

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)

2006

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2006 calendar year, or tax year beginning , 2006, and ending , 20

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

C Name of organization
HISTORIC DEERFIELD, INC

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
P O Box 321

City or town, state or country, and ZIP + 4
DEERFIELD, MA 01342

D Employer identification number
04:2262880

E Telephone number
(413) 774 5581

F Accounting method: Cash Accrual
 Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H** and **I** are not applicable to section 527 organizations.
- H(a)** Is this a group return for affiliates? Yes No
- H(b)** If "Yes," enter number of affiliates ▶ **N/A**
- H(c)** Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
- H(d)** Is this a separate return filed by an organization covered by a group ruling? Yes No
- I** Group Exemption Number ▶ **N/A**
- M** Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ **WWW.HISTORIC-DEERFIELD.ORG**

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **27,018,955**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Contributions to donor advised funds	1a			
	b Direct public support (not included on line 1a)	1b	1,517,701		
	c Indirect public support (not included on line 1a)	1c			
	d Government contributions (grants) (not included on line 1a)	1d	41307		
	e Total (add lines 1a through 1d) (cash \$ 1,266,483 noncash \$ 292,525)	1e			1,559,008
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			258,840
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			
	5 Dividends and interest from securities	5			1,286,157
	6a Gross rents	6a	144,734		
	b Less: rental expenses	6b	90,303		
c Net rental income or (loss). Subtract line 6b from line 6a	6c			54,431	
7 Other investment income (describe ▶)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	8a	22,115,132	51,640		
	b Less: cost or other basis and sales expenses	8b	3,385		
	c Gain or (loss) (attach schedule)	8c	48,255		
d Net gain or (loss). Combine line 8c, column's (A) and (B)	8d			1,809,489	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ of contributions reported on line 1b)	9a			
	b Less: direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events. Subtract line 9b from line 9a	9c			
10a Gross sales of inventory, less returns and allowances	10a	1603,444			
	b Less: cost of goods sold	10b	399,141		
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c			1,204,303
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			6,172,228	
Expenses	13 Program services (from line 44, column (B))	13		3,506,605	
	14 Management and general (from line 44, column (C))	14		787,909	
	15 Fundraising (from line 44, column (D))	15		589,705	
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 13 and 14, column (A)	17			4,884,219
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18		1,288,009	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		77,343,393	
	20 Other changes in net assets or fund balances (attach explanation)	20		4403,947	
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21			83,035,349

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b	Other grants and allocations (attach schedule) (cash \$ <u>2,500</u> noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	2,500	2,500		
23	Specific assistance to individuals (attach schedule)	18,452	18,452		
24	Benefits paid to or for members (attach schedule)				
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule)	201,724		201,724	
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)				
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				
26	Salaries and wages of employees not included on lines 25a, b, and c	2,089,209	1,754,341	119,596	215,272
27	Pension plan contributions not included on lines 25a, b, and c	66,425	42,192	15,576	8,657
28	Employee benefits not included on lines 25a - 27	305,143	247,100	35,752	22,291
29	Payroll taxes	207,087	165,134	24,078	17,875
30	Professional fundraising fees				
31	Accounting fees	86,000	2,200	83,800	
32	Legal fees	636	118	518	
33	Supplies	212,858	176,657	20,947	15,254
34	Telephone	11,582	5,990	3,211	2,381
35	Postage and shipping	17,962	3,069	1,454	13,439
36	Occupancy	396,688	351,802	44,886	
37	Equipment rental and maintenance	7,915	7,915		
38	Printing and publications	79,959	12,260	3,180	64,519
39	Travel	71,585	10,722	8,244	52,619
40	Conferences, conventions, and meetings	70,016	54,060	15,956	
41	Interest	129,312		29,312	
42	Depreciation, depletion, etc. (attach schedule)	429,954	402,373	18,296	9,285
43	Other expenses not covered above (itemize):				
a	CONTRACT SERVICES	323,084	225,443	57,487	40,154
b	Advertising + Promotion	134,373	6,414		127,959
c	CONSERVATION	17,863	17,863		
d	Investment mgmt fees	103,892		103,892	
e					
f					
g					
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	4,884,219	3,506,605	787,909	589,705

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>STMT 5</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a <u>MUSEUM</u> <u>2006 VISITATION = 18124</u> _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	1,972,540
b <u>LIBRARY</u> <u>VOLUMES = 20,589</u> <u>2006 READERS = 2695</u> _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	193,781
c <u>Fellowship Program</u> <u>see STMT 6</u> _____ _____ _____ _____ (Grants and allocations \$ <u>2500</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	79,261
d <u>MUSEUM STORE AND INN</u> <u>2006 VISITATION TO STORE = 26428</u> _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	1,261,023
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services). . . . ▶	3,506,605

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A)		(B)	
		Beginning of year		End of year	
45	Cash—non-interest-bearing	267,790	45	115,678	
46	Savings and temporary cash investments	81,301	46	82,088	
47a	Accounts receivable	47a 21,421			
b	Less: allowance for doubtful accounts	47b NONE	18,672	47c	21,421
48a	Pledges receivable	48a 126,255			
b	Less: allowance for doubtful accounts	48b NONE	115,632	48c	126,255
49	Grants receivable			49	
50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a	
b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b	
51a	Other notes and loans receivable (attach schedule)	51a			
b	Less: allowance for doubtful accounts	51b		51c	
52	Inventories for sale or use	417,653	52	407,840	
53	Prepaid expenses and deferred charges	69,323	53	55,933	
54a	Investments—publicly-traded securities	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	39,055,760	54a	41,968,413
b	Investments—other securities (attach schedule)	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	476,756	54b	252,892
55a	Investments—land, buildings, and equipment: basis	55a			
b	Less: accumulated depreciation (attach schedule)	55b		55c	
56	Investments—other (attach schedule)			56	
57a	Land, buildings, and equipment: basis	57a 16,477,332			
b	Less: accumulated depreciation (attach schedule)	57b 7,293,508	8,903,101	57c	9,183,824
58	Other assets, including program-related investments (describe <input type="checkbox"/> STMT 8)		29,560,587	58	32,386,019
59	Total assets (must equal line 74). Add lines 45 through 58		78,966,575	59	84,600,363
60	Accounts payable and accrued expenses		414,995	60	405,186
61	Grants payable			61	
62	Deferred revenue		38,465	62	35,294
63	Loans from officers, directors, trustees, and key employees (attach schedule)			63	
64a	Tax-exempt bond liabilities (attach schedule)			64a	
b	Mortgages and other notes payable (attach schedule) STMT 9		1,169,722	64b	1,124,534
65	Other liabilities (describe <input type="checkbox"/>)			65	
66	Total liabilities. Add lines 60 through 65		1,623,182	66	1565,014
Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
67	Unrestricted		31,864,275	67	32,708,947
68	Temporarily restricted		21,961,216	68	24,321,602
69	Permanently restricted		23,517,902	69	26,004,800
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
70	Capital stock, trust principal, or current funds			70	
71	Paid-in or capital surplus, or land, building, and equipment fund			71	
72	Retained earnings, endowment, accumulated income, or other funds			72	
73	Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		77,343,393	73	83,035,349
74	Total liabilities and net assets/fund balances. Add lines 66 and 73		78,966,575	74	84,600,363

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	10,960,611
b	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	2,526,300
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify): <u>CSV Life Insurance</u>		8967
	<u>CRT UNREALIZED LOSS ON AFFILIATE ASSETS</u>	b4	1,868,680
	Add lines b1 through b4	b	(1,116)
c	Subtract line b from line a	c	4,402,831
d	Amounts included on Part I, line 12, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	103,892
2	Other (specify): <u>RENT Expense</u>		(90,303)
	<u>COST of Goods Sold</u>	d2	(399,141)
	Add lines d1 and d2	d	(385,552)
e	Total revenue (Part I, line 12). Add lines c and d	e	6,172,228

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	5,269,771
b	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): <u>Expensed AGAINST REVENUE - RENT</u>		90,303
	<u>C.O.G.S</u>	b4	399,141
	Add lines b1 through b4	b	489,444
c	Subtract line b from line a	c	4,780,327
d	Amounts included on Part I, line 17, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	103,892
2	Other (specify):	d2	
	Add lines d1 and d2	d	103,892
e	Total expenses (Part I, line 17). Add lines c and d	e	4,884,219

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the 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 & deferred compensation plans	(E) Expense account and other allowances
Philip Zee c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	President 40 hours	140,000	7000	0
SUSAN MARTINELLI c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Assistant + VP Treasurer 40 hours	61,724	3086	0
ANNE GOVES c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Chair 2 hrs	0	0	0
Peter R James c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Treasurer 2 hrs	0	0	0
Scott H. Grealman c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Vice Chair 2 hrs	0	0	0
Joseph Peter Spang c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Secretary 2 hrs	0	0	0
All other trustees listed on separate schedule Stmt 10				

Part VI Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		<input checked="" type="checkbox"/>
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b N/A	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a N/A	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b N/A	
c	Dues, assessments, and similar amounts from members	85c N/A	
d	Section 162(e) lobbying and political expenditures	85d N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h N/A	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a N/A	
b	Gross receipts, included on line 12, for public use of club facilities	86b N/A	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a N/A	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b N/A	
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		<input checked="" type="checkbox"/>
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	<input checked="" type="checkbox"/>	
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ N/A; section 4912 ▶ N/A; section 4955 ▶ N/A		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		<input checked="" type="checkbox"/>
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	▶ NONE	
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	▶ NONE	
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		<input checked="" type="checkbox"/>
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		<input checked="" type="checkbox"/>
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g N/A	
90a	List the states with which a copy of this return is filed ▶ MASSACHUSETTS		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)	90b 119	
91a	The books are in care of ▶ Susan Martineau Telephone no. ▶ (413) 774-5581 Located at ▶ Historic Deerfield 84 Old Main St Deerfield, MA ZIP + 4 ▶ 01342-0321		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ N/A See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		<input checked="" type="checkbox"/>

Part VI Other Information (continued)

Yes No

- c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** Yes No
 If "Yes," enter the name of the foreign country ▶ _____
- 92** Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ | **92** |

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a museum admission/related income			15	25,459	222,911
b academic + fellowship Program					7,273
c other program services					3,197
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	1286 157	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	54,431	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	1,809,489	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory	722100	129,757	03	1,074,546	
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		129,757		4250082	233,381
105 Total (add line 104, columns (B), (D), and (E))					4613,220

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93	Program Service Revenues support Historic Deerfield in Providing Exhibitions and educational programs to The general public see Stmt II

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
<input checked="" type="checkbox"/>	<input type="checkbox"/>

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	Deerfield Heritage Inc P.O. Box 321 Deerfield, MA 01342	208087235	Loan	305,000
b				
c				
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above? N/A

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

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

Please Sign Here	Signature of officer: <u>Susan Martinelli</u>	Date: <u>7-27-07</u>
	Type or print name and title: <u>SUSAN MARTINELLI, Assistant Treasurer</u>	

Paid Preparer's Use Only	Preparer's signature: _____	Date: _____	Check if self-employed: <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X): _____
	Firm's name (or yours if self-employed), address, and ZIP + 4: _____	EIN: _____	Phone no.: () _____	

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

2006

Department of the Treasury
Internal Revenue Service

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Historic Deerfield, Inc

Employer identification number

04:226 2880

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
Patricia Yurkunas c/o Historic Deerfield PO Box 321 Deerfield MA	Director of Development 40hrs	64,178	3209	0
Karl Sato c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Innkeeper 40hrs	60,381	3019	0
Jane Howard c/o Historic Deerfield PO Box 321 Deerfield, MA	Innkeeper 40hrs	59,530	2977	0
Edward Maeder c/o Historic Deerfield PO Box 321 Deerfield MA	Curator 40hrs	58,553	0	0
David Bosse c/o Historic Deerfield PO Box 321 Deerfield, MA 01342	Librarian 40hrs	54,899	2745	00
Total number of other employees paid over \$50,000 . ▶	2			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Allison Bell Northampton, MA	Printing and Production	135,908
PricewaterhouseCoopers LLP Boston, MA	audit	86,000
The Boston Company Boston, MA	Investment Management	86,276
Total number of others receiving over \$50,000 for professional services ▶	NONE	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶	NONE	

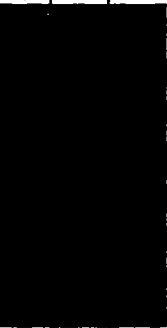
Part III Statements About Activities (See page 2 of the instructions.)

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)

	Yes	No
1		✓

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)



a Sale, exchange, or leasing of property?

2a		✓
----	--	---

b Lending of money or other extension of credit?

2b		✓
----	--	---

c Furnishing of goods, services, or facilities? *housing as a necessity of employment*

2c	✓	
----	---	--

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? *form 990 5-A*

2d	✓	
----	---	--

e Transfer of any part of its income or assets?

2e		✓
----	--	---

3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) *STMT 6*

3a	✓	
----	---	--

b Did the organization have a section 403(b) annuity plan for its employees?

3b	✓	
----	---	--

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c		✓
----	--	---

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d		✓
----	--	---

4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a		✓
----	--	---

b Did the organization make any taxable distributions under section 4966?

4b		✓
----	--	---

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c		✓
----	--	---

d Enter the total number of donor advised funds owned at the end of the tax year ▶ N/A

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ N/A

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ 0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	3846683	1070630	2658989	1343670	8919972
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	1997444	2240788	2132944	2436491	8807667
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	1602141	1414266	687171	1003846	4707424
19 Net income from unrelated business activities not included in line 18.					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	7446268	4725684	5479104	4784007	22435063
24 Line 23 minus line 17	5448824	2484896	3346160	2347516	13627396
25 Enter 1% of line 23	74463	47257	54791	47840	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 272,548
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 433,995
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 13627396
d Add: Amounts from column (e) for lines: 18 4707424 19 _____ 22 _____ 26b 433955					26d 5141379
e Public support (line 26c minus line 26d total)					26e 8486017
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 62.2717%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) _____ (2004) _____ (2003) _____ (2002) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2005) _____ (2004) _____ (2003) _____ (2002) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c _____
d Add: Line 27a total _____ and line 27b total _____					27d _____
e Public support (line 27c total minus line 27d total)					27e _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h _____ %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15					

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768) N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
	If the amount on line 40 is— The lobbying nontaxable amount is—		
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	41	
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36.	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38.	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities N/A
 (For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only
All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization <i>Historic Deerfield, Inc</i>	Employer identification number <i>04 : 2262880</i>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <i>Old Main Street</i>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <i>Deerfield, MA 01342</i>	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ *Susan Martinelli*

Telephone No. ▶ *(413) 774 5581* FAX No. ▶ *(413) 775 7220*

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the **whole** group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until *AUGUST 15*, 20*07* to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 20*06* or
 ▶ tax year beginning _____, 20____, and ending _____, 20____

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part 1, Line 8

(A) Securities

Gross Sales Price of Securities	\$22,115,132
Cost Basis of Securities	\$20,353,898
Gain from Sales of Securities	\$1,761,234

(B) Other

Asset	Proceeds	Acquisition	Cost	Gain(Loss)
Donated library books	\$240	2006	\$0	\$240
Deaccessioned objects	\$51,000	various	\$3,385	\$47,615
1997 Ford ranger pickup	\$400	1994	\$0	\$400
	<u>\$51,640</u>		<u>\$3,385</u>	<u>\$48,255</u>
	=====		=====	=====

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part 1, Line 10c

	Deerfield Inn	Museum Store	Total
Sales	\$1,244,044	\$359,400	\$1,603,444
Less cost of goods sold:			
Food	\$173,924		
Liquor	\$46,502		
Store goods		\$178,715	
	\$220,426	\$178,715	\$399,141
Gross profit from sales	\$1,023,618	\$180,685	\$1,204,303

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04 -2262880
Form 990

Part 1, Line 20

To record increase in unrealized appreciation of assets:	\$2,526,300
To record increase in beneficial interest in charitable remainder trust:	\$1,868,680
Increase in CSV insurance	\$8,967
	<hr/>
	\$4,403,947
	=====

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part II, Line 42 - Depreciation Expense

Building and Land Improvements	Straight Line	\$283,765
Furniture and Equipment	Straight Line	\$121,650
Motor Vehicles	Straight Line	\$18,226
Books and Manuscripts	Straight Line	\$15,560
less: Allocated Rental Expenses (Part I, Line 6b)		(\$9,247)
		<hr/>
		\$429,954
		=====

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part III Statement of program service accomplishments

Historic Deerfield, Inc. is a museum of early American history, architecture, and the decorative arts that recognizes a particular responsibility for preserving and interpreting the buildings entrusted to it, their unique setting in the Town of Deerfield, and the collections in those buildings. To this end it maintains and operates the buildings as exhibition areas open to the public; it conducts a broad range of educational programs; it refines and adds to its collections; and it promotes continuing research in its museum and library collections and in the history of the Connecticut valley.

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part III, Line c
Schedule A, Part III, Line 3a

In the fall of the year proceeding the Fellowship Program, press releases announcing the program are sent to approximately 50 professional periodicals and newsletters in fields related to the substance of the Fellowship Program (American history, art history, architecture, historic preservation, museum studies, etc.) and the approximately 500 student newspapers at colleges and universities throughout the United States. In December more than 2,500 individual printed announcements for the program are sent to colleges and universities, museums and historical societies throughout the nation. Application forms are sent upon mail or telephone request to interested candidates. The dead line for filing applications is April 1st. At that time, Historic Deerfield's Fellowship Selection Committee consisting of one or two trustees and two or more staff members reviews these applications and selects from six to ten Fellows for the summer program.

The basic qualifications which Fellows must meet is that they be of sophomore, junior or senior status in college as of January 1st of the Fellowship year. The Fellowship Selection committee appoints those candidates who in their judgement seem most promising as students and as potential professionals in the museum and related fields. The committee's judgement is guided by three criteria of selection: interest in and qualification for studies pursued at Deerfield, academic record, and character and personality appropriate to the objectives of the program.

The Fellows participate in a program of independent study and field experience in museum interpretation at Historic Deerfield under the supervision of the museum's Director of Academic Programs with the assistance of an annually appointed tutor and /or assistant tutor and other members of the museum's professional staff.

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part IV, Line 54

Market Value

Common Stock	\$19,581,065
The Boston Company international equities fund	\$5,542,200
The Boston Company fixed income funds	\$8,727,143
Mutual funds	\$8,118,005

Part IV, Line 54a

\$41,968,413
=====

Money market funds

\$252,892

Part IV, Line 54b

\$252,892
=====

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04 -2262880
Form 990

Part IV, Line 57

	Book Value	Accumulated Depreciation
Land	\$348,562	
Land Improvements	\$242,266	\$117,761
Buildings	\$12,285,755	\$4,930,968
Motor Vehicles	\$179,156	\$121,098
Telephone System	\$142,413	\$95,595
Computer System	\$153,790	\$121,972
Furniture & Equipment:		
Museum	\$759,988	\$637,044
Rentals	\$23,773	\$22,099
Library	\$156,049	\$150,949
Education	\$17,250	\$16,234
Administration	\$161,744	\$131,304
Admin. Housing	\$5,181	\$4,857
Museum Store	\$55,076	\$50,705
Deerfield Inn	\$513,260	\$424,665
South Wing	\$86,350	\$86,132
Library Books and Manuscripts	\$473,692	\$379,625
Construction in Progress	\$873,027	\$2,500
Total	\$16,477,332	\$7,293,508

Part IV, Line 58

Antiques	\$16,549,536
Beneficial interest in charitable remainder trust	\$15,136,821
Accrued Interest and Dividends	\$181,469
Due from affiliate	\$306,920
Other Assets	\$211,273
Total	\$32,386,019

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part IV, Line 64b - Mortgages and other notes payable

Notes Payable

On November 1, 2005, the Corporation entered into an agreement with a donor to purchase a collection of antiques for \$2,000,000. The donor contributed the remaining half of the collection, valued at approximately \$2,000,000. The purchase was financed through a note payable to the donor of \$1,987,000 and \$13,000 due at signing. The note is payable in annual installments ranging from \$58,500 to \$128,500 through December 2024. The loan does not have a stated interest rate, and has been discounted using a rate of 5.32%, the rate which would be expected to be obtained from another lender. The Corporation has recorded a total discount of \$758,778 and \$781,795 in 2006 and 2005, respectively, of which \$29,312 and \$23,017 was accreted during 2006 and 2005, respectively. The Corporation was in compliance with all covenants at December 31, 2006 and 2005.

	2006	2005
Note payable	\$ 1,854,000	\$ 1,928,500
Less unamortized discount	<u>(729,466)</u>	<u>(758,778)</u>
	<u>\$ 1,124,534</u>	<u>\$ 1,169,722</u>

Future payments on the note payable as of December 31, 2006 are as follows:

2007	\$ 77,500
2008	80,500
2009	83,500
2010	86,500
2011	89,500
Thereafter	<u>1,436,500</u>
	<u>\$ 1,854,000</u>

The donor is not related to any officer, director, trustee or key employee of the organization.

Statement #9

Historic Deerfield, Inc.
P.O. Box 321
Deerfield, MA 01342

EIN 04-2262880
Form 990

Part V

Trustees of Historic Deerfield, Inc.

Jeanne D. Adair
Henry E. Bartels
Edson L. Bridges, II
Mary Maples Dunn
Jonathan L. Healy
John A Herdeg
Daniel Horowitz
Lynda McCurdy Hotra
Steven H. Miller
Jane C. Nylander
Roger B. Parsons
Charles D. Schewe, PhD
Charlotte Elizabeth Smith

All above trustees are non compensated and devote 2 hours per week to the position. Their addresses are c/o of Historic Deerfield, P.O. Box 321, Deerfield, MA 01342

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Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes

Historic Deerfield, Inc. is a non profit, educational institution dedicated to promoting the understanding and appreciation of New England history, architecture, and decorative arts. Guided by its Board of Trustees, the institution's professional staff operates more than a dozen museum buildings as well as a library, and conducts a broad range of educational and research programs. In addition, Historic Deerfield owns and manages an inn and a museum store. In all of these activities, the goal is to encourage today's public to encounter, enjoy and learn from the richly varied experiences and cultural expressions of the peoples who gave rural New England its distinctive character and identity.

Historic Deerfield also recognizes a particular responsibility to preserve for future generations the unique combination of the buildings entrusted to it, their setting in the Connecticut River Valley of Massachusetts, and the objects in those buildings. It systematically refines and conserves its collections, employing the highest standards of museum management, and it actively encourages efforts to protect the historic character of the town of Deerfield and the surrounding countryside.

The public served by Historic Deerfield includes students of all ages, teachers, professional scholars, connoisseurs and collectors, environmentalists, genealogists and amateur historians, residents of the region, tour groups, vacationing families, and travelers from around the world. In fulfilling its mission, the institution continually seeks to expand its audience and broaden the range of constituencies committed to its support.

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Part II, Line 22

(A) Class of Activity	Name	(B) Address	Amount	(C) Relationship
Fellowship	Kyle Ludke	91 Bay State Road Boston, MA 2215	\$1,000	None
Fellowship	Youme Yai	21 Wellesley College Road Wellesley, MA 2481	\$1,500	None
			<hr/>	
			\$2,500	
			<hr/>	

Part II, Line 23	Fellowship student education expense	\$7,783
	Fellowship housing and board	\$10,669
		<hr/>
		\$18,452
		<hr/>