115.	121,7	85.	15,330.	
Pa			ot Taken Elsewhe							
10	(88) 8		utions, deductions mus				53	W. W.		
14	Compensation of of	ficers, di	rectors, and trustees (Sch	edule K)	,			14		
15								15		
16								16	78	
17								17		
18								18		
19	Taxes and licenses							19		
20			e instructions for limitation					20		
21			562)							
22			n Schedule A and elsewher					22b	Ø ¹	
23	Depletion						The satisfication of the satis	23	7,	
24			mpensation plans					24		
25 26	Employee benefit pr	(E)	shadula IV					25 26		
26 27	Excess exempt expe	oete (So	chedule I)					26		
28			hedule J)					28	*	
28 29			edule) es 14 through 28					28	0.	
30			rcome before net operating					30	15,330.	
31			(limited to the amount on					31	15,330.	
32	Unrelated business	taxahlo ir	ncome before specific dedi	uction Subtract line 21 fr	om line	30		32	0.	
33			/ \$1,000, but see instruction					33	1,000.	
34			able income. Subtract lir					04		

Form 990-T	(2011)	THE REASON	FOUI	TAC	ION				95-3	3298	239	Ра	age
Part II	1 7	Tax Computation											
35	Orgai	nizations Taxable as Corpora	tions. S	ee instr	uctions for tax	computation.							
	Contr	olled group members (section	s 1561	and 156	63) check here	► Se	e instructions ar	nd;					
		your share of the \$50,000, \$2			925,000 taxabl	e income bracl	kets (in that orde	er):					
	(1)	\$	(2)	\$		(3)	\$						
		organization's share of: (1) A											
		dditional 3% tax (not more tha											
		ne tax on the amount on line 3								> :	35c		0
		s Taxable at Trust Rates. See											
		Tax rate schedule or	Schedul	le D (Fo	rm 1041)					>	36		
37		tax. See instructions									37		
		Wat BY BY W							************		38		
39	Total	. Add lines 37 and 38 to line 3									39		0
		Tax and Payments		***									
40a	Foreig	ın tax credit (corporations atta	ıch Form	ı 1118;	trusts attach F	orm 1116)		40a					
C	Gene	al business credit. Attach Forr											
		t for prior year minimum tax (a											
		credits. Add lines 40a throug									40e		
											41		0
42	Other	taxes. Check if from: Fo	rm 4258	5	Form 8611	Form 869	7	366	Other (attach sched	dule)	42		_
										2000	43		0
		ents: A 2010 overpayment cr											
		estimated tax payments											
		eposited with Form 8868								_			
		jn organizations: Tax paid or v											
		up withholding (see instruction											
		t for small employer health ins											
					0.400					-			
ð		Form 4136						44g					
45			uah 44c	1			 :				45		
46	Fetim	payments. Add lines 44a thro ated tax penalty (see instruction	ngii 44g me) Ch	ock if F	orm 2220 ie at	tached					46		_
		ue. If line 45 is less than the to									47		0
		payment. If line 45 is larger th									48		ŏ
		the amount of line 48 you war					Overpaid		Refunded	2010	49		_
Dart V	LIILGI	Statements Regardii	na Ce	rtain	Activities	and Othe	er Informat	ion (see	e instructions)		פר		_
	10000	e during the 2011 calendar ye	0.000.00		40 7040 08	NATIONAL PROPERTY.	267 788	2-5471 Y0926	C425 24 24 24	ial accou		Yes	No
	-5	e during the 2011 calendar ye urities, or other) in a foreign c	5	-			3.70					163	NO
									rteport or roreign t	oank and	1		X
2 Durin	g the t	Accounts. If YES, enter the nar ax year, did the organization receive natructions for other forms the orga	a distrib	ution fro	m, or was it the g	ranto r of, or trans	feror to, a foreign t	rust?					X
		nstructions for other forms the orga amount of tax-exempt interest										DOM:	
Sched	ם וווי	A - Cost of Goods S	old =	ntor m	othod of invo	e tax year population	on ▶ N /2	Δ					
		at beginning of year	1	inter ini	etilod of life	10000	tory at end of ye				6		_
8 98 9	hases	0 0 00 110000110	2			_	of goods sold. S		in a 6		<u> </u>		_
		oor	3			—	line 5. Enter her				7		
		section 263A costs	4a			100000000000000000000000000000000000000	e rules of sectio		NO PROPERTY PROPERTY AND ADDRESS.			Yes	No
		is (attach schedule)	4b						with respect to I for resale) apply t	0		163	NO
		I lines 1 through 4b	5				rganization?	aoquii cu	i ioi resale) apply i	U			Х
0 TOLA	u. Aut	der penalties of perjury, I declare th		examine	d this return, incl			statement	s. and to the best of m	v knowle	dge and belie		
Sign	co	rrect, and complete. Declaration of	oreparer (other tha	n taxpayer) is ba	sed on all informa	ition of which prepa	arer has an	y knowledge.	27	14401	97 - 61	
Here					Î	L	PRESTDI	ENT A	AND CEO		the IRS discu reparer show	ıss this return wit n below (see	ıh
		Signature of officer			Date	— ,	Title	U111 1	ELID CLC	- 10			No
	26.50	Print/Type preparer's name			Preparer's si	anaturo		ate	Check	if	PTIN	. 169	IV
1900 N 12		i inin iyye hicharer ə iraille			Trichard 2 St	griatul 5	De	self- empl		I THE			
Paid		JENIFER SIOU							Sen- empi	oyeu	PONE	16514	
Prepa		Firm's name ► NSBN	T.T.D		L				Firm's EI	M 🛌		399533	
Use O	nly			וופון	TRE RI	VD . 4'	TH FLOOR	₹	FIIIII S EI	IN P	75 2577555		
		Firm's address ► BEV							Phone no	. 1	31012	73-250	1
		DEV			LLD, C	JUAL	/U/		I ETIONE N	. 1	0 - 0 / 4	, 5 450	_

Form **990-T** (2011)

Schedule C - Rent Incom	ne (From R	eal Prope	rty and	l Personal	Propert	ty Lease	ed With Real P	rope	rty) (see instructions)	
1. Description of property										
(1)										
(2)										
(3)										
_(4)										
		received or accrue					3(a) Deductions dire	ctly cor	nnected with the income in	
(a) From personal property (if the rent for personal property is 10% but not more than	more than		of rent for p	nd personal proper ersonal property ex t is based on profit		columns 2(a) and 2(b) (attach schedule)				
(1)										
(2)										
(3)										
(4)		<u> </u>								
Total		O . Total				0.	(h) Total deduction			
(c) Total income. Add totals of columbere and on page 1, Part I, line 6, columber 2.	umn (A)	· ·····•				0.	(b) Total deductions Enter here and on page Part I, line 6, column (B)		0.	
Schedule E - Unrelated D	Debt-Finan	ced Incon	10 (see i	instructions)						
				2. Gross inc	nama fram		Deductions directly to debt-fir			
1. Description of de	bt-financed proper	ty		or allocable financed	e to debt-	(a)	Straight line depreciation (attach schedule)		(b) Other deductions (attach schedule)	
(1)				1		<u> </u>				
(2)								-		
(3)								\dashv		
(4)										
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) 5. Average adjusted by of or allocable to debt-financed proper (attach schedule)				6. Golumn by colu			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)					%	D				
(4)					%	D				
							nter here and on page 1, art I, line 7, column (A).		Enter here and on page 1, Part I, line 7, column (B).	
Totals						▶		0.	0.	
Total dividends-received deduction	is included in co	olumn 8						. >	0.	
Schedule F - Interest, An	inuities, Ro	yalties, ai					nizations (see in	nstruc	tions)	
Name of controlled organization		2.		t Controlled O	Ī	4.	5. Part of column	that is	6. Deductions directly	
	Emplo	yer identification number	(loss) (s	nrelated income see instructions)	paym	of specified ents made	included in the con organization's gross	income	connected with income in column 5	
(1)										
(2)										
(3)										
(4)										
Nonexempt Controlled Organizat	ions									
7. Taxable Income	8. Net unrelated (see instru		9 . To	tal of specified pay made	ments	in the cont	olumn 9 that is included trolling organization's ross income		Deductions directly connected with income in column 10	
(1)										
(2)										
(3)										
(4)										
·						Enter here	olumns 5 and 10. and on page 1, Part I, 8, column (A).	Ent	Add columns 6 and 11. ter here and on page 1, Part I, line 8, column (B).	
Totals							0.		0.	
i otals							J •	1	•	

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

Totals Part I, line 9, column (A). O. Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions) 1. Description of exploited activity 2. Gross unrelated business income from trade or business income from trade or business income (1) MAILING LIST (2) RENTAL 16, 939. 3, 886. 13, 053. (3) (4) Enter here and on Enter here an	5. Total deductions and set-asides (col. 3 plus col. 4)	4. Set-asides (attach schedule)	Deductions directly connected (attach schedule)	2. Amount of income		iption of income	1. Descri
(2) (3) (4) Enter here and on page 1, Part 1, line 9, column (A). Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions) 1. Description of exploited activity 1. Description of exploited Exempt Activity Income, Other Than Advertising Income 1. Description of exploited business income from activity that is not unrelated business (column 2) from unrelated business (column 3). If a gain, compute cols. 5 through 7. (1) MAILING LIST (2) RENTAL 16, 939. 3, 886. 13, 053. Enter here and on En							(1)
(3) (4) Enter here and on page 1, Part I, line 9, column (A). Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions) 1. Description of exploited activity 1. Description of exploited activity 1. Description of rade or business income from trade or business income 1. Description of exploited activity 1. Description of exploited Exempt Activity Income, Other Than Advertising Income from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. 1. Description of exploited Exempt Activity Income, Other Than Advertising Income 1. Description of exploited Exempt Activity Income, Other Than Advertising Income 1. Description of exploited Exempt Activity Income, Other Than Advertising Income 1. Description of trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. 1. Description of exploited Exempt Activity Income, Other Than Advertising Income 1. Description of trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. 1. Description of trade or business income 1. Description of trade or business income 2. Gross income from trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. 2. Gross income from trade or business income 3. Gross income from trade or business income 4. Net income (loss) trade or business income from activity that is not unrelated business income 3. Gross income from trade or business income 4. Net income (loss) trade or business income from activity that is not unrelated trade or business income 4. Net income (loss) trade or business income from activity that is not unrelated business income from activity that is not unrelated business income from activity that is not unrelated trade or business income from activity that is not unrelated trade or business income from activity th							
Column (A) Enter here and on page 1, Part I, line 9, column (A)							(3)
Totals Part I, line 9, column (A). O. Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions) 1. Description of exploited activity 2. Gross unrelated business income from trade or business income from trade or business income (1) MAILING LIST (2) RENTAL 16, 939. 3, 886. 13, 053. (3) (4) Enter here and on Enter here an							
Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions) 1. Description of exploited activity 2. Gross unrelated business income from trade or business income trade or business income (1) MAILING LIST (2) RENTAL 16, 939. 3, 886. 13, 053. (4) Enter here and on Enter here and on Enter here and on	Enter here and on page 1 Part I, line 9, column (B).						
Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions) 1. Description of exploited activity 2. Gross unrelated business income from trade or business income trade or business income (1) MAILING LIST (2) RENTAL 16,939. 3,886. 13,053. (4) Enter here and on Enter here and on Enter here and on	0			0.	•		otals
(2) RENTAL 16,939. 3,886. 13,053. (3) (4) Enter here and on Enter here and on	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).	attributable to	from activity that is not unrelated	from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5	directly connected with production of unrelated	2. Gross unrelated business income from	1. Description of
(3) (4) Enter here and on Enter here and on							(1) MAILING LIST
(4) Enter here and on Enter here and on				13,053.	3,886.	16,939.	(2) RENTAL
Enter here and on Enter here and on							(3)
line 10, col. (A). line 10, col. (B).	Enter here and on page 1, Part II, line 26.				page 1, Part I,	page 1, Part I,	
Totals ▶ 16,939. 3,886.	0				3,886.	16,939.	otals •

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)					7	
NOTE OF BUILDING AND AN AND AND AN AND AND AND AND AND A						
Totals (carry to Part II, line (5))	0.	0.	1000			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) REASON MAGAZINE	120,176.	117,899.	2,277.			
(2)						
(3)				g		
(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)	120,176.	117,899.				0.

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

1. Name	2. Title	3. Percent of time devoted to business	Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total . Enter here and on page 1, Part II, line 14			0.
-0			000 T

Form **990-T** (2011)

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

STATEMENT

1

THE REASON FOUNDATION PUBLISHES REASON MAGAZINE ON A MONTHLY BASIS. THE MAGAZINE GENERATES UNRELATED BUSINESS INCOME IN THE FORM OF MAGAZINE ADVERTISING.

TO FORM 990-T, PAGE 1

FOOTNOTES

STATEMENT

ELECTION TO WAIVE THE NET OPERATING LOSS CARRYBACK PERIOD

THE REASON FOUNDATION ELECTS, PURSUANT TO SEC. 172(B)(3) OF THE INTERNAL REVENUE CODE, TO RELINQUISH THE ENTIRE CARRYBACK PERIOD WITH RESPECT TO THE NET OPERATING LOSS INCURRED FOR THE TAX YEAR ENDED SEPTEMBER 30, 2012, AND WILL HAVE SUCH LOSS AVAILABLE FOR CARRYFORWARD ONLY.

FORM 990-T SCHEDULE I - EXPENSES DI PRODUCTION OF UNRELAT	STATEMENT	3		
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL	
LIST PREPARATION AND MEDIA - SUBTOTAL	- 1	3,886.	3,8	86.
TOTAL OF FORM 990-T, SCHEDULE I, COLUMN	3		3,8	86.

Department of the Treasury Internal Revenue Service (99) Name(s) shown on return

Depreciation and Amortization (Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

Business or activity to which this form relates

990

OMB No. 1545-0172

Attachment Sequence No. 179

THE DEACON POINTATION

EODM 990 DACE 10

Identifying number 95-3298239

	E REASON FOUNDATION	e and store appears when				AGE IU			93-3290239
Pa	rt Election To Expense Certain Proper	ty Under Section 1	79 Note: If you have any	listed pr	operty, c	complete Part	V be	fore y	
1	Maximum amount (see instructions)							1	500,000.
2	Total cost of section 179 property place	ed in service (see	instructions)					2	*
3	Threshold cost of section 179 property	before reduction	in limitation					3	2,000,000.
	Reduction in limitation. Subtract line 3 f							4	
	Dollar limitation for tax year. Subtract line 4 from line						And Caroline Co.	5	
6	(a) Description of pro	perty	(b) Cost (bu	siness use	only)	(c) Elected	d cost		
10					310				
Ja -									
7	Listed property. Enter the amount from	line 29			7				
	Total elected cost of section 179 prope			STORY OF THE PROPERTY OF THE P				8	
	Tentative deduction. Enter the smaller							9	
	Carryover of disallowed deduction from							10	*
	Business income limitation. Enter the sr							11	7
	Section 179 expense deduction. Add lir						2000000	12	-
	Carryover of disallowed deduction to 20				13				-
	e: Do not use Part II or Part III below for								3
Pa	Irt II Special Depreciation Allowa	nce and Other D	epreciation (Do not inc	lude liste	ed prope	erty.)			
	Special depreciation allowance for qual								*
	the tax year					Washington or and		14	
	Property subject to section 168(f)(1) ele							15	
	Other depreciation (including ACRS) .							16	22,749.
	Int III MACRS Depreciation (Do no	t include listed p	roperty.) (See instruction	s.)					
			Section A	,					
17	MACRS deductions for assets placed in	s convice in tay v	TO AND ARREST TO A PART OF THE WORLD OF THE WORLD OF	11				17	
	If you are electing to group any assets placed in serv					2	Τ' Ι		
10			ce During 2011 Tax Yea				ation	Syst	em
	35 mil (15.2 day) (11.17 M. of 16.57)	(b) Month and	(c) Basis for depreciation	1	Recovery				
	(a) Classification of property	year placed in service	(business/investment use only - see instructions)	(6)	period	(e) Convention	(f) M	ethod	(g) Depreciation deduction
19a	3-year property		50 10			- l		-	
<u>13a</u>	5-year property	-				-			
	7-year property	_				do .			794
c d	10-year property	-		+			-	-	-
— e	15-year property	_		-			l .		
-	20-year property	_		h		- h	l —	-	
	25-year property	_			E vec	-	١.	\$/L	
<u>g</u>	25-year property	1		71 (2	5 yrs.	D 4D 4	_		
h	Residential rental property	<i></i>			.5 yrs.	MM		\$/L	,
-		/			.5 yrs.	MM	F	S/L	
i	Nonresidential real property	1		3	9 yrs.	MM		\$/L	
-	Continu O Annata D	/	During 0011 Tay Vacu	llaina th		MM Danua		5/L	
		iaced in Service	During 2011 Tax Year	Using tr	ie Aiteir	Tative Depre	1		stem
20a	United to Company and the Company of						_	\$/L	
<u>b</u>		42			2 yrs.	20000		\$/L	<i>2</i> -
C D		/		4	0 yrs.	MM	S	S/L	
	Summary (See instructions.)	1212						32503	_
	Listed property. Enter amount from line							21	
	Total. Add amounts from line 12, lines			emas manasas					00 540
	Enter here and on the appropriate lines			rations -	see inst	r		22	22,749.
	For assets shown above and placed in				.000.000				
1	portion of the basis attributable to secti	on 263A costs	*************		23			!	

Form 4562 (2011) THE REASON FOUNDATION

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution: See the instructions for presenger surroundble) 42 (a) trype to into businesskinding and the surround	_	through (c) of								V2 V2	o 10 920					
(g) type of pipetry (list vehicles first) Display (list vehicles first) Section at character of vehicles to your employees, first answer the questions in Section C to see if you meet an exception for completing while section for the town with the display of the vehicles to your employees, first answer the questions in Section C to see if you meet an exception for completing while so your employees. Add amounts in column (i), line 26 that here were the questions in Section C to see if you meet an exception to completing this section for the those vehicles. Total full will be driven during the year. Add ines 30 through 32. Add the softward during the year. Add line 30 through 32. Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer than 5% owner or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles. District of the district or the district or the section of the district or t		G1 3E000GE000GE001 60	PROCESS OF A LONG OF A LONG OF	Charles Transference III March 1997		A CONTRACT OF THE PARTY OF THE	aution: S	See the i	nstruc	tions for li	mits for _l	oasseng	er auton	nobiles.)		
Property used depreciation allowance for qualified businesse use Property used more than 50% in a qualified businesse use 25	248	a Do you have evidence to	support the bu	siness/investme	nt use cl	aimed?	Y	es	No	24b If "Y	es," is th	ne evide	nce writt	en?	Yes	No
used more than 50% in a qualified business use: 26 Property used more than 50% in a qualified business use: 27 Property used more than 50% in a qualified business use: 28 Property used 50% or less in a qualified business use: 29 Property used 50% or less in a qualified business use: 20 Property used 50% or less in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Property used 50% or less in a qualified business use: 29 Property used 50% or less in a qualified business use: 29 Property used 50% or less in a qualified business use: 29 Property used 50% or less in a qualified business use: 29 Property used another in column (i), line 26 Brough 27 Enter here and on line 21, page 1 29 Add amounts in column (i), line 26 Enter here and on line 21, page 1 29 Add amounts in column (ii), line 26 Enter here and on line 27, page 1 29 Add amounts in column (ii), line 26 Enter here and on line 27, page 1 29 Add amounts in column (ii), line 26 Enter here and on line 27, page 1 29 Add amounts in column (iii), line 26 Enter here and on line 27, page 1 29 Add amounts in column (iii), line 26 Enter here and on line 27, page 1 29 Add amounts in column (iii), line 26 Enter here and on line 27, page 1 29 Add amounts in column (iii), line 26 Enter here and on line 27, page 1 20 Total or include community in line 20 Property in a page 20 Property in a	2	Type of property	Date placed in	Business/ investment	e of	Cost or	/bus	is for depre siness/inve	stment	Recovery	Me	thod/	Depre	Depreciation		cted on 179
27 Property used 50% or less in a qualified business use:	25	Special depreciation all	owance for q	ualified listed p	roperty	/ placed	in servic	ce during	the t	ax year ar	ıd					
27 Property used 50% or less in a qualified business use:		used more than 50% in	a qualified b	usiness use								25				
1	26															
1				9/	6											
27 Property used 50% or less in a qualified business use:			1 1	%	ó											
1			1 1	%	6											
1	27	Property used 50% or	less in a quali	fied business (use:					•					•	
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1	10		1 1	9/	6						S/L-					
28 Add amounts in column (h), line 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (h), line 25 Enter here and on line 7, page 1 29 Section B - Information on Use of Vehicles Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles for the your meet an exception to completing this section for those vehicles for the your meet an exception to completing this section C to see if you meet an exception to completing vehicle vehi	-			9/	ó						S/L -				1	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 Section B - Information on Use of Vehicles Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles. 30 Total business/investment miles driven during the year (April 1998)			1	%	ó						S/L-				1	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 Section B - Information on Use of Vehicles Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles. 30 Total business/investment miles driven during the year (April 1998)	28	Add amounts in column	n (h), lines 25	through 27. Er	nter her	e and or	line 21.	page 1				28			1	
Section B - Information on Use of Vehicles Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles. 1														29		
Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles. 30 Total business/investment miles driven during the year (do not include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle available for personal use during off-duty hours? 36 Is another vehicle available for personal use use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits personal use of vehicles, including commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners. 40 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners. 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: if your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Part VI Amortization of costs that begins during your 2011 tax year. 43 Amortization of costs that begins during your 2011 tax year.			(7)	10.00	DOLLAR SANATA SANATA	and the second	With College Actions	Character and a contract of the contract of th	12-100-00-00-00-0						• · · · · · · · · · · · · · · · · · · ·	
30 Total business/investment miles driven during the year (do not include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven. 32 Total other personal (noncommuting) miles driven during the year. Add lines 30 through 32 Add li	If y	ou provided vehicles to												ng this s	·	
31 Total commuting miles driven during the year 22 Total other personal (noncommuting) miles driven	30	Total business/investment	miles driven d	uring the	100000	100 may 1	1000		V		0000		1000	35°3	20000000	
Total other personal (noncommuting) miles driven. 3 Total miles driven during the year. Add lines 30 through 32. 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Legal Manorization 10 June and the vehicles of your 2011 tax year: 11 June 12 June 1		year (do not include com	muting miles)													
driven driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? 40 Do you provide more than five vehicles to your employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Code Amortization for this year. 43 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that begins before your 2011 tax year.	31	Total commuting miles	driven during	the year							3				O	
33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners. 38 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs that begins during your 2011 tax year: (b) Description of costs that begins during your 2011 tax year: (c) Code Amortization period or percentage. (d) Amortization of costs that began before your 2011 tax year: (e) Code Amortization period or percentage.																
33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners. 38 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs that begins during your 2011 tax year: (b) Description of costs that begins during your 2011 tax year: (c) Code Amortization period or percentage. (d) Amortization of costs that began before your 2011 tax year: (e) Code Amortization period or percentage.		driven														
34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use? 37 Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. 42 Amortization (a) Description of costs that begins during your 2011 tax year: (b) (c) Code Begins Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year.	33	Total miles driven durin	g the year.													
during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: if your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a)	34				Voe	No	Voc	No	Voc	. No	Voc	No	Voe	No	Voc	No
35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: if your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) (b) (c) (c) (d) (e) (f) (amortization period or percentage amount for this year. 42 Amortization of costs that begins during your 2011 tax year: (a) (b) (c) (c) (c) (d) (e) (f) (f) (f) (f) (f) (f) (f) (f) (f) (f	07		A CARLO CONTRACTOR DOCUMENTO	CARRIED CERCENTAGO	103	INO	103	140	103	, INO	103	140	103	140	163	140
than 5% owner or related person? Is another vehicle available for personal use? Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Description of costs that begins during your 2011 tax year:	25			A - A CONTROL A												
Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Description of costs that begins during your 2011 tax year:	00															
Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) (b) (c) (d) (e) (f) (f) (f) (f) (f) (f) (f) (f) (f) (f	26			THE CONTRACTOR CONTRAC												
Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Code Amortization period or percentage (a) (b) (c) (d) (e) (d) (e) (f) (f) (f) (f) (f) (f) (f) (f) (f) (f	00			No. 11 Table												
Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization Code	-	430:			or Emp	lovers V	/ho Pro	vide Vel	nicles	for Llee h	v Their I	I Employ	206		8 3	\$
owners or related persons. 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs (b) Data amortization Amortizable amount Amortizable section Amortization For this year 42 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year 43	Δnc	awer these questions to												re not m	ore than	50%
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs (b) Date amortization begins Amortizable amount Amortizable section Broad or percentage 43 Amortization of costs that began before your 2011 tax year. 43 Amortization of costs that began before your 2011 tax year.			determine ii	you meet an ex	ceptioi	r to com	pieting	36011011	D 101 V	or il cross de	ied by ei	прюусс	3 WIIO ai	e not n	iore triair	370
employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs (a) Description of costs that begins during your 2011 tax year: (b) Date amortization Amortizable amount amount (c) Code Amortization period or percentage (d) Amortization for this year 43 Amortization of costs that began before your 2011 tax year.		2017 NO 08	en nolicy stat	ement that nr	hihite :	all nerso	nal use r	of vehicle	es inc	ludina cor	nmutina	by you	r		Vas	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) (b) Date amortization (c) Amortizable amount (d) Code Amortization period or percentage period or percentage for this year 42 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year	0,	353	N231 (658)	58		55			.55	6 /		50 250 50	'		103	110
employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs (b) Date amortization (c) Amortizable arount amount Code Section Period or percentage 42 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year 43	38														•	
39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs (b) Date amortization Amortizable amount Amortization period or percentage 42 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year	enter e	A STATE OF THE STA	A TOP TO BE COME TO THE PARTY OF THE PARTY O	11-000-0000-04 nii 10000000 N. S.												
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs Date amortization begins Amortizable amount Code Amortization period or percentage Amortization for this year 42 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year	30															
the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs Date amortization begins Amortizable amount Amortizable amount Section Amortization period or percentage 42 Amortization of costs that begins during your 2011 tax year: 43 Amortization of costs that began before your 2011 tax year															· -	
41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) Description of costs (b) Date amortization begins Amortization begins (c) Amortizable amount Code section Amortization period or percentage 42 Amortization of costs that begins during your 2011 tax year:																
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. Part VI Amortization (a) (b) (c) (d) (e) (f) (f) (f) (f) (f) (f) (f) (f) (f) (f	41															1
Part VI Amortization (a)	7.															L
(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code Section (f) Amortization period or percentage (f) Amortization for this year (f) Amortization of costs that begins during your 2011 tax year:	P		0., 00, 00, 7	0,014710 100	, 40 17	oc oomp.	0.00			, , , , , , , , , , , , , , , , , , ,	inicioo;				l l	
42 Amortization of costs that begins during your 2011 tax year: iiii 43 Amortization of costs that began before your 2011 tax year 43		(a)	of costs		mortization		(C) Amortizat	ole		(d) Code section		Amortiza	tion	Ai	(f) mortization	
43 Amortization of costs that began before your 2011 tax year 43	42	Amortization of coets the	nat hadine du	The state of the s	10.	I	204111	•		5551011		henoa at bet	oentage		,041	
43 Amortization of costs that began before your 2011 tax year 43	42	/ anortization of costs ti	iai pegiris du	ining your 2011		u					Ĩ		Ť			
43 Amortization of costs that began before your 2011 tax year 43									+				- 			
	42	Amortization of costs #	not boson ha			l							42			

2011 DEPRECIATION AND AMORTIZATION REPORT

- CURRENT YEAR FEDERAL - THE REASON FOUNDATION

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unad justed Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	MANAGEMENT AND GENERAL											
1		VARIES	SL	3.00	16	880,899.			880,899.	866,124.		9,131.
2	LEASEHOLD IMPROVEMENTS	VARIES	SL	5.00	16	21,725.			21,725.	21,725.		0.
3		070110	SL	3.00	16	20,848.			20,848.	4,585.		6,949.
4		120111	SL	3.00	16	2,755.			2,755.			765.
5	IMAC LA OFFICE (SHARIF) IMAC LA OFFICE	120111	SL	3.00	16	2,499.			2,499.			694.
	(ALEX)	120111	SL	3.00	16	2,775.			2,775.			771.
7	MONTIOR LA OFFICE	120111	SL	3.00	16	1,024.			1,024.			284.
	LAPTOP KATIE HOOKS MACBOOK PRO	010112	SL	3.00	16	1,298.			1,298.			325.
9		050112	SL	3.00	16	2,371.			2,371.			329.
10	R. COMPUTER FOR BARB	050112	SL	3.00	16	1,431.			1,431.			199.
	COMPUTER FOR BOB	050112		3.00		2,383.			2,383.			331.
1111111111	2 SONY NEXFS700	070112			16	1,557.			1,557.			130.
	2 SONY NEXFS700	080112			16	15,998.			15,998.			889.
	2 SONY NEXFS700	080112			16	15,998. 15,998.			15,998. 15,998.			889. 889.
		080112 090112		3.00		6,269.			6,269.			174.
	OFFICE CHAIRS FOR	100112		3.00		13,919.			13,919.			0.

2011 DEPRECIATION AND AMORTIZATION REPORT

- CURRENT YEAR FEDERAL - THE REASON FOUNDATION

Description	Dat Acqui	e ired	Method	Life	Line No.	Unad justed Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
COPY MACHINE	1001	112	SL	3.00	16	5,758.			5,758.			0.
BUILDING	1001	112	SL	39.00	16	527,874.			527,874.			0.
LAND	1001	112	L			1908473.			1908473.			0.
MANAGEMENT AND GEN						3451852.			3451852.	892,434.		22,749.
PAGE 10 DEPR						3451852.			3451852.	892,434.		22,749.
	COPY MACHINE BUILDING LAND * 990 PAGE 10 TOTAL MANAGEMENT AND GEN * GRAND TOTAL 990	COPY MACHINE 1001 BUILDING 1001 LAND 1001 * 990 PAGE 10 TOTAL MANAGEMENT AND GEN * GRAND TOTAL 990	COPY MACHINE 100112 BUILDING 100112 LAND 100112 * 990 PAGE 10 TOTAL MANAGEMENT AND GEN * GRAND TOTAL 990	COPY MACHINE 100112SL BUILDING 100112SL LAND 100112L * 990 PAGE 10 TOTAL MANAGEMENT AND GEN * GRAND TOTAL 990	COPY MACHINE 100112SL 3.00 BUILDING 100112SL 39.00 LAND 100112L * 990 PAGE 10 TOTAL MANAGEMENT AND GEN * GRAND TOTAL 990	COPY MACHINE 100112SL 3.00 16 BUILDING 100112SL 39.0016 LAND 100112L * 990 PAGE 10 TOTAL MANAGEMENT AND GEN * GRAND TOTAL 990	COPY MACHINE 100112SL 3.00 16 5,758. BUILDING 100112SL 39.0016 527,874. LAND 100112L 1908473. * 990 PAGE 10 TOTAL 4 3451852. * GRAND TOTAL 990	COPY MACHINE 100112SL 3.00 16 5,758. BUILDING 100112SL 39.0016 527,874. LAND 100112L 1908473. * 990 PAGE 10 TOTAL 400 GEN 3451852. * GRAND TOTAL 990	COPY MACHINE 100112SL 3.00 16 5,758. BUILDING 100112SL 39.0016 527,874. LAND 100112L 1908473. * 990 PAGE 10 TOTAL 1908473. * ANAGEMENT AND GEN 3451852.	COPY MACHINE 100112SL 3.00 16 5,758. 5,758. BUILDING 100112SL 39.0016 527,874. 527,874. LAND 100112L 1908473. 1908473. MANAGEMENT AND GEN 7 GRAND TOTAL 990 3451852.	COPY MACHINE 100112SL 3.00 16 5,758. 5,758. BUILDING 100112SL 39.0016 527,874. 527,874. LAND 100112L 1908473. 1908473. MANAGEMENT AND GEN 7 GRAND TOTAL 990 7 GRAND TOTAL 9	COPY MACHINE 100112SL 3.00 16 5,758. 5,758. BUILDING 100112SL 39.0016 527,874. 527,874. LAND 100112L 1908473. 1908473. * 990 PAGE 10 TOTAL MANAGEMENT AND GEN 3451852. 3451852. 892,434.

- NEXT YEAR FEDERAL - THE REASON FOUNDATION

Asset No.	Description		Date Acquired		Life	Unad justed Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	MANAGEMENT AND GENERAL									
	FURNITURE & FIXTURES	VAR:			3.00	880,899.		880,899.		5,644.
	LEASEHOLD IMPROVEMENTS	VAR:			5.00	21,725.		21,725.		0.
	FURNITURE & FIXTURES	070			3.00	20,848.		20,848.		
	MACBOOK PRO DC OFFICE	120			3.00	2,755.		2,755.		918.
	IMAC LA OFFICE (SHARIF)	120			3.00	2,499.		2,499.		833.
	IMAC LA OFFICE (ALEX)	120			3.00	2,775.		2,775.		925.
100	MONTIOR LA OFFICE	120			3.00	1,024.		1,024.		341.
	LAPTOP KATIE HOOKS	010			3.00	1,298.		1,298.		433.
	MACBOOK PRO CHARLOTTE	050			3.00	2,371.		2,371.		790.
	COMPUTER FOR CATHY R.	050			3.00	1,431.		1,431.		477.
	COMPUTER FOR BARB BURCH	050			3.00	2,383.		2,383.		794.
	COMPUTER FOR BOB POOLE	070			3.00	1,557.		1,557.		519.
	2 SONY NEXFS700 CAMERAS DC	080			3.00	15,998.		15,998.		
	2 SONY NEXFS700 CAMERAS LA	080			3.00	15,998.		15,998.		
	2 SONY NEXFS700 CAMERAS NY	080			3.00	15,998.		15,998.		
	LEXMARK COPIER DC	090			3.00	6,269.		6,269.	174.	2,090.
	17OFFICE CHAIRS FOR LA OFFICE			SL	3.00	13,919.		13,919.		0.
18	18COPY MACHINE			SL	3.00	5,758.		5,758.		0.
19	19BUILDING		1 1 2		39.00	527,874.		527,874.		0.
20	LAND	100	112	Ъ		1908473.		1908473.		0.
	* 990 PAGE 10 TOTAL MANAGEMENT AND									
	GENERAL					3451852.		3451852.	915,183.	
	* GRAND TOTAL 990 PAGE 10 DEPR					3451852.		3451852.	915,183.	36,712.
	A SALES TO MAKE THE MATERIAL AND ANALYSIS AT ANALYSIS AND THE SALES AND									