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Form **990-PF**

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

GMB No. 1545 0052

**1998**

Department of the Treasury  
Internal Revenue Service

Treated as a Private Foundation

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

For the calendar year 1998, or tax year beginning January 1, 1998, and ending December 31, 1998

Use the IRS label. Otherwise, please print or type.

Y 48-0926946 199812 28 03043  
DAVID H KOCH CHARITABLE FOUNDATION  
4111 EAST 17TH STREET NORTH  
WICHITA KS 67220

A Employer identification number  
48-0926946

B Telephone number (see page 9 of the instr.)  
(316) 828-5552

C If exemption application is pending, check here

D 1 Foreign organizations, check here   
2 Organizations meeting the 85% test, check

E If private foundation status was terminated under section 507(b)(1)(A), check here

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

G If address changed, check here

H Check organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)  
49,900

J Accounting method:  
 Cash  Accrual  
 Other (specify) \_\_\_\_\_  
(Part I, col. (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	2,450,000			
2	Contributions from split-interest trusts				
3	Interest on savings and temporary cash investments	9,807	9,807	N/A	
4	Dividends and interest from securities	0	0		
5a	Gross rents	0	0		
b	(Net rental income/loss 0)				
6	Net gain or (loss) from sale of assets not on line 10	0			
7	Capital gain net income (Part IV, line 2)		0		
8	Net short-term capital gain			0	
9	Income modifications				
10a	Gross sales less returns	0			
b	Less: C.O.G.S.	0			
c	Gross profit or (loss) (attach schedule)	0			
d	Other income (attach schedule)	0	0		
12	Total. Add lines 1 through 11	2,459,807	9,807	0	
13	Compensation of officers, directors, trustees, etc.	0	0		
14	Other employee salaries and wages	0	0		
15	Pension plans, employee benefits	0	0		
16a	Legal fees (attach schedule)	953	0		953
b	Accounting fees (attach schedule)	4,499	0		4,499
c	Other professional fees	52,003	106		51,897
17	Interest	0	0		0
18	Taxes (attach schedule)	97	0		0
19	Depreciation and depletion	0	0		
20	Occupancy	0	0		0
21	Travel, conferences, and meetings	8,895	0		8,895
22	Printing and publications	0	0		0
23	Other expenses (attach schedule)	483	0		483
24	Total operating and administrative expenses. Add lines 13 through 23	66,930	106	0	66,727
25	Contributions, gifts, grants paid	745,000			2,845,000
26	Total expenses and disbursements. Add lines 24 and 25	811,930	106	0	2,911,727
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	1,647,877			
b	Net investment income (if negative, enter 0)		9,701		
c	Adjusted net income (if negative, enter -0)			0	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash - non-interest bearing	0	0	0
2	Savings and temporary cash investments	501,502	49,900	49,900
3	Accounts receivable	0		
	Less: allowance for doubtful accounts	0	0	0
4	Pledges receivable	0		
	Less: allowance for doubtful accounts	0	0	0
5	Grants receivable	0	0	0
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 14 of the instructions)	0	0	0
A	7 Other notes and loans receivable	0		
s	Less: allowance for doubtful accounts	0	0	0
s	8 Inventories for sale or use	0	0	0
e	9 Prepaid expenses and deferred charges	32	0	0
t	10a Investments - U.S. and state government obligations	0	0	0
s	b Investments - corporate stock (attach schedule)	0	0	0
	c Investments - corporate bonds (attach schedule)	0	0	0
	11 Investments - land, buildings, and equipment: basis			
	Less: accumulated depreciation	0	0	0
	12 Investments - mortgage loans	0	0	0
	13 Investments - other (attach schedule)	0	0	0
	14 Land, buildings, and equipment: basis	0		
	Less: accumulated depreciation	0	0	0
	15 Other assets (describe )	0	0	0
	16 Total assets (to be completed by all filers - see page 15 of the instructions)	501,534	49,900	49,900
	17 Accounts payable and accrued expenses	432	921	
	18 Grants payable	8,850,000	5,750,000	
Lia-	19 Deferred revenue	0	0	
abili-	20 Loans from officers, directors, trustees, and other disqualified persons	0	0	
ties	21 Mortgages and other notes payable (attach schedule)	0	0	
	22 Other liabilities (describe )	0	0	
	23 Total liabilities (add lines 17 through 22)	8,850,432	5,750,921	
	Organizations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	<input checked="" type="checkbox"/>		
N	24 Unrestricted	(8,348,898)	(5,701,021)	
e	25 Temporarily restricted	0	0	
t	26 Permanently restricted	0	0	
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31.	<input type="checkbox"/>		
A	27 Capital stock, trust principal, or current funds	0	0	
s	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0	0	
s	29 Retained earnings, accumulated income, endowment, or other funds	0	0	
	30 Total net assets or fund balances (see page 16 of the instructions)	(8,348,898)	(5,701,021)	
	31 Total liabilities and net assets/fund balances (see page 16 of the instructions)	501,534	49,900	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	(8,348,898)
2	Enter amount from Part I, line 27a	2	1,647,877
3	Other increases not included in line 2 (itemize) Release of conditional grant payable recorded as	3	1,000,000
4	Add lines 1, 2, and 3 accrued in prior year	4	(5,701,021)
5	Decreases not included in line 2 (itemize)	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	(5,701,021)

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

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price minus expense of sale	(f) Depreciation allowed (or allowable)	(g) Cost or other basis	(h) Gain or (loss) (e) plus (f) minus (g)	
a			0	
b			0	
c			0	
d			0	
e			0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than 0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a		0	0	
b		0	0	
c		0	0	
d		0	0	
e		0	0	
2	Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	0	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 11 and 16 of the instructions). If (loss), enter -0- in Part I, line 8	3		

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

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

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

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

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

1 Enter the appropriate amount in each column for each year; see page 16 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable use assets	(d) Distribution ratio (col. (b) divided by col. (c))
1997	9,208,638	463,248	19.8784
1996	6,844,011	473,385	14.4576
1995	8,035,663	471,829	17.0309
1994	6,192,075	3,306,587	1.8726
1993	7,872,179	5,731,941	1.3734
2	Total of line 1, column (d)	2	54.6129
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	10.9226
4	Enter the net value of noncharitable-use assets for 1998 from Part X, line 5	4	144,267
5	Multiply line 4 by line 3	5	1,575,771
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	97
7	Add lines 5 and 6	7	1,575,868
8	Enter qualifying distributions from Part XII, line 4	8	2,911,727

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.  
See the Part VI instructions on page 16.

**Part VI Excise Tax on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 16)**

1a Exempt operating foundations described in section 4940(d)(2), check here and <input type="checkbox"/> enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary)		1	97
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of line 27b			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0
3 Add lines 1 and 2		3	97
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0
5 Tax on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	97
6 Credits/Payments:			
a 1998 estimated tax payments and 1997 overpayment credited to 1998	6a	32	
b Exempt foreign organizations tax withheld at source	6b	0	
c Tax paid with application for extension of time to file (Form 2758)	6c	0	
d Backup withholding erroneously withheld	6d	0	
7 Total credits and payments. Add lines 6a through 6d		7	32
8 Enter any PENALTY for underpayment of estimated tax. Check here if Form 2220 <input type="checkbox"/> is attached.		8	0
9 TAX DUE. If the total of lines 5 and 8 is more than line 7, enter AMOUNT OWED		9	65
10 OVERPAYMENT. If line 7 is more than the total of lines 5 and 8, enter the AMOUNT OVERPAID		10	0
11 Enter the amount of line 10 to be: Credited to 1999 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>		11	0

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 17 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		X
c Did the organization file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization. <u>0</u> (2) On organization managers. <u>0</u>		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. <u>0</u>		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: * By language in the governing instrument; or * By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, column (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 18 of the instructions) <u>Kansas</u>		
b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 1998 or the taxable year beginning in 1997 (see instructions for Part XIV on page 23)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X
11a Did anyone request to see either the organization's annual return or its exemption application (or both)?		X
b If "Yes," did the organization comply pursuant to the instructions? (See General Instruction Q.)		N/A
12 The books are in care of <u>Vonda Holliman</u> Telephone no. <u>(316)828-5552</u> Located at <u>4111 East 37th Street North, Wichita, KS</u> ZIP code <u>67220</u>		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041. - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year		N/A

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

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

1 Self-dealing (section 4941):

a During the year did the organization (either directly or indirectly):

- (1) Engage in the sale or exchange, or leasing of property with a disqualified person? No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) No

b If any answer is "Yes" to 1a(1) - (6), did ANY of the acts fail to qualify under

the exceptions described in Regulations sections 53.4941(d)-3 or in

a current notice regarding disaster assistance (see page 18 of the instructions)?

Organizations relying on a current notice regarding disaster assistance check here

c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 1998?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 1998, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1998? No

If "Yes," list the years

b Are there any years listed in 2a for which the organization is NOT applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to ALL years listed, answer "No" and attach statement - see page 18 of the instructions)

c If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in 2a, list the years here.

3 Taxes on excess business holdings (section 4943):

a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? No

b If "Yes," did it have excess business holdings in 1998 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20- year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 1998.)

4 Taxes on investments that jeopardize charitable purposes (section 4944):

a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 1998?

5 Taxes on taxable expenditures (section 4945) and political expenditures (section 4955):

a During the year did the organization pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? No
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? No
(3) Provide a grant to an individual for travel, study, or other similar purposes? No
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? No

b If any answer is "Yes" to 5a(1) - (5), did ANY of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current

notice regarding disaster assistance (see page 19 of the instructions)?

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the organization claim exemption

from the tax because it maintained expenditure responsibility for the grant?

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

Table with 3 columns: Question ID, Yes, No. Rows include 1b, 1c, 2b, 3b, 4a, 4b, 5b, and N/A entries.

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

**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions):**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans	(e) Expense account, other allowances
David Koch 161 E 42nd St, New York, NY 5610	President as required	0	0	0
Ruth E. Williams P.O. Box 2256, Wichita, KS 67201	Secretary as required	0	0	0
Vonda Holliman P.O. Box 2256, Wichita, KS 67201	Treasurer as required	0	0	0
Darryl J. Graham 4711 E. 37th N., Wichita, KS 67220	Asst. Treasurer as required	0	0	0

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 19 of the instructions). If none, enter "NONE."**

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

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

**3 Five highest-paid independent contractors for professional services - (see page 19 of the instructions). If none, enter "NONE."**

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

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

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

	List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	N/A	
2		
3		
4		

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

(see page 20 of the instructions)

Describe any program-related investments made by the foundation during the tax year.		Amount
1	N/A	
2		
3		

**Part X Minimum Investment Return**

(All domestic foundations must complete this part. Foreign foundations, see

page 20 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
	a Average monthly fair market value of securities	1a	0
	b Average of monthly cash balances	1b	146,464
	c Fair market value of all other assets (see page 21 of the instructions)	1c	0
	d Total (add lines 1a, b, and c)	1d	146,464
	e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	146,464
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 21 of the instructions)	4	2,197
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	144,267
6	Minimum investment return. Enter 5% of line 5	6	7,213

**Part XI Distributable Amount**

(see page 21 of the instructions) (Section 4942(j)(3) and (j)(5) private operating

foundations and certain foreign organizations check here  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	7,213
2a	Tax on investment income for 1998 from Part VI, line 5	2a	97
2b	Income tax for 1998. (This does not include the tax from Part VI.)	2b	0
	c Add lines 2a and 2b	2c	97
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	7,116
4a	Recoveries of amounts treated as qualifying distributions	4a	0
4b	Income distributions from section 4947(a)(2) trusts	4b	0
	c Add lines 4a and 4b	4c	0
5	Add lines 3 and 4c	5	7,116
6	Deduction from distributable amount (see page 22 of the instructions)	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	7,116

**Part XII Qualifying Distributions**

(see page 22 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
	a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	2,911,727
	b Program-related investments - total of lines 1-3 of Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
	a Suitability test (prior IRS approval required)	3a	0
	b Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,911,727
5	Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 22 of the instructions)	5	97
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,911,630

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

**Part XIII Undistributed Income**

(see page 22 of the instructions)

	(a) Corpus	(b) Years prior to 1997	(c) 1997	(d) 1998
<b>1</b> Distributable amount for 1998 from Part XI, line 7 . . . . .				7,116
<b>2</b> Undistributed income as of the end of 1997:				
<b>a</b> Enter amount for 1997 only . . . . .			0	
<b>b</b> Total for prior years: 19__ , 19__ , 19__		0		
<b>3</b> Excess distributions carryover, if any, to 1998:				
<b>a</b> From 1993 . . . . .	7,589,454			
<b>b</b> From 1994 . . . . .	6,029,704			
<b>c</b> From 1995 . . . . .	8,012,684			
<b>d</b> From 1996 . . . . .	6,820,794			
<b>e</b> From 1997 . . . . .	9,186,012			
<b>f</b> Total of lines 3a through e . . . . .	37,638,648			
<b>4</b> Qualifying distributions for 1998 from Part XII, line 4: \$ 2,911,727				
<b>a</b> Applied to 1997, but not more than line 2a . . . . .			0	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions) . . . . .		0		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions) . . . . .	0			
<b>d</b> Applied to 1998 distributable amount . . . . .				7,116
<b>e</b> Remaining amount distributed out of corpus . . . . .	2,904,611			
<b>5</b> Excess distributions carryover applied to 1998 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add 3f, 4c, and 4e. Subtract line 5 . . . . .	40,543,259			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		0		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .		0		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions . . . . .		0		
<b>e</b> Undistributed income for 1997. Subtract line 4a from line 2a. Taxable amount . . . . .			0	
<b>f</b> Undistributed income for 1998. Subtract lines 4d and 5 from line 1. This amount must be distributed in 1999 . . . . .				0
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) . . . . .	0			
<b>8</b> Excess distributions carryover from 1993 not applied on line 5 or line 7 (see page 23 of the instructions) . . . . .	7,589,454			
<b>9</b> Excess distributions carryover to 1999. Subtract lines 7 and 8 from line 6a . . . . .	32,953,805			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 1994 . . . . .	6,029,704			
<b>b</b> Excess from 1995 . . . . .	8,012,684			
<b>c</b> Excess from 1996 . . . . .	6,820,794			
<b>d</b> Excess from 1997 . . . . .	9,186,012			
<b>e</b> Excess from 1998 . . . . .	2,904,611			

**Part XIV Private Operating Foundations**

(see page 23 of the instructions and Part VII-A, question 9)

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1998, enter the date of the ruling N/A

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

	Tax Year				(e) Total
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0	0	0	0	0
<b>b</b> 85% of line 2a	0	0	0	0	0
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed	0	0	0	0	0
<b>d</b> Amounts included on line 2c not used directly for active conduct of exempt activities	0	0	0	0	0
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets	0	0	0	0	0
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)	0	0	0	0	0
<b>b</b> "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0	0	0	0	0
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)	0	0	0	0	0
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)	0	0	0	0	0
<b>(3)</b> Largest amount of support from an exempt organization	0	0	0	0	0
<b>(4)</b> Gross investment income	0	0	0	0	0

**Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 24 of the instructions.)**

**1 Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

Check here if the  organization only makes contributions to prospected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., (see page 24 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

**c** Any submission deadlines:

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

**Part XV Supplementary Information** (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p><b>a</b> Paid during the year</p> <p>See attached schedule</p>				2,845,000
<b>Total</b>				<b>3a</b> 2,845,000
<p><b>b</b> Approved for future payment</p> <p>None approved this current year</p>				0
<b>Total</b>				<b>3b</b> 0



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

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

Table with 3 columns: Question, Yes, No. Rows include 1a(1) Cash, 1a(2) Other assets, 1b(1) Sales of assets, 1b(2) Purchases of assets, 1b(3) Rental of facilities, 1b(4) Reimbursement, 1b(5) Loans, 1b(6) Performance of services, and 1c Sharing of facilities.

a Transfers from the reporting organization to a noncharitable exempt organization of:

- (1) Cash
(2) Other assets

b Other Transactions:

- (1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities or equipment
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

Schedule table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. First row contains 'N/A'.

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

Yes No
[ ] [X]

b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. First row contains 'N/A'.

Part XVIII Public Inspection

(See page 26 of the instructions and General Instruction Q)

- 1 Enter the date the notice of availability of the annual return appeared in a newspaper May 7, 1999
2 Enter the name of the newspaper The Daily Reporter
3 Check here to [X] indicate that you have attached a copy of the newspaper notice required by the instructions

considered incomplete.)

accompanying schedules and statements, and to the best of my knowledge and belief, it is
ary) is based on all information of which preparer has any knowledge.

DAVID H. KOCH CHARITABLE FOUNDATION

EIN # 48-0926946

ATTACHMENT TO 1998 FORM 990-PF

**PUBLICATION OF NOTICE**

M99-157 (First Published in The Daily Reporter, May 7, 1999)

**PUBLIC NOTICE**

The annual report for the calendar year ending (1998) of The David H. Koch Charitable Foundation is available at the Foundation's principal office for inspection during regular business hours, by any citizen who requests it within 180 days after the date of this publication. The Foundation's principal office is located at 4111 E. 37th Street North, Wichita, KS 67220. The principal manager is Vonda Holliman, Telephone (316) 828-5552.  
(My7)

DAVID H. KOCH CHARITABLE FOUNDATION

EIN # 48-0926946

ATTACHMENT TO 1998 FORM 990-PF

**PART I, Line 1, Schedule of Contributions Received**

<u>DONOR</u>	<u>DATE</u>	<u>AMOUNT</u>
David H. Koch	Feb.-Dec, 1998	2,450,000

**PART I, Line 16 a, b, c - Professional Fees**

<u>Type of Fee</u>	<u>Nature of Services</u>	<u>Amount</u>
Line 16 a - Legal Fees . . . . .	General corporate matters during the year	<u>953</u>
Line 16 b - Accounting Fees . . . . .	General accounting, preparation of financial statements, and preparation of Form 990-PF	<u>4,499</u>
Line 16 c - Other Professional Fees:		
Consulting Fees . . . . .	Fees to evaluate effectiveness of program grants	45,000
Grant Service Fees . . . . .	Administration of grant requests & payments	6,897
Investment Fees . . . . .	Investment management services	<u>106</u>
Total Other Professional Fees		<u><u>52,003</u></u>

**PART I, Line 18 - Taxes**

Federal excise tax on 1998 investment income . . . . .	<u><u>97</u></u>
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**PART I, Line 23 - Other Expenses**

Miscellaneous	277
Insurance	<u>206</u>
Total Other Expenses . . . . .	<u><u>483</u></u>

DAVID H. KOCH CHARITABLE FOUNDATION

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PART XV, Line 3 a - Grants Paid During the Year

RECIPIENT	RELATIONSHIP	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT	AMOUNT
American Ballet Theatre (Ballet Theatre Foundation) New York, NY 10003-1278	N/A	Public	General Operating Support	250,000
American Museum of Natural History New York, NY 10024	N/A	Public	Museum Project	250,000
Aspen Institute Aspen, CO 81611	N/A	Public	Renovation of Seminar Bldg.	250,000
The Boys Club of New York New York, NY 10009	N/A	Public	General Operating Support	10,000
CaP CURE Santa Monica, CA 90401	N/A	Public	Prostate Cancer Research	300,000
Daring Project, Inc. New York, NY 10019	N/A	Public	General Operating Support	1,000
Deerfield Academy Deerfield, MA 01342	N/A	Public	Alumni Fund	56,000
Institute for Visual Sciences, Inc. New York, NY 10021	N/A	Public	Clinical Research Programs	1,000
Institute of Human Origins Berkeley, CA 94709	N/A	Public	General Operating Support Program Support	150,000 50,000
Kaatsbaan International Dance Center, Inc. Tivoli, NY 12583	N/A	Public	General Operating Support	10,000
Manhattan Eye, Ear & Throat Hospital New York, NY 10021	N/A	Public	General Operating Support	100,000
Metropolitan Museum of Art New York, NY 10028	N/A	Public	Conservation Laboratory Special Exhibition Project	500,000 150,000
Museum of Television and Radio New York, NY 10019	N/A	Public	General Operating Support	1,000
Nancy Davis Fdn. for Multiple Sclerosis Los Angeles, CA 90067	N/A	Public	Program Support	10,000
National Foundation for Teaching Entrepreneurship New York, New York 10038	N/A	Public	Program Support	70,000
Prevent Blindness America, NYC Division New York, NY 10022	N/A	Public	Program Support	10,000
Reason Foundation Los Angeles, CA 90034	N/A	Public	General Operating Support	100,000
Rockefeller University New York, NY 10021-6399	N/A	Public	Biochemistry & Structural Biology Project Program Support Trustee Annual Fund	250,000 100,000 25,000
Solomon R. Guggenheim Foundation New York, NY 10028	N/A	Public	General Operating Support	100,000

DAVID H. KOCH CHARITABLE FOUNDATION

EIN # 48-0926946

ATTACHMENT TO 1998 FORM 990-PF

**PART XV, Line 3 a - Grants Paid During the Year**

RECIPIENT	RELATIONSHIP	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT	AMOUNT
United States Biathlon Association, Inc Salt Lake, City, UT 84111	N/A	Public	Program Support	1,000
WGBH Educational Foundation Boston, MA 02134	N/A	Public	Program Support	100,000
			<b>TOTAL GRANTS PAID</b>	<b>2,845,000</b>