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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation Exempt from Income Tax

Under Section 501(c)(3) of the Internal Revenue Code

1978

For the calendar year 1978, or taxable year beginning , 1978 and ending , 19

Please type, print or attach label. See instruction G

Name of organization: KERMIT GITENSTEIN FOUNDATION INC.

Address (number and street): 51 Montgomery Boulevard

City or town, State and ZIP code: Atlantic Beach, N.Y.

Employer identification number (see instruction B): 237 1032 219

If the foundation is in a 60-month termination under section 507(b)(1)(B) check here ▶ ☐

Fair market value of assets at end of year (see instruction H): 278,161.24

If address changed, check here ▶ ☐ Foreign organizations, check here ▶ ☐

The books are in care of ▶ Aaron L. Gitenstein

Located at ▶ 2634 Atlantic Ave., Telephone No. ▶ 445-1400

If exemption application is pending, check here ▶ ☐

Part I Analysis of Receipts and Expenditures (See instructions for Part I)

		(A) Receipts and expenditures per books	(B) Computation of Net Investment Income	(C) Computation of Adjusted Net Income	(D) Disbursements for Exempt Purpose
Receipts	1 Gross contributions, gifts, grants, etc. (see instructions)	–			
	2 Contributions from split-interest trusts (see instructions)		–		
	3 Gross dues and assessments	–			
	4 Interest	2,093.09	2,093.09	2,093.09	
	5 Dividends	11,468.28	11,468.28	11,468.28	
	6 Gross rents and royalties	–	–	–	
	7 Net gain or (loss) from sale of assets not in line 11	–			
	8 Capital gain net income (see instructions)		–		
	9 Net short-term capital gain (see instructions)			–	
	10 Income modifications (see instructions)			–	
	11 Gross profit from any business activities: (Gross receipts $..... minus cost of sales $..... see instructions)	–		–	
	12 Other income (attach schedule)	432.33	432.33	432.33	
	13 Total—add lines 1 through 12	13,993.70	13,993.70	13,993.70	
Expenditures	14 Compensation of officers, etc. (see instructions)	1,200	1,200	1,200	1,200
	15 Other salaries and wages				
	16 (a) Pension plan contributions (enter number of plans ▶.....)				
	(b) Other employee benefits				
	17 Investment, legal and other professional services				
	18 Interest				
	19 Taxes (see instructions)	445.36	445.36	445.36	445.36
	20 Depreciation, amortization, and depletion (see instructions)				
	21 Rent				
	22 Other expenses (attach schedule)	78.66	78.66	78.66	78.66
	23 Contributions, gifts, grants (see instructions)	21,320.00			21,320.00
	24 Total—add lines 14 through 23	23,044.02	1,724.02	1,724.02	23,044.02
	25 Line 13 minus line 24: (a) Excess of receipts over expenditures	(9,050.32)			
	(b) Net investment income (if negative enter -0-)		12,269.68		
	(c) Adjusted net income (see instructions) (if negative enter -0-)			12,269.68	

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Part II Excise Tax On Investment Income

1 Domestic organizations enter 2% of line 25(b); foreign organizations enter 4% of line 25(b)		245.38
2 Credits: (a) Foreign organizations—tax withheld at source	–	
(b) Tax paid with application for extension of time to file (Form 2758)	–	–
3 Tax Due—line 1 minus line 2. Pay in full with return. Make check or money order payable to Internal Revenue Service (write employer identification number on check or money order) ▶		245.38
4 Overpayment—line 2 minus line 3 ▶		

Foreign organization—Enter book value ▶ $ and fair market value ▶ $ of investment assets held in U.S.

Sign Here

Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Signature of officer or trustee — Date

Preparer's signature

Preparer's address (or employer's name and address)

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Part III Balance Sheets

	Beginning of Taxable Year (A) Amount	Beginning of Taxable Year (B) Total	End of Taxable Year (C) Amount	End of Taxable Year (D) Total
Assets				
1 Cash:				
(a) Savings and interest-bearing accounts	25,580.28		10,596.87	
(b) Other	837.94	26,418.22	2,025.74	12,622.61
2 Accounts receivable net				
3 Notes receivable net (attach schedule)				
4 Inventories				
5 Government obligations:				
(a) U.S. and instrumentalities	14,003.00		14,003.00	
(b) State, subdivisions thereof, etc.	12,852.50	26,855.50	12,852.50	26,855.50
6 Investments in corporate bonds, etc. (attach schedule)		3,745.70		3,745.70
7 Investments in corporate stocks (attach schedule)		210,477.95		220,381.74
8 Mortgage loans (number of loans.....)				
9 Other investments (attach schedule)				
10 Depreciable (depletable) assets (attach schedule):				
(a) Held for investment purposes				
(b) Minus accumulated depreciation				
(c) Held for charitable purposes				
(d) Minus accumulated depreciation				
11 Land:				
(a) Held for investment purposes				
(b) Held for charitable purposes				
12 Other assets (attach schedule)				
13 Total assets		267,497.37		263,605.55
Liabilities				
14 Accounts payable				
15 Contributions, gifts, grants, etc., payable				
16 Mortgages and notes payable (attach schedule)				
17 Other liabilities (attach schedule)				
18 Total liabilities				
Net Worth (Fund Balances)				
19 Principal Fund				
20 Income Fund				
21 Total Net Worth (Fund Balances)		267,497.37		263,605.55
22 Total liabilities and Net Worth (line 18 plus line 21)				

Part IV Analysis of Changes in Net Worth

1 Total net worth at beginning of year—line 21, Column B, Part III	267,497.37
2 Enter amount from line 25(a), Part I	(9,050.32)
3 Other increases not included in line 2 (itemize): non-taxable interest & dividends	5,158.50
4 Total of lines 1, 2, and 3	263,605.55
5 Decreases not included in line 2 (itemize):	
6 Total net worth at end of year (line 4 minus line 5)—line 21, Column D, Part III	263,605.55

Part V Statements with Respect to Certain Activities

File Form 4720 if any of questions 10(b), 11(b) or 14(b) is answered "No," or question 10(c), 12(b), or 13(a) or (b) is answered "Yes."

	Yes	No
1 During the taxable year, have you (a) attempted to influence any national, State, or local legislation, or		X
(b) participated or intervened in any political campaign?		X
(c) Did you expend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?		X
If 1(a), (b) or (c) is "Yes," attach a detailed description of such activities and copies of any materials published or distributed by the organization in connection with such activities.		
(d) Did you file Form 1120-POL?		X
2 Have you engaged in any activities which have not previously been reported to the Internal Revenue Service?		X
If "Yes," attach a detailed description of such activities.		
3 Have any changes not previously reported to the Internal Revenue Service been made in your governing instrument, articles of incorporation, or bylaws, or other instruments of similar import?		X
If "Yes," attach a copy of the changes.		
4 (a) Did you have unrelated business gross income of $1,000 or more during the year?		X
(b) If so, have you filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution or substantial contraction during the year?		X
If "Yes," attach a schedule for the disposition(s) for the year showing type(s) of asset(s) disposed of, the date(s) disposed, the cost or other basis, the fair market value on date of disposition and the name(s) and address(es) of the recipient(s) of the asset(s) distributed. (See general instruction T)		
6 (a) Did you have at least $5,000.00 in assets at any time during the year?	X	
(b) If so did you file the annual report required by section 6056 (see Form 990-AR for instructions)?	X	
7 Are the requirements of section 508(e) (relating to governing instruments) satisfied? (See general instruction L)	X	
If "Yes," have such requirements been satisfied by:		
(a) Language in the governing instrument (original or as amended), or	X	
(b) Enactment of State legislation that effectively amends the governing instrument with no mandatory directions in the governing instrument that conflict with the State law?	X	
8 (a) Enter the names of the States required to be listed by general instruction M ▶		
(b) If you answered 6(a) "Yes," have you furnished a copy of Form 990-AR (or equivalent report) to the Attorney General (or his/her designate) of each State as required by general instruction N? If "No," attach explanation.	X	
9 Are you claiming status as an operating foundation within the meaning of 4942(j)(3) for calendar year 1978 or fiscal year beginning in 1978 (see instructions for Part XII)?		X
If "Yes," complete Part XII.		
10 Self-dealing (section 4941):		
(a) Have you engaged in any of the following acts during the year either directly or indirectly, with one or more disqualified persons (see instruction B, Part V, for definition)—		
(1) Sale, exchange, or leasing of property		X
(2) Borrowing or lending of money or other extension of credit		X
(3) Furnishing of goods, services, or facilities		X
(4) Payment of compensation (or payment or reimbursement of expenses)		X
(5) Transfer to, or use by or for the benefit of, a disqualified person of any part of your income or assets		X
(6) Agreement to make any payment of money, or other property, to a government official (as defined in section 4946(c)) other than an agreement to make a grant to or employ such individual for any period after the termination of his or her government service if such individual is terminating his or her government service within a 90-day period?		X
(b) If any of questions (a)(1) through (a)(6) is answered "Yes," were ALL such acts in which you engaged excepted acts described in section C, Part V of the instructions?		
(c) Have you, in a prior year, engaged in any of the acts described in (a) above that were acts of self-dealing in years beginning after December 31, 1969, because they were not excepted acts described in Section C, Part V, of the instructions, and such act or acts were not corrected before the first day of your taxable year beginning in 1978?		X
11 Taxes on failure to distribute income (section 4942) (not applicable for years you were an operating foundation as defined in 4942(j)(3)):		
(a) Did you at the end of taxable year 1978 have any undistributed income (Lines 6(b) and (c), Part XI) for taxable year(s) beginning before 1978?		X
If "Yes," insert years ▶ ....., ..., ..., ...		
(b) If "Yes," to (a) above, are you applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) with respect to the undistributed income for ALL such years?		
(c) If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in (a) above, list such years here and see General Instruction A for Part V ▶ ....., ..., ..., ...		
12 Taxes on excess business holdings (section 4943):		
(a) Did you hold more than two percent direct or indirect interest in any business enterprise (see instruction B, Part V "Definitions") at any time during the year?		X
(b) If "Yes," have you purchased or have disqualified persons purchased stock in a business enterprise since May 26, 1969, which resulted in excess business holdings (direct or indirect) in 1978 which are subject to tax under section 4943?		

Part V Statement With Respect to Certain Activities (Continued)

	Yes	No
13 Taxes on investments which jeopardize charitable purpose (section 4944):		
(a) Did you invest during the year any amount in such a manner as to jeopardize the carrying out of any of your exempt purposes?		X
(b) Did you invest, in a prior year (but after December 31, 1969), any amount in such a manner as to jeopardize the carrying out of any of your exempt purposes and such investments were not removed from jeopardy before the first day of your taxable year beginning in 1978?		X
14 Taxes on taxable expenditures (section 4945):		
(a) During the year did you pay, or incur a liability to pay for any of the following—		
(1) To carry on propaganda, or otherwise attempt to influence legislation by attempting to affect the opinion of the general public or any segment thereof or by communicating with any member or employee of a legislative body, or by communicating with any other government official or employee who may participate in the formulation of legislation		X
(2) To influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive		X
(3) As a grant to an individual for travel, study, or other similar purposes by such individual		X
(4) As a grant to an organization, other than a charitable, etc., organization described in paragraph (1), (2) or (3) of section 509(a)		X
(5) For any purpose other than religious, charitable, scientific, literary or educational purposes or for the prevention of cruelty to children or animals?		X
(b) If any of questions (a)(1) through (a)(5) is answered "Yes," were all such transactions excepted transactions described in section F, Part V of the instructions?		
(c) With respect to part (a)(4) of this question, if you answered "Yes," did you apply the exception in item 13 of section F, Part V of the instructions? If "Yes," attach the statement required for such exception		

Part VI Statement With Respect to Contributors, Compensation, etc.

1. Person Who Became Substantial Contributors in 1978 (if more space is needed, attach schedule)

Name	Address
None	

2. Officers, Directors, Trustees, Foundation Managers and Their Compensation, if any, for 1978.

Name and address	Title and time devoted to position	Contributions to employee benefit plans	Expense account, other allowances	Compensation
Aaron L. Gitenstein	Pres. & Manager			-0-
Shirley Gitenstein	bookkeeper & custodian			1,200.00
Total ►				1200.00

3. Compensation of Five Highest Paid Employees for 1978 (Other than included in 2 above—see instructions)

Name and address of employees paid more than $30,000	Title and time devoted to position	Contributions to employee benefit plans	Expense account, other allowances	Compensation
None				

Total number of other employees paid over $30,000 ►

Part VI Statement With Respect to Contributors, Compensation, etc. (continued)

4. Five Highest Paid Persons for Professional Services for 1978 (See Instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
None		

Total number of others receiving over $30,000 for professional services ▶

Part VII Capital Gains and Losses for Tax on Investment Income

a. Kind of property, indicate security, real estate or other (specify)	b. Description (Examples: 100 sh. of "Z" Co., 2 story brick, etc.)	c. How acquired P—Purchase D—Donation	d. Date acquired (mo., day, yr.)	e. Date sold (mo., day, yr.)
1 None				

f. Gross sales price less expense of sale	g. Depreciation allowed (or allowable)	h. Cost or other basis	i. Gain or (loss) (f plus g less h)

Complete only for assets showing gain in column i and owned by the foundation on 12/31/69

j. F.M.V. as of 12/31/69	k. Adjusted basis as of 12/31/69	l. Excess of col. j over col. k, if any	m. Enter losses from col. i, and gains (excess of col. i gain over col. l, but not less than zero)

2 Capital gain net income/(Net capital loss). {If gain, also enter on line 8, Part I / If (loss) enter –0– on line 8, Part I} . . . . .

3 Net short-term capital gain (loss) as defined in section 1222(5) and (6) . . . . . .

Part VIII Minimum Investment Return for 1978 (Operating Foundations—See instructions)

1 Fair market value of assets not used (or held for use) directly in carrying out exempt purposes:	
(a) Monthly average of securities at fair market value	279,198.73
(b) Monthly average of cash balances	33,218.87
(c) Fair market value of all other assets (see instructions)	-0-
(d) Total (add lines (a), (b), and (c))	312,417.60
2 Acquisition indebtedness applicable to line 1 assets	-0-
3 Line 1(d) minus line 2	312,417.60
4 Cash deemed held for charitable activities—enter 1½% of line 3 (for greater amount, see instructions)	4,686.15
5 Line 3 minus line 4	307,731.45
6 Enter 5% of line 5	15,386.51

Part IX Computation of Distributable Amount for 1978 (See instructions—not applicable to operating foundations)

1 Adjusted net income from line 25(c), Part I		12,269.68
2 Minimum investment return from line 6, Part VIII		15,386.51
3 Enter the higher of line 1 or line 2		15,386.51
4 Enter sum of: (a) Tax on investment income for 1978 from Part II	245.38	
(b) Income tax on unrelated business income for 1978 (Form 990-T)	--	245.38
5 Distributable amount (line 3 minus line 4)		15,141.13
6 Adjustments to distributable amount (see instructions)		-0-
7 Distributable amount as adjusted (line 5 plus or minus line 6)—also enter on line 1, Part XI		15,141.13

Part X Qualifying Distributions in 1978 (See instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
(a) Expenses, contributions, gifts, etc.—total from line 24, column (D), Part I	23,044.02
(b) Program related investments (see instructions)	-0-
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	-0-
3 Amounts set aside for specific projects which are for charitable, etc., purposes	-0-
4 Total qualifying distributions made in 1978 (add lines 1, 2, and 3)	23,044.02

Part XI Computation of Undistributed Income (See instructions)

	(a) Corpus	(b) Years prior to 1977	(c) 1977	(d) 1978
1 Distributable amount for 1978 from Part IX				15,141.13
2 Undistributed income, if any, as of the end of 1977,				
(a) Enter amount for 1977			-0-	
(b) Total for prior years; ....., ..., ...		-0-		
3 Excess distributions carryover, if any, to 1978:				
(a) From 1973 . . . . . -0-				
(b) From 1974 . . . . . 413.18				
(c) From 1975 . . . . . 4150.27				
(d) From 1976 . . . . . 3518.95				
(e) From 1977 . . . . . 8282.04				
(f) Total of 3(a) through (e) . . . . . (23,044.02)	16,363.44			
4 Qualifying distributions for 1978				
(a) Applied to 1977 (but not in excess of 2(a)) . .			(-0-)	
(b) Applied to undistributed income of prior years (Election required)		(-0-)		
(c) Treated as distributions out of corpus (Election required)	-0-			
(d) Applied to 1978 distributable amount				(15,141.13)
(e) Remaining amount distributed out of corpus .	5,964.40			
5 Excess distributions carryover applied to 1978 . . (If an amount appears in column (d) the same amount must be shown in column (a))	(-0-)			( )
6 Enter the net total of each column as indicated below:				
(a) Corpus. Lines 3(f), 4(c) and 4(e) minus line 5.	22,328.84			
(b) Prior years undistributed income. Line 2(b) minus line 4(b). This amount is taxable—File Form 4720		-0-		
(c) Undistributed income for 1977. Line 2(a) minus line 4(a). This amount is taxable—File Form 4720			-0-	
(d) Undistributed income for 1978. Line 1 minus lines 4(d) and 5. Amount must be distributed in 1979				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by Sections 170(b)(1)(D) or 4942(g)(3) (see instructions)	-0- ( )			
8 Excess distributions carryover from 1973 not applied on line 5 (see instructions)	(-0-)			
9 Excess distributions carried forward. (Line 6(a) minus lines 7 and 8)	22,328.84			
10 Analysis of line 9;				
(a) Excess from 1974 . . . 413.18				
(b) Excess from 1975 . . . 4150.27				
(c) Excess from 1976 . . . 3518.95				
(d) Excess from 1977 . . . 8282.04				
(e) Excess from 1978 . . . 5964.40				

Part XII Private Operating Foundations
(See instructions and Question 9, Part V)

1 If the foundation has received a ruling or determination letter that it is an "operating" foundation, and such ruling is effective for 1978, enter the date of such ruling . . . . . .

	Taxable year	Prior Three Years			
	(a) 1978	(b) 1977	(c) 1976	(d) 1975	(e) Total
2 (a) Adjusted net income (from line 25(c), Part I for 1978. Enter corresponding amount for prior years)					
(b) 85% of line (a)					
(c) Qualifying distributions from line 4, Part X for 1978 (enter corresponding amount for prior years) .					
(d) Amounts included in (c) not directly for active conduct of exempt activities					
(e) Qualifying distributions directly for active conduct of exempt purposes (line (c) minus line (d))					
3 Complete the alternative test in (a), (b) or (c) on which the organization relies.					
(a) "Assets" alternative test—enter:					
(i) Value of all assets					
(ii) Value of assets qualifying under section 4942(j)(3)(B)(i)					
(b) "Endowment" alternative test—enter ⅔ of minimum investment return shown on line 6, Part VIII for 1978 (enter ⅔ of comparable amount for prior years) . . .					
(c) "Support" alternative test—enter:					
(i) Total support other than gross investment income (interest, dividends, rents, payments with respect to securities loans (section 512(a)(5)), or royalties)					
(ii) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(iii) Largest amount of support from an exempt organization (see instructions)					
(iv) Gross investment income .					

Form 990-AR

1978
Annual Report
of Private Foundation

KERMIT GITENSTEIN FOUNDATION INC.

Name

Under Section 6056 of the Internal Revenue Code

In addition to this Annual Report, the annual return of the Foundation filed on Form 990-PF is available for public inspection. Consult an Internal Revenue Service office for further information.

Department of the Treasury
Internal Revenue Service

Annual report for calendar year 1978, or fiscal year beginning , 1978, and ending , 19

Name of organization: Kermit Gitenstein Foundation Inc.

Employer identification number: 237 | 032 219

Address of principal office: 51 Montgomery Boulevard, Atlantic Beach, N.Y.

If books and records are not at above address, specify where they are kept:

Name of principal officer of foundation: Aaron L. Gitenstein

Public Inspection (See Instruction C):

(a) Enter date the notice of availability of annual report appeared in newspaper ▶ Feb 8, 1979

(b) Enter name of newspaper ▶ New York Law Journal

(c) Check here ▶ ☑, if you have attached a copy of the newspaper notice as required by instruction "C" (If the notice is not attached, the report will be considered incomplete.)

Check box for type of annual return ▶ ☑ Form 990-PF ☐ Form 5227

Check this box if your private foundation status terminated under section 507(b)(1)(A) ▶ ☐

Revenues	
1 Amount of gifts, grants, bequests, and contributions received for the year	-0-
2 Gross income for the year	19,152.20*
3 Total	19,152.20
Disbursements and Expenses	
4 Disbursements for the year for the purposes for which exempt (including administrative expenses)	23,044.02
5 Expenses attributable to gross income (item 2 above) for the year	1,724.02

Foundation Managers

6 List all managers of the foundation (see section 4946(b) IRC):

Name and title	Address where manager may be contacted during normal business hours
Aaron L. Gitenstein	2634 Atlantic Avenue, Bklyn.,N.Y.

6a List here any managers of the foundation (see section 4946(b) IRC) who have contributed 2 percent of the total contributions received by the foundation before the close of any taxable year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

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6b List here any managers of the foundation (see section 4946(b) IRC) who own 10 percent or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10 percent or greater interest.

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* of which $5158.50 was not taxable

Balance Sheet Per Books at the Beginning of the Year

Assets			Liabilities	
Cash		26,418.22	Accounts payable	
Accounts and notes receivable		-	Contributions, gifts, grants, etc., payable	
Inventories		-	Bonds and notes payable	
Securities			Mortgages payable	
Government obligations		26,855.50	Other liabilities	
Corporate bonds		3,745.70	Total liabilities	
Corporate stocks		210,477.95	**Net Worth**	
Mortgage loans			Principal fund	
Real estate				
Less: Depreciation			Income fund	
Other assets				
Less: Depreciation			Total net worth	267,497.37
Total assets		267,497.37	Total liabilities and net worth	267,497.37

Itemized Statement of Securities and All Other Assets Held at the Close of the Taxable Year

Asset	Book value	Market value
See list attached		
Total ▶		

Grants and Contributions Paid or Approved for Future Payment During the Year

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Concise statement of purpose of grant or contribution	Amount
Paid during year			
American Red Mogen David for Israel			20,000.00
Miscellaneous synagogues			1,320.00
Total . . . . . ▶			21,320.00
Approved for future payment			
Total . . . . . ▶			

A notice has been published that this Annual Report is available for public inspection at the principal offices of the foundation, and copies of this Annual Report have been furnished to the Attorney General (or his/her designate) of each State entitled to receive reports as required by instruction F.

▶ Signature of foundation manager — Date 4/8/79 — ▶ Preparer's signature

▶ Title Manager — ▶ Preparer's address

Instructions

A. Annual Report.—An annual report is required from the foundation managers (as defined in section 4946(b)) of every organization which is a private foundation, including a nonexempt trust described in section 4947(a)(1) which is treated as a private foundation, having at least $5,000 of assets at any time during a taxable year. A private foundation may use this form for its annual reporting requirements.

If you prefer not to use this form, you may prepare the report in printed, typewritten or any other form you choose, provided it readily and legibly discloses the information required by section 6056 and the regulations thereunder.

The annual report is in addition to and not in lieu of submitting the information required on Form 990-PF under section 6033.

B. Where and When to File.—

(1) Tax-exempt private foundation.—File the report at the time and place specified for filing Form 990-PF, Return of Private Foundation Exempt from Income Tax.

(2) Nonexempt trust described in section 4947 (a)(1) and treated as a private foundation.—File the report at the time and place specified for filing Form 5227, Return of Nonexempt Charitable or Split-Interest Trust Treated as a Private Foundation under section 4947(a) of the Internal Revenue Code.

C. Public Inspection of Private Foundation's Annual Reports.—As a foundation manager, you must make the annual report required by section 6056 available at the principal office of the foundation for inspection during regular business hours by any citizen who so requests within 180 days after publication of notice of its availability; or, if you choose, you may furnish a copy free of charge to such persons requesting inspection, provided these persons do so at the time and manner prescribed in section 6104(d) and the regulations thereunder.

The notice must be published not later than the day prescribed for filing the annual report (determined with regard to any extensions of time for filing), in a newspaper having general circulation in the county in which the principal office of the private foundation is located. The notice must state that the annual report of the private foundation is available at its principal office during regular business hours for inspection by any citizen who so requests within 180 days after the date of the publication. It must also show the address of the private foundation's principal office and the name of its principal manager. A private foundation may designate in addition to its principal office, or (if the foundation has no principal office or none other than the residence of a substantial contributor or foundation manager) instead of such office, any other location where its annual report is available.

The term "newspaper having general circulation" shall include any newspaper or journal which is permitted to publish statements in satisfaction of State statutory requirements relating to transfer of title to real estate or other similar legal notices.

A copy of the notice must be attached to the annual report filed with the Internal Revenue Service. Because IRS also makes the annual report available for public inspection under section 6104(d), the report and any attachments should be of such quality that they can be reproduced photographically.

A private foundation which has terminated its status as such under section 507(b)(1)(A), by distributing all its net assets to one or more public charities without retaining any right, title or interest in such assets, does not have to publish notice of availability of its annual report or furnish such report to the public for the taxable year in which it so terminates (Reg. 1.507-2(a)(6)). Be sure to check box on page 2.

D. Signature and Verification.—The report must be signed by the foundation manager.

E. List of States.—A private foundation is required to attach to its Form 990-PF a list of all States:

(1) to which the organization reports in any fashion concerning its organization, assets, or activities, and

(2) with which the organization has registered (or which it has otherwise notified in any manner) that it intends to be, or is a charitable organization or that it is, or intends to be, a holder of property devoted to a charitable purpose.

F. Furnishing of Copies to State Officers; Listing of States.—If the organization has at least $5,000 in assets at any time during the year the foundation managers must furnish a copy of this annual report to the Attorney General (or his/her designate) of (1) each State listed for Form 990-PF above, (2) the State in which the principal office of the foundation is located, and (3) the State in which the foundation was incorporated or organized. Such report must be furnished at the same time it is sent to IRS. In addition, the foundation managers shall provide upon request a copy of the annual report to the Attorney General or other appropriate State officer of any other State. The foundation manager shall also attach to the report a copy of the Form 990-PF (or Form 5227 for a 4947(a)(1) trust) and a copy of the Form 4720 (if any) filed by the foundation with IRS for the year.

G. Penalty for Failure to File Report and Notice on Time.—If a private foundation fails to file the annual report on or before the due date, or to comply with the requirements under "C" above, there will be imposed on the person (anyone under a duty to perform the act), a $10 penalty for each day during which the failure continues, not to exceed $5,000. (See section 6652 (d)(3).)

The penalty of $10.00 a day for failure to file may also be charged if a report is submitted with information omitted. Therefore, please be sure to make an entry in each part of the form even the ones that do not apply to you. If a part or line item does not apply, enter "N/A" (not applicable). (See Rev. Rul. 77-162, 1977-1 C.B. 400 for details.) If more than one person is liable, all such persons shall be jointly and severally liable with respect to such failure.

Organizations that have given notice under section 508(b) as to their foundation status and have not received a letter from IRS containing a determination as to such status—refer to Rev. Proc. 72-31, 1972-1 C.B. 759, or later revisions for rules relating to relief from the penalty provision of section 6652. If the failure to file the annual report or comply with "C" is willful, there will be imposed, in addition to the amount mentioned above, a penalty of $1,000 for each such report or notice. (See section 6685.)

H. Foreign Organizations.—A foreign organization which has received substantially all of its support (other than gross investment income) from sources outside the United States will not be subject to the requirements of instructions C and F above.

STATE OF NEW YORK, }
County of New York, } ss:

THE ANNUAL REPORT OF KERMIT GITENSTEIN FOUNDATION INC for the calendar year ended December 31, 1978 is available at its principal office, located at c/o A. Gitenstein, 1454 Atlantic Avenue, Brooklyn, N. Y. 11207 for inspection during regular business hours by any citizen who requests it within 180 days hereof. President Director of the Foundation is AARON L. GITENSTEIN.

Vincent J. DiTomasso, being duly sworn, says that he is the PRINCIPAL CLERK of the Publisher of THE NEW YORK LAW JOURNAL, a Daily Newspaper printed and published in the County of New York; that the Advertisement hereto annexed has been regularly published in the said THE NEW YORK LAW JOURNAL one time, on the 8th day of February 1979

SWORN TO BEFORE ME, this 8th day of February 1979

NICHOLAS DITOMASSO
Notary Public, State of New York
No. 01-[illegible]
Qualified in Kings County
Commission Expires March 30, 1980

SECURITIES ON HAND 12-31-78

EXEMPT HOUSING AUTHORITY BONDS	Unit	Worth	Cost
$ 2000 Fayette Pa. 2 1/2% 7-85	66	$ 1,320	$ 790.00
1000 Commonwealth Cambridge Mass. 2 1/8% 7-90	54	540	285.00
3000 Griffen, Ga. 2 5/8% 9-84	77	2,310	1,402.50
1000 Dayton Metrop.2 1/2% 5-83	78	810	445.00
5000 Freeport,N.Y. 3% 11-98	65	3,250	1,975.00
2000 National Capital 2 1/2% 85	66	1,320	807.50
2000 Los Angeles 2 3/8% 11-87	65	1,300	720.00
2000 Mc Allen Texas 2nd issue 2 5/8% 5-93	67	1,340	627.50
5000 City of San Francisco 2 3/8% 8-89	62	3,100	1,887.50
5000 Syracuse,N.Y. 3 1/2% 6-98	68	3,400	2,275.00
5000 Beaver Co. Pa. 2% 6-88	62	3,100	1,637.40
		$ 21,790.	$12,852.50
Corporate Bonds			
2000 Cooper Labs 7 1/2% 91	108.875	2,177.50	2,623.70
1700 Storer Broadcasting 4 1/2% vc 86	94.50	1,606.50	1,122.00
		$ 3,784.00	$ 3,745.70
Government Bonds & Notes			
20,000 4 1/4% 8-15-92-87	74.16	14,832.00	14,003.00
Corporate Stocks			
300 Allegheny Power Sys.	15.50	4,650.00	6,000.40
500 Avemco	4.25	2,125.00	4,062.50
1167 American El. Power	21.125	24,652.87	29,221.65
34 American Tel. & Tel.	60.50	2,057.00	1,649.00
600 Bethlehem Steel	19.625	11,775.00	14,348.61
119 Cooper Labs	19.25	2,290.75	2,688.75
1200 Canadien Southern Petroleum	4.12	4,944.00	5,772.00
200 Consolidated New Pacific	.04	8.00	312.00

200 Ceco	11.125	2,225.00	4,912.00
400 Delmarva Power & Light	13.25	5,300.00	6,440.54
200 Dow Chemical	24.875	4,975.00	4,747.93
600 Equity Oil	14.75	8,850.00	8,175.00
364 Giant Portland Cement	7.00	2,548.50	2,084.23
200 GAF cv pfd,	15.50	3,100.00	4,700.00
450 Helmerich & Payne	43.375	19,518.75	3,384.98
400 Inter Sys.& Controls	13.00	5,200.00	3,600.00
125 Interfinancial Inc.	18.00	2,250.00	914.00
1929 Long Island Lighting	17.25	33,275.25	32,784.76
178 National Steel	29.00	5,162.50	5,472.00
500 Orange & Rockland Util.	14.625	7,312.50	8,412.50
880 Papercraft	19.00	16,720.00	20,010.82
400 Purolater	25.00	10,000.00	12,400.00
1611 Pittston	17.375	27,991.12	11,936.46
372 Reeves	27.00	10,044.00	6,443.25
200 U.S.Steel	21.25	4,250.00	5,155.86
260 Storer Broadcasting	32.375	8,417.50	5,500.00
200 Twentieth Century Fox	30.875	6,175.00	4,100.00
100 Western Union	15.25	1,525.50	4,337.00
5 " " $4.60 pfd.	44.25	221.25	412.50
4 " " $4.90 pfd.	47.875	191.50	403.00
		$237,755.24	$220,381.74