



**Marguerite  
Casey  
Foundation**

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## Reader's Guide to the 2024 Form 990-PF

The annual Form 990-PF is a public document that provides information about a private foundation's financial and charitable activities. Marguerite Casey Foundation (hereinafter, "MCF" or "the Foundation") posts this form on its website at [caseygrants.org](http://caseygrants.org). The form provides information about the Foundation's financial and charitable activities for the year and assesses any taxes owed to the IRS. Given that some of the underlying tax rules for private foundations can be quite complex, we offer this reader's guide to highlight and clarify key information. In addition, we provide responses to some of the most frequently asked questions regarding the Form 990-PF.

### Frequently Asked Questions

#### ANNUAL PAYOUT

##### **How much was Marguerite Casey Foundation required to distribute in 2024?**

The Foundation was required to distribute (in cash) \$41,711,426, as shown on Page 8, Part X, line 7. "Distributable amount" (also referred to as "annual payout") is the term the IRS uses for the required annual 5 % minimum payout. The actual amount of qualifying distributions the Foundation made in 2024 was \$48,604,918, as shown on Page 8, Part XI, line 4.

##### **What happens when the Foundation overpays its distributable amount?**

When the Foundation over-distributes the required annual payout, the excess may be carried over up to five years. Rather than utilize these excess carryover

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amounts to smooth out annual distributions, the Foundation is committed to distributing recent capital market gains to grant recipients. As shown on Page 9, Part XII, line 3f, the Foundation had \$29,151,817 of excess distributions, which carried over to the 2024 return. In addition, with the 2024 overpayment of the distributable amount, the excess distribution to carry over to 2025 is \$36,041,456 (Page 9, Part XII, line 9). The calculation is as follows:

| Part XII, Line Description   |                | Excess Distributions | Line reference                   |
|--|----------------|----------------------|----------------------------------|
| <b>Excess distributions from prior years</b>   |                |                      |                                  |
|  | <b>2021</b>    | \$7,311,712          | Page 9, Part XII, line 3c        |
|  | <b>2022</b>    | \$15,015,561         | Page 9, Part XII, line 3d        |
|  | <b>2023</b>    | \$6,824,544          | Page 9, Part XII, line 3e        |
| <b>Total excess distributions carryover applied to 2024</b>  |                | <b>\$29,151,817</b>  | <b>Page 9, Part XII, line 3f</b> |
| Plus 2024 qualifying distributions   | \$48,604,918   |                      | Page 8, Part XI, line 4          |
| Less 2024 required distributions   | (\$41,711,426) |                      | Page 8, Part X, line 7           |
| <b>2024 Remaining amount distributed out of corpus</b>   |                | <b>\$6,893,492</b>   | <b>Page 9, Part XII, line 4e</b> |
| Less 2024 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) | (\$3,853)      |                      | Page 9, Part XII, line 7         |
| Total excess distributions to 2025   |                | <b>\$36,041,456</b>  | <b>Page 9, Part XII, line 9</b>  |

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### **How is the required payout calculated?**

Private foundations are required to annually pay out 5% of their average noncharitable use assets, which is equivalent to MCF's investment assets, adjusted for excise and income taxes paid and recoveries of amounts previously treated as qualifying distributions. This calculation is summarized on Page 8 in Parts IX and X of the Form 990-PF.

### **What types of disbursements count toward Marguerite Casey Foundation's annual payout requirement?**

Grants, program-related investments, exempt operating costs (those that further the Foundation's charitable purpose), and amounts paid to acquire assets used directly in carrying out MCF's charitable purpose (e.g., furniture and equipment) all count toward the annual payout. This is reflected on Page 8, Part XI of the Form 990-PF.

## **TAXES AND OTHER**

### **What kind of taxes does Marguerite Casey Foundation pay?**

MCF is exempt from income taxes; however, the Foundation is required to pay a 1.39% excise tax on net investment income. Net investment income includes interest, dividends, rents, royalties, net realized capital gains, and other similar items, less expenses incurred for managing such investments. MCF's net investment income for 2024 is shown on Page 1, Part I, line 27, column (b). The 2024 net investment income was \$75,641,074, resulting in an excise tax liability of \$1,051,411, as shown on Page 3, Part V, line 5 of the Form 990-PF.

While the Foundation is exempt from income taxes, it may be subject to unrelated business income tax if it has activities that meet the following requirements: it is a trade or business, regularly carried on, and not substantially related to its exempt purpose. Due to the nature of the income derived from some of the investment vehicles held in the investment portfolio, MCF was subject to income tax in 2024 and filed a Form 990-T. This tax is calculated at a flat 21% on its net unrelated business taxable income. The 2024 unrelated business income as reported on the Form 990-T, Part I, line 11 was \$902,223, resulting in income tax of \$189,467, as shown on Form 990-T, Part II, line 7.

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## Key Data Points from the 2024 Form 990-PF for Marguerite Casey Foundation

| Topic                                       | Line Reference                       | Dollar Value  | Comments  |
|---|--------------------------------------|---------------|---|
| Operating and administrative expenses       | Page 1, Part I, line 24, column (d)  | \$12,230,853  | Consists of expenses for direct charitable activities, as well as administrative costs to operate the Foundation.             |
| Grants paid                                 | Page 1, Part I, line 25, column (d)  | \$32,993,061  | Represents grants paid during the year.   |
| Excise tax liability                        | Page 3, Part V, line 5               | \$1,051,411   | Excise taxes are calculated as 1.39% of its net investment income, as shown on Page 1, Part 1, line 27, column (b)            |
| Compensation of officers and directors      | Page 6, Part VII, line 1, column (c) | \$1,649,520   | The Foundation provides a listing of compensation and benefits paid to MCF's officers and board of directors on Statement 15. |
| Compensation of five highest paid employees | Page 6, Part VII, line 2, column (c) | \$1,354,610   | The Foundation provides a listing of compensation and benefits paid for the five highest paid employees.                      |
| Minimum investment return                   | Page 8, Part IX, line 6              | \$42,651,107  | Represents 5% of the total fair market value of the Foundation's noncharitable use assets.                                    |
| Distributable amount                        | \$48,604,918                         | \$41,711,426  | Represents the Foundation's required distribution and must be distributed by the end of December 31, 2025.                    |
| Qualifying distributions                    | Page 8, Part XI, line 4              | \$48,604,918. | The amount the Foundation actually spent for charitable purposes during the year.   |

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