

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

2018

For calendar year 2018 or other tax year beginning APR 1, 2018, and ending MAR 31, 2019

▶ 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).

Department of the Treasury
Internal Revenue Service

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

A <input type="checkbox"/> Check box if address changed B Exempt under section <input checked="" type="checkbox"/> 501(c)(4) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	Print or Type	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) CALIFORNIA HEALTHCARE FOUNDATION Number, street, and room or suite no. If a P.O. box, see instructions. 1438 WEBSTER ST, NO. 400 City or town, state or province, country, and ZIP or foreign postal code OAKLAND, CA 94612	D Employer identification number (Employees' trust, see instructions.) 95-4523231 E Unrelated business activity code (See instructions.) 900099
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C Book value of all assets at end of year 791,200,520.	F Group exemption number (See instructions.) ▶ G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust
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H Enter the number of the organization's unrelated trades or businesses. ▶ 1 Describe the only (or first) unrelated trade or business here ▶ PASS-THROUGH INVESTMENT. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ Yes No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ CRAIG ZIEGLER Telephone number ▶ 510-238-1040

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
c Balance	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from a partnership or an S corporation (attach statement)	5	STMT 1	-2,754,409.
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule)	12		
13 Total. Combine lines 3 through 12	13		-2,754,409.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)	(A) Income	(B) Expenses	(C) Net
14 Compensation of officers, directors, and trustees (Schedule K)			
15 Salaries and wages			
16 Repairs and maintenance			
17 Bad debts			
18 Interest (attach schedule) (see instructions)			
19 Taxes and licenses			75,082.
20 Charitable contributions (See instructions for limitation rules) <u>STATEMENT 4</u>	<u>SEE STATEMENT 2</u>		0.
21 Depreciation (attach Form 4562)	21		
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b	
23 Depletion			
24 Contributions to deferred compensation plans			
25 Employee benefit programs			
26 Excess exempt expenses (Schedule I)			
27 Excess readership costs (Schedule J)			
28 Other deductions (attach schedule) <u>SEE STATEMENT 3</u>			23,200.
29 Total deductions. Add lines 14 through 28			98,282.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			-2,852,691.
31 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)			
32 Unrelated business taxable income. Subtract line 31 from line 30			-2,852,691.

Part III Total Unrelated Business Taxable Income		
33	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	33 -2,852,691.
34	Amounts paid for disallowed fringes	34
35	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	35
36	Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34	36 -2,852,691.
37	Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions)	37 1,000.
38	Unrelated business taxable income. Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 36	38 -2,852,691.

Part IV Tax Computation		
39	Organizations Taxable as Corporations. Multiply line 38 by 21% (0.21)	39 0.
40	Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 38 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	40
41	Proxy tax. See instructions	41
42	Alternative minimum tax (trusts only)	42
43	Tax on Noncompliant Facility Income. See instructions	43
44	Total. Add lines 41, 42, and 43 to line 39 or 40, whichever applies	44 0.

Part V Tax and Payments		
45a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	45a
b	Other credits (see instructions)	45b
c	General business credit. Attach Form 3800	45c
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	45d
e	Total credits. Add lines 45a through 45d	45e
46	Subtract line 45e from line 44	46 0.
47	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)	47
48	Total tax. Add lines 46 and 47 (see instructions)	48 0.
49	2018 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 2	49 0.
50a	Payments: A 2017 overpayment credited to 2018	50a 185,608.
b	2018 estimated tax payments	50b 140,909.
c	Tax deposited with Form 8868	50c 53,000.
d	Foreign organizations: Tax paid or withheld at source (see instructions)	50d
e	Backup withholding (see instructions)	50e 29.
f	Credit for small employer health insurance premiums (attach Form 8941)	50f
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	50g
51	Total payments. Add lines 50a through 50g	51 379,546.
52	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	52
53	Tax due. If line 51 is less than the total of lines 48, 49, and 52, enter amount owed	53
54	Overpayment. If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid	54 379,546.
55	Enter the amount of line 54 you want: Credited to 2019 estimated tax 140,000. Refunded	55 239,546.

Part VI Statements Regarding Certain Activities and Other Information (see instructions)		
56	At any time during the 2018 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	Yes No X
57	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.	X
58	Enter the amount of tax-exempt interest received or accrued during the tax year	\$

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: _____
 Title: VP FINANCE, ADMIN / INVESTS / TREAS

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer Use Only
 Print/Type preparer's name: MAGA E. KISRIV
 Preparer's signature: _____ Date: _____
 Check if self-employed PTIN: P01008919
 Firm's name: HOOD & STRONG LLP Firm's EIN: 94-1254756
 275 BATTERY ST, STE 900
 Firm's address: SAN FRANCISCO, CA 94111 Phone no. 415.781.0793

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

	Enter filer's identifying number	
Type or print	Name of exempt organization or other filer, see instructions. CALIFORNIA HEALTHCARE FOUNDATION	Employer identification number (EIN) or 95-4523231
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1438 WEBSTER ST, NO. 400	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. OAKLAND, CA 94612	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 7

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

CRAIG ZIEGLER

- The books are in the care of ▶ 1438 WEBSTER ST., STE 400 - OAKLAND, CA 94612
Telephone No. ▶ 510-238-1040 Fax No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until FEBRUARY 15, 2020, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year _____ or
▶ tax year beginning APR 1, 2018, and ending MAR 31, 2019.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	378,608.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	329,608.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	49,000.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

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		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?		Yes	No	
4a	Additional section 263A costs (attach schedule)	4a							
b	Other costs (attach schedule)	4b							
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.

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			0.	0.
Total dividends-received deductions included in column 8				0.

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

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		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.	0.				0.

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.

Form 990-T (2018)

FORM 990-T INCOME (LOSS) FROM PARTNERSHIPS STATEMENT 1

DESCRIPTION	NET INCOME OR (LOSS)
ABERDEEN U.S. PRIVATE EQUITY III, LP - OTHER INCOME (LOSS)	48,386.
ABERDEEN VENTURE PARTNERS VI, LP - OTHER INCOME (LOSS)	-96.
ACCOLADE PARTNERS II, LP - OTHER INCOME (LOSS)	1,176.
ACCOLADE PARTNERS III, LP - OTHER INCOME (LOSS)	7,984.
AG SUPERFUND, LP - OTHER INCOME (LOSS)	16.
COLLER INTERNATIONAL PARTNERS V-A, LP - OTHER INCOME (LOSS)	4,428.
COMMONFUND CAPITAL INTERNATIONAL PARTNERS VI, LP - OTHER INCOME (LOSS)	1,310.
COMMONFUND CAPITAL PRIVATE EQUITY PARTNERS VII LP - OTHER INCOME (LOSS)	24,493.
LEGACY VENTURE IV, LLC - OTHER INCOME (LOSS)	451.
LEGACY VENTURE VI, LP - OTHER INCOME (LOSS)	-628.
MAKENA CAPITAL SPLITTER X, LP - OTHER INCOME (LOSS)	-2,970,034.
STEPSTONE PIONEER CAPITAL EUROPE I, LP - OTHER INCOME (LOSS)	-1,898.
STEPSTONE PIONEER CAPITAL II, LP - OTHER INCOME (LOSS)	129,615.
SVB STRATEGIC INVESTORS FUNDS III, LP - OTHER INCOME (LOSS)	388.
TOTAL INCLUDED ON FORM 990-T, PAGE 1, LINE 5	-2,754,409.

FORM 990-T CONTRIBUTIONS STATEMENT 2

DESCRIPTION/KIND OF PROPERTY	METHOD USED TO DETERMINE FMV	AMOUNT
CASH GRANTS	N/A	20,705,869.
TOTAL TO FORM 990-T, PAGE 1, LINE 20		20,705,869.

FORM 990-T OTHER DEDUCTIONS STATEMENT 3

DESCRIPTION	AMOUNT
TAX PREPARATION FEES	23,200.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	23,200.

FORM 990-T

CONTRIBUTIONS SUMMARY

STATEMENT 4

QUALIFIED CONTRIBUTIONS SUBJECT TO 100% LIMIT

CARRYOVER OF PRIOR YEARS UNUSED CONTRIBUTIONS

FOR TAX YEAR 2013	18,194,489
FOR TAX YEAR 2014	17,038,953
FOR TAX YEAR 2015	2,687,482
FOR TAX YEAR 2016	18,720,906
FOR TAX YEAR 2017	20,165,409

TOTAL CARRYOVER 76,807,239

TOTAL CURRENT YEAR 10% CONTRIBUTIONS 20,705,869

TOTAL CONTRIBUTIONS AVAILABLE 97,513,108

TAXABLE INCOME LIMITATION AS ADJUSTED 0

EXCESS 10% CONTRIBUTIONS 97,513,108

EXCESS 100% CONTRIBUTIONS 0

TOTAL EXCESS CONTRIBUTIONS 97,513,108

ALLOWABLE CONTRIBUTIONS DEDUCTION 0

TOTAL CONTRIBUTION DEDUCTION 0

**Inclusion of Deferred Foreign Income
 Upon Transition to Participation Exemption System**

OMB No. 1545-0123

▶ Attach to tax return.

▶ Go to www.irs.gov/Form965 for instructions and the latest information.

For calendar year _____, or other tax year beginning **APRIL 1, 2018** and ending **MARCH 31, 2019** of the filer.

Name of person filing this return CALIFORNIA HEALTHCARE FOUNDATION	Identifying number 95-4523231
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Note. Throughout this form, the term "2018 tax year" refers to 2018 calendar tax years and fiscal tax years of the person filing this return that begins in 2018. The term "2017 tax year" refers to 2017 calendar tax years and fiscal tax years of the person filing this return that begins in 2017.

Part I Section 965(a) Inclusion

1 2018 tax year section 965(a) inclusion amounts from Schedule A. Enter the sum of column (k) of Schedule A	1	
2 2018 tax year section 965(a) inclusions from pass-throughs. Attach schedule	2	164,995.
3 Total 2018 tax year section 965(a) inclusion. Add lines 1 and 2. Enter the sum here and on your tax return as follows. Corporations: Enter the line 3 total on Form 1120, Schedule C, line 15, column (a), or the corresponding line of other corporate tax returns. All others: See instructions ▶	3	164,995.
4 2017 tax year section 965(a) inclusion amounts from Schedule A. Enter the sum of column (j) of Schedule A	4	
5 2017 tax year section 965(a) inclusions from pass-throughs. Attach schedule	5	
6 Total 2017 tax year section 965(a) inclusion. Add lines 4 and 5 ▶	6	

Part II Section 965(c) Deduction

SECTION 1 - Section 965(c) Deduction by Tax Year		2018 Tax Year
7 Enter the amount from Part I, line 1. If -0-, skip to line 16	7	
8 Aggregate Foreign Cash Position. Enter the sum from Schedule D, line 21	8	
9 Enter the smaller of line 7 or 8	9	
10 Enter the 2018 15.5% Rate Equivalent Percentage from Part II, Section 2. Enter amount from Section 2, line 1a	10	.261904762
11 Section 965(c) Deduction Related to 15.5% Rate Equivalent Percentage. Multiply line 9 by line 10	11	
12 Subtract line 9 from line 7	12	
13 Enter the 2018 8% Rate Equivalent Percentage from Part II, Section 2. Enter amount from Section 2, line 1b	13	.619047619
14 Section 965(c) Deduction Related to 8% Rate Equivalent Percentage. Multiply line 12 by line 13	14	
15 2018 tax year section 965(c) deduction not from pass-throughs Add lines 11 and 14	15	
16 2018 tax year section 965(c) deduction from pass-throughs. Attach schedule	16	80,461.
17 Total 2018 tax year section 965(c) deduction. Add lines 15 and 16. Enter the sum here and on your tax return as follows. Corporations: Enter the line 17 total on Form 1120, Schedule C, line 15, column (c), or the corresponding line of other corporate tax returns. All others: See instructions	17	80,461.

JWA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 965 (1-2019)

SECTION 1 - Section 965(c) Deduction by Tax Year (continued)

2017 Tax Year

18 Enter the amount from Part I, line 4. If -0-, skip to line 27	18
19 Aggregate Foreign Cash Position. Enter the sum from Schedule D, line 19	19
20 Enter the smaller of line 18 or 19	20
21 Enter the 2017 15.5% Rate Equivalent Percentage from Part II, Section 2. For calendar year persons, enter amount from Section 2, line 1a. For fiscal year persons, enter amount from Section 2, line 2c	21
22 Section 965(c) Deduction Related to 15.5% Rate Equivalent Percentage. Multiply line 20 by line 21	22
23 Subtract line 20 from line 18	23
24 Enter the 2017 8% Rate Equivalent Percentage from Part II, Section 2. For calendar year persons, enter amount from Section 2, line 1b. For fiscal year persons, enter amount from Section 2, line 2e	24
25 Section 965(c) Deduction Related to 8% Rate Equivalent Percentage. Multiply line 23 by line 24	25
26 2017 tax year section 965(c) deductions not from pass-throughs. Add lines 22 and 25	26
27 2017 tax year section 965(c) deductions from pass-throughs. Attach schedule	27
28 Total 2017 tax year section 965(c) deductions. Add lines 26 and 27	28

SECTION 2 - Rate Equivalent Percentage

1 Calendar Year Persons	2017 Calendar Year	2018 Tax Year
a 15.5 Percent Rate Equivalent Percentage	0.557142857	0.261904762
b 8 Percent Rate Equivalent Percentage	0.771428571	0.619047619
2 2017 Fiscal Year Persons		
a Enter the section 15 blended rate calculated in accordance with section 965(c)(2) (see instructions)	2a	.315479452
15.5 Percent Rate Equivalent Percentage		
b Subtract 15.5% from line 2a	2b	.160479452
c Divide line 2b by line 2a	2c	.508684325
8 Percent Rate Equivalent Percentage		
d Subtract 8% from line 2a	2d	.235479452
e Divide line 2d by line 2a	2e	.746417716

Part III Elections	Yes	No
A Was an election made to pay the net tax liability over 8 years as provided for in section 965(h)?		X
B Complete if a shareholder in an S corporation. Was an election made to defer payment of net tax liability as provided for in section 965(i)?		X
C Complete if a Real Estate Investment Trust. Was an election made to include income over 8 years as provided for in section 965(m)?		X
D Was an election made not to apply a net operating loss deduction as provided in section 965(n)?		X
E Was the election provided for in Regulations section 1.965-2(f)(2) made?		X

JWA

Form 965 (1-2019)

**Corporate and Real Estate Investment Trust (REIT) Report of Net 965
 Tax Liability and Electing REIT Report of 965 Amounts**

▶ Go to www.irs.gov/Form965B for instructions and the latest information.

Check this box if this is an amended report

Name of taxpayer or REIT **CALIFORNIA HEALTHCARE FOUNDATION** Identifying number **95-4523231** Taxable year of reporting **2018**

REITs Electing To Account for Section 965 Amounts Over Time Must Fill Out Part III.

Part I Report of Net 965 Tax Liability and Election To Pay in Installments										
	(a) Year of Section 965(a) Inclusion or Liability Assumed (see instructions)	(b) Taxpayer's Net Tax Liability with all 965 amounts (see instructions)	(c) Taxpayer's Net Tax Liability without 965 amounts (see instructions)	(d) Net 965 Tax Liability (subtract column (c) from column (b))	(e) Installment Election Made		(f) Net 965 Tax Liability to be paid in full in Year 1 (if column (e) is "No," enter amount from column (d))	(g) Net 965 Tax Liability to be paid in installments (if column (e) is "Yes," enter amount from column (d) and see instructions)	(h) Net 965 Tax Liability Transferred (Out), Transferred In, or Subsequent Adjustments if any (see instructions)	(i) Tax Identification Number of buyer/seller/transferor
					Yes	No				
1	2017									
2	2018	0.	0.			x				
3										
4										
5										
6										
7										

Part II Record of Amount of Net 965 Tax Liability Paid by the Taxpayer (see instructions)					
(a) Year of Section 965(a) Inclusion or Liability Assumed (see instructions)	(b) Paid for Year 1	(c) Paid for Year 2	(d) Paid for Year 3	(e) Paid for Year 4	(f) Paid for Year 5
1	2017				
2	2018				
3					
4					
5					
6					
7					

(g) Paid for Year 6	(h) Paid for Year 7	(i) Paid for Year 8	(j) Net 965 Tax Liability Remaining Unpaid (see instructions)	(k) Net 965 Tax Liability Paid for the Reporting Year
1				
2				
3				
4				
5				
6				
7				

Totals ▶

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Form 965-B (1-2019)

Part III Electing REIT Report of Section 965 Amounts Accounted for Over Time (see instructions)						
	(a) Tax Year of Section 965(a) Inclusion and Section 965(c) Deduction	(b) Amount Elected to be Accounted for Over Time	(c) Portion Accounted for in Year 1	(d) Portion Accounted for in Year 2	(e) Portion Accounted for in Year 3	(f) Portion Accounted for in Year 4
1a	2017 Section 965(a) Inclusion					
1b	2017 Section 965(c) Deduction					
2a	2018 Section 965(a) Inclusion					
2b	2018 Section 965(c) Deduction					
3a						
3b						
	(g) Portion Accounted for in Year 5	(h) Portion Accounted for in Year 6	(i) Portion Accounted for in Year 7	(j) Portion Accounted for in Year 8	(k) Amount Remaining to be Accounted for	(l) Portion Accounted for in this Reporting Year
1a						
1b						
2a						
2b						
3a						
3b						
Totals						

If more lines are needed for any Parts on this form, attach additional sheets.