

Changing Times: An Analysis of the 2007 Revision of the Split-Interest Trust Information Return

by Lisa Schreiber Rosenmerkel

Provisions outlined in the Pension Protection Act of 2006 resulted in a major revision of Form 5227, *Split-Interest Trust Information Return*, for Tax Year 2007. These changes considerably increased the amount of information filers were required to report, as well as opened the majority of the reported information to public inspection. This article focuses on the information and activities of split-interest trusts for Filing Year 2008, based on Tax Year 2007 returns and, to a much lesser degree, those from prior tax years.

Form 5227

The Split-Interest Trust Information return is filed by trusts with both charitable and noncharitable beneficiaries. Form 5227 must be submitted for each calendar year a split-interest trust is in existence. It must be filed with the IRS by April 15 of the year following the calendar year described in the return.¹ Because Form 5227 is an information return, it is used to disclose the financial activities of the trust, but not to calculate tax liability.

A split-interest trust can be created by a will or a trust instrument. The trust instrument specifies the term of the trust, designates the trustee(s) as well as the beneficiaries, and provides parameters for managing assets and distributing income. The instrument usually specifies the contents of the trust. The individual who owns, and then transfers, the assets that make up the trust corpus is known as the grantor. The individuals and entities that receive income are known as beneficiaries.

A trustee is charged with holding, investing, and distributing the income and assets of the trust. A trustee may be an individual, a group of individuals, or an entity such as a bank or charity. Each trustee must ensure that all transactions, including distributions, conform to the requirements of the trust document and to any applicable laws. Additionally,

trustees must coordinate the preparation, verification, and submission of all required State and Federal tax forms.

In Filing Year 2008, 123,498 Forms 5227 were filed, primarily for Tax Year 2007 (Figure A).² There are three distinct types of split-interest trusts: charitable remainder trusts, charitable lead trusts, and pooled income funds. Charitable remainder trusts were the most common filers of Form 5227, filing 115,489 returns in 2008. Under a charitable remainder trust (CRT) agreement, an income stream is distributed annually to one or more noncharitable beneficiaries of the trust for a defined period.³ At the conclusion of the period, the trust is dissolved, and the remaining value is distributed to predetermined charitable beneficiaries.⁴ There are two types of charitable remainder trusts. Charitable remainder annuity trusts (CRATs) and charitable remainder unitrusts (CRUTs) differ in the calculation of the non-charitable distribution amount. Charitable remainder annuity trusts annually distribute a fixed percentage, between 5 percent and 50 percent, of the initial fair market value of the property in the trust. Charitable remainder unitrusts distribute a fixed percentage of the fair market value of the trust property, valued annually. This percentage is called the “unitrust percentage” and must be between 5 percent and 50 percent.

Under a charitable lead trust (CLT) agreement, annual distributions are made to a predetermined charitable beneficiary. The amount of CLT distributions is not constrained by minimum or maximum payout restrictions. At the conclusion of the trust’s predetermined life, the remaining income and assets are distributed to the designated noncharitable beneficiary.⁵

Pooled income funds are the least common filers of Form 5227, with 1,488 returns filed in 2008 (Figure A). Under a pooled income fund (PIF) arrangement, donors to a charitable organization contribute to a pool of donated assets and in return receive income payments for the remainder of the grantors’ lifetimes.⁶ The transfer of assets to the fund must be

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¹ Split-interest trusts created before May 27, 1969, are exempt from having to file Form 5227, as long as no amounts have been transferred to the trust since May 27, 1969.

² A filing year includes all returns submitted to IRS processing between January 1 and December 31.

³ The period may be either a fixed duration, statutorily limited to 20 years, or the lifetime of a noncharitable beneficiary. For more information on the allowable duration of charitable remainder trusts, see Internal Revenue Code section 664(d)(1)(A) and 664(d)(2)(A).

⁴ The qualifications for a “charitable beneficiary” are detailed in Internal Revenue Code section 170(c).

⁵ In order to qualify, the individual or individuals must be the donor, the donor’s spouse, a linear ancestor of a noncharitable beneficiary, or the spouse of a linear ancestor of a noncharitable beneficiary. For more information, see Treasury Regulations 1.1170A-6(c)(2)(i).

⁶ Pooled income funds are further discussed under Internal Revenue Code section 642(c)(5).

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Figure A

Profile of Split-Interest Trusts, by Type of Trust, Filing Years 2007 and 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All			Charitable remainder trusts		
	2007	2008	Percentage change	2007	2008	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	123,659	123,498	-0.1	115,754	115,489	-0.2
Net asset value, end-of-year [1]	115,391,956	128,080,488	11.0	95,821,559	106,974,054	11.6
Book value of assets, end-of-year [2]	117,605,947	130,148,699	10.7	97,307,466	108,473,185	11.5
Book value of liabilities, end-of-year [2]	2,213,991	2,068,211	-6.6	1,485,907	1,499,131	0.9

Item	Charitable lead trusts			Pooled income funds		
	2007	2008	Percentage change	2007	2008	Percentage change
	(7)	(8)	(9)	(10)	(11)	(12)
Number of returns	6,377	6,521	2.3	1,528	1,488	-2.6
Net asset value, end-of-year [1]	18,093,904	19,648,472	8.6	1,476,493	1,457,962	-1.3
Book value of assets, end-of-year [2]	18,690,926	20,024,009	7.1	1,607,555	1,651,505	2.7
Book value of liabilities, end-of-year [2]	597,022	375,537	-37.1	131,062	193,543	47.7

[1] Calculated as the end-of-year book value of assets (Form 5227, Part IV, line 37, column (b)) minus the end-of-year book value of liabilities (line 43, column (b)).

[2] Taken from Form 5227, Part IV, column (b).

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

irrevocable, meaning the assets cannot be removed or replaced with other assets without consent of the beneficiary. The donee charity, commonly a large educational institution, is responsible for the maintenance of the fund, including investing assets and making distributions to beneficiaries. Each year, grantors receive a distribution from the fund based on the ratio of their contributions to the value of the investment pool and the return on the fund assets for that year. At the time of the donor's death, the charity receives the grantor's prorated share of the value of the PIF.

Pension Protection Act of 2006

Section 1201(b) of the Pension Protection Act of 2006 resulted in several changes for split-interest trust filers. One prominent change is that the majority of information from the Form 5227 is now open to public inspection. This includes income, deductions, charitable distributions, and asset valuations. The only information that remains private is Schedule A, *Distributions, Assets, and Donor Information*, which details all information directly related to individuals and noncharitable entities, including noncharitable distributions and contributions of assets to the trust.

Income and Deduction

As a result of the Pension Protection Act of 2006, trustees must now report an amount for gross income for all split-interest trusts. While the definition of gross income is dependent on the trust documentation, it is generally defined as the sum of all income from any source prior to deductions. In total, split-interest trust filers reported \$23.4 billion in gross income (Figure B). The most common return type, charitable remainder unitrusts, also accounted for the highest amount of gross income, \$18.9 billion. However, returns filed for charitable lead trusts reported the highest average gross income per return. These 6,521 CLT returns reported gross income of \$3.3 billion, or roughly \$500,000 per return.

Beginning with Tax Year 2007, a charitable remainder trust that incurred any taxable income was required to file Form 4720, *Return of Certain Excise Taxes Under Chapters 41 and 42 of the Internal Revenue Code*.⁷ Previously, taxable income of charitable remainder trusts was reported on Form 1041, U.S. *Income Tax Return for Estates and Trusts*. In Filing Year 2008, filers of 202 charitable remainder trust

⁷ Any income received by a charitable remainder trust that is the result of a trade or business not substantially related to its exempt purpose is subject to tax. For more information, see IRS Publication 598, *Tax on Unrelated Business Income of Exempt Organizations*.

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Figure B

Gross Income, by Type of Trust, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Charitable remainder annuity trusts	Charitable remainder unitrusts	Charitable lead trusts	Pooled income funds
	(1)	(2)	(3)	(4)	(5)
Number of returns	123,498	19,241	96,248	6,521	1,488
Number of returns with gross income	119,729	18,896	93,454	5,963	1,416
Amount of gross income reported	23,422,570	1,116,546	18,882,029	3,284,402	139,594

NOTE: Detail may not add to totals due to rounding.

returns reported the receipt of unrelated business income on Form 5227.

The reporting requirements prompted by the Pension Protection Act of 2006 resulted in several alterations to the structure of Form 5227. The Income and Deduction portion, reorganized and expanded, is now required, at least in part, for all trust types. In the past, it was required only for charitable remainder trusts. Trust income is divided into three income categories: ordinary income, capital gains, and nontaxable income. While the ordinary income and capital gain sections remain largely unchanged, nontaxable income is now broken down into tax-exempt interest and other nontaxable income. Capital gains made up the majority of trust income for all trust types with the exception of pooled income funds (Figure C). As in previous years, long-term capital gains comprised more than 90 percent of total capital gains. Dividends and business income made up the largest portion of ordinary income for all trust types, while farm income was by far the smallest component of ordinary income. Nontaxable income contributed very little to trust income, and nearly all of that was classified as tax-exempt interest.

For Tax Year 2007, deductions for all income categories are itemized in more detail than in previous form revisions. Trustees fees and attorney, accountant, and return preparer fees are now included as separate line items. Charitable remainder annuity trust filers reported trustee's fees as the largest deduction (Figure C). Other allowable deductions were the largest deduction category for all other split-interest trust types. In the final section of this part, charitable remainder trusts are required to allocate the total deduction amount to specific income categories.

In Tax Year 2007, a Schedule of Distributable Income replaces the Accumulation Schedule which was included in the previous versions of the form. It

details only income retained from previous years and income received during the current year. Distribution information, which had been reported on this schedule, is now detailed in a separate section of the return. Additionally, distributions of capital gains are no longer reported separately for short- and long-term categories.

Distributions to Charitable Beneficiaries

Trustees for all split-interest trusts must report any trust distributions of principal or income for charitable purposes on Form 5227. They must disclose the name and address of the beneficiary, as well as the type, amount, and intended use of the distribution. Distributions of principal were made more frequently and in higher dollar amounts than distributions of income. In Filing Year 2008, 15,025 distributions of principal totaling \$2.0 billion were made to charities (Figure D). Charitable lead trusts made the highest number of distributions of principal, largely due to the annual charitable distributions required by their trust structures. However, charitable remainder unitrusts distributed the largest dollar amount of principal distributions, \$1.2 billion. This large amount is likely the result of the final distributions made by charitable remainder trusts at the end of their lifetimes. These distributions include all assets remaining in the trust and can be quite large. Education-related charities received the highest number of distributions of principal, 3,185 or 21.2 percent of total distributions. However, charities related to public or societal benefit received the largest amount of principal distributions, \$612.8 million or 31.4 percent of the total.

Distributions of income to charity were less frequent and smaller in amount than those derived from principal. In total, 10,967 distributions of income

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Figure C

Income and Deductions, by Type of Trust, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Charitable remainder annuity trusts (1)	Charitable remainder unitrusts (2)	Charitable lead trusts (3)	Pooled income funds (4)
Number of returns	19,241	96,248	6,521	1,488
Total net income [1]	1,034,077	15,849,541	N/A	N/A
Net ordinary income [2]	290,294	4,150,275	N/A	N/A
Total ordinary income	356,674	5,558,935	1,225,320	75,911
Interest income	99,488	1,408,761	256,103	30,840
Dividends and business income (loss)	212,839	2,489,098	872,393	44,890
Rents, royalties, partnerships, other estates and trusts, etc.	17,566	206,419	78,380	* 59
Farm income (loss)	* 116	* 52	* 150	0
Ordinary gain (loss)	458	10,222	5,144	0
Other income	26,206	1,444,382	13,149	123
Deductions allocable to ordinary income [3]	66,380	1,408,659	N/A	N/A
Net capital gains (losses) [4]	711,568	11,599,107	N/A	N/A
Total capital gains (losses)	722,873	12,261,621	1,659,792	39,900
Total short-term capital gains (losses)	20,531	313,048	128,026	2,725
Total long-term capital gains (losses)	702,342	11,948,572	1,531,766	37,175
Deductions allocable to capital gains [3]	11,305	662,513	N/A	N/A
Net nontaxable income [5]	32,215	100,159	N/A	N/A
Total nontaxable income	35,296	116,134	25,140	* 5
Tax-exempt interest	32,883	102,809	24,618	* 5
Other nontaxable income	2,413	13,325	* 522	0
Deductions allocable to nontaxable income [3]	3,081	15,974	N/A	N/A
Total deductions [6]	82,968	2,089,890	217,333	11,035
Interest	1,187	626,421	47,209	* 23
Taxes	878	10,555	32,419	89
Trustee fees	41,501	251,187	37,742	4,347
Attorney, accountant, and return preparer fees	13,371	60,213	12,820	266
Other allowable deductions	26,031	1,141,514	87,143	6,309

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Calculated as the sum of "net ordinary income" (Form 5227, Part I, Section E, line 24b), "net capital gains (losses)" (line 25b), and "net nontaxable income" (line 26b).

[2] Taken from Form 5227, Part I, Section E, line 24b.

[3] Included in "total deductions" amount given on Form 5227, Part I, Section D, line 22.

[4] Taken from Form 5227, Part I, Section E, line 25b.

[5] Taken from Form 5227, Part I, Section E, line 26b.

[6] Taken from Form 5227, Part I, Section D, line 22. Deductions shown are for informational purposes only and are included in the deduction items above.

NOTE: Detail may not add to totals due to rounding.

were made to charitable beneficiaries totaling \$1.1 billion (Figure E). As would be expected given their structures, charitable lead trusts dominated both the number and amount of charitable distributions of income. As with principal distributions, education-oriented charities received the highest number of distributions of income, while charities organized for public or societal benefit received the highest amount of income distributions.

Required Distributions by Charitable Remainder Unitrusts

In Filing Year 2008, the majority of all CRUT trustees reported the standard structure, which requires them to distribute a fixed percentage of the fair market value of assets to beneficiaries (Figure F). This ensures the most stable payment for beneficiaries. However, in years of poor investment performance, the trustee may have to liquidate trust assets to make

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Figure D

Charitable Distributions of Principal, by Type of Trust and Charity Type, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Charity type	Total		Charitable remainder annuity trusts		Charitable remainder unitrusts		Charitable lead trusts		Pooled income funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total	15,025	1,953,760	2,214	409,753	5,796	1,218,969	6,645	273,144	370	51,895
Arts, culture, and humanities	1,485	125,402	172	74,030	425	37,048	848	13,942	* 40	* 382
Education	3,185	465,724	636	85,049	1,356	317,695	1,021	31,985	172	30,995
Environment, animals	657	87,184	102	1,367	270	79,185	269	4,079	* 16	* 2,553
Health	1,916	214,778	244	38,094	799	159,980	845	16,477	* 30	* 228
Human services	2,334	157,731	303	5,069	717	134,452	1,294	16,699	* 20	* 1,511
International, foreign affairs	249	5,221	* 33	* 2,491	92	1,809	* 122	* 300	* 2	* 621
Public, societal benefit	2,054	612,824	259	73,166	838	358,681	937	166,384	* 20	* 14,593
Religion-related	2,003	153,651	333	56,006	987	91,293	631	5,743	52	609
Mutual membership benefit organizations	* 82	* 1,679	0	0	* 80	* 1,676	0	0	* 2	* 2
Other	1,060	129,567	* 133	* 74,482	232	37,150	677	17,534	* 18	* 401

* Estimate should be used with caution because of the small number of sample returns on which it is based.

NOTES: "Number" shown in the heading for columns 1, 3, 5, etc. refers to the number of returns. Detail may not add to totals because of rounding.

Figure E

Charitable Distributions of Income, by Type of Trust and Charity Type, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Charity type	Total		Charitable remainder annuity trusts		Charitable remainder unitrusts		Charitable lead trusts		Pooled income funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total	10,967	1,116,712	583	21,331	1,556	316,146	8,510	760,358	318	18,877
Arts, culture, and humanities	1,029	33,756	* 54	* 361	* 130	* 20,053	806	13,329	* 40	* 13
Education	2,436	118,362	225	10,408	297	23,590	1,746	69,469	168	14,896
Environment, animals	753	11,094	* 21	* 1,695	* 43	* 381	683	9,010	* 5	* 7
Health	1,258	57,272	* 34	* 4,761	241	22,728	931	29,745	51	38
Human services	1,702	82,904	58	2,051	261	52,071	1,361	28,764	* 22	* 18
International, foreign affairs	138	1,789	* 16	* 3	0	0	120	1,781	* 2	* 5
Public, societal benefit	1,653	589,442	100	1,111	101	45,649	1,449	539,020	* 3	* 3,662
Religion-related	1,090	45,838	* 24	* 809	346	32,203	713	12,630	* 7	* 196
Mutual membership benefit organizations	* 30	* 360	* 1	* 1	0	0	* 19	* 326	* 10	* 33
Other	877	175,894	* 49	* 130	137	119,470	682	56,285	* 10	* 8

* Estimate should be used with caution because of the small number of sample returns on which it is based.

NOTES: "Number" shown in the heading for columns 1, 3, 5, etc. refers to the number of returns. Detail may not add to totals because of rounding.

the payment. In addition to the standard charitable remainder unitrust structure, two common variants allow for added flexibility of noncharitable distributions. The Charitable Remainder Unitrust (CRUT) Information section now includes checkboxes for

trustees to indicate if the CRUT has taken the form of one of these variants. The net income charitable remainder unitrust (NI-CRUT) variant permits the trustee to distribute only the amount of trust income earned in that year, when that amount is less than the

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Figure F

Charitable Remainder Unitrust (CRUT) Types, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

CRUT type	Total		Size of end-of-year book value of total assets					
			Under \$500,000 [1]		\$500,000 under \$3 million		\$3 million or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All CRUTs	96,248	100.0	64,776	100.0	27,416	100.0	4,055	100.0
Standard CRUT	74,773	77.7	50,560	78.1	21,342	77.8	2,870	70.8
Net Income CRUT	4,628	4.8	3,208	5.0	1,272	4.6	149	3.7
Net income with makeup CRUT	16,847	17.5	11,008	17.0	4,803	17.5	1,036	25.5

[1] Includes returns that did not report end-of-year book value of total assets (Form 5227, Part IV, line 37, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

NOTE: Detail may not add to totals due to rounding.

distribution that would otherwise be required.⁸ By allowing the trustee to limit distributions in years when the trust's income is low, depletion of the trust corpus can be avoided. Only 4.8 percent of CRUTs were identified as NI-CRUTs. The net income with makeup charitable remainder unitrust (NIM-CRUT) variant works like a NI-CRUT, in that the trustee is allowed to distribute the lesser of the trust income or the required percentage of fair market value.⁹ However, the reductions in required distributions accumulate, and the trustee must make up for previous distribution deficiencies when trust income permits. Approximately 17.5 percent of CRUTs were identified as NIM-CRUTs. CRUTs with \$3 million or more in end-of-year book value assets were more likely than those of any other size to be NIM-CRUTs.

Trustees filing final returns for CRUTs are required to include the initial fair market value of all assets placed in the trust by the donor. Of the 2,476 final returns filed for CRUTs, 1,113 returns, or 45.0 percent, reported an initial fair market value of greater than zero. The reported initial fair market value of assets in these trusts totaled \$1.1 billion. An initial fair market value of zero may be reported if no assets were included in the trust at its creation, as in the case of a trust created in anticipation of a financial windfall. Additionally, preparers may not have included an initial fair market value if those records were not available.

Nondisclosable Information

Schedule A, *Distributions, Assets, and Donor Information*, is the only portion of the new Form 5227 that is not open to public inspection. All information regarding individuals and noncharitable entities is now reported in this section. An Accumulation Schedule contains the distribution information not included in the Distributable Income Schedule, but is required only for charitable remainder trusts. This accumulation schedule includes totals of charitable and noncharitable distributions made from ordinary income, capital gains, and nontaxable income. It also calculates the amount of income from each category that remains undistributed at the end of the tax year.

The Current Distributions Schedule on Schedule A details current-year noncharitable distributions in a format similar to distribution schedules included on previous Form 5227 revisions, and is required only for returns filed for CRATs or CRUTs. The recipients' names and other identifying information are reported alongside the distribution types and values. Long-term capital gains dominated the distributions for both CRATs and CRUTs (Figure G). Ordinary income was the second most common distribution. Nontaxable income comprised the smallest portion of all distributions.

The Assets and Donor Information section of Schedule A details both initial and additional asset contributions to the trust, as well as the date and

⁸ For more information regarding net income charitable remainder unitrusts, see Internal Revenue Code section 664(d)(3)(A).

⁹ For more information regarding net income with makeup charitable remainder unitrusts, see Internal Revenue Code section 664(d)(3)(B).

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source of the contribution. For the first time, for Tax Year 2007, filers of all split-interest trust types are required to report assets contributed to the trust. 6.0 percent of all split-interest trust filers reported asset contributions of some kind (Figure H). Pooled income fund trustees were the most likely of any SIT type to report contributions. This may be explained by the structure of a pooled income fund, in which

multiple donors join the fund over its lifetime, contributing assets as they join. Of the 7,374 returns that reported asset contributions, 63.8 percent were initial returns. These initial returns also reported 65.2 percent of the value of all contributions. Stocks were the most common form of both initial and additional contributions. Bonds were by far the least common contribution, making up only 0.4 percent of the total.

Figure G

Noncharitable Distributions, by Charitable Remainder Trust Type, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Charitable remainder annuity trusts		Charitable remainder unitrusts	
	Number or amount (1)	Percentage of total (2)	Number or amount (3)	Percentage of total (4)
Number of returns	19,241	—	96,248	—
Total noncharitable distributions [1]	755,747	100.0	6,070,029	100.0
Ordinary income [2]	243,046	32.2	2,426,817	40.0
Short-term capital gains [3]	27,541	3.6	354,850	5.8
Long-term capital gains [4]	340,978	45.1	3,004,687	49.5
Nontaxable income [5]	21,551	2.9	37,458	0.6
Corpus [6]	122,629	16.2	246,219	4.1

[1] May include distributions made after December 31 of the tax year and therefore may not be reflected on the accumulation schedule.

[2] Reported on Form 5227, Part III, column (a).

[3] Reported on Form 5227, Part III, column (b).

[4] Reported on Form 5227, Part III, column (c).

[5] Reported on Form 5227, Part III, column (d).

[6] Reported on Form 5227, Part III, column (e).

NOTE: Detail may not add to totals due to rounding

Figure H

Asset Contributions, by Type of Trust and Asset Type, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Charitable remainder annuity trusts	Charitable remainder unitrusts	Charitable lead trusts	Pooled income funds
	(1)	(2)	(3)	(4)	(5)
Number of returns	123,498	19,241	96,248	6,521	1,488
Number of trusts with asset contributions [1]	7,374	671	6,004	497	201
Total asset contributions	5,803,285	444,266	4,997,766	357,500	3,753
Cash and money market accounts	657,983	61,592	436,952	158,234	1,205
Stocks [2]	3,829,521	292,096	3,426,683	108,194	2,548
Bonds	22,510	** 24,653	* 16,939	** 5,011	0
Real estate [3]	446,587	**	422,494	**	0
Other assets [4]	846,684	65,925	694,697	86,062	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.

** Data are combined to prevent disclosure of individual taxpayer data. However, the data are included in the appropriate totals.

[1] Asset contributions are reported on Form 5227, Schedule A, Part III and include both initial contributions made when the trust is created and additional contributions made during the lifetime of the trust.

[2] The value of stock includes both publicly traded and closely held stocks.

[3] The value given for real estate includes traditional real estate, as well as real estate mutual funds and partnerships.

[4] Other assets includes such items as retirement assets, annuities, partnerships, insurance assets, and art.

NOTE: Detail may not add to totals due to rounding.

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Summary

In part due to the Pension Protection Act of 2006, major revisions were made to the Form 5227, *Split-Interest Trust Information Return*, for Tax Year 2007. These revisions increased the information reported for all types of split-interest trusts. Preparers of returns for charitable lead trusts and pooled income funds are now required to report trust income. All split-interest trust types must disclose the names of charities that receive distributions, as well as the amount and type of the distribution. Charitable remainder unitrusts must now disclose details regarding their distribution structures as determined at their creation. All initial and additional contributions to split-interest trusts must be reported. In addition to these structural changes, the Pension Protection Act of 2006 required that all reported information not pertaining to an individual be disclosed to the public. Details relating to noncharitable beneficiaries and donations to the trust throughout its lifetime remain private.

Data Sources and Limitations

The data presented in this article were collected from a sample of Forms 5227, *Split-Interest Trust Infor-*

mation Returns, selected during Filing Year 2008. A filing year includes returns received by IRS for processing between January 1 and December 31 of a given year and primarily comprises returns for the tax year immediately prior. However, it may include late-filed returns for numerous other tax years. For Filing Year 2008, approximately 98.0 percent of returns included in the sample are for Tax Year 2007, while Tax Year 2006 returns comprised 1.7 percent of the sampled returns. Partial-year returns, for either initial or final reporting periods, were included in the SOI sample. All returns included in the sample were computer-designated at the IRS Ogden Submission Processing Center after posting to the IRS Master File.

For Filing Year 2008, a sample of 12,894 returns was drawn from an estimated population of 124,267. The sample size excludes returns that were selected for the sample but later rejected. Returns could be rejected if they were not one of the four types of trusts included in the study or if no money amounts were reported. The sample was stratified by the type of the trust (charitable remainder annuity trust, charitable remainder unitrust, charitable lead trust, or pooled income fund) and the reported book value of end-of-year total assets. Figure I details the

Figure I

Population, Sample, and Sampling Rates, by Type of Split-Interest Trust and Asset Strata, Filing Year 2008

Type of trust, item	Total	Reported end-of-year book value of total assets [1]		
		Less than \$1 million	\$1 million under \$10 million	\$10 million or more
	(1)	(2)	(3)	(4)
Charitable remainder annuity trusts:				
Population [2]	19,653	17,783	1,788	82
Sample	1,869	1,094	693	82
Sampling rate (percentage)	9.5	6.2	38.8	100.0
Charitable remainder unitrusts:				
Population [2]	96,516	81,223	14,411	882
Sample	9,724	4,036	4,806	882
Sampling rate (percentage)	10.1	5.0	33.3	100.0
Charitable lead trusts:				
Population [2]	6,595	4,189	2,122	284
Sample	1,082	244	554	284
Sampling rate (percentage)	16.4	5.8	26.1	100.0
Pooled income funds:				
Population [2]	1,503	1,262	213	28
Sample	264	127	109	28
Sampling rate (percentage)	17.6	10.1	51.2	100.0

[1] This is the value the tax preparer reported on Form 5227, Part IV, line 50, column (b).

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sampling strata and rates. The magnitude of sampling error for selected items, measured by coefficients of variation, is shown in Figure J.

All samples were designed to provide reliable estimates of financial activity. All data were collected from original returns as they were filed. All edited returns were subjected to comprehensive testing and data verification procedures to ensure the highest qual-

ity of data. Changes that were made to the return after filing, either by the taxpayer (on an amended return) or during IRS processing, were generally not incorporated. A complete discussion of the reliability of estimates based on samples, methods for evaluating the magnitude of both sampling and nonsampling error, and the precision of the sample estimates can be found in the Appendix in this issue of the *SOI Bulletin*.

Figure J

Coefficients of Variation for Selected Items, by Type of Split-Interest Trust and Size of End-of-Year Book Value of Total Assets, Filing Year 2008

Item	Total	Size of end-of-year book value of total assets		
		Under \$500,000 [1]	\$500,000 under \$3 million	\$3 million or more
	Coefficient of variation (percentage)			
	(1)	(2)	(3)	(4)
Charitable remainder annuity trusts:				
Number of returns	0.50	1.17	5.04	4.80
Net ordinary income [2]	2.93	7.77	5.59	3.85
Net capital gain income (loss) [3]	4.43	10.21	8.78	5.58
Net nontaxable income [4]	8.09	18.82	11.99	13.85
End-of-year total assets (book value) [5]	1.68	3.64	3.66	3.06
End-of-year total liabilities (book value) [6]	12.03	23.58	23.14	16.83
Charitable remainder unitrusts:				
Number of returns	0.10	0.78	1.83	1.74
Net ordinary income [2]	0.88	6.03	2.51	0.60
Net capital gain income (loss) [3]	1.07	5.41	3.06	1.11
Net nontaxable income [4]	3.56	12.55	6.43	4.15
End-of-year total assets (book value) [5]	0.43	1.48	1.31	0.66
End-of-year total assets (fair market value) [7]	0.66	2.62	1.72	0.80
End-of-year total liabilities (book value) [6]	4.38	9.90	8.19	5.85
Charitable lead trusts:				
Number of returns	0.54	4.57	4.55	4.55
Total ordinary income	19.31	73.90	6.05	2.83
Total capital gains	4.17	35.64	20.22	3.92
Total nontaxable income	6.97	39.64	14.51	6.68
End-of-year total assets (book value) [5]	1.69	7.87	3.41	2.26
End-of-year total liabilities (book value) [6]	7.80	26.20	34.32	6.18
Pooled income funds:				
Number of returns	0.93	2.73	12.10	7.09
Total ordinary income	2.45	9.35	8.80	3.36
Total capital gains	7.19	38.53	40.36	6.85
Total nontaxable income	69.88	N/A	69.88	N/A
End-of-year total assets (book value) [5]	2.33	9.01	8.08	3.37
End-of-year total liabilities (book value) [6]	0.73	64.37	50.45	0.09

N/A denotes a coefficient of variation that could not be calculated due to a lack of data.

[1] Includes returns that did not report end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part I, line 24b.

[3] Taken from Form 5227, Part I, line 25b.

[4] Taken from Form 5227, Part I, line 26b.

[5] Taken from Form 5227, Part IV, line 50, column (b).

[6] Taken from Form 5227, Part IV, line 56, column (b).

[7] For charitable remainder unitrusts, taken from an estimated end-of-year fair market value.

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Table 1. Charitable Remainder Annuity Trusts: Income and Deductions, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	19,241	15,523	1,915	1,348	378	76
Total net income [2]	1,034,077	201,457	125,519	261,903	164,689	280,510
Net ordinary income [3]	290,294	68,666	36,171	64,686	48,991	71,780
Total ordinary income	356,674	84,900	45,329	83,446	60,038	82,961
Interest income	99,488	22,688	13,449	22,611	17,521	23,219
Dividends and business income (loss)	212,839	48,599	28,891	45,973	33,501	55,875
Rents, royalties, partnerships, other estates, and trusts, etc.	17,566	3,160	* -6	3,106	8,293	3,012
Farm income (loss)	* 116	0	0	* 62	* 54	0
Ordinary gain (loss)	458	[4]	0	359	* 93	* 6
Other income	26,206	10,453	2,994	11,334	576	* 849
Deductions allocable to ordinary income [5]	66,380	16,234	9,158	18,760	11,048	11,181
Net capital gains (losses) [6]	711,568	126,114	83,690	189,408	106,783	205,574
Total capital gains (losses)	722,873	130,293	85,811	192,335	108,396	206,038
Total short-term capital gains (losses)	20,531	4,832	1,990	5,639	698	7,371
Total long-term capital gains (losses)	702,342	125,460	83,821	186,696	107,698	198,667
Deductions allocable to capital gains [5]	11,305	4,179	2,121	2,927	1,613	465
Net nontaxable income [7]	32,215	6,676	5,658	7,809	8,915	3,157
Total nontaxable income	35,296	7,130	6,418	8,667	9,810	3,271
Tax-exempt interest	32,883	6,627	6,260	8,109	9,016	2,870
Other nontaxable income	2,413	502	* 158	* 558	* 795	* 400
Deductions allocable to nontaxable income [5]	3,081	453	760	858	895	114
Total deductions [8]	82,968	22,857	12,143	22,545	13,663	11,760
Interest	1,187	* 344	* 2	380	367	* 94
Taxes	878	235	* 21	389	146	87
Trustee fee	41,501	10,661	7,626	11,262	7,404	4,548
Attorney, accountant, and return preparer fees	13,371	5,931	1,364	2,753	1,019	2,303
Other allowable deductions	26,031	5,687	3,129	7,761	4,727	4,727

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Calculated as the sum of "net ordinary income" (Form 5227, Part I, Section E, line 24b), "net capital gains (losses)" (line 25b), and "net nontaxable income" (line 26b).

[3] Taken from Form 5227, Part I, Section E, line 24b.

[4] Value is less than \$500.

[5] Included in "total deductions" amount given on Form 5227, Part I, Section D, line 22.

[6] Taken from Form 5227, Part I, Section E, line 25b.

[7] Taken from Form 5227, Part I, Section E, line 26b.

[8] Taken from Form 5227, Part I, Section D, line 22.

NOTE: Detail may not add to totals due to rounding.

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Table 2. Charitable Remainder Annuity Trusts: Accumulation and Distribution Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	19,241	15,523	1,915	1,348	378	76
Total accumulations [2]	5,479,622	1,059,997	633,810	1,290,145	1,086,976	1,408,694
Net ordinary income	482,906	111,952	39,805	101,315	122,912	106,922
Net capital gains (losses)	4,830,096	917,369	578,514	1,141,129	907,392	1,285,692
Net nontaxable income	166,620	30,676	15,491	47,701	56,672	16,080
Prior-year undistributed income [3]	4,445,544	858,540	508,291	1,028,242	922,287	1,128,184
Net ordinary income	192,612	43,286	3,634	36,629	73,922	35,142
Net capital gains (losses)	4,118,527	791,255	494,823	951,722	800,609	1,080,119
Net nontaxable income	134,404	24,000	9,834	39,891	47,756	12,923
Current-year net income [4]	1,034,077	201,457	125,519	261,903	164,689	280,510
Net ordinary income	290,294	68,666	36,171	64,686	48,991	71,780
Net capital gains (losses)	711,568	126,114	83,690	189,408	106,783	205,574
Net nontaxable income	32,215	6,676	5,658	7,809	8,915	3,157
Distributions of income [5]	638,160	195,566	94,468	126,627	105,157	116,342
Net ordinary income	243,851	62,038	34,996	56,543	40,533	49,741
Net capital gains (losses)	372,694	127,492	55,383	65,252	59,129	65,438
Net nontaxable income	21,616	6,037	4,090	4,832	5,495	* 1,162
Undistributed at end of year [6]	4,841,461	864,431	539,342	1,163,518	981,819	1,292,352
Net ordinary income	239,055	49,915	4,809	44,772	82,379	57,181
Net capital gains (losses)	4,457,402	789,877	523,131	1,075,877	848,263	1,220,254
Net nontaxable income	145,004	24,639	11,402	42,868	51,177	14,918

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part II, line 29.

[3] Taken from Form 5227, Part II, line 27.

[4] Taken from Form 5227, Part II, line 28.

[6] Taken from Form 5227, Schedule A, Part I, line 3.

NOTE: Detail may not add to totals due to rounding.

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Table 3. Charitable Remainder Annuity Trusts: Book Value Balance Sheet Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	19,241	15,523	1,915	1,348	378	76
Total net assets [2]	8,931,574	1,739,747	1,361,884	2,100,869	1,805,000	1,924,074
Total assets [3]	9,089,552	1,794,277	1,369,152	2,132,736	1,854,089	1,939,299
Cash	196,050	45,960	48,558	51,497	31,819	18,216
Savings and temporary cash investments	692,664	108,502	100,450	163,666	167,996	152,050
Accounts receivable	7,220	2,068	2,918	716	* 146	1,371
Receivables due from officers, directors, trustees, etc.	* 1,220	* 725	0	* 494	0	0
Other notes and loans receivable	121,408	21,266	* 8,270	49,983	* 6,214	* 35,676
Inventories for sale or use	* 1,094	0	0	* 1,094	0	0
Prepaid expenses and deferred charges	1,511	* 365	* 65	* 1,064	* 17	0
Total investments	7,781,648	1,533,177	1,145,586	1,770,501	1,614,710	1,717,674
Securities	6,344,419	1,222,564	992,592	1,463,202	1,364,436	1,301,624
Government obligations	1,018,574	154,869	148,999	266,648	280,739	167,320
Corporate stock	4,250,440	849,286	658,708	950,644	867,980	923,822
Corporate bonds	1,075,405	218,410	184,885	245,910	215,717	210,483
Land, buildings, and equipment	95,898	18,469	0	42,972	* 23,955	* 10,503
Other investments	1,341,331	292,144	152,994	264,328	226,319	405,547
Charitable purpose land, buildings, and equipment	74,950	* 3,671	* 8,293	35,875	* 15,285	* 11,825
Other assets	211,783	78,541	55,011	57,844	17,901	* 2,486
Total liabilities [4]	157,979	54,530	7,268	31,866	49,089	15,225
Accounts payable and accrued expenses	20,501	11,115	* 4,398	2,399	* 2,412	* 177
Deferred revenue	* 6,474	* 1,951	0	* 4,523	0	0
Loans from officers, directors, trustees, etc.	* 4,624	* 74	0	* 3,411	* 1,139	0
Mortgages and other notes payable	14,526	* 12,148	0	* 1,978	* 400	0
Other liabilities	111,853	29,242	2,870	19,556	45,138	15,049

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part IV, line 59, column (b). This is the excess of total assets over total liabilities. This value may deviate from the calculated value of total assets (line 50, column (b)) less total liabilities (line 56, column (b)) due to taxpayer reporting discrepancies.

[3] Taken from Form 5227, Part IV, line 50, column (b).

NOTE: Detail may not add to totals due to rounding.

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Table 4. Charitable Remainder Unitrusts: Income and Deductions, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	96,248	64,776	16,100	11,317	3,191	864
Total net income [2]	15,849,541	1,410,064	1,170,593	2,255,053	2,201,218	8,812,613
Net ordinary income [3]	4,150,275	426,148	339,167	568,085	462,289	2,354,587
Total ordinary income	5,558,935	528,163	415,257	686,128	556,048	3,373,339
Interest income	1,408,761	116,624	105,893	185,799	147,428	853,018
Dividends and business income (loss)	2,489,098	323,035	276,293	404,079	353,879	1,131,812
Rents, royalties, partnerships, other estates, and trusts, etc.	206,419	11,046	9,080	23,851	29,506	132,936
Farm income (loss)	* 52	0	* 12	* -372	* 413	0
Ordinary gain (loss)	10,222	235	1,102	787	462	7,635
Other income	1,444,382	77,222	22,877	71,984	24,360	1,247,939
Deductions allocable to ordinary income [4]	1,408,659	102,015	76,090	118,043	93,758	1,018,753
Net capital gains (losses) [5]	11,599,107	974,238	816,971	1,658,582	1,716,173	6,433,143
Total capital gains (losses)	12,261,621	994,334	833,057	1,682,850	1,732,251	7,019,129
Total short-term capital gains (losses)	313,048	29,828	18,660	67,631	91,337	105,592
Total long-term capital gains (losses)	11,948,572	964,505	814,396	1,615,219	1,640,914	6,913,536
Deductions allocable to capital gains [4]	662,513	20,096	16,086	24,268	16,078	585,985
Net nontaxable income [6]	100,159	9,678	14,455	28,386	22,757	24,883
Total nontaxable income	116,134	11,234	17,116	33,483	27,190	27,111
Tax-exempt interest	102,809	9,096	15,108	30,228	25,994	22,383
Other nontaxable income	13,325	2,138	2,007	3,255	1,195	4,728
Deductions allocable to nontaxable income [4]	15,974	1,556	2,661	5,096	4,433	2,228
Total deductions [7]	2,089,890	125,945	94,958	147,741	114,277	1,606,969
Interest	626,421	1,234	119	2,220	4,062	618,787
Taxes	10,555	999	1,109	2,676	1,738	4,032
Trustee fee	251,187	62,771	49,501	68,484	42,164	28,267
Attorney, accountant, and return preparer fees	60,213	22,444	10,838	13,078	6,881	6,972
Other allowable deductions	1,141,514	38,496	33,391	61,284	59,432	948,911

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Calculated as the sum of "net ordinary income" (Form 5227, Part I, Section E, line 24b), "net capital gains (losses)" (line 25b), and "net nontaxable income" (line 26b).

[3] Taken from Form 5227, Part I, Section E, line 24b.

[4] Included in "total deductions" amount given on Form 5227, Part I, Section D, line 22.

[5] Taken from Form 5227, Part I, Section E, line 25b.

[6] Taken from Form 5227, Part I, Section E, line 26b.

[7] Taken from Form 5227, Part I, Section D, line 22.

NOTE: Detail may not add to totals due to rounding.

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Table 5. Charitable Remainder Unitrusts: Accumulation and Distribution Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	96,248	64,776	16,100	11,317	3,191	864
Total accumulations [2]	77,809,045	8,040,139	6,882,110	12,659,881	12,567,932	37,658,983
Net ordinary income	8,288,064	639,690	453,983	814,333	799,119	5,580,939
Net capital gains (losses)	69,005,464	7,346,810	6,381,050	11,679,890	11,628,139	31,969,575
Net nontaxable income	515,517	53,639	47,078	165,658	140,673	108,469
Prior-year undistributed income [3]	61,959,499	6,630,072	5,711,517	10,404,827	10,366,713	28,846,370
Net ordinary income	4,137,788	213,542	114,815	246,248	336,830	3,226,352
Net capital gains (losses)	57,406,354	6,372,570	5,564,078	10,021,307	9,911,966	25,536,432
Net nontaxable income	415,357	43,960	32,623	137,272	117,917	83,586
Current year net income [4]	15,849,541	1,410,064	1,170,593	2,255,053	2,201,218	8,812,613
Net ordinary income	4,150,275	426,148	339,167	568,085	462,289	2,354,587
Net capital gains (losses)	11,599,107	974,238	816,971	1,658,582	1,716,173	6,433,143
Net nontaxable income	100,159	9,678	14,455	28,386	22,757	24,883
Distributions of income [5]	5,848,837	944,517	795,322	1,284,268	1,131,994	1,692,735
Net ordinary income	2,428,871	379,844	338,164	521,162	432,326	757,376
Net capital gains (losses)	3,382,274	558,181	448,278	752,619	693,789	929,407
Net nontaxable income	37,692	6,493	8,881	10,487	5,879	5,952
Undistributed at end of year [6]	71,960,207	7,095,621	6,086,788	11,375,613	11,435,938	35,966,248
Net ordinary income	5,859,193	259,847	115,819	293,171	366,794	4,823,563
Net capital gains (losses)	65,623,190	6,788,628	5,932,772	10,927,271	10,934,350	31,040,169
Net nontaxable income	477,825	47,146	38,197	155,171	134,794	102,517

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part II, line 29.

[3] Taken from Form 5227, Part II, line 27.

[4] Taken from Form 5227, Part II, line 28.

[5] Taken from Form 5227, Schedule A, Part I, line 2b.

[6] Taken from Form 5227, Schedule A, Part I, line 3.

NOTE: Detail may not add to totals due to rounding.

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Table 6. Charitable Remainder Unitrusts: Book Value Balance Sheet Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	96,248	64,776	16,100	11,317	3,191	864
Total net assets [2]	98,042,480	11,714,212	11,133,987	17,997,731	15,810,755	41,385,796
Total assets [3]	99,383,633	11,848,439	11,298,533	18,252,910	16,090,953	41,892,798
Cash	1,770,126	198,914	190,427	324,770	263,564	792,451
Savings and temporary cash investments	5,701,221	784,911	775,385	1,305,284	1,100,634	1,735,006
Accounts receivable	134,409	14,831	4,934	27,459	34,274	52,911
Receivables due from officers, directors, trustees, etc.	17,229	2,324	* 5,020	9,452	* 411	* 22
Other notes and loans receivable	1,009,035	131,142	128,017	294,609	265,796	189,471
Inventories for sale or use	* 37	0	0	* 37	0	0
Prepaid expenses and deferred charges	8,719	* 444	* 1,350	4,072	1,498	1,355
Total investments	88,920,579	10,319,881	9,872,351	15,794,145	14,006,494	38,927,707
Securities	55,735,098	8,150,797	8,198,538	12,919,553	10,787,655	15,678,555
Government obligations	5,405,613	498,511	741,545	1,242,821	1,192,821	1,729,914
Corporate stock	42,978,885	6,304,877	6,152,410	9,935,472	8,441,805	12,144,321
Corporate bonds	7,350,600	1,347,409	1,304,583	1,741,260	1,153,029	1,804,319
Land, buildings, and equipment	879,894	119,007	89,951	205,549	223,625	241,762
Other investments	32,305,586	2,050,078	1,583,862	2,669,042	2,995,214	23,007,390
Charitable purpose land, buildings, and equipment	260,635	36,468	* 57,624	88,398	63,259	* 14,885
Other assets	1,561,621	359,507	263,421	404,681	355,022	178,989
Total liabilities [4]	1,341,153	134,227	164,546	255,179	280,198	507,002
Accounts payable and accrued expenses	197,257	25,691	21,022	46,267	44,757	59,521
Deferred revenue	36,003	* 5,429	* 4,632	10,791	* 849	* 14,302
Loans from officers, directors, trustees, etc.	4,599	* 2,009	* 67	* 1,504	0	* 1,018
Mortgages and other notes payable	87,056	* 479	0	* 9,753	* 52,156	* 24,668
Other liabilities	1,016,238	100,619	138,826	186,864	182,436	407,493

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part IV, line 59, column (b). This is the excess of total assets over total liabilities. This value may deviate from the calculated value of total assets (line 50, column (b)) less total liabilities (line 56, column (b)) due to taxpayer reporting discrepancies.

[3] Taken from Form 5227, Part IV, line 50, column (b).

[4] Taken from Form 5227, Part IV, line 56, column (b).

NOTE: Detail may not add to totals due to rounding.

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Table 7. Charitable Remainder Unitrusts: End-of-Year Fair Market Value Balance Sheet Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	96,248	64,776	16,100	11,317	3,191	864
Total assets [2]	119,198,640	14,733,612	13,325,289	20,635,748	18,802,385	51,701,605
Cash	1,739,904	202,017	203,294	335,079	265,134	734,380
Savings and temporary cash investments	5,643,598	788,649	760,489	1,294,153	1,094,096	1,706,211
Accounts receivable	142,888	24,173	4,670	27,955	33,745	52,345
Receivables due from officers, directors, trustees, etc.	17,131	* 2,237	* 5,020	9,441	* 411	* 22
Other notes and loans receivable	995,476	137,304	132,304	282,882	265,741	177,244
Inventories for sale or use	* 37	0	0	* 37	0	0
Prepaid expenses and deferred charges	8,585	* 390	* 1,350	4,017	1,474	1,355
Total investments	107,743,772	12,774,213	11,616,322	18,124,337	16,601,802	48,627,098
Securities	67,160,898	10,023,498	9,508,654	14,840,837	13,006,502	19,781,406
Government obligations	5,764,157	542,862	796,486	1,312,779	1,250,660	1,861,369
Corporate stock	53,673,962	8,041,703	7,346,547	11,714,066	10,544,008	16,027,638
Corporate bonds	7,722,779	1,438,932	1,365,620	1,813,993	1,211,835	1,892,399
Land, buildings, and equipment	1,333,762	370,871	159,421	295,298	279,847	228,323
Other investments	39,249,112	2,379,844	1,948,247	2,988,201	3,315,452	28,617,369
Charitable purpose land, buildings, and equipment	666,711	181,183	* 301,418	101,347	65,511	* 17,252
Other assets	2,240,519	623,435	300,417	456,498	474,471	385,698

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part IV, line 50.

NOTE: Detail may not add to totals due to rounding.

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Table 8. Charitable Lead Trusts: Income, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	6,521	2,736	1,315	1,453	722	296
Total income [2]	2,910,252	399,498	87,334	224,592	453,171	1,745,658
Total ordinary income	1,225,320	319,138	35,701	106,082	183,109	581,289
Interest income	256,103	16,462	7,582	20,856	44,700	166,503
Dividends and business income (loss)	872,393	290,022	24,838	62,546	106,199	388,789
Rents, royalties, partnerships, other estates, and trusts, etc.	78,380	12,016	2,472	20,508	29,223	14,161
Farm income (loss)	* 150	0	0	* 75	* 75	0
Ordinary gain (loss)	5,144	* -26	* 374	213	732	3,851
Other income	13,149	664	* 434	1,885	2,180	7,986
Total capital gains (losses)	1,659,792	77,512	50,438	114,243	265,188	1,152,410
Total short-term capital gains (losses)	128,026	-1,766	-13,200	-14,879	22,318	135,553
Total long-term capital gains (losses)	1,531,766	79,278	63,639	129,122	242,870	1,016,857
Total nontaxable income	25,140	2,847	1,194	4,266	4,874	11,958
Tax-exempt interest	24,618	2,847	724	4,257	4,847	11,942
Other nontaxable income	* 522	0	* 469	* 9	* 27	* 16

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Calculated as the sum of "total ordinary income" (Form 5227, Part I, Section A, line 8), "total capital gains (losses)" (Section B, line 13), and "total nontaxable income" (Section C, line 16).

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Table 9. Charitable Lead Trusts: Book Value Balance Sheet Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	6,521	2,736	1,315	1,453	722	296
Total net assets [2]	19,648,472	490,495	937,160	2,426,813	3,872,968	11,921,036
Total assets [3]	20,024,009	522,256	970,341	2,459,374	3,937,028	12,135,010
Cash	225,875	17,874	15,380	54,095	71,771	66,756
Savings and temporary cash investments	1,451,786	43,147	62,692	186,756	327,855	831,335
Accounts receivable	25,853	4,426	* 265	572	14,412	6,178
Receivables due from officers, directors, trustees, etc.	* 23,180	0	0	* 12,535	0	* 10,646
Other notes and loans receivable	181,617	* 644	* 1,502	32,051	* 46,793	100,628
Inventories for sale or use	0	0	0	0	0	0
Prepaid expenses and deferred charges	4,086	* 82	* 235	* 383	* 2,617	* 768
Total investments	16,648,955	443,395	874,191	2,132,745	3,363,478	9,835,146
Securities	8,458,802	372,341	645,923	1,646,024	1,834,211	3,960,303
Government obligations	662,199	36,944	47,395	120,024	114,564	343,272
Corporate stock	7,115,414	315,723	547,928	1,350,859	1,511,768	3,389,136
Corporate bonds	681,189	19,675	50,599	175,141	207,879	227,895
Land, buildings, and equipment	192,156	* 1,888	* 16,990	* 22,594	* 39,881	110,803
Other investments	7,997,997	69,166	211,278	464,127	1,489,386	5,764,040
Charitable purpose land, buildings, and equipment	* 20,344	* 3,366	* 7	* 5,735	* 11,235	0
Other assets	1,442,312	9,323	* 16,069	34,502	98,867	1,283,552
Total liabilities [4]	375,537	31,762	33,181	32,561	64,060	213,973
Accounts payable and accrued expenses	59,809	* 1,832	* 2,879	5,009	26,981	23,108
Deferred revenue	* 870	0	* 780	* 90	0	* [5]
Loans from officers, directors, trustees, etc.	* 2,388	* 1,732	* 31	* 362	0	* 263
Mortgages and other notes payable	29,996	* 2,314	0	* 448	* 1,452	25,781
Other liabilities	282,474	25,884	* 29,491	26,651	35,626	164,822

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by trusts filing a final return.

[2] Taken from Form 5227, Part IV, line 59, column (b). This is the excess of total assets over total liabilities. This value may deviate from the calculated value of total assets (line 50, column (b)) less total liabilities (line 56, column (b)) due to taxpayer reporting discrepancies.

[3] Taken from Form 5227, Part IV, line 56, column (b).

[4] Taken from Form 5227, Part IV, line 50, column (b).

[5] Value is less than \$500.

NOTE: Detail may not add to totals due to rounding.

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Table 10. Pooled Income Funds: Income and Deductions, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	1,488	1,143	99	145	71	29
Total income [2]	115,816	8,712	3,573	13,940	28,000	61,591
Total ordinary income	75,911	5,808	* 3,294	10,650	17,393	38,766
Interest income	30,840	2,029	* 973	4,998	11,455	11,385
Dividends and business income (loss)	44,890	3,761	* 2,317	5,521	5,921	27,369
Rents, royalties, partnerships, other estates, and trusts, etc.	* 59	0	0	* 28	0	* 31
Farm income (loss)	0	0	0	0	0	0
Ordinary gain (loss)	0	0	0	0	0	0
Other income	123	* 19	* 5	103	* 16	* -19
Total capital gains (losses)	39,900	2,903	* 279	3,285	10,607	22,825
Total short-term capital gains (losses)	2,725	95	* -1	-840	-1,809	5,279
Total long-term capital gains (losses)	37,175	2,808	* 279	4,125	12,415	17,547
Total nontaxable income	* 5	0	0	* 5	0	0
Tax-exempt interest	* 5	0	0	* 5	0	0
Other nontaxable income	0	0	0	0	0	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by funds filing a final return.

[2] Calculated as the sum of "total ordinary income" (Form 5227, Part I, Section A, line 8), "total capital gains (losses)" (Section B, line 13), and "total nontaxable income" (Section C, line 16).

NOTE: Detail may not add to totals due to rounding.

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Table 11. Pooled Income Funds: Book Value Balance Sheet Information, by Size of End-of-Year Book Value of Total Assets, Filing Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Total	Size of end-of-year book value of total assets				
		Under \$500,000 [1]	\$500,000 under \$1,000,000	\$1,000,000 under \$3,000,000	\$3,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	1,488	1,143	99	145	71	29
Total net assets [2]	1,457,962	126,739	72,449	236,203	392,216	630,356
Total assets [3]	1,651,505	127,792	72,509	238,593	392,630	819,981
Cash	12,871	2,626	* 231	2,560	* 2,624	4,830
Savings and temporary cash investments	57,323	9,295	* 3,914	12,641	9,902	21,571
Accounts receivable	1,450	* 13	* 44	* 22	* 50	* 1,320
Receivables due from officers, directors, trustees, etc.	* 5	0	0	0	* 5	0
Other notes and loans receivable	* 10,685	0	0	* 1,803	0	* 8,882
Inventories for sale or use	0	0	0	0	0	0
Prepaid expenses and deferred charges	* 81	0	0	0	* 81	0
Total investments	1,520,851	99,965	* 61,452	208,827	376,486	774,121
Securities	908,195	77,473	* 48,553	177,713	248,541	355,914
Government obligations	112,126	15,313	* 497	13,835	29,106	* 53,375
Corporate stock	340,783	21,294	* 15,475	55,731	80,811	167,472
Corporate bonds	455,286	40,866	* 32,582	108,147	138,625	135,066
Land, buildings, and equipment	* 62,796	* 15	0	* 44	* 6,174	* 56,563
Other investments	549,860	22,478	* 12,898	31,070	121,770	361,644
Charitable purpose land, buildings, and equipment	* 8,358	0	0	0	0	* 8,358
Other assets	39,881	15,892	* 6,869	* 12,740	* 3,482	* 899
Total liabilities [4]	193,543	1,053	* 60	2,391	* 414	189,625
Accounts payable and accrued expenses	5,663	* 740	* 60	* 105	0	4,757
Deferred revenue	* 121,843	0	0	* 1,675	0	* 120,167
Loans from officers, directors, trustees, etc.	0	0	0	0	0	0
Mortgages and other notes payable	* 62,563	0	0	0	0	* 62,563
Other liabilities	3,474	* 312	0	* 611	* 414	2,137

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns that did not report the end-of-year book value of total assets (Form 5227, Part IV, line 50, column (b)) from the balance sheet, or that reported the amount as zero. Often, these zero amounts are explained by funds filing a final return.

[2] Taken from Form 5227, Part IV, line 59, column (b). This is the excess of total assets over total liabilities. This value may deviate from the calculated value of total assets (line 50, column (b)) less total liabilities (line 56, column (b)) due to taxpayer reporting discrepancies.

[3] Taken from Form 5227, Part IV, line 50, column (b).

[4] Taken from Form 5227, Part IV, line 56, column (b).

NOTE: Detail may not add to totals due to rounding.