

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning 07/01, 2007, and ending 06/30/2008

<p>B Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Termination</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p>C Name of organization TRUSTEES OF GRINNELL COLLEGE</p> <p>Number and street (or P.O. box if mail is not delivered to street address) Room/suite 733 BROAD STREET, ACCOUNTING</p> <p>City or town, state or country, and ZIP + 4 GRINNELL, IA 50112-1690</p>	<p>D Employer identification number 42-0680387</p> <p>E Telephone number (641) 269-3500</p>
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? Yes No
(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ▶

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ WWW.GRINNELL.EDU

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 547,557,271.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
		a	Contributions to donor advised funds	1a	
		b	Direct public support (not included on line 1a).	1b	11,930,967.
		c	Indirect public support (not included on line 1a).	1c	
		d	Government contributions (grants) (not included on line 1a).	1d	1,234,843.
		e	Total (add lines 1a through 1d) (cash \$ <u>10,858,213.</u> noncash \$ <u>2,307,597.</u>)	1e	13,165,810.
		2	Program service revenue including government fees and contracts (from Part VII, line 93).	2	61,659,590.
		3	Membership dues and assessments	3	
		4	Interest on savings and temporary cash investments	4	42,875.
		5	Dividends and interest from securities	5	8,753,212.
		6a	Gross rents	6a	82,120.
		b	Less: rental expenses	6b	149,272.
	c	Net rental income or (loss). Subtract line 6b from line 6a.	6c	-67,152.	
	7	Other investment income (describe ▶ <u>STMT 4</u>)	7	25,180,139.	
	8a	Gross amount from sales of assets other than inventory	(A) Securities 8a	437,383,822.	
			(B) Other 8a		
	b	Less: cost or other basis and sales expenses	8b	371,120,597.	
	c	Gain or (loss) (attach schedule).	8c	66,263,225.	
	d	Net gain or (loss). Combine line 8c, columns (A) and (B).	8d	-266,997.	
	9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	a	Gross revenue (not including \$ _____ of contributions reported on line 1b).	9a		
	b	Less: direct expenses other than fundraising expenses.	9b		
	c	Net income or (loss) from special events. Subtract line 9b from line 9a.	9c		
	10a	Gross sales of inventory, less returns and allowances	10a	1,182,301.	
	b	Less: cost of goods sold	10b	851,763.	
	c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c	330,538.	
	11	Other revenue (from Part VII, line 103)	11	107,402.	
	12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	175,168,642.	
Expenses	13	Program services (from line 44, column (B)).	13	105,054,417.	
	14	Management and general (from line 44, column (C)).	14	5,023,510.	
	15	Fundraising (from line 44, column (D))	15	4,052,716.	
	16	Payments to affiliates (attach schedule).	16		
	17	Total expenses. Add lines 16 and 44, column (A).	17	114,130,643.	
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	61,037,999.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A)).	19	1,938,049,102.	
	20	Other changes in net assets or fund balances (attach explanation).	20	-292,462,377.	
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20.	21	1,706,624,724.	

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22a-22b, 23-24, 25a-25c, 26-30, 31-42, 43a-43g, and 44. Values are in dollars, with some entries like 'STMT 8' or 'STMT 9'.

Joint Costs. Check [] if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [X] No
If "Yes," enter (i) the aggregate amount of these joint costs \$; (ii) the amount allocated to Program services \$;
(iii) the amount allocated to Management and general \$; and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? EDUCATION All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a <u>INSTRUCTIONAL PROGRAMS-HUMANITIES, SCIENCES, SOCIAL STUDIES, AND SPECIAL PROGRAMS INCLUDING INTERNATIONAL EDUCATION. THE SIX-YEAR GRADUATION RATE IS 90% WITH A 1:9 FACULTY TO STUDENT RATIO. GRINNELL COLLEGE HAS APPROX. 1600 STUDENTS GENERALLY FROM ALL 50 STATES AND ABOUT 50 OTHER COUNTRIES.</u> (Grants and allocations \$ <u>26,203,894.</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	59,237,891.
b <u>STUDENT SERVICES-REGISTRATION, COUNSELING, ADMISSION AND FINANCIAL AID, HEALTH SERVICES, INTERCOLLEGIATE ATHLETICS, LECTURES, CONVOCATIONS, AND OTHER STUDENT PROGRAMS.</u> (Grants and allocations \$ <u>93,216.</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	16,418,229.
c <u>INSTITUTIONAL SUPPORT-LIBRARY, FACULTY DEVELOPMENT, RESEARCH, COMPUTER SERVICES, PUBLIC RELATIONS, PRINTING SERVICES, MAIL SERVICES, AND OTHER EXPENDITURES TO SUPPORT THE ACTIVITY OF THE COLLEGE.</u> (Grants and allocations \$ <u>127,539.</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	16,652,595.
d <u>OTHER PROGRAM SERVICES-AUXILIARY ENTERPRISES INCLUDING HOUSING AND FOOD SERVICES.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	12,745,702.
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	105,054,417.

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year	
Assets	45 Cash - non-interest-bearing	1,562,617.	45 1,588,346.	
	46 Savings and temporary cash investments		46	
	47a Accounts receivable	47a 558,985.		
	b Less: allowance for doubtful accounts	47b 126,100.	47c 432,885.	
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51a Other notes and loans receivable (attach schedule) STMT 11	51a 8,099,490.		
	b Less: allowance for doubtful accounts	51b 295,696.	51c 7,803,794.	
	52 Inventories for sale or use	730,591.	52 834,200.	
	53 Prepaid expenses and deferred charges	1,572,001.	53 2,064,291.	
	54a Investments - publicly-traded securities STMT 12	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	1,071,311,288.	54a 938,476,283.
	b Investments - other securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
55a Investments - land, buildings, and equipment: basis	55a 4,273,767.			
b Less: accumulated depreciation (attach schedule)	55b 452,556.	55c 3,821,211.		
56 Investments - other (attach schedule) STMT 13	725,752,404.	56 675,167,721.		
57a Land, buildings, and equipment: basis	57a 332,537,176.			
b Less: accumulated depreciation (attach schedule)	57b 111,161,660.	57c 221,375,516.		
58 Other assets, including program-related investments (describe ►)		58		
59 Total assets (must equal line 74). Add lines 45 through 58	2,025,149,114.	59 1,851,564,247.		
Liabilities	60 Accounts payable and accrued expenses	21,824,427.	60 17,562,488.	
	61 Grants payable		61	
	62 Deferred revenue	4,792,852.	62 4,087,829.	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule) STMT 14	50,000,000.	64a 110,000,000.	
	b Mortgages and other notes payable (attach schedule) STMT 15	7,876,235.	64b 9,732,681.	
	65 Other liabilities (describe ► STMT 16)	2,606,498.	65 3,556,525.	
66 Total liabilities. Add lines 60 through 65	87,100,012.	66 144,939,523.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	1,845,299,235.	67 1,612,461,374.	
	68 Temporarily restricted	9,562,557.	68 8,578,127.	
	69 Permanently restricted	83,187,310.	69 85,585,223.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	1,938,049,102.	73 1,706,624,724.	
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	2,025,149,114.	74 1,851,564,247.	

Part VI Other Information (continued)

Yes No

82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?
82b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)
83a Did the organization comply with the public inspection requirements for returns and exemption applications?
83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84a Did the organization solicit any contributions or gifts that were not tax deductible?
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85a 501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?
85b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85c Dues, assessments, and similar amounts from members
85d Section 162(e) lobbying and political expenditures
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12
86a Gross receipts, included on line 12, for public use of club facilities
86b 501(c)(12) orgs. Enter: a Gross income from members or shareholders
86a Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)
87a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX
87b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI
88a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 NONE; section 4912 NONE; section 4955 NONE
88b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction
88c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
88d Enter: Amount of tax on line 89c, above, reimbursed by the organization
88e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?
88f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?
88g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?
89a List the states with which a copy of this return is filed
89b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)

90a The books are in care of DAVID CLAY, TREASURER Telephone no. 641-269-3500
Located at 733 BROAD STREET GRINNELL, IA ZIP + 4 50112-1690

91b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
If "Yes," enter the name of the foreign country UNITED KINGDOM
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.

Part VI Other Information (continued)

Yes No

- c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** **X**
- If "Yes," enter the name of the foreign country ▶ UNITED KINGDOM
- 92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here **92** | **N/A**

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a TUITION AND FEES					50,199,683.
b AUXILIARY SERVICES			03	10,852,118.	
c PRESCHOOL FEES			03	21,090.	
d FINES, DEPOSIT, ETC.			03	519,210.	
e STUDENT LOANS			03	67,489.	
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	42,875.	
95 Dividends and interest from securities			14	8,753,212.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	-67,152.	
98 Net rental income or (loss) from personal property					
99 Other investment income			14	25,180,139.	
100 Gain or (loss) from sales of assets other than inventory			18	65,996,228.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory			03	330,538.	
103 Other revenue: a <u>STMT 34</u>		1,357,918.		-1,250,516.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)).		1,357,918.		110,445,231.	50,199,683.
105 Total (add line 104, columns (B), (D), and (E)) ▶					162,002,832.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	THE ORGANIZATION IS OPERATED EXCLUSIVELY TO PROVIDE EDUCATIONAL INSTRUCTION AT THE COLLEGE LEVEL.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
STMT 35	%		38,559,721.	490,104,228.
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization **make** any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
X	

a	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
	SEE STATEMENT 37			
Totals				6,211,635.

107 Did the reporting organization **receive** any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
X	

a	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
	SEE STATEMENT 38			
Totals				84,530,000.

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

Please Sign Here

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

Signature of officer _____ Date _____

Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X) P00219657
Firm's name (or yours if self-employed), address, and ZIP + 4	DELOITTE TAX LLP 400 LOCUST ST SUITE 740 DES MOINES, IA 50309-2331		EIN 86-1065772 Phone no 515-288-1200

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information - (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2007

Name of the organization: **TRUSTEES OF GRINNELL COLLEGE**
Employer identification number: **42-0680387**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 39				
Total number of other employees paid over \$50,000 . . . ▶		403		

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 40		
Total number of others receiving over \$50,000 for professional services ▶		9

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 41		
Total number of other contractors receiving over \$50,000 for other services ▶		0

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

Table with 3 columns: Question, Yes, No. Rows include: 1. Lobbying activities; 2. Acts with substantial contributors; 2a-2e. Specific acts; 3a-3d. Grants and services; 4a-4c. Donor advised funds; 4d-f. Fund details.

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ►
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 - Type I
 - Type II
 - Type III - Functionally Integrated
 - Type III - Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					►

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting. NOT APPLICABLE

Table with 5 columns: (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23.

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 NOT APPLICABLE; b Prepare a list for your records to show the name of and amount contributed by each person; c Total support for section 509(a)(1) test; d Add: Amounts from column (e) for lines: 18, 19, 22, 26b; e Public support (line 26c minus line 26d total); f Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: NOT APPLICABLE

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:

c Add: Amounts from column (e) for lines: 15, 16, 17, 20, 21; d Add: Line 27a total, and line 27b total; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test: Enter amount from line 23, column (e); g Public support percentage (line 27e (numerator) divided by line 27f (denominator)); h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)).

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29 X	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30 X	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) <u>AN INTERNATIONAL STUDENT BODY IS SERVED BY GRINNELL COLLEGE, THEREFORE</u> <u>MEDIA ADVERTISING IS IMPRACTICAL. HOWEVER, ALL RECRUITMENT LITERATURE</u> <u>CONTAINS A STATEMENT OF OUR NON-DISCRIMINATION POLICY.</u>	31 X	
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d X	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?	33a	X
b Admissions policies?	33b	X
c Employment of faculty or administrative staff?	33c	X
d Scholarships or other financial assistance?	33d	X
e Educational policies?	33e	X
f Use of facilities?	33f	X
g Athletic programs?	33g	X
h Other extracurricular activities?	33h	X
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
34 a Does the organization receive any financial aid or assistance from a governmental agency? STMT 46	34a X	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	X
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35 X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is -	41	
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000		
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

NOT APPLICABLE

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER INCOME

GROSS RENTS	82,120.

	82,120.
	=====

OTHER DEDUCTIONS

RENTAL EXPENSES	149,272.

	149,272.
	=====

RENT AND ROYALTY SUMMARY

=====

PROPERTY	TOTAL INCOME	DEPLETION/ DEPRECIATION	OTHER EXPENSES	ALLOWABLE NET INCOME
-----	-----	-----	-----	-----
RENTAL INCOME	82,120.		149,272.	-67,152.
	-----	-----	-----	-----
TOTALS	82,120.		149,272.	-67,152.
	=====	=====	=====	=====

FORM 990, PART I - OTHER INVESTMENT INCOME
=====

DESCRIPTION -----	AMOUNT -----
ROYALTIES	1,199,206.
NON-MARKETABLE EQUITABLE INCOME	23,942,452.
LIFE INSURANCE	10,298.
NOTE RECEIVABLE INCOME	9,245.
OTHER	18,938.

TOTAL	25,180,139.
	=====

FORM 990, PART I - GROSS SALES AND COST OF GOODS SOLD

=====

GROSS SALES LESS RETURNS AND ALLOWANCES	1,182,301.
INVENTORY AT BEGINNING OF YEAR	308,705.
PURCHASES	943,224.
SALARIES AND WAGES	
OTHER COSTS	

SUBTOTAL	1,251,929.
MINUS ENDING INVENTORY	400,166.

COST OF GOODS SOLD	851,763.
	=====

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
CHANGE IN ACCUMULATED POST RET BEN OBLIG	1,799,600.
TOTAL	<u>1,799,600.</u> =====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED LOSS ON INVESTMENTS	291,552,045.
CHANGE IN VALUE SPLIT INTEREST AGREEMENT	2,424,686.
CUMULATIVE EFFECT OF CHGE ACCT PRINCIPLE	285,246.

TOTAL	294,261,977.
	=====

FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
GRANTS PAID			

SCHOLARSHIPS C/O GRINNELL COLLEGE GRINNELL, IA 50112		SCHOLARSHIPS FOR 1,444 RECIPIENTS.	25,980,010.
FELLOWSHIPS C/O GRINNELL COLLEGE GRINNELL, IA 50112		FELLOWSHIPS FOR 174 RECIPIENTS.	333,039.
PRIZES C/O GRINNELL COLLEGE GRINNELL, IA 50112		PRIZES FOR 109 RECIPIENTS.	111,600.
TOTAL CONTRIBUTIONS PAID			26,424,649.

FORM 990, PART II, LINE 25A - CURRENT OFFICER COMPENSATION SCHEDULE

CURRENT OFFICER NAME -----	MANAGEMENT AND GENERAL -----	FUNDRAISING -----
RUSSELL K OSGOOD		
COMPENSATION:	221,200.	221,200.
CONTRIBUTIONS TO BENEFIT PLANS:	42,901.	42,900.
JAMES E SWARTZ		
COMPENSATION:	201,300.	
CONTRIBUTIONS TO BENEFIT PLANS:	39,061.	
SUSAN M SCHOEN		
COMPENSATION:	42,175.	42,175.
CONTRIBUTIONS TO BENEFIT PLANS:	12,227.	12,227.
TOTALS	----- 558,864. =====	----- 318,502. =====

FORM 990, PART II, LINE 25B - FORMER OFFICER COMPENSATION SCHEDULE

FORMER OFFICER NAME -----	PROGRAM SERVICES -----	MANAGEMENT AND GENERAL -----
FRANK THOMAS		
COMPENSATION:		69,245.
CONTRIBUTIONS TO BENEFIT PLANS:		21,424.
GEORGE A DRAKE		
COMPENSATION:	8,400.	
CONTRIBUTIONS TO BENEFIT PLANS:	2,238.	
CHARLES L DUKE		
COMPENSATION:	76,379.	
CONTRIBUTIONS TO BENEFIT PLANS:	21,923.	
WALDO WALKER		
CONTRIBUTIONS TO BENEFIT PLANS:	1,595.	
TOTALS	----- 110,535. =====	----- 90,669. =====

FORM 990, PART IV - OTHER NOTES AND LOANS RECEIVABLE

BORROWER: INSTITUTIONAL LOAN PROGRAMS	
BEGINNING BALANCE DUE	2,180,796.
ENDING BALANCE DUE	2,337,785.

BORROWER: DONOR SPONSORED LOAN PROGRAM	
BEGINNING BALANCE DUE	574,026.
ENDING BALANCE DUE	534,002.

BORROWER: PERKINS LOAN PROGRAM	
BEGINNING BALANCE DUE	4,811,086.
ENDING BALANCE DUE	5,218,882.

BORROWER: HARDSHIP LOAN NON KEY EMPLOYEE	
BEGINNING BALANCE DUE	11,819.
ENDING BALANCE DUE	8,821.

TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE	7,577,727.
	=====

TOTAL ENDING OTHER NOTES AND LOANS RECEIVABLES	8,099,490.
	=====

FORM 990, PART IV - INVESTMENTS - PUBLICLY TRADED SECURITIES

DESCRIPTION -----	ENDING BOOK VALUE -----	COST OR FMV -----
SHORT TERM INVESTMENTS	63,880,627.	FMV
US GOVT AGENCY NOTES & BONDS	113,736,188.	FMV
CORPORATE & OTHER BONDS	10,320,542.	FMV
MARKETABLE EQUITY INTERESTS	750,538,926.	FMV

TOTALS	938,476,283.	
	=====	

FORM 990, PART IV - INVESTMENTS - OTHER
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
NOTES RECEIVABLE	266,449.
OTHER	107,340.
LTD PSHIPS & NON MKTBLE EQUITY	674,634,788.
LIFE INSURANCE	159,144.

TOTALS	675,167,721.
	=====

FORM 990, PART IV - TAX-EXEMPT BOND LIABILITIES

DESCRIPTION	ENDING BOOK VALUE
SERIES 2001 VARIABLE RATE BONDS	50,000,000.
SERIES 2008 VARIABLE RATE BONDS	60,000,000.
TOTALS	110,000,000.

FORM 990, PART IV - MORTGAGES AND OTHER NOTES PAYABLE

LENDER: ANNUITIES PAYABLE

BEGINNING BALANCE DUE	7,876,235.
ENDING BALANCE DUE	9,732,681.

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	7,876,235.
---	------------

TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	9,732,681.
--	------------

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
DEPOSITS HELD IN CUSTODY	3,556,525.
TOTALS	----- 3,556,525. =====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

DESCRIPTION -----	AMOUNT -----
STUDENT ASSISTANCE AND GRANTS	-26,048,032.
TOTAL	----- -26,048,032. =====

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS
=====

DESCRIPTION -----	AMOUNT -----
BOOKSTORE COST OF GOODS	-851,763.
PROPERTY & EQUIPMENT DISPOSAL	-266,997.

TOTAL	-1,118,760. =====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN
=====

DESCRIPTION -----	AMOUNT -----
BOOKSTORE COST OF GOODS	851,763.
PROPERTY & EQUIPMENT DISPOSAL	266,997.
CHANGE ACC. POST RET BEN OBL	-1,799,600.

TOTAL	-680,840.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS

DESCRIPTION	AMOUNT
STUDENT ASSISTANCE AND GRANTS	26,048,032.
TOTAL	26,048,032.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
RUSSELL G ALLEN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
TRISH FITZGIBBONS ANDERSON TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
ROBERT F AUSTIN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
ELIZABETH BALLANTINE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
J ROBERT BARR TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
CHARLES B BEAR TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208	TRUSTEE	NONE	NONE	NONE
RICHARD W BOOTH	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GRINNELL COLLEGE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208				
DAVID B BRAMAN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208	TRUSTEE	NONE	NONE	NONE
NORDAHL L BRUE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208	TRUSTEE	NONE	NONE	NONE
CAROLYN SWARTZ BUCKSBAUM TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
WARREN E BUFFETT TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
ROBERT A BURNETT TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
THOMAS R CECH TREASURER'S OFFICE	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GRINNELL COLLEGE GRINNELL, IA 50112				
HENRY CORNELL TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
DR JOHN F EGAN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
VERNON E FAULCONER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
FLORENCE FEARRINGTON TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
LAURA M FERGUSON TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
PATRICIA FINKELMAN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
HAROLD W FUSON JR TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
RONALD T GAULT TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
I CRAIG HENDERSON TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
STEVE HOLTZE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
KIHWAN KIM TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
CLINTON D KORVER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
HAROLD LEE	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112				
TODD C LINDEN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
CAROLINE H LITTLE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
FRED A LITTLE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
ANDREW W LOEWI TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
JAMES H LOWRY TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
SUSAN HOLDEN MCCURRY TREASURER'S OFFICE GRINNELL COLLEGE	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GRINNELL, IA 50112				
DR RANDALL MORGAN JR TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
ROBERT C MUSSER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
GREGG NARBER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
PATRICIA MEYER PAPPER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
JOHN R PRICE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
PAUL RISSER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
RONALD B H SANDLER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
PENNY BENDER SEBRING TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
KAREN E SHAFF TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208	TRUSTEE	NONE	NONE	NONE
GEORGE B SHOTT TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
JOEL R SPIEGEL TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50208	TRUSTEE	NONE	NONE	NONE
M ANNE SPENCE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
LONABELLE KAPPIE SPENCER	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112				
DONALD M STEWART TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
JESSIE L TERNBERG TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
BARRETT W THOMAS TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
ERIC E WHITAKER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
DAVID WHITE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
HENRY T WINGATE TREASURER'S OFFICE GRINNELL COLLEGE	TRUSTEE	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GRINNELL, IA 50112				
EX OFFICIO SAM PERLMAN TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
EX OFFICIO DR. MICHAEL G. ISON TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112	TRUSTEE	NONE	NONE	NONE
RUSSELL K OSGOOD GRINNELL COLLEGE GRINNELL, IA 50112	PRESIDENT 60.00	457,900.	70,082.	37,087.
DAVID S CLAY GRINNELL COLLEGE GRINNELL, IA 50112	VP & TREASURER 60.00	553,596.	47,402.	5,820.
JAMES E SWARTZ GRINNELL COLLEGE GRINNELL, IA 50112	VP ACADEMIC AFFAIRS 60.00	201,300.	39,061.	NONE
SUSAN M SCHOEN GRINNELL COLLEGE GRINNELL, IA 50112	SECRETARY 50.00	84,350.	24,280.	174.
	GRAND TOTALS	1,297,146.	180,825.	43,081.

FORM 990, PART V-A RELATIONSHIP SCHEDULE

RELATIONSHIP SCHEDULE

NAME OF OFFICER, DIRECTOR, ETC:	HAROLD W FUSON JR
NAME OF RELATED ENTITY:	I CRAIG HENDERSON TRUSTEES OF GRINNELL COLLEGE
TITLE OR ROLE:	TRUSTEE
RELATIONSHIP:	FATHER-IN-LAW TO DAUGHTER OF ICRAIG

NAME OF OFFICER, DIRECTOR, ETC:	I CRAIG HENDERSON
NAME OF RELATED ENTITY:	HAROLD W FUSON JR TRUSTEES OF GRINNELL COLLEGE
TITLE OR ROLE:	TRUSTEE
RELATIONSHIP:	FATHER-IN-LAW TO MR. FUSONS SON

NAME OF OFFICER, DIRECTOR, ETC:	CAROLINE H LITTLE
NAME OF RELATED ENTITY:	FRED A LITTLE TRUSTEES OF GRINNELL COLLEGE
TITLE OR ROLE:	TRUSTEE
RELATIONSHIP:	DAUGHTER

NAME OF OFFICER, DIRECTOR, ETC:	FRED A LITTLE
NAME OF RELATED ENTITY:	CAROLINE H LITTLE TRUSTEES OF GRINNELL COLLEGE
TITLE OR ROLE:	TRUSTEE
RELATIONSHIP:	FATHER

FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS -----	LOANS AND ADVANCES -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
FRANK THOMAS TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112 FRANK THOMAS IS A FORMER SECRETARY OF THE COLLEGE AND IS CURRENTLY EMPLOYED AS A SENIOR COUNSELOR.	NONE	69,245.	21,424.	NONE
GEORGE A DRAKE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112 GEORGE DRAKE IS PRESIDENT EMERITUS AND PROFESSOR EMERITUS OF HISTORY.	NONE	46,477.	2,238.	NONE
CHARLES L DUKE TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112 CHARLES DUKE IS THE FORMER DEAN OF THE COLLEGE AND A PROFESSOR OF PHYSICS SENIOR FACULTY STATUS.	NONE	76,379.	21,923.	NONE
WALDO WALKER TREASURER'S OFFICE GRINNELL COLLEGE GRINNELL, IA 50112 WALDO WALKER IS THE FORMER TREASURER OF THE COLLEGE AND IS A PROFESSOR	NONE	NONE	1,595.	NONE

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

=====

RELATED ORGANIZATION NAME: GRINNELL COLLEGE MEDICAL BENEFIT PLAN TRUST

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: POWESHIEK PETROLEUM CORP

EXEMPT: NONEXEMPT: X

FORM 990, PART VII - OTHER REVENUE

=====

DESCRIPTION -----	BUSINESS CODE ----	AMOUNT -----	EXCLUSION CODE ----	AMOUNT -----	RELATED OR EXEMPT FUNCTION INCOME -----
INDIRECT COST					
RECOVERY			21	78,982.	
PARKING			03	28,420.	
UBTI FROM	900000			-1,357,918.	
PARTNERSHIPS	900000	1,357,918.			
		-----		-----	-----
TOTALS		1,357,918.		-1,250,516.	
		=====		=====	=====

FORM 990, PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES

NAME AND ADDRESS EMPLOYER IDENTIFICATION NUMBER -----	PERCENTAGE OWNERSHIP INTEREST -----	NATURE OF BUSINESS ACTIVITIES -----	TOTAL INCOME -----	ENDING ASSETS -----
POWESHIEK PETROLEUM CORP 733 BROAD STREET GRINNELL, IA 50112 73-0646866	100.000000	OIL AND GAS	195,318.	36,387.
VARA GLOBAL MACRO MASTER FUND C/O M&C CORP, PO BOX 309GT GEORGE TOWN GRAND CAYMAN CAYMAN ISLANDS 98-0509440	83.400000	SECURITIES TRADING	19,357,865.	263,164,132.
VARA GLOBAL MACRO FUND LTD C/O M&C CORP, PO BOX 309GT GEORGE TOWN GRAND CAYMAN CAYMAN ISLANDS 98-0509440	100.000000	SECURITIES TRADING	15,959,458.	219,433,524.
RED ROCK VENTURES III LP 180 LYTTON AVENUE PALO ALTO, CA 94301 77-0549159	59.700000	VENTURE CAPITAL	3,047,080.	7,470,185.

FORM 990, PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES

NAME AND ADDRESS EMPLOYER IDENTIFICATION NUMBER	PERCENTAGE OWNERSHIP INTEREST	NATURE OF BUSINESS ACTIVITIES	TOTAL INCOME	ENDING ASSETS
TOTAL INCOME			38,559,721.	490,104,228.

FORM 990, PART XI - TRANSFERS TO CONTROLLED ENTITIES STATEMENT
=====

CONTROLLED ENTITY'S NAME: GRINNELL COLLEGE MED BEN PLAN TRUST
CONTROLLED ENTITY'S ADDRESS: OLD GLOVE FACTORY, ACCOUNTING
CITY, STATE & ZIP: GRINNELL, IA 50112-1690
EIN: 42-1371997
TRANSFER AMOUNT: 4,058,610.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
EMPLOYERS SHARE OF HEALTH INSURANCE PREMIUMS

CONTROLLED ENTITY'S NAME: GRINNELL COLLEGE MED BEN PLAN TRUST
CONTROLLED ENTITY'S ADDRESS: OLD GLOVE FACTORY, ACCOUNTING
CITY, STATE & ZIP: GRINNELL, IA 50112-1690
EIN: 42-1371997
TRANSFER AMOUNT: 1,153,025.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
EMPLOYEES SHARE OF HEALTH INSURANCE PREMIUMS

CONTROLLED ENTITY'S NAME: RED ROCK VENTURES III LP
CONTROLLED ENTITY'S ADDRESS: 180 LYTTON AVENUE
CITY, STATE & ZIP: PALO ALTO, CA 94301
EIN: 77-0549159
TRANSFER AMOUNT: 1,000,000.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
CONTRIBUTION OF CAPITAL

FORM 990, PART XI - TRANSFERS FROM CONTROLLED ENTITIES STATEMENT
=====

CONTROLLED ENTITY'S NAME: POWESHIEK PETROLEUM
CONTROLLED ENTITY'S ADDRESS: 733 BROAD STREET
CITY, STATE & ZIP: GRINNELL, IA 50112
EIN: 73-0646866
TRANSFER AMOUNT: 130,000.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
DIVIDENDS

CONTROLLED ENTITY'S NAME: VARA GLOBAL MACRO FUND LTD
CONTROLLED ENTITY'S ADDRESS: C/O M&C CORP, PO BOX 309GT
CITY, STATE & ZIP: GEORGE TOWN
FOREIGN PROVINCE: GRAND CAYMAN
FOREIGN COUNTRY: CAYMAN ISLANDS
EIN: 98-0509440
TRANSFER AMOUNT: 42,200,000.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
WITHDRAWAL OF CAPITAL

CONTROLLED ENTITY'S NAME: VARA GLOBAL MACRO MASTER FUND LTD
CONTROLLED ENTITY'S ADDRESS: C/O M&C CORP, PO BOX 309GT
CITY, STATE & ZIP: GEORGE TOWN
FOREIGN PROVINCE: GRAND CAYMAN
FOREIGN COUNTRY: CAYMAN ISLANDS
EIN: 98-0509440
TRANSFER AMOUNT: 42,200,000.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
WITHDRAWAL OF CAPITAL

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS -----	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCOUNT -----
MICHAEL MUNLEY GRINNELL COLLEGE GRINNELL, IA 50112	VP COLL ALUMNI RELAT 60.00	196,000.	43,741.	463.
JOHN H MUTTI GRINNELL COLLEGE GRINNELL, IA 50112	PROF OF ECONOMICS 50.00	181,300.	36,653.	NONE
KAREN VOSS GRINNELL COLLEGE GRINNELL, IA 50112	ASSOCIATE TREASURER 50.00	150,000.	32,846.	236.
JOHN KALKBRENNER GRINNELL COLLEGE GRINNELL, IA 50112	VP COLLEGE SERVICES 50.00	151,960.	35,089.	218.
JONATHAN CHENETTE GRINNELL COLLEGE GRINNELL, IA 50112	ASSOC DEAN OF COLL 50.00	151,340.	35,212.	NONE
	TOTAL COMPENSATION	830,600.	183,541.	917.

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.
=====

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
SOUTHEASTERN ASSET MANAGEMENT INC 6410 POPLAR AVENUE MEMPHIS, TN 38119	INVESTMENT MANAGER	2,752,785.
SASAKI ASSOCIATES INC 64 PLEASANT STREET WATERTOWN, MA 02472	ARCHITECTURE	2,099,597.
NEUBERGER BERMAN LLC 605 THIRD AVENUE 36TH FLOOR NEW YORK, NY 10158	INVESTMENT MANAGER	1,733,609.
THIRD AVENUE MANAGEMENT LLC 622 THIRD AVENUE 32ND FLOOR NEW YORK, NY 10017	INVESTMENT MANAGER	1,568,389.
PZENA INVESTMENT MANAGEMENT 120 WEST 45TH STREET NEW YORK, NY 10036	INVESTMENT MANAGER	902,296.
	TOTAL COMPENSATION	----- 9,056,676. -----

SCH. A, PART II-B COMPENSATION OF THE 5 HIGHEST PAID FOR OTHER SERV.
=====

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
NORTHERN TRUST 50 SOUTH LASALLE STREET CHICAGO, IL 60603	CUSTODIAN	386,168.
HAWKEYE STAGES 703 DUDLEY STREET DECORAH, IA 52101	GRND TRANSP PROVIDER	174,938.
NEUMANN BROTHERS INC 1435 OHIO STREET DES MOINES, IA 50305	CONST CONTRACTOR	199,872.
THE WEITZ COMPANY 5901 THORNTON AVENUE DES MOINES, IA 50321	CONST CONTRACTOR	120,535.
BREIHOLZ CONSTRUCTION 202 DES MOINES STREET DES MOINES, IA 50309	CONST CONTRACTOR	54,367.
	TOTAL COMPENSATION	----- 935,880. =====

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

=====

THE PRESIDENT IS REQUIRED TO LIVE IN COLLEGE OWNED HOUSING.
AT ANY GIVEN TIME THE COLLEGE MAY HAVE STUDENTS ENROLLED WHO ARE FAMILY
MEMBERS OF SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, OFFICERS,
CREATORS, OR KEY EMPLOYEES. ALL TRANSACTIONS WITH SUCH STUDENTS ARE
CONDUCTED IN THE ORDINARY COURSE OF BUSINESS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D
=====

SEE 990 PART V FOR INFORMATION ON THE COMPENSATION OF OFFICERS, KEY EMPLOYEES AND TRUSTEES.

THE DAUGHTER OF THE PRESIDENT IS A PART-TIME EMPLOYEE AT THE COLLEGE. AT ANY GIVEN TIME THE COLLEGE MAY HAVE STUDENTS ENROLLED WHO ARE FAMILY MEMBERS OF SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, OFFICERS, CREATORS, OR KEY EMPLOYEES. ALL TRANSACTIONS WITH SUCH STUDENTS ARE CONDUCTED IN THE ORDINARY COURSE OF BUSINESS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2E
=====

HENRY CORNELL, A MEMBER OF THE COLLEGE'S BOARD OF TRUSTEES, IS AN OFFICER OF AN ENTITY AFFILIATED WITH GS CAPITAL PARTNERS VI PARALLEL, L.P., AN INVESTMENT VEHICLE OFFERED BY GOLDMAN SACHS TO WHICH THE COLLEGE TRANSFERRED ASSETS. THE COLLEGE ALSO TRANSFERRED ASSETS TO GOLDMAN SACHS INVESTMENT PARTNERS OFFSHORE, L.P., A SEPARATE INVESTMENT VEHICLE OFFERED BY GOLDMAN SACHS, IN WHICH MR. CORNELL HAS AN INDIRECT INTEREST DUE TO HIS STATUS AS AN EMPLOYEE AND STOCKHOLDER OF GOLDMAN SACHS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A

=====

STUDENTS RECEIVING SCHOLARSHIPS ARE JUDGED WORTHY BY THE
INSTITUTION'S ASSESSMENT ON THE BASIS OF ACADEMIC ACHIEVEMENT,
FINANCIAL NEED AND OTHER SIMILAR STANDARDS.

SCHEDULE A, PART V - EXPLANATION FOR LINE 34A

=====

FINANCIAL AID IS RECEIVED FOR PELL GRANTS, SEOG, WORK STUDY AND OTHER GRANTS FOR STUDENTS. THE COLLEGE ALSO RECEIVES FUNDS FOR NSF GRANTS.

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

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

OMB No 1545-0092

2007

Name of estate or trust TRUSTEES OF GRINNELL COLLEGE	Employer identification number 42-0680387
--	---

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

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

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 40 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b.					1b
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824.					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts.					3
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2006 Capital Loss Carryover Worksheet.					4 ()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back. ▶					5

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

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 40 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b.					6b 65,996,228.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824.					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts.					8
9 Capital gain distributions.					9
10 Gain from Form 4797, Part I.					10
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2006 Capital Loss Carryover Worksheet.					11 ()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back. ▶					12 65,996,228.

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

Schedule D (Form 1041) 2007

JSA
7F1210 2 000

Part III Summary of Parts I and II Caution: Read the instructions before completing this part.		(1) Beneficiaries' (see page 41)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		
14	Net long-term gain or (loss):			
a	Total for year	14a		65,996,228.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b		
c	28% rate gain.	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		65,996,228.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

Part IV Capital Loss Limitation

16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: a The loss on line 15, column (3) or b \$3,000	16	()
-----------	---	-----------	-----

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet on page 42 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 43 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 43 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T).	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ▶	21		
22	Subtract line 21 from line 20. If zero or less, enter -0-	22		
23	Subtract line 22 from line 17. If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,150	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 through 27; go to line 28 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	25		
26	Subtract line 25 from line 24	26		
27	Multiply line 26 by 5% (.05)			27
28	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 28 thru 31; go to line 32. <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	28		
29	Enter the amount from line 26 (If line 26 is blank, enter -0-)	29		
30	Subtract line 29 from line 28	30		
31	Multiply line 30 by 15% (.15)			31
32	Figure the tax on the amount on line 23. Use the 2007 Tax Rate Schedule on page 27 of the instructions			32
33	Add lines 27, 31, and 32			33
34	Figure the tax on the amount on line 17. Use the 2007 Tax Rate Schedule on page 27 of the instructions			34
35	Tax on all taxable income. Enter the smaller of line 33 or line 34 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T).			35

