Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form
▶ Information about Form 990 and its instructions is at *www.IRS.gov/form990*

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013 , 2013, and ending 12-31-2013

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
THE HERITAGE FOUNDATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
214 MASSACHUSETTS AVENUE NE

City or town, state or province, country, and ZIP or foreign postal code
WASHINGTON, DC 20002

D Employer identification number
23-7327730

E Telephone number
(202) 546-4400

G Gross receipts $ 222,783,462

F Name and address of principal officer
JAMES W DEMINT
214 MASSACHUSETTS AVENUE NE
WASHINGTON, DC 20002

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW HERITAGE ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1973

M State of legal domicile DC

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
TO FORMULATE AND PROMOTE CONSERVATIVE PUBLIC POLICIES BASED ON THE PRINCIPLES OF FREE ENTERPRISE, LIMITED GOVERNMENT, INDIVIDUAL FREEDOM, TRADITIONAL AMERICAN VALUES, AND A STRONG NATIONAL DEFENSE

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	24
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	21
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	582
6	Total number of volunteers (estimate if necessary)	6	32
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	78,190,250	102,174,419
	9	Program service revenue (Part VIII, line 2g)	122,538	601,313
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,462,590	8,599,911
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,309,252	1,314,504
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	86,084,630	112,690,147
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	84,960	135,810
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	35,292,049	36,923,872
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	3,602,323	3,225,073
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶16,588,744		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	42,768,989	39,876,980
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	81,748,321	80,161,735
	19	Revenue less expenses Subtract line 18 from line 12	4,336,309	32,528,412
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	200,636,522	238,662,795
	21	Total liabilities (Part X, line 26)	46,359,230	44,412,132
	22	Net assets or fund balances Subtract line 21 from line 20	154,277,292	194,250,663

Part II Signature Block [redacted]

Under penalties of perjury, I declare that I have examined this return, including [redacted] my knowledge and belief, it is true, correct, and complete Declaration of prepar [redacted] preparer has any knowledge

Sign Here

▶ ****** [redacted]
Signature of officer

▶ JAMES W DEMINT PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: WILLIAM E TURCO CPA | Preparer's signature [redacted]

Firm's name ▶ MCGLADREY LLP [redacted]

Firm's address ▶ 9737 WASHINGTONIAN BLVD 400
GAITHERSBURG, MD 208787340 [redacted]

May the IRS discuss this return with the preparer shown above? (see instructio [redacted]

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . ☑

1 Briefly describe the organization's mission

TO FORMULATE AND PROMOTE CONSERVATIVE PUBLIC POLICIES BASED ON THE PRINCIPLES OF FREE ENTERPRISE, LIMITED GOVERNMENT, INDIVIDUAL FREEDOM, TRADITIONAL AMERICAN VALUES, AND A STRONG NATIONAL DEFENSE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 26,777,982 including grants of $ 96,818) (Revenue $ 601,313)

(SEE SCHEDULE O)EDUCATIONAL PROGRAMS IN ADDITION TO PUBLIC POLICY RESEARCH AND DISSEMINATION, THE HERITAGE FOUNDATION ("THF" OR "THE FOUNDATION") HOSTS EVENTS AND SPONSORS PROGRAMS TO EDUCATE GOVERNMENT OFFICIALS, THE ACADEMIC COMMUNITY, JOURNALISTS, AND THE GENERAL PUBLIC ON TOPICS RANGING FROM THE FOUNDING FATHERS AND CIVIL SOCIETY TO POLITICAL PHILOSOPHY AND LEGAL PRINCIPLES IN 2013, THF'S LECTURES AND SEMINARS PROGRAM PRODUCED OVER 200 PUBLIC EVENTS ATTRACTING NEARLY 12,000 ATTENDEES THF'S RESOURCE BANK CONFERENCE DRAWS 500 CONSERVATIVE POLICY EXPERTS, ACTIVISTS, CONGRESS MEMBERS, AND ENTREPRENEURS FOR THREE DAYS OF WORKSHOPS AND DISCUSSIONS THF'S INTERN PROGRAM PROVIDED ALMOST 200 YOUNG PEOPLE AN INVALUABLE WORK-STUDY EXPERIENCE IN WASHINGTON, DC THF TRAINED AND GRADUATED 78 YOUNG CAPITOL HILL STAFFERS FROM ITS CONGRESSIONAL FELLOWS PROGRAM AND HOSTED NEARLY 40 EVENTS FOR ITS MEMBERS, ATTRACTING MORE THAN 5,900 TOTAL PARTICIPANTS ADDITIONAL INFORMATION IS AVAILABLE IN OUR 2013 ANNUAL REPORT, AVAILABLE ONLINE AT HTTP //WWW HERITAGE ORG/ABOUT/FINANCIALS

4b (Code) (Expenses $ 25,990,247 including grants of $) (Revenue $)

(SEE SCHEDULE O)PUBLIC POLICY RESEARCH THE HERITAGE FOUNDATION PRODUCES HUNDREDS OF RESEARCH PAPERS YEARLY, INCLUDING ISSUE BRIEFS, BLOG POSTS, FACT SHEETS, BACKGROUNDERS, GUIDES, AND BOOKS ADDRESSING A BROAD RANGE OF ECONOMIC, DOMESTIC, DEFENSE, FOREIGN, AND SOCIAL POLICY ISSUES THESE PUBLICATIONS ANALYZE BOTH CURRENT PUBLIC POLICIES AND ALTERNATIVE POLICY RECOMMENDATIONS FOR SUBSTANCE AND MERIT THE RESULTS OF OUR RESEARCH ARE AVAILABLE IN PRINT FORMAT AND AT NO CHARGE THROUGH OUR WEBSITE, WHICH IS VISITED BY MILLIONS ADDITIONAL INFORMATION IS AVAILABLE IN OUR 2013 ANNUAL REPORT, AVAILABLE ONLINE AT HTTP //WWW HERITAGE ORG/ABOUT/FINANCIALS

4c (Code) (Expenses $ 8,143,121 including grants of $ 38,992) (Revenue $)

(SEE SCHEDULE O)MEDIA AND GOVERNMENT RELATIONS THE HERITAGE FOUNDATION DISTRIBUTES ITS RESEARCH PRODUCTS TO MEMBERS OF CONGRESS, CONGRESSIONAL STAFF, POLICYMAKERS IN THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT, STATE OFFICIALS, JOURNALISTS, MEMBERS OF THE ACADEMIC COMMUNITY, OTHER NON-PROFIT ORGANIZATIONS, THE GENERAL PUBLIC, AND DONORS THE HERITAGE FOUNDATION CONDUCTS HUNDREDS OF BRIEFINGS FOR DOMESTIC AND INTERNATIONAL OFFICIALS, POLICYMAKERS, EXPERTS, AND LAWMAKERS AND THEIR STAFF ON ISSUES RANGING FROM FEDERAL SPENDING AND UNFUNDED LIABILITIES TO HOMELAND SECURITY, TAX, AND HEALTH POLICY THF'S ANALYSTS MADE OVER 3,800 RADIO AND TELEVISION APPEARANCES IN 2013, AND EARNED ABOUT 1,400 OP-ED PLACEMENTS IN MAJOR PRINT AND ONLINE MEDIA OUTLETS THF SENT OUT A DAILY NEWSLETTER, "THE MORNING BELL," TO NEARLY 200,000 SUBSCRIBERS, AND PUBLISHED THOUSANDS OF BLOG POSTS ON THE FOUNDRY THE FOUNDATION ALSO CONDUCTS IN-DEPTH ISSUES-RELATED SEMINARS FOR MEMBERS OF THE MEDIA, ADDRESSING TOPICS SUCH AS HEALTHCARE AND HOMELAND SECURITY ADDITIONAL INFORMATION IS AVAILABLE IN OUR 2013 ANNUAL REPORT, AVAILABLE ONLINE AT HTTP //WWW HERITAGE ORG/ABOUT/FINANCIALS

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 60,911,350

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17	Yes	
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . ☑

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	204			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	582			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			2b	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O*			3b		No
4a	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)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response or note to any line in this Part VI . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . .	1a	24		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent . . .	1b	21		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . .		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . .		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders? . . .		6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . .		7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . .		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body? . . .		8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . .		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O* . . .		9		No

Section B. Policies (*This Section B requests information about policies not required by the Internal Revenue Code.*)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates? . . .	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . .	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990 . . .			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13* . . .	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . .	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done* . . .	12c	Yes	
13	Did the organization have a written whistleblower policy? . . .	13	Yes	
14	Did the organization have a written document retention and destruction policy? . . .	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official . . .	15a	Yes	
b	Other officers or key employees of the organization . . .	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . .	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . .	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶AK , AL , AR , CA , CO , CT , DC , FL , GA , HI , ID , IL , IN , KS , KY , MA , MD , ME , MI , MO , MN , MS , NC , ND , NE , NH , NJ , NM , NY , NV , OH , OK , OR , PA , RI , SC , TN , TX , UT , VA , WI , WV

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☑ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

▶WILLIAM BRET BERNHARDT 214 MASSACHUSETTS AVENUE NE
WASHINGTON, DC 20002 (202) 546-4400

Part VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII . . . . ☑

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Sub-Total							▶			
c Total from continuation sheets to Part VII, Section A							▶			
d Total (add lines 1b and 1c)							▶	8,862,184	0	857,516

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶91

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
MERKLE RESPONSE SERVICES INC 100 JAMISON COURT HAGERSTOWN MD 21740	MAILING CONTACT MGMT	1,681,914
GIVE RIGHT INC 375 N STEPHANIE 14 HENDERSON NV 89014	MARKETING & FUNDRAISING	1,631,290
CONRAD DIRECT INC 300 KNICKERBOCKER RD CRESSKILL NJ 07626	MAILING CONTACT MGMT	1,468,596
PREMIERE RADIO NETWORKS 15260 VENTURA BLVD SHERMAN OAKS CA 91403	MARKETING & PROMOTION	1,097,768
CORPORATE PRESS INC 9700 PHILADELPHIA CT LANHAM MD 20706	PRINTING	1,010,688

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶55

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts						
1a	Federated campaigns . . 1a					
b	Membership dues 1b					
c	Fundraising events 1c					
d	Related organizations . . . 1d					
e	Government grants (contributions) 1e					
f	All other contributions, gifts, grants, and similar amounts not included above 1f	102,174,419				
g	Noncash contributions included in lines 1a-1f $	2,270,475				
h	**Total.** Add lines 1a-1f . . . . ▶		102,174,419			
Program Service Revenue		Business Code				
2a	INTERN HOUSING REVENUE	531110	474,865	474,865		
b	PUBLICATION SALES	511190	126,448	126,448		
c						
d						
e						
f	All other program service revenue					
g	**Total.** Add lines 2a–2f . . . . ▶		601,313			
Other Revenue						
3	Investment income (including dividends, interest, and other similar amounts) . . . . ▶		402,866			402,866
4	Income from investment of tax-exempt bond proceeds . . ▶					
5	Royalties . . . . ▶		70,148			70,148

		(i) Real	(ii) Personal
6a	Gross rents	993,851	
b	Less rental expenses	955,246	
c	Rental income or (loss)	38,605	

		(A)	(B)	(C)	(D)
d	Net rental income or (loss) . . . . ▶	38,605			38,605

		(i) Securities	(ii) Other
7a	Gross amount from sales of assets other than inventory	117,335,114	
b	Less cost or other basis and sales expenses	109,134,430	3,639
c	Gain or (loss)	8,200,684	-3,639

			(A)	(B)	(C)	(D)
7d	Net gain or (loss) . . . . ▶		8,197,045			8,197,045
8a	Gross income from fundraising events (not including $ ______ of contributions reported on line 1c) See Part IV, line 18 . . a					
b	Less direct expenses . . . b					
c	Net income or (loss) from fundraising events . . ▶					
9a	Gross income from gaming activities See Part IV, line 19 . . . a					
b	Less direct expenses . . . b					
c	Net income or (loss) from gaming activities . . ▶					
10a	Gross sales of inventory, less returns and allowances . a					
b	Less cost of goods sold . . b					
c	Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
11a	OTHER INCOME	900099	1,205,751			1,205,751
b						
c						
d	All other revenue					
e	**Total.** Add lines 11a–11d . . . . ▶		1,205,751			
12	**Total revenue.** See Instructions . . . . . ▶		112,690,147	601,313	0	9,914,415

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	135,810	135,810		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	8,192,492	6,745,705	286,657	1,160,130
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	22,077,045	18,197,201	772,527	3,107,317
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,537,696	1,176,702	40,281	320,713
9 Other employee benefits	3,190,386	2,791,538	147,185	251,663
10 Payroll taxes	1,926,253	1,474,161	50,452	401,640
11 Fees for services (non-employees)				
a Management				
b Legal	281,990	263,679	6,612	11,699
c Accounting	90,558	4,528	81,502	4,528
d Lobbying				
e Professional fundraising services See Part IV, line 17	3,225,073			3,225,073
f Investment management fees	405,295		405,295	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	6,641,097	6,172,456	156,542	312,099
12 Advertising and promotion	1,443,221	1,190,907	359	251,955
13 Office expenses	17,334,253	12,172,190	163,903	4,998,160
14 Information technology	1,263,539	995,102	52,914	215,523
15 Royalties . .				
16 Occupancy	2,369,280	1,793,500	79,203	496,577
17 Travel	721,084	140,234	13,807	567,043
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	4,907,816	4,472,366	134,480	300,970
20 Interest	222,967	97,249	99,212	26,506
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,099,361	2,327,752	137,175	634,434
23 Insurance	240,810	188,301	20,642	31,867
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a DUES & SUBSCRIPTIONS	394,667	361,313	8,186	25,168
b BOOKS & PRODUCTS	301,719	68,098	2,019	231,602
c HONORARIA/WRITER'S FEES	115,063	115,063		
d OTHER EXPENSES	44,260	27,495	2,688	14,077
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	80,161,735	60,911,350	2,661,641	16,588,744
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☑ if following SOP 98-2 (ASC 958-720)	14,987,207	12,454,036	0	2,533,171

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X . . . . ☐

					(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing			4,900	1	310
	2	Savings and temporary cash investments			15,320,439	2	7,037,765
	3	Pledges and grants receivable, net			11,611,058	3	9,579,251
	4	Accounts receivable, net			26,235	4	49,716
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			850,404	9	663,745
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	92,332,525			
	b	Less accumulated depreciation	10b	30,128,498	61,965,235	10c	62,204,027
	11	Investments—publicly traded securities			42,731,395	11	7,389,913
	12	Investments—other securities See Part IV, line 11			67,457,596	12	150,967,673
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			669,260	15	770,395
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)			200,636,522	16	238,662,795
Liabilities	17	Accounts payable and accrued expenses			10,292,457	17	9,621,002
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			17,822,976	23	18,457,133
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D			18,243,797	25	16,333,997
	26	**Total liabilities.** Add lines 17 through 25			46,359,230	26	44,412,132
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**					
	27	Unrestricted net assets			138,771,857	27	150,802,206
	28	Temporarily restricted net assets			12,105,435	28	40,048,457
	29	Permanently restricted net assets			3,400,000	29	3,400,000
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			154,277,292	33	194,250,663
	34	Total liabilities and net assets/fund balances			200,636,522	34	238,662,795

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	112,690,147
2	Total expenses (must equal Part IX, column (A), line 25)	2	80,161,735
3	Revenue less expenses Subtract line 2 from line 1	3	32,528,412
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	154,277,292
5	Net unrealized gains (losses) on investments	5	7,844,283
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-399,324
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	194,250,663

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ____________ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Additional Data

Software ID:
Software Version:
EIN: 23-7327730
Name: THE HERITAGE FOUNDATION

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
THOMAS A SAUNDERS III CHAIRMAN	2 00	X		X				0	0	0
RICHARD M SCAIFE VICE CHAIRMAN	2 00	X		X				0	0	0
J FREDERIC RENCH SECRETARY	2 00	X		X				0	0	0
JAMES W DEMINT PRES -ELECT (1/13) & PRES (4/13)	40 00	X		X				613,529	0	24,631
PHILLIP N TRULUCK EXECUTIVE VICE PRESIDENT	40 00	X		X				794,868	0	81,100
EDWIN J FEULNER JR PRESIDENT (UNTIL 4/13) (SEE SCH J&O)	40 00	X		X				3,552,883	0	14,804
MEG ALLEN TRUSTEE	2 00	X						0	0	0
DOUGLAS F ALLISON TRUSTEE	2 00	X						0	0	0
LARRY P ARNN PHD TRUSTEE	2 00	X						0	0	0
THE HON BELDEN H BELL TRUSTEE	2 00	X						0	0	0
MIDGE DECTER TRUSTEE	2 00	X						0	0	0
MALCOLM STEVENSON FORBES JR TRUSTEE	2 00	X						0	0	0
TODD W HERRICK TRUSTEE	2 00	X						0	0	0
WILLIAM J HUME TRUSTEE	2 00	X						0	0	0
KAY COLE JAMES TRUSTEE	2 00	X						0	0	0
HON J WILLIAM MIDDENDORF II TRUSTEE	2 00	X						0	0	0
ABBY MOFFAT TRUSTEE	2 00	X						0	0	0
NERSI NAZARI PHD TRUSTEE	2 00 2 00	X						0	0	0
ROBERT PENNINGTON TRUSTEE	2 00	X						0	0	0
ANTHONY J SALIBA TRUSTEE	2 00	X						0	0	0
WILLIAM E SIMON JR TRUSTEE	2 00	X						0	0	0
BRIAN TRACY TRUSTEE	2 00	X						0	0	0
BARBARA VAN ANDEL-GABY TRUSTEE	2 00	X						0	0	0
MARION WELLS TRUSTEE	2 00	X						0	0	0
DAVID ADDINGTON GROUP VP, RESEARCH	40 00			X				280,945	0	40,795

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
GEOFFREY J LYSAUGHT GROUP VP, STRATEGIC COMMUNICATIONS	40 00 1 00			X				266,796	0	56,696
JOHN FOGARTY GROUP VP, DEVELOPMENT	40 00			X				219,660	0	57,754
BECKY NORTON DUNLOP VP, EXTERNAL RELATIONS	40 00			X				225,127	0	56,358
DERRICK MORGAN VP, DOMESTIC & ECON POL (AS OF 4/13)	40 00			X				212,809	0	50,316
GENEVIEVE WOOD VP, MARKETING	40 00			X				228,267	0	45,378
JAMES CARAFANO VP, FOREIGN & DEFENSE POLICY	40 00			X				237,670	0	33,883
JOHN VON KANNON VP & SENIOR COUNSELOR	40 00			X				264,227	0	71,428
MICHAEL GONZALEZ VP, COMMUNICATIONS	40 00			X				237,960	0	60,295
MICHAEL FRANC VP, GOV'T RELATIONS (UNTIL 6/13)	40 00 2 00			X				129,454	0	15,023
MATTHEW SPALDING VP, AMERICAN STUDIES (UNTIL 9/13)	40 00			X				173,257	0	20,453
MICHAEL SPILLER VP, INFORMATION TECH (UNTIL 5/13)	40 00			X				90,596	0	12,540
EDWIN MEESE III RONALD REAGAN DISTINGUISHED FELLOW	40 00			X				108,070	0	5,734
KATHLEEN ROWAN EXECUTIVE ASSISTANT	40 00			X				48,149	0	3,439
STUART BUTLER DISTINGUISHED FELLOW	40 00					X		273,743	0	75,452
ELAINE CHAO DISTINGUISHED FELLOW	40 00					X		267,029	0	25,463
KIM HOLMES DISTINGUISHED FELLOW	40 00					X		257,657	0	69,347
JAMES TALENT DISTINGUISHED FELLOW	40 00					X		191,406	0	17,428
RICHARD MILLER DIR, CENTER FOR TRADE & ECON	40 00					X		188,082	0	19,199

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493178010844

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ 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 exempt 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).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section **(see instructions))**	**(iv)** Is the organization in col **(i)** listed in your governing document? Yes	No	**(v)** Did you notify the organization in col **(i)** of your support? Yes	No	**(vi)** Is the organization in col **(i)** organized in the U S ? Yes	No	**(vii)** Amount of monetary support
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	71,755,400	73,957,186	65,687,562	78,190,250	102,174,419	391,764,817
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	71,755,400	73,957,186	65,687,562	78,190,250	102,174,419	391,764,817
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						17,695,779
6 **Public support.** Subtract line 5 from line 4						374,069,038

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	71,755,400	73,957,186	65,687,562	78,190,250	102,174,419	391,764,817
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	2,911,829	2,413,048	2,375,072	3,757,095	1,466,865	12,923,909
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	234,621	362,539	705,479	763,919	1,205,751	3,272,309
11 **Total support** (Add lines 7 through 10)						407,961,035

12 Gross receipts from related activities, etc (see instructions) | 12 | 1,693,815

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** . . . . ▶☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) | 14 | 91 690 %

15 Public support percentage for 2012 Schedule A, Part II, line 14 | 15 | 95 330 %

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☑

b **33 1/3% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from **2012** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test	

Return Reference	Explanation

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047
2013
Open to Public Inspection

If the organization answered "Yes" to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then
- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes" to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then
- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then
- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	**Employer identification number**
THE HERITAGE FOUNDATION	23-7327730

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $

3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ **Yes** ☐ **No**

4a Was a correction made? ☐ **Yes** ☐ **No**

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $

4 Did the filing organization file **Form 1120-POL** for this year? ☐ **Yes** ☐ **No**

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ☐ if the filing organization checked box A and "limited control" provisions apply

	Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)	0	
d	Other exempt purpose expenditures	80,161,735	
e	Total exempt purpose expenditures (add lines 1c and 1d)	80,161,735	
f	Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e
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

		(a)	(b)
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h	Subtract line 1g from line 1a If zero or less, enter -0-	0	
i	Subtract line 1f from line 1c If zero or less, enter -0-	0	

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

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 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

	Calendar year (or fiscal year beginning in)	**(a)** 2010	**(b)** 2011	**(c)** 2012	**(d)** 2013	**(e)** Total
2a	Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c	Total lobbying expenditures					
d	Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e	Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f	Grassroots lobbying expenditures					

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
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 similar means?			
i	Other activities?			
j	Total Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Return Reference	Explanation

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493178010844

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	**(b)** Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶________

4 Number of states where property subject to conservation easement is located ▶________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ________

(ii) Assets included in Form 990, Part X ▶ $ ________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ________

b Assets included in Form 990, Part X ▶ $ ________

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

			Amount
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	100,139,675	93,474,227	103,029,082	93,848,790	77,648,479
b	Contributions	31,480,469	2,291,747	5,399,117	3,841,751	2,875,257
c	Net investment earnings, gains, and losses	13,703,313	11,893,390	-8,220,145	13,525,612	17,464,443
d	Grants or scholarships					
e	Other expenditures for facilities and programs	5,047,829	7,073,016	6,348,137	7,859,847	3,805,737
f	Administrative expenses	411,611	446,673	385,690	327,224	333,652
g	End of year balance	139,864,017	100,139,675	93,474,227	103,029,082	93,848,790

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶ 78 540 %

b Permanent endowment ▶ 2 430 %

c Temporarily restricted endowment ▶ 19 030 %

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

			Yes	No
	(i) unrelated organizations	3a(i)		No
	(ii) related organizations	3a(ii)		No
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		12,065,438		12,065,438
b Buildings		68,084,540	21,246,505	46,838,035
c Leasehold improvements				
d Equipment		8,689,849	6,451,631	2,238,218
e Other		3,492,698	2,430,362	1,062,336
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				62,204,027

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other (A) INVESTMENTS IN MUTUAL FUNDS & LP'S	135,764,831	F
(B) TRUSTS & ANNUITIES	15,202,842	F
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	150,967,673	

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
DEFERRED COMPENSATION PLANS	2,338,716
SPLIT-INTEREST AGREEMENTS	13,880,425
INTEREST RATE SWAP	114,856
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	16,333,997

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	120,685,057
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	7,844,283		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-399,324		
e	Add lines **2a** through **2d**			2e	7,444,959
3	Subtract line **2e** from line **1**			3	113,240,098
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	405,295		
b	Other (Describe in Part XIII)	4b	-955,246		
c	Add lines **4a** and **4b**			4c	-549,951
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	112,690,147

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	80,711,686
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d	955,246		
e	Add lines **2a** through **2d**			2e	955,246
3	Subtract line **2e** from line **1**			3	79,756,440
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	405,295		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	405,295
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	80,161,735

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
PART V, LINE 4	THE LONG-TERM INVESTMENT FUND, CONSISTING OF MULTIPLE FUNDED PROGRAMS, GENERAL BOARD DESIGNATED FUNDS AND OPERATING RESERVES, HAS BEEN ESTABLISHED IN ORDER TO SUPPORT THE GROWTH AND OPERATIONS OF THE FOUNDATION THE INVESTMENTS IN THE FUND WILL BE MADE FOR THE EXCLUSIVE BENEFIT OF THE FOUNDATION INDIVIDUAL DONOR-RESTRICTED FUNDS WILL BE GOVERNED BY THE TERMS OF THEIR GOVERNING PLAN DOCUMENTS SEPARATE ACCOUNTING IS MAINTAINED FOR EACH FUND FUNDS ARE USED ANNUALLY TO SUPPORT PROGRAMS IN ACCORDANCE WITH THE FOUNDATION'S SPENDING POLICY OR AS STIPULATED BY THE DONOR(S) THE LONG-TERM FUND INCLUDES A PERMANENT FUND, ESTABLISHED BY THE BOARD OF TRUSTEES, WITH THE MAIN OBJECTIVE OF LONG-TERM GROWTH OF CAPITAL IN ACCORDANCE WITH DONOR WISHES THE PERMANENT FUND IS INCLUDED IN THE CALCULATION OF ANNUAL DRAWS USED TO SUPPORT THE OPERATIONS OF THE FOUNDATION
PART X, LINE 2	THE FOLLOWING IS THE FIN 48 (ASC 740) FOOTNOTE CONTAINED IN THE HERITAGE FOUNDATION'S ("THE FOUNDATION" OR "THE ORGANIZATION") CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013 THE HERITAGE FOUNDATION IS A NOT-FOR-PROFIT ORGANIZATION EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(A), AS AN ENTITY DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 THE HERITAGE FOUNDATION HAS BEEN CLASSIFIED BY THE INTERNAL REVENUE SERVICE AS A PUBLIC CHARITY AND IS NOT A PRIVATE FOUNDATION CONTRIBUTIONS TO THE HERITAGE FOUNDATION ARE DEDUCTIBLE FOR FEDERAL INCOME, ESTATE, AND GIFT TAX PURPOSES INCOME, WHICH IS NOT RELATED TO EXEMPT PURPOSES, IS SUBJECT TO TAX 3RD STREET PROPERTIES, LLC, MASSACHUSETTS AVENUE PROPERTIES, LLC, AND INTERN HOUSING, LLC, ARE LIMITED LIABILITY COMPANIES WHOSE SOLE MEMBER IS THE HERITAGE FOUNDATION CONSEQUENTLY, 3RD STREET PROPERTIES, LLC, MASSACHUSETTS AVENUE PROPERTIES, LLC, AND INTERN HOUSING, LLC, ARE DISREGARDED ENTITIES FOR FEDERAL AND STATE INCOME TAX PURPOSES THE FOUNDATION FOLLOWS THE ACCOUNTING STANDARD ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, WHICH ADDRESSES THE DETERMINATION OF WHETHER TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE RECORDED IN THE CONSOLIDATED FINANCIAL STATEMENTS UNDER THIS GUIDANCE, THE FOUNDATION MAY RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION THE TAX BENEFITS RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS FROM SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT THE GUIDANCE ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES ALSO ADDRESSES DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES ON INCOME TAXES, AND ACCOUNTING IN INTERIM PERIODS MANAGEMENT EVALUATED THE FOUNDATION'S TAX POSITIONS AND CONCLUDED THAT THE FOUNDATION HAD TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO THE CONSOLIDATED FINANCIAL STATEMENTS TO COMPLY WITH THE PROVISIONS OF THIS GUIDANCE GENERALLY, THE FOUNDATION IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS BY THE U S FEDERAL, STATE OR LOCAL TAX AUTHORITIES FOR YEARS BEFORE 2010
PART XI, LINE 2D - OTHER ADJUSTMENTS	UNREALIZED GAIN ON INTEREST RATE SWAP 767,507 CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENT -1,318,424 CHANGE IN VALUE OF EXECUTIVE LIFE INSURANCE POLICY 151,593
PART XI, LINE 4B - OTHER ADJUSTMENTS	EXPENSES FROM RENTAL ACTIVITIES -955,246
PART XII, LINE 2D - OTHER ADJUSTMENTS	EXPENSES FROM RENTAL ACTIVITIES 955,246

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493178010844

SCHEDULE F
(Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule F (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☐ **Yes** ☐ **No**

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

	(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
	See Add'l Data					
3a	Sub-total	0	0			469,421
b	Total from continuation sheets to Part I	0	0			6,842,225
c	**Totals** (add lines 3a and 3b)	0	0			7,311,646

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶

3 Enter total number of other organizations or entities . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)

Part IV Foreign Forms

1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes,"the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☑ Yes ☐ No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*

☐ Yes ☑ No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*

☐ Yes ☑ No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*

☐ Yes ☑ No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*

☐ Yes ☑ No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*

☐ Yes ☑ No

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

ReturnReference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 23-7327730
Name: THE HERITAGE FOUNDATION

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
CENTRAL AMERICA AND THE CARIBBEAN	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	3,757
EAST ASIA AND THE PACIFIC	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	287,497
EUROPE (INCLUDING ICELAND & GREENLAND)	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	143,290

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
MIDDLE EAST AND NORTH AFRICA	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	7,044
RUSSIA AND NEIGHBORING STATES	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	4,861
SOUTH AMERICA	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	9,312

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
SOUTH ASIA	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	13,075
NORTH AMERICA	0	0	PROGRAM SERVICES	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	585
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		6,842,225

SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶Attach to Form 990 or Form 990-EZ. ▶See separate instructions.
▶Information about Schedule G (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☑ Mail solicitations
- **b** ☑ Internet and email solicitations
- **c** ☑ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☑ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☑ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
ODELL SIMMS & ASSOCIATES 1593 SPRING HILL ROAD SUITE 450 TYSONS CORNER, VA 22182	CONSULTANTS ON DIRECT MAIL PROGRAM		No	15,484,265	899,647	14,584,618
GIVE RIGHT INC 375 N STEPHANIE 14 HENDERSON, NV 89014	TELEMARKETING PROGRAMS & THANK YOU FOLLOW UPS		No	5,945,520	1,558,485	4,387,035
PURSUANT KMA 5151 BELT LINE ROAD SUITE 900 DALLAS, TX 75254	CONSULTANTS ON MULTI CHANNEL MEDIA PROGRAM		No	3,472,371	353,037	3,119,334
WARFIELD & WALSH INC 601 S WASHINGTON STREET ALEXANDRIA, VA 223143004	CONSULTANTS ON DIRECT MAIL PROGRAM		No	2,861,298	327,581	2,533,717
BMD 1420 KING STREET SUITE 600 ALEXANDRIA, VA 22314	CONSULTANTS ON DIRECT MAIL PROGRAM		No	250,585	50,737	199,848
BRILLIANT COMMUNICATIONS 9305 SCHUBERT COURT VIENNA, VA 22182	CONSULTANTS ON DIRECT MAIL PROGRAM		No	127,843	32,875	94,968
Total . . . . ▶				28,141,882	3,222,362	24,919,520

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

AK, AL, AR, CO, CT, DC, FL, HI, IL, KS, KY, LA, MA, MD, ME, MI, MS, MO, NC, ND, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, TN, UT, VA, WA, WI, WV, MN, GA, CA

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 (event type)	**(b)** Event #2 (event type)	**(c)** Other events (total number)	**(d)** Total events (add col **(a)** through col **(c)**)
Revenue	**1** Gross receipts				
	2 Less Contributions				
	3 Gross income (line 1 minus line 2)				
Direct Expenses	**4** Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses				
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				( )
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	**(b)** Pull tabs/Instant bingo/progressive bingo	**(c)** Other gaming	**(d)** Total gaming (add col **(a)** through col **(c)**)
Revenue	**1** Gross revenue				
Direct Expenses	**2** Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ **Yes** ______ % ☐ **No**	☐ **Yes** ______ % ☐ **No**	☐ **Yes** ______ % ☐ **No**	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities ____________

a Is the organization licensed to operate gaming activities in each of these states? ☐ **Yes** ☐ **No**

b If "No," explain ____________

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ **Yes** ☐ **No**

b If "Yes," explain ____________

11 Does the organization operate gaming activities with nonmembers? . . . . Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . Yes No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	%
b	An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶

Address ▶

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . Yes No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ ____________ and the amount of gaming revenue retained by the third party ▶ $ ____________

c If "Yes," enter name and address of the third party

Name ▶

Address ▶

16 Gaming manager information

Name ▶

Gaming manager compensation ▶ $

Description of services provided ▶

Director/officer Employee Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . Yes No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation
SCHEDULE G, PART I, LINE 2B, FUNDRAISING EXPENSES EXCLUDED FROM COLUMN (V)	PROFESSIONAL FUNDRAISING PAYMENTS ARE DISTINGUISHED FROM EXPENSE PAYMENTS OR REIMBURSEMENTS PER THE INVOICES PROVIDED BY THE FUNDRAISER NAME OF FUNDRAISER GIVE RIGHT, INC POSTAGE $34,106 PRINTING $46,069 NAME OF FUNDRAISER ODELL, SIMMS, & ASSOCIATES PRINTING $19,675 NAME OF FUNDRAISER PURSUANT KMA ADVERTISING $121,073 NAME OF FUNDRAISER WARFIELD & WALSH, INC POSTAGE $133,656

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990
▶ Information about Schedule I (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047
2013
Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) CAPITOL HILL BUSINESS IMPROVEMENT DISTRICT (CHBID) 30 MASSACHUSETTS AVE NE WASHINGTON,DC 20002	52-2232461	501(C)(6)	37,492				CLEANING, SAFETY, AND BEAUTIFICATION PROGRAMS IN THE CAPITOL HILL COMMUNITY
(2) THE CITADEL FOUNDATION 171 MOULTRIE ST CHARLESTON,SC 29409	57-6020493	501(C)(3)	20,000				PREPARATION AND EDITING OF A COMPILATION OF LECTURES
(3) DUKE UNIVERSITY CENTER FOR THE HISTORY OF POLITICAL ECONOMY ECONOMICS DEPT 419 CHAPEL DRIVE DURHAM,NC 27708	56-0532129	501(C)(3)	10,000				SPONSOR THE PUBLICATION OF A SERIES OF BOOKS
(4) COMMON SENSE ISSUES INC 8190-A BEECHMONT AVE 103 CINCINNATI,OH 452556117	20-8824036	501(C)(4)	20,000				SUPPORT CHARITABLE ACTIVITIES THAT ADVANCE CONSERVATIVE PUBLIC POLICIES
(5) THE CLAREMONT INSTITUTE 937 W FOOTHILL BLVD STE E CLAREMONT,CA 91711	95-3443202	501(C)(3)	25,000				SALVATORI PRIZE FOR AMERICAN CITIZENSHIP

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 3

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 2

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
PART I, LINE 2	THE HERITAGE FOUNDATION ("THF") MAKES PERIODIC CONTRIBUTIONS, BUT IS NOT A GRANT-MAKING ORGANIZATION THF'S CONTRIBUTIONS TO OTHER QUALIFYING ORGANIZATIONS IN 2013 COMPRISED APPROXIMATELY ONE TENTH OF ONE PERCENT OF ITS TOTAL ANNUAL EXPENSES IF AN ORGANIZATION MAKES A GRANT REQUEST, THE REQUESTING ORGANIZATION IS RESEARCHED AND REVIEWED BY STAFF TO DETERMINE IF A GRANT ALIGNS WITH THF'S OBJECTIVES AND OVERALL MISSION IF A GRANT IS AWARDED, IT MUST BE USED TO SUPPORT THOSE PURPOSES THE GRANT AMOUNT IS THEN DETERMINED BY THE RELEVANT MANAGER AND AWARDED TO THE REQUESTING ORGANIZATION PERIODIC REPORTS OF THE USE OF THE GRANT FUNDS BY THE GRANTEE ORGANIZATION ARE REQUIRED AS A CONDITION OF THE AWARD

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493178010844

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☑ First-class or charter travel ☑ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☑ Compensation committee ☐ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table								

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation
PART I, LINE 1A	FIRST CLASS OR CHARTER TRAVEL THE HERITAGE FOUNDATION (THF) ALLOWS FIRST CLASS OR CHARTER TRAVEL FOR THE PRESIDENT IN CERTAIN CIRCUMSTANCES, SUCH AS INTERNATIONAL TRAVEL, AND ONLY WHEN CONDUCTING OFFICIAL BUSINESS FOR THF IN ACCORDANCE WITH THF'S TRAVEL POLICIES, ANY AMOUNT PAID BY THF FOR ANY INCIDENTAL TRAVEL EXPENSES BY ANY EMPLOYEE THAT IS NOT BUSINESS RELATED IS REQUIRED TO BE REIMBURSED BY THE INDIVIDUAL TO THF OR IS INCLUDED IN THE INDIVIDUAL'S REPORTABLE COMPENSATION ON FORM W-2, BOX 5, AND INCLUDED IN PART VII OF THE FORM 990 AND SCHEDULE J, PART II TRAVEL FOR COMPANIONS FROM TIME TO TIME, THF ALLOWS TRAVEL FOR SPOUSES OF CERTAIN OFFICERS OF THE ORGANIZATION AMOUNTS PAID FOR TRAVEL FOR COMPANIONS THAT ARE NOT BUSINESS RELATED ARE EITHER REIMBURSED BY THE OFFICER TO THF OR ARE INCLUDED IN THE OFFICER'S REPORTABLE COMPENSATION ON FORM W-2, BOX 5, AND INCLUDED IN PART VII OF THE FORM 990 AND SCHEDULE J, PART II HOUSING ALLOWANCE OR RESIDENCE FOR PERSONAL USE AS PART OF THE PRESIDENTIAL TRANSITION IN 2013, AN APARTMENT IN THE INTERN HOUSING FACILITY WAS MADE AVAILABLE TO THE INCOMING PRESIDENT ON A TEMPORARY BASIS AMOUNTS REPRESENTING THE FAIR MARKET VALUE OF THE LEASED APARTMENT WERE INCLUDED IN THE PRESIDENT'S REPORTABLE COMPENSATION ON FORM W-2, BOX 5, AND INCLUDED IN PART VII OF THE FORM 990 AND SCHEDULE J, PART II
PART I, LINE 4B	COMPENSATION TO EDWIN J FEULNER, JR EFFECTIVE AS OF JANUARY 1, 1980, THE HERITAGE FOUNDATION ("THF") ESTABLISHED A DEFERRED COMPENSATION PLAN (THE "PLAN") FOR THE THEN-PRESIDENT OF THF, EDWIN J FEULNER, JR OVER A 27-YEAR PERIOD FROM 1980 TO 2006, AN AGGREGATE AMOUNT OF $865,000 WAS DEFERRED UNDER THE PLAN, WHICH, TO THE KNOWLEDGE OF THF BASED ON AVAILABLE DOCUMENTS, WAS INCLUDED AS REQUIRED IN FORM 990S IN PRIOR YEARS IN 2013, UPON HIS RETIREMENT, $2,521,230 WAS PAID TO DR FEULNER AS REQUIRED UNDER THE PLAN, WHICH INCLUDED THE $865,000 OF DEFERRED COMPENSATION PLUS INVESTMENT EARNINGS OF $1,656,230 ACCRUED THEREON OVER A PERIOD OF 33 YEARS THAT PAYMENT IS INCLUDED IN DR FEULNER'S TAXABLE COMPENSATION REPORTED ON FORM 990, PART VII, COLUMN (D), AND SCHEDULE J, PART II, COLUMN (B)(III)
PART I, LINE 7	A PORTION OF MANAGEMENT COMPENSATION IS IN THE FORM OF AN ANNUAL BONUS MANAGEMENT BONUSES ARE CONTINGENT ON ACHIEVING THE ORGANIZATION'S MISSION AS WELL AS ON THEIR OWN PERFORMANCE AND ACHIEVEMENT OF ESTABLISHED GOALS GOALS ARE REVIEWED MID-YEAR AND ANNUALLY, AND QUARTERLY REPORTS OF ORGANIZATION ACTIVITIES ARE PROVIDED TO THE BOARD OF DIRECTORS

Additional Data

Software ID:
Software Version:
EIN: 23-7327730
Name: THE HERITAGE FOUNDATION

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
JAMES W DEMINT PRES -ELECT (1/13) & PRES (4/13)	(i)	380,513	200,200	32,816	0	24,631	638,160	0
	(ii)	0	0	0	0	0	0	0
PHILLIP N TRULUCK EXECUTIVE VICE PRESIDENT	(i)	396,914	380,300	17,654	51,000	30,100	875,968	0
	(ii)	0	0	0	0	0	0	0
EDWIN J FEULNER JR PRESIDENT (UNTIL 4/13) (SEE SCH J&O)	(i)	180,820	700,000	2,672,063	0	14,804	3,567,687	865,000
	(ii)	0	0	0	0	0	0	0
DAVID ADDINGTON GROUP VP, RESEARCH	(i)	233,676	45,150	2,119	37,950	2,845	321,740	0
	(ii)	0	0	0	0	0	0	0
GEOFFREY J LYSAUGHT GROUP VP, STRATEGIC COMMUNICATIONS	(i)	226,267	40,100	429	36,950	19,746	323,492	0
	(ii)	0	0	0	0	0	0	0
JOHN FOGARTY GROUP VP, DEVELOPMENT	(i)	182,959	36,300	401	32,535	25,219	277,414	0
	(ii)	0	0	0	0	0	0	0
BECKY NORTON DUNLOP VP, EXTERNAL RELATIONS	(i)	185,789	36,300	3,038	33,471	22,887	281,485	0
	(ii)	0	0	0	0	0	0	0
DERRICK MORGAN VP, DOMESTIC & ECON POL (AS OF 4/13)	(i)	182,315	30,150	344	28,602	21,714	263,125	0
	(ii)	0	0	0	0	0	0	0
GENEVIEVE WOOD VP, MARKETING	(i)	189,280	38,300	687	33,823	11,555	273,645	0
	(ii)	0	0	0	0	0	0	0
JAMES CARAFANO VP, FOREIGN & DEFENSE POLICY	(i)	205,497	30,300	1,873	31,487	2,396	271,553	0
	(ii)	0	0	0	0	0	0	0
JOHN VON KANNON VP & SENIOR COUNSELOR	(i)	210,010	50,300	3,917	44,950	26,478	335,655	0
	(ii)	0	0	0	0	0	0	0
MICHAEL GONZALEZ VP, COMMUNICATIONS	(i)	198,741	38,150	1,069	33,942	26,353	298,255	0
	(ii)	0	0	0	0	0	0	0
MATTHEW SPALDING VP, AMERICAN STUDIES (UNTIL 9/13)	(i)	137,788	35,000	469	0	20,453	193,710	0
	(ii)	0	0	0	0	0	0	0
STUART BUTLER DISTINGUISHED FELLOW	(i)	225,818	40,300	7,625	46,950	28,502	349,195	0
	(ii)	0	0	0	0	0	0	0
ELAINE CHAO DISTINGUISHED FELLOW	(i)	262,986	300	3,743	23,387	2,076	292,492	0
	(ii)	0	0	0	0	0	0	0
KIM HOLMES DISTINGUISHED FELLOW	(i)	213,818	40,300	3,539	42,950	26,397	327,004	0
	(ii)	0	0	0	0	0	0	0
JAMES TALENT DISTINGUISHED FELLOW	(i)	189,808	300	1,298	16,328	1,100	208,834	0
	(ii)	0	0	0	0	0	0	0
RICHARD MILLER DIR, CENTER FOR TRADE & ECON	(i)	165,423	20,300	2,359	16,126	3,073	207,281	0
	(ii)	0	0	0	0	0	0	0

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶Information about Schedule L (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
Total		▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MY ASSISTANT LLC	FIRM OWNED BY FAMILY MEMBER OF TRUSTEE	231,404	CONTRACT FOR ADMINISTRATIVE SERVICES BETWEEN THE FOUNDATION AND MY ASSISTANT, LLC		No

Part V Supplemental Information
Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.
▶Information about Schedule M (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	79	2,270,475	FMV
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (____________)				
26 Other ▶ (____________)				
27 Other ▶ (____________)				
28 Other ▶ (____________)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | **29** |

		Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	**30a**		No
b If "Yes," describe the arrangement in Part II			
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	**31**	Yes	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	**32a**		No
b If "Yes," describe in Part II			
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
PART I, COLUMN (B)	THE AMOUNTS REPORTED IN COLUMN (B) REPRESENT THE NUMBER OF ITEMS CONTRIBUTED AND NOT NECESSARILY THE NUMBER OF INDIVIDUAL CONTRIBUTIONS

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493178010844

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Return Reference	Explanation
FORM 990, PART V, LINE 3B	THF IS AWAITING ADDITIONAL INFORMATION IN ORDER TO TIMELY FILE A COMPLETE AND ACCURATE FORM 990-T BY THE EXTENDED DEADLINE OF NOVEMBER 15, 2014

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	THE DIRECTOR OF ACCOUNTING AND CONTROLLER COMPILES NECESSARY INFORMATION TO COMPLETE THE FORM 990 PAID TAX PREPARERS THEN ASSIST IN COMPLETING THE FORM, WHICH IS REVIEWED BY THE DIRECTOR OF ACCOUNTING & CONTROLLER THE COMPLETED DRAFT IS THEN REVIEWED BY THE PRESIDENT AND THE EXECUTIVE VICE PRESIDENT A COMPLETE FINAL DRAFT OF THE FORM 990 IS GIVEN TO THE BOARD OF TRUSTEES FOR FINAL COMMENTS AND APPROVAL BEFORE FILING WITH THE INTERNAL REVENUE SERVICE

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	ALL NEW HERITAGE EMPLOYEES ARE REQUIRED TO SIGN AND ACKNOWLEDGE THAT THEY HAVE RECEIVED AND WILL ADHERE TO ALL POLICIES CONTAINED WITHIN THE FOUNDATION'S EMPLOYEE HANDBOOK, INCLUDING THE FOUNDATION'S CONFLICT OF INTEREST POLICY SEPARATELY, THE FOUNDATION REQUIRES ALL MEMBERS OF THE BOARD OF TRUSTEES TO DISCLOSE, ANNUALLY, ANY AND ALL FINANCIAL INTEREST OR HOLDINGS THAT MAY BE CONSIDERED A CONFLICT OF INTEREST TO HIS/HER DUTIES AS A TRUSTEE OF THE ORGANIZATION ADDITIONAL DISCLOSURES ARE REQUIRED PROMPTLY WHEN A PREVIOUSLY UNKNOWN CONFLICT ARISES OR IS DISCOVERED IN THE CASE OF A POTENTIAL CONFLICT, AFTER A MEMBER OF THE BOARD DISCLOSES SUCH FINANCIAL OR ADVERSE ORGANIZATIONAL INTEREST AND ALL MATERIAL FACTS, AND AFTER ANY DISCUSSION WITH THE MEMBER, HE/SHE IS REQUIRED TO LEAVE THE GOVERNING BOARD OR COMMITTEE MEETING(S) WHILE THE POTENTIAL CONFLICT OF INTEREST IS DISCUSSED AND VOTED UPON BY THE REMAINING MEMBERS TO DETERMINE WHETHER A CONFLICT EXISTS AND WHAT ACTION SHOULD BE TAKEN IF APPROPRIATE, THE CHAIRPERSON OF THE GOVERNING BOARD OR COMMITTEE MAY APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT GIVING RISE TO THE POTENTIAL CONFLICT AFTER EXERCISING DUE DILIGENCE, THE GOVERNING BOARD OR COMMITTEE VOTES ON WHETHER THE TRANSACTION IN QUESTION IS IN THE BEST INTEREST OF THE FOUNDATION IF THE GOVERNING BOARD OR COMMITTEE HAS REASONABLE CAUSE TO BELIEVE A PERSON HAS FAILED TO DISCLOSE ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, IT IS REQUIRED TO INFORM THE MEMBER OF THE BASIS FOR SUCH BELIEF AND AFFORD THE MEMBER AN OPPORTUNITY TO EXPLAIN IF THE BOARD OR COMMITTEE DETERMINES THE PERSON HAS FAILED TO DISCLOSE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, DISCIPLINARY AND CORRECTIVE ACTION WILL BE TAKEN

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION, INCLUDING SALARIES, BONUSES, AND BENEFITS, FOR THF'S PRESIDENT, EXECUTIVE VICE PRESIDENT, AND OTHER MEMBERS OF SENIOR MANAGEMENT IS AUTHORIZED BY THE HERITAGE FOUNDATION'S INDEPENDENT BOARD OF TRUSTEES, AND BASED ON THE RECOMMENDATION OF THE BOARD'S COMPENSATION COMMITTEE IN 2013, THE COMPENSATION COMMITTEE WAS COMPRISED OF FIVE INDEPENDENT, VOLUNTEER BOARD MEMBERS WHO WERE NOT, AND HAVE NEVER BEEN, EMPLOYEES OF THE FOUNDATION IN DEVELOPING ITS RECOMMENDATIONS, THE COMMITTEE CONSIDERS MARKET DATA AND OTHER SALARY AND BENEFIT SURVEY INFORMATION REGARDING THE COMPENSATION OF SIMILARLY SITUATED EXECUTIVES, WHICH IS PREPARED FOR THE COMMITTEE BY AN OUTSIDE COMPENSATION EXPERT BECAUSE THE MANAGEMENT AND LEADERSHIP SKILLS OF HERITAGE EXECUTIVES HAVE A SIGNIFICANT EFFECT ON THE FOUNDATION'S SUCCESS, A SIGNIFICANT PORTION OF CASH COMPENSATION IS IN THE FORM OF A BONUS BONUSES ARE CONTINGENT ON THE SUCCESS OF THE ORGANIZATION, THE DEPARTMENTS THE EXECUTIVE LEADS, AND THEIR OWN PERFORMANCE AND ACHIEVEMENT OF ESTABLISHED GOALS GOALS ARE REVIEWED MID-YEAR AND ANNUALLY, AND QUARTERLY REPORTS OF FOUNDATION ACTIVITIES ARE PROVIDED TO THE BOARD IN CONSIDERING AND APPROVING TOTAL COMPENSATION FOR 2013, THE COMPENSATION COMMITTEE AND THE FULL BOARD OF TRUSTEES ALSO APPROVED BENEFITS PROVIDED UNDER AN EMPLOYER-FUNDED QUALIFIED RETIREMENT PLAN, GROUP HEALTH, LIFE, AND LONG-TERM DISABILITY AND LONG-TERM CARE INSURANCE PLANS, AND OTHER BENEFITS

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE HERITAGE FOUNDATION MAKES ITS FORM 990 AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST IN COMPLIANCE WITH THE LAW

Return Reference	Explanation
FORM 990, PART VII	EXPLANATION COLUMN (B), AVERAGE HOURS PER WEEK HOURS REPORTED IN COLUMN (B) FOR EMPLOYEES OF THE ORGANIZATION REPRESENT THE ESTIMATED AVERAGE HOURS PER WEEK DEVOTED TO THE ORGANIZATION DURING THEIR PERIOD OF EMPLOYMENT COMPENSATION TO EDWIN J FEULNER, JR EFFECTIVE AS OF JANUARY 1, 1980, THE HERITAGE FOUNDATION ("THF") ESTABLISHED A DEFERRED COMPENSATION PLAN (THE "PLAN") FOR THE THEN-PRESIDENT OF THF, EDWIN J FEULNER, JR OVER A 27-YEAR PERIOD FROM 1980 TO 2006, AN AGGREGATE AMOUNT OF $865,000 WAS DEFERRED UNDER THE PLAN, WHICH, TO THE KNOWLEDGE OF THF BASED ON AVAILABLE DOCUMENTS, WAS INCLUDED AS REQUIRED IN FORM 990S IN PRIOR YEARS IN 2013, UPON HIS RETIREMENT, $2,521,230 WAS PAID TO DR FEULNER AS REQUIRED UNDER THE PLAN, WHICH INCLUDED THE $865,000 OF DEFERRED COMPENSATION PLUS INVESTMENT EARNINGS OF $1,656,230 ACCRUED THEREON OVER A PERIOD OF 33 YEARS THAT PAYMENT IS INCLUDED IN DR FEULNER'S TAXABLE COMPENSATION REPORTED ON FORM 990, PART VII, COLUMN (D), AND SCHEDULE J, PART II, COLUMN (B)(III)

Return Reference	Explanation
FORM 990, PART XI, LINE 9	CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -1,318,424 CHANGE IN VALUE OF INTEREST RATE SWAP 767,507 CHANGE IN VALUE OF EXECUTIVE LIFE INSURANCE POLICY 151,593

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) INTERN HOUSING LLC 208 MASSACHUSETTS AVE NE STE 100 WASHINGTON, DC 20002 46-0771893	HOUSING	DE	474,865	211,766	THE HERITAGE FOUNDATION
(2) MASSACHUSETTS AVENUE PROPERTIES LLC 730 11TH STREET NW FL 4 WASHINGTON, DC 20001 46-1554578	REAL ESTATE	DE	853,060	6,769,663	THE HERITAGE FOUNDATION
(3) 3RD STREET PROPERTIES LLC 730 11TH STREET NW FL 4 WASHINGTON, DC 20001 46-1548557	REAL ESTATE	DE	0	6,178,329	THE HERITAGE FOUNDATION

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(1) HERITAGE ACTION FOR AMERICA 214 MASSACHUSETTS AVE NE STE 400 WASHINGTON, DC 20002 27-2244700	ADVOCACY	DC	501(C)(4)		THE HERITAGE FOUNDATION		No
(2) THE HERITAGE INSTITUTE 214 MASSACHUSETTS AVE NE WASHINGTON, DC 20002 52-1193835	PUBLIC CHARITY	DC	501(C)(3)	LINE 7	THE HERITAGE FOUNDATION		No

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) AMERICAN DREAM BROADCASTING INC 214 MASSACHUSETTS AVENUE NE WASHINGTON, DC 20002 45-4869531	BROADCASTING SERVICES	DC	HERITAGE ACTION FOR AMERICA	C		1,375	100 000 %	Yes	

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

			Yes	No
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	**1a**	Yes	
b	Gift, grant, or capital contribution to related organization(s)	**1b**		No
c	Gift, grant, or capital contribution from related organization(s)	**1c**		No
d	Loans or loan guarantees to or for related organization(s)	**1d**		No
e	Loans or loan guarantees by related organization(s)	**1e**		No
f	Dividends from related organization(s)	**1f**		No
g	Sale of assets to related organization(s)	**1g**		No
h	Purchase of assets from related organization(s)	**1h**		No
i	Exchange of assets with related organization(s)	**1i**		No
j	Lease of facilities, equipment, or other assets to related organization(s)	**1j**	Yes	
k	Lease of facilities, equipment, or other assets from related organization(s)	**1k**		No
l	Performance of services or membership or fundraising solicitations for related organization(s)	**1l**	Yes	
m	Performance of services or membership or fundraising solicitations by related organization(s)	**1m**		No
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	**1n**		No
o	Sharing of paid employees with related organization(s)	**1o**		No
p	Reimbursement paid to related organization(s) for expenses	**1p**	Yes	
q	Reimbursement paid by related organization(s) for expenses	**1q**	Yes	
r	Other transfer of cash or property to related organization(s)	**1r**		No
s	Other transfer of cash or property from related organization(s)	**1s**		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	**(b)** Transaction type (a-s)	**(c)** Amount involved	**(d)** Method of determining amount involved
(1) HERITAGE ACTION FOR AMERICA	J	136,049	FMV
(2) HERITAGE ACTION FOR AMERICA	L	758,779	COST OF SERVICES
(3) HERITAGE ACTION FOR AMERICA	Q	246,297	FMV
(4) AMERICAN DREAM BROADCASTING INC	A	4,742	FMV
(5) AMERICAN DREAM BROADCASTING INC	L	107,465	COST OF SERVICES

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V?UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation