

**Return of Private Foundation**

Department of the Treasury  
Internal Revenue Service

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

**2006**

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

For calendar year 2006, or tax year beginning , 2006, and ending

**G** Check all that apply  Initial return  Final return  Amended return  Address change  Name change

**Name of foundation**  
FIRST COMMAND EDUCATIONAL FOUNDATION

**Employer identification number**  
75-1973894

**Number and street (or P O box number if mail is not delivered to street address) Room/suite**  
P.O. BOX 2387

**Telephone number (see page 11 of the instructions)**  
(817) 731-8621

**City or town, state, and ZIP code**  
FORT WORTH, TX 76113-2387

**H** Check type of 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, col (c), line 16) ▶ \$ 1,164,178.

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

**C** If exemption application is pending, check here . . . . .

**D** 1. Foreign organizations, check here . . . . .   
2. Foreign organizations meeting the 85% test, check here and attach computation . . . . .

**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 . . . . .

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>1</b> Contributions, gifts, grants, etc., received (attach schedule) . . . . .	606,907.			
<b>2</b> Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
<b>3</b> Interest on savings and temporary cash investments . . . . .	40,852.	40,852.		STMT 1
<b>4</b> Dividends and interest from securities . . . . .				
<b>5a</b> Gross rents . . . . .				
<b>b</b> Net rental income or (loss) . . . . .				
<b>6a</b> Net gain or (loss) from sale of assets not on line 10 . . . . .	3,594.			
<b>b</b> Gross sales price for all assets on line 6a . . . . .	98,352.			
<b>7</b> Capital gain net income (from Part IV, line 2) . . . . .		3,594.		
<b>8</b> Net short-term capital gain . . . . .				
<b>9</b> Income modifications . . . . .				
<b>10 a</b> Gross sales less returns and allowances . . . . .				
<b>b</b> Less Cost of goods sold . . . . .				
<b>c</b> Gross profit or (loss) (attach schedule) . . . . .				
<b>11</b> Other income (attach schedule) . . . . .				
<b>12 Total.</b> Add lines 1 through 11 . . . . .	651,353.	44,446.		
<b>13</b> Compensation of officers, directors, trustees, etc. . . . .	178,649.			
<b>14</b> Other employee salaries and wages . . . . .	126,621.			
<b>15</b> Pension plans, employee benefits . . . . .				
<b>16a</b> Legal fees (attach schedule) . . . . .				
<b>b</b> Accounting fees (attach schedule) STMT 2 . . . . .	7,625.	NONE	NONE	NONE
<b>c</b> Other professional fees (attach schedule) STMT 3 . . . . .	12,383.			4,000.
<b>17</b> Interest . . . . .				
<b>18</b> Taxes (attach schedule) (see page 14 of the instructions) * . . . . .	484.			
<b>19</b> Depreciation (attach schedule) and depletion . . . . .	1,014.			
<b>20</b> Occupancy . . . . .				
<b>21</b> Travel, conferences, and meetings . . . . .	16,360.			16,120.
<b>22</b> Printing and publications . . . . .	6,306.			252.
<b>23</b> Other expenses (attach schedule) STMT 5 . . . . .	104,297.			60,499.
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	453,739.	NONE	NONE	80,871.
<b>25</b> Contributions, gifts, grants paid . . . . .	233,650.			233,650.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25 . . . . .	687,389.	NONE	NONE	314,521.
<b>27 Subtract line 26 from line 12.</b> . . . . .	-36,036.			
<b>a</b> Excess of revenue over expenses and disbursements . . . . .				
<b>b</b> Net investment income (if negative, enter -0-) . . . . .		44,446.		
<b>c</b> 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 (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing . . . . .		175,837.	322,091.	322,091.
	2	Savings and temporary cash investments . . . . .		500,000.		
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶ 15,570. Less allowance for doubtful accounts ▶		99,000.	15,570.	15,570.
	5	Grants receivable . . . . .				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ * Less allowance for doubtful accounts ▶		40,700.	15,266.* 15,266.	15,266.
	8	Inventories for sale or use . . . . .				
	9	Prepaid expenses and deferred charges . . . . .				
	10 a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)				
	c	Investments - corporate bonds (attach schedule)				
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans . . . . .				
	13	Investments - other (attach schedule) . . . . . STMT 6		269,601.	801,901.	801,901.
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶		21,817. 12,467.	9,350.	9,350. STMT 7
15	Other assets (describe ▶ )		8,220.			
16	<b>Total assets</b> (to be completed by all filers - see page 17 of the instructions. Also, see page 1, item I) . . . . .		1,093,358.	1,164,178.	1,164,178.	
Liabilities	17	Accounts payable and accrued expenses . . . . .		70,854.	48,809.	
	18	Grants payable . . . . .		8,000.	11,043.	
	19	Deferred revenue . . . . .				
	20	Loans from officers, directors, trustees, and other disqualified persons . . . . .				
	21	Mortgages and other notes payable (attach schedule) . . . . .				
	22	Other liabilities (describe ▶ STMT 8 )			100,000.	
23	<b>Total liabilities</b> (add lines 17 through 22) . . . . .		78,854.	159,852.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted . . . . .		173,280.	208,648.	
	25	Temporarily restricted . . . . .		75,000.		
	26	Permanently restricted . . . . .		766,224.	795,678.	
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds . . . . .				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .				
	29	Retained earnings, accumulated income, endowment, or other funds . . . . .				
30	<b>Total net assets or fund balances</b> (see page 18 of the instructions) . . . . .		1,014,504.	1,004,326.		
31	<b>Total liabilities and net assets/fund balances</b> (see page 18 of the instructions) . . . . .		1,093,358.	1,164,178.		

**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	1,014,504.
2	Enter amount from Part I, line 27a . . . . .	2	-36,036.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	25,858.
4	Add lines 1, 2, and 3 . . . . .	4	1,004,326.
5	Decreases not included in line 2 (itemize) ▶	5	
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30 . . . . .	6	1,004,326.

**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 SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
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					
b					
c					
d					
e					
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	3,594.
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 13 and 18 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 foundation liable for the section 4942 tax on the distributable amount of any year in the base period? . . . .  Yes  No  
If "Yes," the foundation 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 19 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2005	519,132.	258,477.	2.00842628164
2004	598,296.	132,039.	4.53120668893
2003	670,727.	63,920.	10.49322590738
2002	751,641.	128,155.	5.86509305138
2001	428,168.	70,725.	6.05398373984
2 Total of line 1, column (d) . . . . .			2 28.95193566917
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 5.79038713383
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5 . . . . .			4 976,414.
5 Multiply line 4 by line 3 . . . . .			5 5,653,815.
6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .			6 444.
7 Add lines 5 and 6 . . . . .			7 5,654,259.
8 Enter qualifying distributions from Part XII, line 4 . . . . .			8 314,521.

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 19

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 19 of the instructions)

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', 'Tax under section 511', and 'Credits/Payments'. Total tax due is 444.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, political expenditures, and state reporting. Includes 'Yes' and 'No' columns.

Part VII-A Statements Regarding Activities Continued

Table with 3 columns: Question, Yes, No. Rows include questions 11a, 11b, 12, 13, 14, and 15 regarding foundation activities and website information.

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.

Table with 3 columns: Question, Yes, No. Rows include questions 1a through 4b regarding Form 4720 requirements, such as disqualifying acts and undistributed income.

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

**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  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)? (see instructions)  Yes  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?  Yes  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 23 of the instructions)?  **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here

**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No

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

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No **6b** X

If you answered "Yes" to 6b, also file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No **7b** X

**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 page 23 of 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 and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 11		178,649.	NONE	NONE

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 24 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 and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000  NONE

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

**3** Five highest-paid independent contractors for professional services (see page 24 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
N/A		
-----		
-----		
-----		
-----		

Total number of others receiving over \$50,000 for professional services . . . . . **NONE**

**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
<b>1</b> EDUCATIONAL SCHOLARSHIPS-RECIPIENT INFORMATION AVAILABLE UPON REQUEST	233,650.
<b>2</b> -----	
<b>3</b> -----	
<b>4</b> -----	

**Part IX-B** Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made up by the foundation during the tax year on lines 1 and 2	Amount
<b>1</b> NONE	
<b>2</b> -----	
All other program-related investments See page 25 of the instructions <b>3</b> NONE	
Total. Add lines 1 through 3 . . . . .	

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 25 of the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	370,288.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	596,379.
<b>c</b>	Fair market value of all other assets (see page 25 of the instructions)	<b>1c</b>	24,616.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	991,283.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	991,283.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 26 of the instructions)	<b>4</b>	14,869.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	976,414.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	48,821.

**Part XI Distributable Amount** (see page 26 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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	48,821.
<b>2a</b>	Tax on investment income for 2006 from Part VI, line 5	<b>2a</b>	444.
<b>b</b>	Income tax for 2006 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	444.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	48,377.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	48,377.
<b>6</b>	Deduction from distributable amount (see page 26 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	48,377.

**Part XII Qualifying Distributions** (see page 26 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	314,521.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	NONE
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	NONE
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	314,521.
<b>5</b>	Foundations 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 27 of the instructions)	<b>5</b>	N/A
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	314,521.

**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 27 of the instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7 . . . . .				48,377.
2 Undistributed income, if any, as of the end of 2005				
a Enter amount for 2005 only . . . . .				
b Total for prior years . . . . .				
3 Excess distributions carryover, if any, to 2006				
a From 2001 . . . . .	424,678.			
b From 2002 . . . . .	745,293.			
c From 2003 . . . . .	667,551.			
d From 2004 . . . . .	591,713.			
e From 2005 . . . . .	506,703.			
f Total of lines 3a through e . . . . .	2,935,938.			
4 Qualifying distributions for 2006 from Part XII, line 4 ▶ \$ 314,521.				
a Applied to 2005, but not more than line 2a . . .				
b Applied to undistributed income of prior years (Election required - see page 27 of the instructions) . .				
c Treated as distributions out of corpus (Election required - see page 27 of the instructions) . . .				
d Applied to 2006 distributable amount . . . . .				48,377.
e Remaining amount distributed out of corpus . . .	266,144.			
5 Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a) )				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	3,202,082.			
b Prior years' undistributed income Subtract line 4b from line 2b . . . . .				
c 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 . . . . .				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions . . . . .				
e Undistributed income for 2005 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions . . . . .				
f Undistributed income for 2006 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2007 . . . . .				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 28 of the instructions) . . . . .				
8 Excess distributions carryover from 2001 not applied on line 5 or line 7 (see page 28 of the instructions) . . . . .	424,678.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a . . . . .	2,777,404.			
10 Analysis of line 9:				
a Excess from 2002 . . . . .	745,293.			
b Excess from 2003 . . . . .	667,551.			
c Excess from 2004 . . . . .	591,713.			
d Excess from 2005 . . . . .	506,703.			
e Excess from 2006 . . . . .	266,144.			

**Part XIV Private Operating Foundations** (see page 28 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, enter the date of the ruling . . . . .

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

	Tax year	Prior 3 years			(e) Total
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . .					
b 85% of line 2a . . . . .					
c Qualifying distributions from Part XII, line 4 for each year listed .					
d Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c . . . . .					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets . . .					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . .					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
(3) Largest amount of support from an exempt organization . . . . .					
(4) Gross investment income .					

**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 28 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 foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see page 28 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

SEE STATEMENT 12

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

AVAILABLE UPON REQUEST

c Any submission deadlines

NONE

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

SEE STATEMENT 13

**Part XV Supplementary Information (continued)**

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

Recipient Name and address (home or business)	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
<p><b>a</b> <i>Paid during the year</i></p> <p><b>SEE STATEMENT 14</b></p>				
<p><b>Total . . . . . ▶ 3a</b></p>				<p><b>233,650.</b></p>
<p><b>b</b> <i>Approved for future payment</i></p>				
<p><b>Total . . . . . ▶ 3b</b></p>				

Part XVI-A Analysis of Income-Producing Activities

Table with 5 main columns: (a) Business Code, (b) Amount, (c) Exclusion code, (d) Amount, and (e) Related or exempt function income. Rows include Program service revenue, Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income, Gain or (loss) from sales of assets, and Subtotal.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No. and Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes. Includes the text 'NOT APPLICABLE'.

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... a Transfers from the reporting foundation 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, equipment, or other assets (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

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

2 a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... b If "Yes," complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee: Vickie C. Mauldin, Date: 11/15/07, Title: Executive Director. Preparer's signature: [Signature], Date: 11/14/07, Firm's name: HARTMAN LEITO & BOLT, LLP, 105 DECKER COURT, SUITE 950, IRVING, TX 75062-2338, Phone no. 972-579-0822.

**Schedule B**

(Form 990, 990-EZ, or 990-PF)  
Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No 1545-0047

**2006**

Name of organization

FIRST COMMAND EDUCATIONAL FOUNDATION

Employer identification number

75-1973894

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule - see instructions )

**General Rule -**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II )

**Special Rules -**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II )

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ) . . . . . ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Name of organization <b>FIRST COMMAND EDUCATIONAL FOUNDATION</b>	Employer identification number <b>75-1973894</b>
--	---

**Part I** Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<u>AIM INVESTMENTS</u>  <u>11 GREENWAY PLAZA, SUITE 100</u>  <u>HOUSTON, TX 77046-1173</u>	10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	<u>FIRST COMMAND FINANCIAL PLANNING</u>  <u>1 FIRSTCOMM PLAZA</u>  <u>FORT WORTH, TX 76109</u>	400,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3	<u>CONTRIBUTIONS &lt; \$13,027</u>  _____  _____	196,907.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
_____	_____  _____  _____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____  _____  _____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
_____	_____  _____  _____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
29,318.		1285.32				P	10/06/2006	
		FIDELITY ADV DIVERSIFIED INTL FU PROPERTY TYPE: SECURITIES						
		27,133.					2,185.	
82.		4.701				P	10/06/2006	
		FIDELITY ADV NEW INSIGHTS CL A PROPERTY TYPE: SECURITIES						
		79.					3.	
1,471.		48.269				P	10/06/2006	
		FIDELITY ADV EQUITY INCOME CL A PROPERTY TYPE: SECURITIES						
		1,360.					111.	
10,595.		347.725				P	10/06/2006	
		FIDELITY ADV EQUITY INCOME CL A PROPERTY TYPE: SECURITIES						
		9,795.					800.	
1,799.		154.186				P	10/06/2006	
		FIDELITY ADV STRATEGIC INCOME CL PROPERTY TYPE: SECURITIES						
		1,782.					17.	
7,167.		614.111				P	10/06/2006	
		FIDELITY ADV STRATEGIC INCOME CL PROPERTY TYPE: SECURITIES						
		7,099.					68.	
47,920.		4109.819				P	10/06/2006	
		FIDELITY ADV STRATEGIC INCOME C PROPERTY TYPE: SECURITIES						
		47,510.					410.	
<b>TOTAL GAIN (LOSS)</b> .....							<u><u>3,594.</u></u>	

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTEREST	40,852.	40,852.
TOTAL	40,852.	40,852.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
AUDIT EXPENSE	7,625.			
TOTALS	7,625.	NONE	NONE	NONE

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
PAYROLL PROCESSING	5,493.	
CONSULTANT FEE	4,000.	4,000.
OTHER	2,890.	
TOTALS	12,383.	4,000.

FORM 990PF, PART I - TAXES  
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----
FEDERAL TAX	484.
TOTALS	----- 484. =====

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
FUNDRAISING	5.	5.
MEALS & ENTERTAINMENT	9,860.	9,106.
STAFF TRAINING	12,329.	6,314.
TRANSPORTATION	34,937.	33,318.
OFFICE SUPPLIES	11,212.	1,959.
POSTAGE & FREIGHT	3,735.	
TELEPHONE	1,445.	
MISCELLANEOUS	19,972.	
PROMOTIONAL & SPONSORSHIP	9,797.	9,797.
PROFESSIONAL DUES	1,005.	
TOTALS	104,297.	60,499.

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SECURITIES	6,223.	6,223.
SECURITIES - RESTRICTED	795,678.	795,678.
TOTALS	801,901.	801,901.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL			ACCUMULATED DEPRECIATION DETAIL		
		BEGINNING BALANCE	ADDITIONS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	ENDING BALANCE
DESKPRO EVO COMPUTD	M5	1,167.		1,167.	731.	133.	864.
PROLIANT SERVER	M5	5,438.		5,438.	3,011.	595.	3,606.
HP CLR LJ4600	M5	2,638.		2,638.	1,221.	361.	1,582.
COMPUTER EQUIPMENTC	M5	4,310.		4,310.	1,638.	983.	2,621.
2006 ADDITION	M5		8,264.	8,264.		1,653.	1,653.
TOTALS		13,553.		21,817.	6,601.		10,326.

FIRST COMMAND EDUCATIONAL FOUNDATION  
FORM 990PF, PART II - OTHER LIABILITIES  
=====

75-1973894

DESCRIPTION -----	ENDING BOOK VALUE -----
PLEDGES PAYABLE	100,000.
TOTALS	----- 100,000. =====

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAIN/(LOSS) ON INVESTMENTS	25,858.
TOTAL	----- 25,858. =====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
DONALDSON D. FRIZZELL P.O. BOX 2387 FORT WORTH, TX 76113-2387	DIRECTOR 40.00	NONE	NONE	NONE
HARRY E. BARTEL P.O. BOX 2387 FORT WORTH, TX 76113-2387	BOARD CHAIRMAN 1.00	NONE	NONE	NONE
MARTHA E. GRAY P.O. BOX 2387 FORT WORTH, TX 76113-2387	DIRECTOR 1.00	NONE	NONE	NONE
DORIS TERRELL P.O. BOX 2387 FORT WORTH, TX 76113-2387	DIRECTOR 1.00	NONE	NONE	NONE
JEFF DAVIS P.O. BOX 2387 FORT WORTH, TX 76113-2387	DIRECTOR 1.00	NONE	NONE	NONE
ROBERT SLAUGHTER P.O. BOX 2387 FORT WORTH, TX 76113-2387	DIRECTOR 1.00	NONE	NONE	NONE
VINCE PATTON	DIRECTOR 1.00	NONE	NONE	NONE

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
P.O. BOX 2387 FORT WORTH, TX 76113-2387				
VICKI MAULDIN P.O. BOX 2387 FORT WORTH, TX 76113-2387	PRESIDENT 40.00	110,645.	NONE	NONE
CHRIS WILKIE P.O. BOX 2387 FORT WORTH, TX 76113-2387	DEPUTY DIRECTOR 40.00	68,004.	NONE	NONE
GRAND TOTALS		178,649.	NONE	NONE

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS  
=====

OFFICERS' WIVES CLUB OF LOCAL  
MILITARY

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

THERE IS A MAXIMUM OF \$3,000 PER SCHOLARSHIP FOR UNDERGRADUATE COLLEGE EDUCATION. SCHOLARSHIPS ARE LIMITED TO STUDENTS WHO ARE CHILDREN OF AN ACTIVE DUTY, RETIRED OR DECEASED MILITARY PERSON.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
VARIOUS STUDENTS ATTENDING DIFFERENT UNIVERSITIES INFO AVAILABLE UPON REQUEST	NONE	EDUCATIONAL SCHOLARSHIPS	233,650.
TOTAL CONTRIBUTIONS PAID			233,650.

**SCHEDULE D  
(Form 1041)**

**Capital Gains and Losses**

OMB No 1545-0092

**2006**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

Name of estate or trust

Employer identification number

**FIRST COMMAND EDUCATIONAL FOUNDATION**

**75-1973894**

Note: Form 5227 filers need to complete only Parts I and II

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

	(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 35)	(f) Gain or (Loss) for the entire year (col (d) less col (e))
1						
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2005 Capital Loss Carryover Worksheet.					4 ( )
5	Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below					5

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

	(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 35)	(f) Gain or (Loss) for the entire year (col (d) less col (e))
6	SEE STATEMENT 1			98,352.	94,758.	3,594.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9	Capital gain distributions					9
10	Gain from Form 4797, Part I					10
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2005 Capital Loss Carryover Worksheet.					11 ( )
12	Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 14a, column (3) below					12 3,594.

**Part III Summary of Parts I and II**

Caution: Read the instructions before completing this part.

	(1) Beneficiaries' (see page 36)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		
14 Net long-term gain or (loss):			
a Total for year	14a		3,594.
b Unrecaptured section 1250 gain (see line 18 of the worksheet on page 36).	14b		
c 28% rate gain.	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		3,594.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2006

**Part IV Capital Loss Limitation**

**16** Enter here and enter as a (loss) on Form 1041, line 4, the smaller of  
 a The loss on line 15, column (3) or  
 b \$3,000 16 ( )

If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 39 of the instructions to determine your capital loss carryover.

**Part V Tax Computation Using Maximum Capital Gains Rates** (Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22 is more than zero.)

**Note:** If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 38 of the instructions and skip Part V. Otherwise, go to line 17.

<b>17</b> Enter taxable income from Form 1041, line 22 . . . . .	<b>17</b>	
<b>18</b> Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>	
<b>19</b> Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) . . . . .	<b>19</b>	
<b>20</b> Add lines 18 and 19 . . . . .	<b>20</b>	
<b>21</b> If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . . .	<b>21</b>	
<b>22</b> Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>	
<b>23</b> Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>	
<b>24</b> Enter the smaller of the amount on line 17 or \$2,050 . . . . .	<b>24</b>	
<b>25</b> Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> <b>Yes.</b> Skip lines 25 through 27, go to line 28 and check the "No" box. <input type="checkbox"/> <b>No.</b> Enter the amount from line 23 . . . . .	<b>25</b>	
<b>26</b> Subtract line 25 from line 24 . . . . .	<b>26</b>	
<b>27</b> Multiply line 26 by 5% (.05) . . . . .	<b>27</b>	
<b>28</b> Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> <b>Yes.</b> Skip lines 28 through 31, go to line 32 <input type="checkbox"/> <b>No.</b> Enter the smaller of line 17 or line 22 . . . . .	<b>28</b>	
<b>29</b> Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>29</b>	
<b>30</b> Subtract line 29 from line 28 . . . . .	<b>30</b>	
<b>31</b> Multiply line 30 by 15% (.15) . . . . .	<b>31</b>	
<b>32</b> Figure the tax on the amount on line 23. Use the 2006 Tax Rate Schedule on page 23 of the instructions . . . . .	<b>32</b>	
<b>33</b> Add lines 27, 31, and 32 . . . . .	<b>33</b>	
<b>34</b> Figure the tax on the amount on line 17. Use the 2006 Tax Rate Schedule on page 23 of the instructions . . . . .	<b>34</b>	
<b>35</b> <b>Tax on all taxable income.</b> Enter the smaller of line 33 or line 34 here and on line 1a of Schedule G, Form 1041 . . . . .	<b>35</b>	



**Depreciation and Amortization**  
**(Including Information on Listed Property)**

▶ See separate instructions.

▶ Attach to your tax return.

Name(s) shown on return

**FIRST COMMAND EDUCATIONAL FOUNDATION**

Identifying number

**75-1973894**

Business or activity to which this form relates

**GENERAL DEPRECIATION**

**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses . . . . .	1	
2	Total cost of section 179 property placed in service (see instructions) . . . . .	2	
3	Threshold cost of section 179 property before reduction in limitation . . . . .	3	
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0- If married filing separately, see instructions . . . . .	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29 . . . . .	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 . . . . .	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8 . . . . .	9	
10	Carryover of disallowed deduction from line 13 of your 2005 Form 4562 . . . . .	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) . . . . .	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 . . . . .	12	
13	Carryover of disallowed deduction to 2007 Add lines 9 and 10, less line 12 . . . . .	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions) . . . . .	14	
15	Property subject to section 168(f)(1) election . . . . .	15	
16	Other depreciation (including ACRS) . . . . .	16	

**Part III MACRS Depreciation (Do not include listed property ) (See instructions )**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2006 . . . . .	17	2,072.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here . . . . .		<input type="checkbox"/>

**Section B - Assets Placed in Service During 2006 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		8,264.	5.000	MQ	200DB	1,653.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

**Section C - Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System**

20a Class life				S/L	
b 12-year			12 yrs	S/L	
c 40-year			40 yrs	MM	S/L

**Part IV Summary (see instructions)**

21	Listed property. Enter amount from line 28 . . . . .	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instr . . . . .	22	3,725.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	23	

For Paperwork Reduction Act Notice, see separate instructions.

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

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

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No
(a) Type of property (list vehicles first) (b) Date placed in service (c) Business/investment use percentage (d) Cost or other basis (e) Basis for depreciation (business/investment use only) (f) Recovery period (g) Method/Convention (h) Depreciation deduction (i) Elected section 179 cost
25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 25
26 Property used more than 50% in a qualified business use: % % %
27 Property used 50% or less in a qualified business use % S/L - % S/L - % S/L -
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 28
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (do not include commuting miles)
31 Total commuting miles driven during the year
32 Total other personal (noncommuting) miles driven
33 Total miles driven during the year Add lines 30 through 32
34 Was the vehicle available for personal use during off-duty hours? Yes No Yes No Yes No Yes No Yes No Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?
36 Is another vehicle available for personal use?

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? Yes No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners
39 Do you treat all use of vehicles by employees as personal use?
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code section (e) Amortization period or percentage (f) Amortization for this year
42 Amortization of costs that begins during your 2006 tax year (see instructions)
43 Amortization of costs that began before your 2006 tax year 43
44 Total. Add amounts in column (f) See the instructions for where to report 44