

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

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning _____, **and ending** _____

G Check all that apply: Initial return Initial return of a former public charity Final return
 Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation BEAZLEY FOUNDATION INCORPORATED	A Employer identification number 54-0550100
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 3720 BRIGHTON STREET	B Telephone number (757) 393-1605
	City or town, state, and ZIP code PORTSMOUTH, VA 23707	C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 47,041,767.	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	3,209.	3,209.		STATEMENT 1
4 Dividends and interest from securities	1,031,748.	1,031,748.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	<10,047,607.>			
b Gross sales price for all assets on line 6a	40,475,433.			
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss)				
11 Other income	<290,772.>	18,503.		STATEMENT 3
12 Total. Add lines 1 through 11	<9,303,422.>	1,053,460.		
13 Compensation of officers, directors, trustees, etc.	202,000.	60,600.		141,400.
14 Other employee salaries and wages	307,818.	15,926.		291,892.
15 Pension plans, employee benefits	50,924.	10,185.		40,739.
16a Legal fees				
b Accounting fees	16,875.	3,375.		13,500.
c Other professional fees				
17 Interest				
18 Taxes	61,155.	5,501.		41,781.
19 Depreciation and depletion	25,596.	2,737.		
20 Occupancy				
21 Travel, conferences, and meetings	5,897.	1,179.		4,718.
22 Printing and publications				
23 Other expenses	346,983.	65,015.		281,968.
24 Total operating and administrative expenses. Add lines 13 through 23	1,017,248.	164,518.		815,998.
25 Contributions, gifts, grants paid	1,797,610.			1,234,881.
26 Total expenses and disbursements. Add lines 24 and 25	2,814,858.	164,518.		2,050,879.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<12,118,280.>			
b Net investment income (if negative, enter -0-)		888,942.		
c Adjusted net income (if negative, enter -0-)			N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing	500.	499.	499.
	2	Savings and temporary cash investments	189,861.	722,381.	722,381.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	26,131.	36,931.	36,931.
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock	46,361,004.	29,672,702.	32,819,500.
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment: basis			
	Less: accumulated depreciation				
12	Investments - mortgage loans				
13	Investments - other	6,655,332.	10,520,250.	12,473,684.	
14	Land, buildings, and equipment: basis	787,971.			
	Less: accumulated depreciation	502,057.	307,750.	285,914.	
15	Other assets (describe)	15,008.	15,885.	15,885.	
16	Total assets (to be completed by all filers)	53,555,586.	41,254,562.	47,041,767.	
Liabilities	17	Accounts payable and accrued expenses	36,988.	101,504.	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe)	1,659,887.	1,426,875.	
23	Total liabilities (add lines 17 through 22)	1,696,875.	1,528,379.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	51,858,711.	39,726,183.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.				
	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	Total net assets or fund balances	51,858,711.	39,726,183.		
31	Total liabilities and net assets/fund balances	53,555,586.	41,254,562.		

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	51,858,711.
2	Enter amount from Part I, line 27a	2	<12,118,280.>
3	Other increases not included in line 2 (itemize)	3	0.
4	Add lines 1, 2, and 3	4	39,740,431.
5	Decreases not included in line 2 (itemize) K-1 BOOK TO TAX DIFFERENCES	5	14,248.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	39,726,183.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENT			
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 40,475,433.		50,523,040.	<10,047,607.>

(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			<10,047,607.>

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	<10,047,607.>
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). If (loss), enter -0- in Part I, line 8		3	N/A

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 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))
2008	3,126,385.	54,427,299.	.057441
2007	4,189,715.	63,981,755.	.065483
2006	3,699,853.	62,508,997.	.059189
2005	3,947,474.	62,103,922.	.063562
2004	3,053,886.	61,390,150.	.049746

2 Total of line 1, column (d)	2	.295421
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	.059084
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	42,264,324.
5 Multiply line 4 by line 3	5	2,497,145.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,889.
7 Add lines 5 and 6	7	2,506,034.
8 Enter qualifying distributions from Part XII, line 4	8	2,050,879.

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.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	17,779.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	17,779.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	17,779.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a		44,800.
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	44,800.
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	27,021.
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input type="checkbox"/> 17,779. Refunded <input type="checkbox"/>		11	9,242.

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> VA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address BEAZLEYFOUNDATION.ORG
14 The books are in care of ITS OFFICERS Telephone no. 757-393-1605
Located at FOUNDATION ADDRESS, PORTSMOUTH, VA ZIP+4 23707
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here
and enter the amount of tax-exempt interest received or accrued during the year 15 N/A

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

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

1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?
Organizations relying on a current notice regarding disaster assistance check here
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?

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)? 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 instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here **N/A**

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 **N/A**
 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
 If "Yes" to 6b, 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 **N/A**

5b		
6b		X
7b		

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.

(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		202,000.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
ONLY EMPLOYEES MEETING QUALIFICATIONS ARE OFFICERS. SEE PART VIII	0.00	0.	0.	0.
	0.00	0.	0.	0.

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		0

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.

1 GIFTS AND GRANTS - SEE ATTACHED SCHEDULE FOR PART XV LINE 3A	Expenses
	1,797,610.
2 BEAZLEY SENIOR CENTER - SEE ATTACHED	390,521.
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

1 NONE	Amount
	0.
2	
3 All other program-related investments. See instructions.	
Total. Add lines 1 through 3	0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities	1a	40,845,540.
b	Average of monthly cash balances	1b	815,195.
c	Fair market value of all other assets	1c	1,247,208.
d	Total (add lines 1a, b, and c)	1d	42,907,943.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)		1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	42,907,943.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	643,619.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	42,264,324.
6	Minimum investment return. Enter 5% of line 5	6	2,113,216.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	2,113,216.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	17,779.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	17,779.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,095,437.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,095,437.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	2,095,437.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:			
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	2,050,879.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:			
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,050,879.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,050,879.

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 instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				2,095,437.
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007	1,057,963.			
e From 2008	449,816.			
f Total of lines 3a through e	1,507,779.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$	2,050,879.			
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				2,050,879.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	44,558.			44,558.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	1,463,221.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	1,463,221.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007	1,013,405.			
d Excess from 2008	449,816.			
e Excess from 2009				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, 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				(e) Total
	(a) 2009	(b) 2008	Prior 3 years		
			(c) 2007	(d) 2006	
2 a 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 foundation had \$5,000 or more in assets at any time during the year-see 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 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:
RICHARD BRAY; FOUNDATION ADDRESS; 757-393-1605

b The form in which applications should be submitted and information and materials they should include:
WRITTEN POLICY AND GUIDELINES AVAILABLE UPON REQUEST

c Any submission deadlines:
QUARTERLY (SEE GUIDELINES FOR DETAILS)

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
HAMPTON ROADS AREA OF VIRGINIA (SEE POLICY FOR DETAILS)

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment					
Recipient		If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)					
<i>a Paid during the year</i>					
SEE ATTACHED STATEMENT		NONE			1,234,881.
Total					▶ 3a 1,234,881.
<i>b Approved for future payment</i>					
TCC EDUCATIONAL FOUNDATION 500 E. MAIN STREET NORFOLK, VA 23510		NONE		NURSING SCHOLARSHIPS / NURSING SCHOOL SUPPORT	312,729.
VA FOUNDATION FOR INDEPENDENT COLLEGES 8010 RIDGE ROAD, SUITE B RICHMOND, VA 23229		NONE		SCHOLARSHIPS / ENDOWMENT	250,000.
Total					▶ 3b 562,729.

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 THROUGH UBS	P	VARIOUS	VARIOUS
b THROUGH RAYMOND JAMES	P	VARIOUS	VARIOUS
c THROUGH SCOTT & STRINGFELLOW	P	VARIOUS	VARIOUS
d THROUGH SMITH BARNEY	P	VARIOUS	VARIOUS
e FULTON	P	VARIOUS	VARIOUS
f FROM PASS THROUGH ACTIVITIES	P		
g			
h			
i			
j			
k			
l			
m			
n			
o			

(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 11,606,393.		16,138,189.	<4,531,796.>
b 6,944,779.		8,702,035.	<1,757,256.>
c 10,683,313.		12,439,203.	<1,755,890.>
d 10,364,829.		12,121,494.	<1,756,665.>
e 875,471.		1,122,119.	<246,648.>
f 648.			648.
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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			<4,531,796.>
b			<1,757,256.>
c			<1,755,890.>
d			<1,756,665.>
e			<246,648.>
f			648.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	<10,047,607.>
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
CHECKING ACCOUNT	3,209.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	<u>3,209.</u>

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
FROM PASS-THROUGH ACTIVITIES	2,314.	0.	2,314.
FULTON FINANCIAL	7,141.	0.	7,141.
MORGAN STANLEY/SMITH BARNEY	305,763.	0.	305,763.
RAYMOND JAMES	136,316.	0.	136,316.
SCOTT & STRINGFELLOW	263,097.	0.	263,097.
TOWNBANK	16,000.	0.	16,000.
UBS PAINE WEBBER	301,117.	0.	301,117.
TOTAL TO FM 990-PF, PART I, LN 4	<u>1,031,748.</u>	<u>0.</u>	<u>1,031,748.</u>

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MISCELLANEOUS	18,503.	18,503.	
FAIRFIELD ASSOCIATES LLC	<13,797.>	0.	
ELMHURST SQUARE ASSOCIATE LLC	<1,811.>	0.	
TIDEWATER HOLDINGS CO., LLC	<4,029.>	0.	
LUMBER RIVER ASSOCIATES LLC	8,734.	0.	
ATLANTA-DURHAM HOLDINGS LLC	<12,868.>	0.	
ATLANTA-DALLAS HOLDINGS LLC	<23,290.>	0.	
STEELE CREEK ASSOCIATES LLC	<17,712.>	0.	
NASHVILLE-DALLAS HOLDINGS LLC	<32,200.>	0.	
DEVELOPMENT FUND I LLC	<7,858.>	0.	
RCC OLDE TOWNE	<26,559.>	0.	
LYNNHAVEN PARKWAY ASSOCIATES	<7,285.>	0.	
SOUTHWOOD ASSOCIATES	<22,756.>	0.	
HG HAMPTONS HOLDINGS	<31,080.>	0.	
LAKESHORE PRESTON HOLDINGS	<41,487.>	0.	
FREEDOM INDUSTRIAL ASSOCIATES, LLC	5,224.	0.	
VIRGINIA MULTIFAMILY HOLDINGS, LLC	<33,053.>	0.	

WATERMAN'S HOLDINGS, LLC	<39,787.>	0.
KITTY HAWK ASSOCIATES, LLC	<1,600.>	0.
HGI OPPORTUNITY FUND III, LLC	<5,216.>	0.
PCSC ASSOCIATES, LLC	<699.>	0.
HGI US PROPERTY FUND III, LLC	<146.>	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	<290,772.>	18,503.

FORM 990-PF	ACCOUNTING FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	16,875.	3,375.		13,500.
TO FORM 990-PF, PG 1, LN 16B	16,875.	3,375.		13,500.

FORM 990-PF	TAXES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	36,524.	3,814.		32,710.
EXCISE TAXES	13,873.	0.		0.
MISCELLANEOUS TAXES	10,758.	1,687.		9,071.
TO FORM 990-PF, PG 1, LN 18	61,155.	5,501.		41,781.

FORM 990-PF	OTHER EXPENSES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
REPAIRS & MAINTENANCE	13,852.	989.		12,863.
GROUP INSURANCE	134,162.	13,976.		120,186.
UTILITIES	31,679.	2,194.		29,485.
INVESTMENT MGMT FEES	108,737.	43,495.		65,242.
PROGRAM SUPPLIES	28,815.	0.		28,815.
OFFICE SUPPLIES	8,863.	1,273.		7,590.
INSURANCE	11,977.	1,363.		10,614.
MISCELLANEOUS	1,151.	230.		921.
STAFF DEVELOPMENT	7,747.	1,495.		6,252.
TO FORM 990-PF, PG 1, LN 23	346,983.	65,015.		281,968.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
CORPORATE STOCK	29,672,702.	32,819,500.
TOTAL TO FORM 990-PF, PART II, LINE 10B	29,672,702.	32,819,500.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	8
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<u>DESCRIPTION</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
CASH EQUIVALENTS	COST	3,657,377.	3,657,377.
PARTNERSHIP INTERESTS	COST	1,341,275.	1,341,275.
LIMITED PARTNERSHIP INVESTMENTS	COST	195,269.	243,693.
U.S. GOVERNMENT OBLIGATIONS	COST	2,576,985.	2,581,767.
FIXED INCOME INVESTMENTS	COST	2,749,344.	4,649,572.
TOTAL TO FORM 990-PF, PART II, LINE 13		10,520,250.	12,473,684.

FORM 990-PF	OTHER ASSETS	STATEMENT	9
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<u>DESCRIPTION</u>	<u>BEGINNING OF YR BOOK VALUE</u>	<u>END OF YEAR BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
CASH SURRENDER VALUE OF LIFE INSURANCE	15,008.	15,885.	15,885.
TO FORM 990-PF, PART II, LINE 15	15,008.	15,885.	15,885.

FORM 990-PF	OTHER LIABILITIES	STATEMENT	10
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<u>DESCRIPTION</u>	<u>BOY AMOUNT</u>	<u>EOY AMOUNT</u>
DEFERRED COMPENSATION	1,659,887.	1,426,875.
TOTAL TO FORM 990-PF, PART II, LINE 22	1,659,887.	1,426,875.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 11
 TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
LAWRENCE W. I'ANSON, JR. 5409 HIGH ST WEST PORTSMOUTH, VA 23703	TRUSTEE PAST PRESIDENT 0.00	6,000.	0.	0.
P. WARD ROBINETT, JR. 500 CRAWFORD ST PORTSMOUTH, VA 23704	TRUSTEE SECRETARY 0.00	6,000.	0.	0.
LEROY T. CANOLES P.O. BOX 3037 NORFOLK, VA 23514	FORMER TRUSTEE 0.00	6,000.	0.	0.
DIANE POMEROY GRIFFIN SUITE 303, #1 HIGH STREET PORTSMOUTH, VA 23704	TRUSTEE VICE PRESIDENT 0.00	6,000.	0.	0.
W. ASHTON LEWIS 3412 WESTERN BRANCH BLVD CHESAPEAKE, VA 23321	TRUSTEE 0.00	6,000.	0.	0.
WILLIAM H. HODGES 101 - 43RD & OCEANFRONT VIRGINIA BEACH, VA 23451	TRUSTEE 0.00	6,000.	0.	0.
WHITNEY G. SAUNDERS 705 W. WASHINGTON STREET SUFFOLK, VA 23434	TRUSTEE 0.00	6,000.	0.	0.
RICHARD S. BRAY 5409 HIGH ST WEST PORTSMOUTH, VA 23703	TRUSTEE PRESIDENT 40.00	160,000.	0.	0.
JOHN FAILES 5409 HIGH ST WEST PORTSMOUTH, VA 23703	TRUSTEE 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		202,000.	0.	0.

FORM 990-PF

OTHER REVENUE

STATEMENT 12

DESCRIPTION	BUS CODE	UNRELATED BUSINESS INC	EXCL CODE	EXCLUDED AMOUNT	RELATED OR EXEMPT FUNC- TION INCOME
FAIRFIELD ASSOCIATES LLC	531120	<13,797.>			
ELMHURST SQUARE ASSOCIATE LLC	531120	<1,811.>			
TIDEWATER HOLDINGS CO., LLC	531120	<4,029.>			
LUMBER RIVER ASSOCIATES LLC	531120	8,734.			
ATLANTA-DURHAM HOLDINGS LLC	531120	<12,868.>			
ATLANTA-DALLAS HOLDINGS LLC	531120	<23,290.>			
STEELE CREEK ASSOCIATES LLC	531120	<17,712.>			
NASHVILLE-DALLAS HOLDINGS LLC	531120	<32,200.>			
DEVELOPMENT FUND I LLC	531120	<7,858.>			
RCC OLDE TOWNE LYNNHAVEN PARKWAY ASSOCIATES	531120	<26,559.>			
SOUTHWOOD ASSOCIATES	531120	<7,285.>			
HG HAMPTONS HOLDINGS	531120	<22,756.>			
LAKESHORE PRESTON HOLDINGS	531120	<31,080.>			
FREEDOM INDUSTRIAL ASSOCIATES, LLC	531120	<41,487.>			
VIRGINIA MULTIFAMILY HOLDINGS, LLC	531120	5,224.			
WATERMAN'S HOLDINGS, LLC	531120	<33,053.>			
KITTY HAWK ASSOCIATES, LLC	531120	<39,787.>			
HGI OPPORTUNITY FUND III, LLC	531120	<1,600.>			
PCSC ASSOCIATES, LLC	531120	<5,216.>			
HGI US PROPERTY FUND III, LLC	531120	<699.>			
		<146.>			
TOTAL TO FORM 990-PF, PG 11, LN 11		<309,275.>			

Underpayment of Estimated Tax by Corporations

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
▶ Attach to the corporation's tax return.

FORM **990-PF**

2009

Name BEAZLEY FOUNDATION INCORPORATED	Employer identification number 54-0550100
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Note: Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

Part I Required Annual Payment			
1 Total tax (see instructions)		1	17,779.
2a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a		
b Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b		
c Credit for federal tax paid on fuels (see instructions)	2c		
d Total. Add lines 2a through 2c		2d	
3 Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty		3	17,779.
4 Enter the tax shown on the corporation's 2008 income tax return (see instructions). Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5		4	44,796.
5 Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3		5	17,779.

Part II Reasons for Filing - Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty (see instructions).

- 6 The corporation is using the adjusted seasonal installment method.
- 7 The corporation is using the annualized income installment method.
- 8 The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment					
		(a)	(b)	(c)	(d)
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year	9	05/15/09	06/15/09	09/15/09	12/15/09
10 Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column.	10	4,445.	4,445.	4,444.	4,445.
11 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15	11	20,994.		12,606.	11,200.
Complete lines 12 through 18 of one column before going to the next column.					
12 Enter amount, if any, from line 18 of the preceding column	12		16,549.	12,104.	20,266.
13 Add lines 11 and 12	13		16,549.	24,710.	31,466.
14 Add amounts on lines 16 and 17 of the preceding column	14				
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	20,994.	16,549.	24,710.	31,466.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	16		0.	0.	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18	17				
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column	18	16,549.	12,104.	20,266.	

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.

Part IV Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)	19			
20 Number of days from due date of installment on line 9 to the date shown on line 19	20			
21 Number of days on line 20 after 4/15/2009 and before 7/1/2009	21			
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 4\%}{365}$	22	\$	\$	\$
23 Number of days on line 20 after 06/30/2009 and before 10/1/2009	23			
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 4\%}{365}$	24	\$	\$	\$
25 Number of days on line 20 after 9/30/2009 and before 1/1/2010	25			
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times 4\%}{365}$	26	\$	\$	\$
27 Number of days on line 20 after 12/31/2009 and before 4/1/2010	27			
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times 4\%}{365}$	28	\$	\$	\$
29 Number of days on line 20 after 3/31/2010 and before 7/1/2010	29			
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times \%}{365}$	30	\$	\$	\$
31 Number of days on line 20 after 6/30/2010 and before 10/01/2010	31			
32 Underpayment on line 17 x $\frac{\text{Number of days on line 31} \times \%}{365}$	32	\$	\$	\$
33 Number of days on line 20 after 9/30/2010 and before 1/1/2011	33			
34 Underpayment on line 17 x $\frac{\text{Number of days on line 33} \times \%}{365}$	34	\$	\$	\$
35 Number of days on line 20 after 12/31/2010 and before 2/16/2011	35			
36 Underpayment on line 17 x $\frac{\text{Number of days on line 35} \times \%}{365}$	36	\$	\$	\$
37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36	37	\$	\$	\$
38 Penalty. Add columns (a) through (d) of line 37. Enter the total here and on Form 1120; line 33; or the comparable line for other income tax returns	38	\$		0.

* Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.