

Form 990-T

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

OMB No. 1545-0687

For calendar year 2017 or other tax year beginning JUL 1, 2017, and ending JUN 30, 2018

2017

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Header section containing organization name (McKnight Brain Research Foundation), address (200 South Orange Avenue, SOAB 10, Orlando, FL 32801), EIN (65-6301255), and book value of assets (33,375,201).

Section H: Describe the organization's primary unrelated business activity (Investment in partnerships). Section I: During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? (No).

Section J: The books are in care of SunTrust Bank. Telephone number (407) 237-4485.

Table for Part I: Unrelated Trade or Business Income. Columns include (A) Income, (B) Expenses, and (C) Net. Rows include Gross receipts or sales, Cost of goods sold, Capital gain net income, and Total (238,708).

Table for Part II: Deductions Not Taken Elsewhere. Rows include Compensation of officers, Charitable contributions (111,023), Depreciation, and Total deductions (126,686). Unrelated business taxable income is 111,022.

Part III Tax Computation

| | | |
|--|------------|---------|
| 35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> See instructions and: a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ _____ (2) \$ _____ (3) \$ _____ b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____ (2) Additional 3% tax (not more than \$100,000) \$ _____ c Income tax on the amount on line 34 ▶ | 35c | |
| 36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input checked="" type="checkbox"/> Schedule D (Form 1041) ▶ | 36 | 37,541. |
| 37 Proxy tax. See instructions ▶ | 37 | |
| 38 Alternative minimum tax ▶ | 38 | |
| 39 Tax on Non-Compliant Facility Income. See instructions ▶ | 39 | |
| 40 Total. Add lines 37, 38 and 39 to line 35c or 36, whichever applies ▶ | 40 | 37,541. |

Part IV Tax and Payments

| | | |
|---|------------|---------|
| 41a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) ▶ | 41a | |
| b Other credits (see instructions) ▶ | 41b | |
| c General business credit. Attach Form 3800 ▶ | 41c | |
| d Credit for prior year minimum tax (attach Form 8801 or 8827) ▶ | 41d | |
| e Total credits. Add lines 41a through 41d ▶ | 41e | |
| 42 Subtract line 41e from line 40 ▶ | 42 | 37,541. |
| 43 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule) ▶ | 43 | |
| 44 Total tax. Add lines 42 and 43 ▶ | 44 | 37,541. |
| 45a Payments: A 2016 overpayment credited to 2017 ▶ | 45a | 15,000. |
| b 2017 estimated tax payments ▶ | 45b | |
| c Tax deposited with Form 8868 ▶ | 45c | 39,000. |
| d Foreign organizations; Tax paid or withheld at source (see instructions) ▶ | 45d | |
| e Backup withholding (see instructions) ▶ | 45e | |
| f Credit for small employer health insurance premiums (Attach Form 8941) ▶ | 45f | |
| g Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other ▶ | 45g | |
| 46 Total payments. Add lines 45a through 45g ▶ | 46 | 54,000. |
| 47 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/> ▶ | 47 | 669. |
| 48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed ▶ | 48 | |
| 49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid ▶ | 49 | 15,790. |
| 50 Enter the amount of line 49 you want: Credited to 2018 estimated tax <input type="checkbox"/> 15,790. Refunded <input type="checkbox"/> ▶ | 50 | 0. |

Part V Statements Regarding Certain Activities and Other Information (see instructions)

| | | |
|---|-----|----|
| 51 At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here <input type="checkbox"/> | Yes | No |
| 52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file. <input type="checkbox"/> | | X |
| 53 Enter the amount of tax-exempt interest received or accrued during the tax year <input type="checkbox"/> \$ | | X |

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) is based on all information of which preparer has any knowledge.

| | | | | |
|-------------------------------|--|-------------------------|----------|---|
| Sign Here | Signature of officer | Date | Trustee | May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | | | Title | |
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed |
| | Julia W. James | <i>Julia W. James</i> | 05/03/19 | PTIN P01772503 |
| | Firm's name ▶ Batts Morrison Wales & Lee, P.A. | Firm's EIN ▶ 20-4193611 | | |
| | 801 North Orange Avenue, Suite 800 | Phone no. 407-770-6000 | | |
| | Firm's address ▶ Orlando, FL 32801 | | | |

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **N/A**

| | | | | | |
|--|----|--|--|---|--------|
| 1 Inventory at beginning of year | 1 | | 6 Inventory at end of year | 6 | |
| 2 Purchases | 2 | | 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 | 7 | |
| 3 Cost of labor | 3 | | | | |
| 4a Additional section 263A costs (attach schedule) | 4a | | | | |
| b Other costs (attach schedule) | 4b | | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | | Yes No |
| 5 Total. Add lines 1 through 4b | 5 | | | | |

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)
(see instructions)

| | | |
|---|---|---|
| 1. Description of property | | |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| 2. Rent received or accrued | | |
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total 0. | Total 0. | |
| (c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) | | (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) |
| 0. | | 0. |

Schedule E - Unrelated Debt-Financed Income (see instructions)

| | | | | |
|---|---|---|--|---|
| 1. Description of debt-financed property | | 2. Gross income from or allocable to debt-financed property | 3. Deductions directly connected with or allocable to debt-financed property | |
| | | | (a) Straight line depreciation (attach schedule) | (b) Other deductions (attach schedule) |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5. Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6. Column 4 divided by column 5 | 7. Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| Totals | | | Enter here and on page 1, Part I, line 7, column (A). | Enter here and on page 1, Part I, line 7, column (B). |
| Total dividends-received deductions included in column 8 | | | 0. | 0. |

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

| | | Exempt Controlled Organizations | | | |
|------------------------------------|---|---|--|---|--|
| 1. Name of controlled organization | 2. Employer identification number | 3. Net unrelated income (loss) (see instructions) | 4. Total of specified payments made | 5. Part of column 4 that is included in the controlling organization's gross income | 6. Deductions directly connected with income in column 5 |
| (1) | | | | | |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |
| Nonexempt Controlled Organizations | | | | | |
| 7. Taxable income | 8. Net unrelated income (loss) (see instructions) | 9. Total of specified payments made | 10. Part of column 9 that is included in the controlling organization's gross income | 11. Deductions directly connected with income in column 10 | |
| (1) | | | | | |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |
| | | | Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). | Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). | |
| Totals | | | 0. | 0. | |

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

| 1. Description of income | 2. Amount of income | 3. Deductions directly connected (attach schedule) | 4. Set-asides (attach schedule) | 5. Total deductions and set-asides (col. 3 plus col. 4) |
|--------------------------|---------------------|---|---------------------------------|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| | | Enter here and on page 1, Part I, line 9, column (A). | | Enter here and on page 1, Part I, line 9, column (B). |
| Totals | | 0. | | 0. |

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

| 1. Description of exploited activity | 2. Gross unrelated business income from trade or business | 3. Expenses directly connected with production of unrelated business income | 4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. | 5. Gross income from activity that is not unrelated business income | 6. Expenses attributable to column 5 | 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|--------------------------------------|---|---|--|---|--------------------------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| | | Enter here and on page 1, Part I, line 10, col. (A). | Enter here and on page 1, Part I, line 10, col. (B). | | | Enter here and on page 1, Part II, line 26. |
| Totals | | 0. | 0. | | | 0. |

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|-----------------------------|-----------------------------|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals (carry to Part II, line (5)) | | 0. | 0. | | | 0. |

Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|--|--|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals from Part I | 0. | 0. | | | | 0. |
| Totals, Part II (lines 1-5) | 0. <small>Enter here and on page 1, Part I, line 11, col. (A).</small> | 0. <small>Enter here and on page 1, Part I, line 11, col. (B).</small> | | | | 0. <small>Enter here and on page 1, Part II, line 27.</small> |

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

| 1. Name | 2. Title | 3. Percent of time devoted to business | 4. Compensation attributable to unrelated business |
|--|----------|--|--|
| (1) | | % | |
| (2) | | % | |
| (3) | | % | |
| (4) | | % | |
| Total. Enter here and on page 1, Part II, line 14 | | | 0. |

**SCHEDULE I
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax - Estates and Trusts

OMB No. 1545-0092

2017

▶ Attach to Form 1041.

▶ Go to www.irs.gov/Form1041 for instructions and the latest information.

| | |
|--|---|
| Name of estate or trust McKnight Brain Research Foundation | Employer identification number 65-6301255 |
|--|---|

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

| | | |
|---|----|----------|
| 1 Adjusted total income or (loss) (from Form 1041, line 17) | 1 | 112,022. |
| 2 Interest | 2 | |
| 3 Taxes | 3 | |
| 4 Miscellaneous itemized deductions (from Form 1041, line 15c) | 4 | |
| 5 Refund of taxes | 5 | () |
| 6 Depletion (difference between regular tax and AMT) | 6 | |
| 7 Net operating loss deduction. Enter as a positive amount | 7 | |
| 8 Interest from specified private activity bonds exempt from the regular tax | 8 | |
| 9 Qualified small business stock (see instructions) | 9 | |
| 10 Exercise of incentive stock options (excess of AMT income over regular tax income) | 10 | |
| 11 Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A) | 11 | |
| 12 Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6) | 12 | |
| 13 Disposition of property (difference between AMT and regular tax gain or loss) | 13 | 7,347. |
| 14 Depreciation on assets placed in service after 1986 (difference between regular tax and AMT) | 14 | |
| 15 Passive activities (difference between AMT and regular tax income or loss) | 15 | |
| 16 Loss limitations (difference between AMT and regular tax income or loss) | 16 | |
| 17 Circulation costs (difference between regular tax and AMT) | 17 | |
| 18 Long-term contracts (difference between AMT and regular tax income) | 18 | |
| 19 Mining costs (difference between regular tax and AMT) | 19 | |
| 20 Research and experimental costs (difference between regular tax and AMT) | 20 | |
| 21 Income from certain installment sales before January 1, 1987 | 21 | () |
| 22 Intangible drilling costs preference | 22 | |
| 23 Other adjustments, including income-based related adjustments | 23 | |
| 24 Alternative tax net operating loss deduction (See the instructions for the limitation that applies.) | 24 | () |
| 25 Adjusted alternative minimum taxable income. Combine lines 1 through 24 | 25 | 119,369. |
| <i>Note: Complete Part II below before going to line 26.</i> | | |
| 26 Income distribution deduction from Part II, line 44 | 26 | N/A |
| 27 Estate tax deduction (from Form 1041, line 19) | 27 | N/A |
| 28 Add lines 26 and 27 | 28 | |
| 29 Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25 | 29 | 119,369. |

If line 29 is:

- \$24,100 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust isn't liable for the alternative minimum tax.
- Over \$24,100, but less than \$176,850, go to line 45.
- \$176,850 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis N/A

| | | |
|--|----|-----|
| 30 Adjusted alternative minimum taxable income (see instructions) | 30 | |
| 31 Adjusted tax-exempt interest (other than amounts included on line 8) | 31 | |
| 32 Total net gain from Schedule D (Form 1041), line 19, column (1). If a loss, enter -0- | 32 | |
| 33 Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4) | 33 | |
| 34 Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions) | 34 | |
| 35 Capital gains computed on a minimum tax basis included on line 25 | 35 | () |
| 36 Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount | 36 | |
| 37 Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0- | 37 | |
| 38 Income required to be distributed currently (from Form 1041, Schedule B, line 9) | 38 | |
| 39 Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10) | 39 | |
| 40 Total distributions. Add lines 38 and 39 | 40 | |
| 41 Tax-exempt income included on line 40 (other than amounts included on line 8) | 41 | |
| 42 Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40 | 42 | |

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

Schedule I (Form 1041) (2017)

Part II Income Distribution Deduction on a Minimum Tax Basis (continued)

N/A

| | | | |
|----|--|----|--|
| 43 | Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0- | 43 | |
| 44 | Income distribution deduction on a minimum tax basis. Enter the smaller of line 42 or line 43. Enter here and on line 26 | 44 | |

Part III Alternative Minimum Tax

| | | | |
|----|--|----|-------------|
| 45 | Exemption amount | 45 | \$24,100.00 |
| 46 | Enter the amount from line 29 | 46 | 119,369. |
| 47 | Phase-out of exemption amount | 47 | \$80,450.00 |
| 48 | Subtract line 47 from line 46. If zero or less, enter -0- | 48 | 38,919. |
| 49 | Multiply line 48 by 25% (0.25) | 49 | 9,730. |
| 50 | Subtract line 49 from line 45. If zero or less, enter -0- | 50 | 14,370. |
| 51 | Subtract line 50 from line 46 | 51 | 104,999. |
| 52 | Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 18a and 19 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is - • \$187,800 or less, multiply line 51 by 26% (0.26). • Over \$187,800, multiply line 51 by 28% (0.28) and subtract \$3,756 from the result | 52 | 25,566. |
| 53 | Alternative minimum foreign tax credit (see instructions) | 53 | |
| 54 | Tentative minimum tax. Subtract line 53 from line 52 | 54 | 25,566. |
| 55 | Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a) | 55 | 37,541. |
| 56 | Alternative minimum tax. Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c | 56 | 0. |

Part IV Line 52 Computation Using Maximum Capital Gains Rates

Caution: If you didn't complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, see the instructions before completing this part.

| | | | |
|----|---|----|------------|
| 57 | Enter the amount from line 51 | 57 | 104,999. |
| 58 | Enter the amount from Schedule D (Form 1041), line 26, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as refigured for the AMT, if necessary) | 58 | 28,895. |
| 59 | Enter the amount from Schedule D (Form 1041), line 18b, column (2) (as refigured for the AMT, if necessary). If you didn't complete Schedule D for the regular tax or the AMT, enter -0- | 59 | |
| 60 | If you didn't complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary) | 60 | 28,895. |
| 61 | Enter the smaller of line 57 or line 60 | 61 | 28,895. |
| 62 | Subtract line 61 from line 57 | 62 | 76,104. |
| 63 | If line 62 is \$187,800 or less, multiply line 62 by 26% (0.26). Otherwise, multiply line 62 by 28% (0.28) and subtract \$3,756 from the result | 63 | 19,787. |
| 64 | Maximum amount subject to the 0% rate | 64 | \$2,550.00 |
| 65 | Enter the amount from line 27 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 22; if zero or less, enter -0- | 65 | 87,009. |
| 66 | Subtract line 65 from line 64. If zero or less, enter -0- | 66 | 0. |
| 67 | Enter the smaller of line 57 or line 58 | 67 | 28,895. |
| 68 | Enter the smaller of line 66 or line 67. This amount is taxed at 0% | 68 | |
| 69 | Subtract line 68 from line 67 | 69 | 28,895. |

Part IV Line 52 Computation Using Maximum Capital Gains Rates (continued)

| | | | | |
|--|---|----|-------------|---------|
| 70 | Maximum amount subject to rates below 20% | 70 | \$12,500.00 | |
| 71 | Enter the amount from line 66 | 71 | | |
| 72 | Enter the amount from line 27 of Schedule D (Form 1041), line 18 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 22; if zero or less, enter -0- | 72 | 87,009. | |
| 73 | Add line 71 and line 72 | 73 | 87,009. | |
| 74 | Subtract line 73 from line 70. If zero or less, enter -0- | 74 | | |
| 75 | Enter the smaller of line 69 or 74 | 75 | | |
| 76 | Multiply line 75 by 15% (0.15) | 76 | | |
| 77 | Add lines 68 and 75 | 77 | | |
| If lines 77 and 57 are the same, skip lines 78 through 82 and go to line 83. Otherwise, go to line 78. | | | | |
| 78 | Subtract line 77 from line 67 | 78 | 28,895. | |
| 79 | Multiply line 78 by 20% (0.20) | 79 | | 5,779. |
| If line 59 is zero or blank, skip lines 80 through 82 and go to line 83. Otherwise, go to line 80. | | | | |
| 80 | Add lines 62, 77, and 78 | 80 | | |
| 81 | Subtract line 80 from line 57 | 81 | | |
| 82 | Multiply line 81 by 25% (0.25) | 82 | | |
| 83 | Add lines 63, 76, 79, and 82 | 83 | | 25,566. |
| 84 | If line 57 is \$187,800 or less, multiply line 57 by 26% (0.26). Otherwise, multiply line 57 by 28% (0.28) and subtract \$3,756 from the result | 84 | | 27,300. |
| 85 | Enter the smaller of line 83 or line 84 here and on line 52 | 85 | | 25,566. |

| Form 990-T | Contributions | Statement 14 |
|--|------------------------------|--------------|
| Description/Kind of Property | Method Used to Determine FMV | Amount |
| Foundation for the National Institutes of Health | N/A | 1,000,000. |
| University of Alabama at Birmingham | N/A | 80,226. |
| University of Arizona | N/A | 1,066,164. |
| University of Florida Foundation | N/A | 62,659. |
| American Brain Foundation | N/A | 93,500. |
| Total to Form 990-T, Page 1, line 20 | | 2,302,549. |

| Form 990-T | Other Deductions | Statement 15 |
|--------------------------------------|------------------|--------------|
| Description | | Amount |
| Legal fees | | 7,775. |
| Accounting fees | | 6,082. |
| Other Professional fees | | 1,806. |
| Total to Form 990-T, Page 1, line 28 | | 15,663. |

Form 990-T

Contributions Summary

Statement 16

Carryover of Prior Years Unused Contributions

| | | |
|---------------------------------------|-----------|-------------|
| For Tax Year 2012 | 2,046,581 | |
| For Tax Year 2013 | 1,846,012 | |
| For Tax Year 2014 | 2,546,544 | |
| For Tax Year 2015 | 2,609,847 | |
| For Tax Year 2016 | 3,198,793 | |
| | <hr/> | |
| Total Carryover | | 12,247,777 |
| Total Current Year 50% Contributions | | 2,302,549 |
| | | <hr/> |
| Total Contributions Available | | 14,550,326 |
| Taxable Income Limitation as Adjusted | | 111,023 |
| | | <hr/> |
| Excess 50% Contributions | | 14,439,303 |
| Total Excess Contributions | | 14,439,303 |
| | | <hr/> |
| Allowable Contributions Deduction | | 111,023 |
| | | <hr/> |
| Total Contribution Deduction | | 111,023 |
| | | <hr/> <hr/> |

**SCHEDULE D
(Form 1041)**

Capital Gains and Losses

OMB No. 1545-0092

2017

Department of the Treasury
Internal Revenue Service

- ▶ Attach to Form 1041, Form 5227, or Form 990-T.
- ▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9 and 10.
- ▶ Go to www.irs.gov/F1041 for instructions and the latest information.

Name of estate or trust

Employer identification number

McKnight Brain Research Foundation

65-6301255

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

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

| | (d) Proceeds (sales price) | (e) Cost (or other basis) | (g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g) | (h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g) |
|---|----------------------------------|---------------------------------|---|---|
| 1 a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b | | | | |
| 1 b Totals for all transactions reported on Form(s) 8949 with Box A checked | | | | |
| 2 Totals for all transactions reported on Form(s) 8949 with Box B checked | | | | |
| 3 Totals for all transactions reported on Form(s) 8949 with Box C checked | | | | |
| 4 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 | | | 4 | |
| 5 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts | | | 5 | 129,266. |
| 6 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2016 Capital Loss Carryover Worksheet | | | 6 | (9,844.) |
| 7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). Enter here and on line 17, column (3) on page 2 | | | 7 | 119,422. |

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

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

| | (d) Proceeds (sales price) | (e) Cost (or other basis) | (g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g) | (h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g) |
|--|----------------------------------|---------------------------------|--|---|
| 8 a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b | | | | |
| 8 b Totals for all transactions reported on Form(s) 8949 with Box D checked | | | | |
| 9 Totals for all transactions reported on Form(s) 8949 with Box E checked | | | | |
| 10 Totals for all transactions reported on Form(s) 8949 with Box F checked | | | | |
| 11 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 | | | 11 | |
| 12 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts | | | 12 | 61,314. |
| 13 Capital gain distributions | | | 13 | |
| 14 Gain from Form 4797, Part I | | | 14 | |
| 15 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2016 Capital Loss Carryover Worksheet | | | 15 | (37,301.) |
| 16 Net long-term capital gain or (loss). Combine lines 8a through 15 in column (h). Enter here and on line 18a, column (3) on page 2 | | | 16 | 24,013. |

Alternative Minimum Tax

| Part III Summary of Parts I and II | | (1) Beneficiaries' | (2) Estate's or trust's | (3) Total |
|--|---|--------------------|-------------------------|-----------|
| Caution: Read the instructions before completing this part. | | | | |
| 17 | Net short-term gain or (loss) | 17 | 121,887. | 121,887. |
| 18 | Net long-term gain or (loss): | | | |
| a | Total for year | 18a | 28,895. | 28,895. |
| b | Unrecaptured section 1250 gain (see line 18 of the wrksht.) | 18b | | |
| c | 28% rate gain | 18c | | |
| 19 | Total net gain or (loss). Combine lines 17 and 18 | 19 | 150,782. | 150,782. |

Note: If line 19, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 18a and 19, column (2), are net gains, go to Part V, and don't complete Part IV. If line 19, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

| Part IV Capital Loss Limitation | | 20 |
|---------------------------------|---|-----|
| 20 | Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: | () |
| a | The loss on line 19, column (3) or b \$3,000 | |

Note: If the loss on line 19, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates
 Form 1041 filers. Complete this part only if both lines 18a and 19 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.

Caution: Skip this part and complete the Schedule D Tax Worksheet in the instructions if:

- Either line 18b, col. (2) or line 18c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 18a and 19 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the Schedule D Tax Worksheet in the instructions if either line 18b, col. (2) or line 18c, col. (2) is more than zero.

| | | | | |
|----|--|---|----------|--|
| 21 | Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) | 21 | 111,022. | |
| 22 | Enter the smaller of line 18a or 19 in column (2) but not less than zero | 22 | 28,895. | |
| 23 | Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) | 23 | | |
| 24 | Add lines 22 and 23 | 24 | 28,895. | |
| 25 | If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- | 25 | 0. | |
| 26 | Subtract line 25 from line 24. If zero or less, enter -0- | 26 | 28,895. | |
| 27 | Subtract line 26 from line 21. If zero or less, enter -0- | 27 | 82,127. | |
| 28 | Enter the smaller of the amount on line 21 or \$2,550 | 28 | 2,550. | |
| 29 | Enter the smaller of the amount on line 27 or line 28 | 29 | 2,550. | |
| 30 | Subtract line 29 from line 28. If zero or less, enter -0-. This amount is taxed at 0% | 30 | | |
| 31 | Enter the smaller of line 21 or line 26 | 31 | 28,895. | |
| 32 | Subtract line 30 from line 26 | 32 | 28,895. | |
| 33 | Enter the smaller of line 21 or \$12,500 | 33 | 12,500. | |
| 34 | Add lines 27 and 30 | 34 | 82,127. | |
| 35 | Subtract line 34 from line 33. If zero or less, enter -0- | 35 | 0. | |
| 36 | Enter the smaller of line 32 or line 35 | Remaining lines not applicable to AMT Calc. | | |
| 37 | Multiply line 36 by 15% (0.15) | 37 | | |
| 38 | Enter the amount from line 31 | 38 | | |
| 39 | Add lines 30 and 36 | 39 | | |
| 40 | Subtract line 39 from line 38. If zero or less, enter -0- | 40 | | |
| 41 | Multiply line 40 by 20% (0.20) | 41 | | |
| 42 | Figure the tax on the amount on line 27. Use the 2017 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) | 42 | | |
| 43 | Add lines 37, 41, and 42 | 43 | | |
| 44 | Figure the tax on the amount on line 21. Use the 2017 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) | 44 | | |
| 45 | Tax on all taxable income. Enter the smaller of line 43 or line 44 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) | 45 | | |

McKnight Brain Research Foundation
EIN 65-6301255
Form 990-T
Year ended June 30, 2018

Reconciliation of UBI per 990-T and 990-PF

| | Ordinary Income (Loss) | Capital Gain (Loss) | Total |
|--|---------------------------|------------------------|-------------------|
| Lighthouse Diversified Fund (QP) II, LP; EIN 65-1137821 - UBI | \$ 26,263 | \$ 36,689 | \$ 62,952 |
| Lighthouse Global Long/Short Fund, LP; EIN 59-3789085 - UBI | 37,817 | 137,733 | 175,550 |
| Lighthouse Credit Opportunities Fund, LP; EIN 57-1140919 - UBI | 35,627 | 14,893 | 50,520 |
| HCP Private Equity Fund V, L.P.; EIN 27-2665727 - UBI | (4,434) | 1,265 | (3,169) |
| Total UBI per Form 990-PF | 95,273 | 190,580 | 285,853 |
| Capital Losses carried over from prior years | | (47,145) | (47,145) |
| Total UBI before deductions | 95,273 | 143,435 | 238,708 |
| Other UBI deductions reported on 990-T | (126,686) | - | (126,686) |
| Total UBI per 990-T | <u>\$ (31,413)</u> | <u>\$ 143,435</u> | <u>\$ 112,022</u> |