

Form **990-T**

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

OMB No. 1545-0687

For calendar year 2014 or other tax year beginning **JUL 1, 2014** and ending **JUN 30, 2015**

2014

Department of the Treasury
Internal Revenue Service

Information about Form 990-T and its instructions is available at www.irs.gov/form990t.

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

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

| | | |
|---|--|--|
| A <input type="checkbox"/> Check box if address changed B Exempt under section <input checked="" type="checkbox"/> 501(c)(3)) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a) | Print or Type THE ART INSTITUTE OF CHICAGO Number, street, and room or suite no. If a P.O. box, see instructions. 111 SOUTH MICHIGAN AVENUE City or town, state or province, country, and ZIP or foreign postal code CHICAGO, IL 60603 | D Employer identification number (Employees' trust, see instructions.) 36-2167725 |
| | | E Unrelated business activity codes (See instructions.) 453220 713990 |
| | | C Book value of all assets at end of year 1,504,588,725. |

F Group exemption number (See instructions.)

G Check organization type 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity. **MUSEUM SHOP SALES/OTHER RENTALS/INVESTMENTS**

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

J The books are in care of **DEBORAH JOHNSTON, CONTROLLER** Telephone number **312-499-4063**

| Part I Unrelated Trade or Business Income | | (A) Income | (B) Expenses | (C) Net |
|---|--|------------------------------|--------------|--------------------|
| 1 a | Gross receipts or sales 5,670,938. | | | |
| b | Less returns and allowances 0. | | | |
| | c Balance | 1c 5,670,938. | | |
| 2 | Cost of goods sold (Schedule A, line 7) | 2 2,570,494. | | |
| 3 | Gross profit. Subtract line 2 from line 1c | 3 3,100,444. | | 3,100,444. |
| 4 a | Capital gain net income (attach Schedule D) | 4a 469,007. | | 469,007. |
| b | Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | 4b <67.> | | <67.> |
| c | Capital loss deduction for trusts | 4c | | |
| 5 | Income (loss) from partnerships and S corporations (attach statement) | 5 275,889. | | 275,889. |
| 6 | Rent income (Schedule C) | 6 | | |
| 7 | Unrelated debt-financed income (Schedule E) | 7 | | |
| 8 | Interest, annuities, royalties, and rents from controlled organizations (Sch. F) | 8 | | |
| 9 | Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | 9 | | |
| 10 | Exploited exempt activity income (Schedule I) | 10 | | |
| 11 | Advertising income (Schedule J) | 11 | | |
| 12 | Other income (See instructions; attach schedule) STATEMENT 1 | 12 100,461. | | 100,461. |
| 13 | Total. Combine lines 3 through 12 | 13 3,945,734. | | 3,945,734. |

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

| | | | |
|----|---|------------|-------------------|
| 14 | Compensation of officers, directors, and trustees (Schedule K) | 14 | |
| 15 | Salaries and wages | 15 | 1,261,559. |
| 16 | Repairs and maintenance | 16 | |
| 17 | Bad debts | 17 | |
| 18 | Interest (attach schedule) | 18 | |
| 19 | Taxes and licenses | 19 | 117,472. |
| 20 | Charitable contributions (See instructions for limitation rules) STATEMENT 4 SEE STATEMENT 2 | 20 | 0. |
| 21 | Depreciation (attach Form 4562) | 21 | 287,562. |
| 22 | Less depreciation claimed on Schedule A and elsewhere on return | 22a | |
| 23 | Depletion | 23 | |
| 24 | Contributions to deferred compensation plans | 24 | |
| 25 | Employee benefit programs | 25 | |
| 26 | Excess exempt expenses (Schedule I) | 26 | |
| 27 | Excess readership costs (Schedule J) | 27 | |
| 28 | Other deductions (attach schedule) SEE STATEMENT 3 | 28 | 1,757,731. |
| 29 | Total deductions. Add lines 14 through 28 | 29 | 3,424,324. |
| 30 | Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 | 30 | 521,410. |
| 31 | Net operating loss deduction (limited to the amount on line 30) SEE STATEMENT 5 | 31 | 521,410. |
| 32 | Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 | 32 | 0. |
| 33 | Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions) | 33 | 1,000. |
| 34 | Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 | 34 | 0. |

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation.
 Controlled group members (sections 1561 and 1563) check here See instructions and:
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
 (1) \$ _____ (2) \$ _____ (3) \$ _____
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____
 (2) Additional 3% tax (not more than \$100,000) \$ _____
c Income tax on the amount on line 34 ▶ **35c** 0.

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from:
 Tax rate schedule or Schedule D (Form 1041) ▶ **36**

37 Proxy tax. See instructions ▶ **37**

38 Alternative minimum tax ▶ **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies ▶ **39** 0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40a** _____
b Other credits (see instructions) **40b** _____
c General business credit. Attach Form 3800 **40c** _____
d Credit for prior year minimum tax (attach Form 8801 or 8827) **40d** _____
e Total credits. Add lines 40a through 40d **40e** _____

41 Subtract line 40e from line 39 **41** 0.

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule) **42** _____

43 Total tax. Add lines 41 and 42 **43** 0.

44a Payments: A 2013 overpayment credited to 2014 **44a** _____
b 2014 estimated tax payments **44b** _____
c Tax deposited with Form 8868 **44c** _____
d Foreign organizations: Tax paid or withheld at source (see instructions) **44d** _____
e Backup withholding (see instructions) **44e** _____
f Credit for small employer health insurance premiums (Attach Form 8941) **44f** _____
g Other credits and payments: Form 2439 Other _____ Total **44g** _____

45 Total payments. Add lines 44a through 44g **45** _____

46 Estimated tax penalty (see instructions). Check if Form 2220 is attached **46** _____

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47** 0.

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** 0.

49 Enter the amount of line 48 you want: **Credited to 2015 estimated tax** **Refunded** **49** _____

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

1 At any time during the 2014 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here **Yes** **No**

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file. **Yes** **No**

3 Enter the amount of tax-exempt interest received or accrued during the tax year \$ _____

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

| | | | | | |
|---|-----------|------------|---|--------------------------|-------------------------------------|
| 1 Inventory at beginning of year | 1 | 476,596. | 6 Inventory at end of year | 6 | 1,048,065. |
| 2 Purchases | 2 | 3,141,963. | 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 | 7 | 2,570,494. |
| 3 Cost of labor | 3 | | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | Yes | No |
| 4a Additional section 263A costs (att. schedule) | 4a | | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b Other costs (attach schedule) | 4b | | | | |
| 5 Total. Add lines 1 through 4b | 5 | 3,618,559. | | | |

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: _____ Date: 5/13/16 Title: CFO

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

Paid Preparer Use Only

Print/Type preparer's name: LAURA J. GILLESPIE
 Preparer's signature: _____ Date: 5/12/16
 Check if self-employed PTIN: _____
 Firm's name: DELOITTE TAX LLP Firm's EIN: 86-1065772
 Firm's address: 111 SOUTH WACKER DRIVE
 CHICAGO, IL 60606-4301 Phone no. (312) 486-1000

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

1. Description of property

Table with 4 rows for property descriptions (1-4).

2. Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, and 3(a) Deductions directly connected with the income.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0. (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) 0.

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

Table with 5 columns: 1. Description of debt-financed property, 2. Gross income from or allocable to debt-financed property, 3. Deductions directly connected with or allocable to debt-financed property (a) Straight line depreciation, (b) Other deductions.

Table with 5 columns: 4. Amount of average acquisition debt on or allocable to debt-financed property, 5. Average adjusted basis of or allocable to debt-financed property, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions.

Totals Enter here and on page 1, Part I, line 7, column (A) 0. Enter here and on page 1, Part I, line 7, column (B) 0. Total dividends-received deductions included in column 8 0.

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

Table with 6 columns: 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 4. Total of specified payments made, 5. Part of column 4 that is included in the controlling organization's gross income, 6. Deductions directly connected with income in column 5.

Nonexempt Controlled Organizations

Table with 5 columns: 7. Taxable income, 8. Net unrelated income (loss), 9. Total of specified payments made, 10. Part of column 9 that is included in the controlling organization's gross income, 11. Deductions directly connected with income in column 10.

Totals Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A) 0. Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B) 0.

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

(see instructions)

| 1. Description of income | 2. Amount of income | 3. Deductions directly connected (attach schedule) | 4. Set-asides (attach schedule) | 5. Total deductions and set-asides (col. 3 plus col. 4) |
|--------------------------|---------------------|--|---------------------------------|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| Totals | 0. | | | 0. |

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions)

| 1. Description of exploited activity | 2. Gross unrelated business income from trade or business | 3. Expenses directly connected with production of unrelated business income | 4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. | 5. Gross income from activity that is not unrelated business income | 6. Expenses attributable to column 5 | 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|--------------------------------------|---|---|--|---|--------------------------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals | 0. | 0. | | | | 0. |

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

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

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

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

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

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

| FORM 990-T | OTHER INCOME | STATEMENT | 1 |
|--------------------------------------|--------------|-----------|---|
| DESCRIPTION | | AMOUNT | |
| RENTAL INCOME | | 80,920. | |
| OTHER INCOME | | 17,924. | |
| LIQUOR SALES | | 1,617. | |
| TOTAL TO FORM 990-T, PAGE 1, LINE 12 | | 100,461. | |

| FORM 990-T | CONTRIBUTIONS | STATEMENT | 2 |
|---|------------------------------|-----------|---|
| DESCRIPTION/KIND OF PROPERTY | METHOD USED TO DETERMINE FMV | AMOUNT | |
| CONTRIBUTION CARRYOVER FROM 2010 | N/A | 137. | |
| CONTRIBUTION CARRYOVER FROM 2011 | N/A | 40. | |
| CONTRIBUTION CARRYOVER FROM 2012 | N/A | 158. | |
| CONTRIBUTION CARRYOVER FROM 2013 | N/A | 82. | |
| CONTRIBUTION CARRYOVER FROM PRIOR YEARS | N/A | 242. | |
| TOTAL TO FORM 990-T, PAGE 1, LINE 20 | | 659. | |

| FORM 990-T | OTHER DEDUCTIONS | STATEMENT | 3 |
|--------------------------------------|------------------|------------|---|
| DESCRIPTION | | AMOUNT | |
| RENT | | 31,012. | |
| CATALOG PRODUCTION/PROCESSING | | 623,784. | |
| MISCELLANEOUS | | 469,724. | |
| EMPLOYEE BENEFITS | | 252,404. | |
| ADMINISTRATION ALLOCATION | | 358,392. | |
| ACCOUNTING FEE | | 22,415. | |
| TOTAL TO FORM 990-T, PAGE 1, LINE 28 | | 1,757,731. | |

FORM 990-T

CONTRIBUTIONS SUMMARY

STATEMENT

4

QUALIFIED CONTRIBUTIONS SUBJECT TO 100% LIMIT

CARRYOVER OF PRIOR YEARS UNUSED CONTRIBUTIONS

FOR TAX YEAR 2009

FOR TAX YEAR 2010

FOR TAX YEAR 2011

FOR TAX YEAR 2012

FOR TAX YEAR 2013

TOTAL CARRYOVER

TOTAL CURRENT YEAR 10% CONTRIBUTIONS

659

TOTAL CONTRIBUTIONS AVAILABLE

659

TAXABLE INCOME LIMITATION AS ADJUSTED

0

EXCESS 10% CONTRIBUTIONS

659

EXCESS 100% CONTRIBUTIONS

0

TOTAL EXCESS CONTRIBUTIONS

659

ALLOWABLE CONTRIBUTIONS DEDUCTION

0

TOTAL CONTRIBUTION DEDUCTION

0

FORM 990-T **NET OPERATING LOSS DEDUCTION** **STATEMENT 5**

| TAX YEAR | LOSS SUSTAINED | LOSS PREVIOUSLY APPLIED | LOSS REMAINING | AVAILABLE THIS YEAR |
|-----------------------------------|----------------|-------------------------|----------------|---------------------|
| 06/30/05 | 195,884. | 195,884. | 0. | 0. |
| 06/30/07 | 3,486,368. | 591,093. | 2,895,275. | 2,895,275. |
| 06/30/08 | 516,762. | 0. | 516,762. | 516,762. |
| 06/30/09 | 508,185. | 0. | 508,185. | 508,185. |
| 06/30/10 | 1,695,940. | 0. | 1,695,940. | 1,695,940. |
| 06/30/11 | 413,822. | 0. | 413,822. | 413,822. |
| 06/30/12 | 1,059,661. | 0. | 1,059,661. | 1,059,661. |
| 06/30/13 | 593,900. | 0. | 593,900. | 593,900. |
| NOL CARRYOVER AVAILABLE THIS YEAR | | | 7,683,545. | 7,683,545. |

FORM 990-T **INCOME (LOSS) FROM PARTNERSHIPS** **STATEMENT 6**

| PARTNERSHIP NAME | GROSS INCOME | DEDUCTIONS | NET INCOME OR (LOSS) |
|--|--------------|------------|----------------------|
| AXIOM ASIA PRIVATE CAPITAL FUND I, L.P. | 44. | 128. | <84.> |
| BLACKSTONE REAL ESTATE PARTNERS EUROPE IV NQ L.P. | <14,332.> | 0. | <14,332.> |
| BLACKSTONE REAL ESTATE PARTNERS VI TE 2-NQ L.P. | 17,347. | 0. | 17,347. |
| BLACKSTONE REAL ESTATE PARTNERS VI TE 2 L.P. | 822. | 0. | 822. |
| BLACKSTONE REAL ESTATE PARTNERS VI TE 2-NQ-ESH L.P. | <29.> | 0. | <29.> |
| CENTERBRIDGE CAPITAL PARTNERS AIV II, L.P. | 5,914. | 3,296. | 2,618. |
| CHS PRIVATE EQUITY V L.P. | 180,814. | 5,515. | 175,299. |
| CROW HOLDINGS REALTY PARTNERS IV-A, L.P. | <3,691.> | 0. | <3,691.> |
| ENCAP ENERGY CAPITAL FUND VI, L.P. | <161,227.> | 0. | <161,227.> |
| FLAG INTERNATIONAL PARTNERS, L.P. | 1,435. | 1,845. | <410.> |
| FLAG VENTURE PARTNERS VI, L.P. | 12,728. | 469. | 12,259. |
| FR X ONSHORE L.P. | 24,347. | 5,179. | 19,168. |
| GREENFIELD LAND PARTNERS I, L.P. | <39,739.> | 0. | <39,739.> |
| GS CAPITAL PARTNERS VI, L.P. | 7,102. | 10,311. | <3,209.> |
| INVESCO U.S. BUYOUT EXPANSION CAPITAL PARTNERSHIP FUND III, L.P. | <644.> | 9. | <653.> |
| KKR ASIAN FUND II L.P. | <1,649.> | 0. | <1,649.> |
| NATURAL GAS PARTNERS IX, L.P. | 162,912. | 152,502. | 10,410. |
| NATURAL GAS PARTNERS XI, L.P. | <1,732.> | 3,540. | <5,272.> |
| NAUTIC PARTNERS VI, L.P. | 253,840. | 0. | 253,840. |
| POMONA CAPITAL VI, L.P. | <9,990.> | 0. | <9,990.> |

THE ART INSTITUTE OF CHICAGO

36-2167725

PROVIDENCE EQUITY PARTNERS VI, L.P.

24,424.

13.

24,411.

TOTAL TO FORM 990-T, PAGE 1, LINE 5

458,696.

182,807.

275,889.

Capital Gains and Losses
 ▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L,
 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.
 ▶ Information about Schedule D (Form 1120) and its separate instructions is at www.irs.gov/form1120.

2014

| | |
|---|---|
| Name THE ART INSTITUTE OF CHICAGO | Employer identification number 36-2167725 |
|---|---|

| Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less | | | | |
|---|----------------------------------|---------------------------------|---|--|
| See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars. | (d) Proceeds (sales price) | (e) Cost (or other basis) | (g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g) | (h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g) |
| 1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b | | | | |
| 1b Totals for all transactions reported on Form(s) 8949 with Box A checked | | | | |
| 2 Totals for all transactions reported on Form(s) 8949 with Box B checked | | | | |
| 3 Totals for all transactions reported on Form(s) 8949 with Box C checked | | | | |
| 4 Short-term capital gain from installment sales from Form 6252, line 26 or 37 | | | | 4 |
| 5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824 | | | | 5 |
| 6 Unused capital loss carryover (attach computation) | | | | 6 () |
| 7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h | | | | 7 |

| Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year | | | | |
|--|----------------------------------|---------------------------------|--|--|
| See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars. | (d) Proceeds (sales price) | (e) Cost (or other basis) | (g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g) | (h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g) |
| 8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b | | | | |
| 8b Totals for all transactions reported on Form(s) 8949 with Box D checked | | | | |
| 9 Totals for all transactions reported on Form(s) 8949 with Box E checked | | | | |
| 10 Totals for all transactions reported on Form(s) 8949 with Box F checked | | | | 469,007. |
| 11 Enter gain from Form 4797, line 7 or 9 | | | | 11 |
| 12 Long-term capital gain from installment sales from Form 6252, line 26 or 37 | | | | 12 |
| 13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824 | | | | 13 |
| 14 Capital gain distributions | | | | 14 |
| 15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h | | | | 15 469,007. |

| Part III Summary of Parts I and II | | | | |
|---|--|--|--|-------------|
| 16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15) | | | | 16 |
| 17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7) | | | | 17 469,007. |
| 18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns | | | | 18 469,007. |

Note. If losses exceed gains, see **Capital losses** in the instructions.

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side

Social security number or taxpayer identification no.
36-2167725

THE ART INSTITUTE OF CHICAGO

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either may show your basis (usually your cost) even if your broker did not report it to the IRS. Brokers must report basis to the IRS for most stock you bought in 2011 or later (and for certain debt instruments you bought in 2014 or later).

Part II Long-Term. Transactions involving capital assets you held more than 1 year are long term. For short-term transactions, see page 1. Note. You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 8a; you are not required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above)
- (E) Long-term transactions reported on Form(s) 1099-B showing basis was not reported to the IRS
- (F) Long-term transactions not reported to you on Form 1099-B

| 1 | (a) Description of property (Example: 100 sh. XYZ Co.) | (b) Date acquired (Mo., day, yr.) | (c) Date sold or disposed (Mo., day, yr.) | (d) Proceeds (sales price) | (e) Cost or other basis. See the Note below and see Column (e) in the instructions | Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See instructions. | | (h) Gain or (loss). Subtract column (e) from column (d) & combine the result with column (g) | |
|---|--|---|--|----------------------------------|---|---|--------------------------------|---|----------|
| | | | | | | (f) Code(s) | (g) Amount of adjustment | | |
| | CENTERBRIDGE | | | | | | | | |
| | CAPITAL PARTNERS | | | | | | | | |
| | AIV II | | | | | | | 1,019. | |
| | GS CAPITAL | | | | | | | | |
| | PARTNERS VI, L.P. | | | | | | | <1,007.> | |
| | NATURAL GAS | | | | | | | | |
| | PARTNERS IX, L.P. | | | | | | | 457,472. | |
| | POMONA CAPITAL VI, L.P. | | | | | | | 11,523. | |
| | | | | | | | | | |
| | | | | | | | | | |
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| | | | | | | | | | |
| 2 | Totals. Add the amounts in columns (d), (e), (g) and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ► | | | | | | | | 469,007. |

Note. If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.

Depreciation and Amortization
 (Including Information on Listed Property) 990-T
 Attach to your tax return.

Information about Form 4562 and its separate instructions is at www.irs.gov/form4562

| | | |
|--|---|---|
| Name(s) shown on return THE ART INSTITUTE OF CHICAGO | Business or activity to which this form relates FORM 990-T PAGE 1 | Identifying number 36-2167725 |
|--|---|---|

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

| | | |
|---|-----------|------------|
| 1 Maximum amount (see instructions) | 1 | 500,000. |
| 2 Total cost of section 179 property placed in service (see instructions) | 2 | |
| 3 Threshold cost of section 179 property before reduction in limitation | 3 | 2,000,000. |
| 4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | |
| 6 (a) Description of property (b) Cost (business use only) (c) Elected cost | | |
| | | |
| | | |
| | | |
| 7 Listed property. Enter the amount from line 29 | 7 | |
| 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 Carryover of disallowed deduction from line 13 of your 2013 Form 4562 | 10 | |
| 11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 | 11 | |
| 12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12 | 13 | |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

| | | |
|---|-----------|--|
| 14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year | 14 | |
| 15 Property subject to section 168(f)(1) election | 15 | |
| 16 Other depreciation (including ACRS) | 16 | |

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

| | | |
|---|-----------|--|
| 17 MACRS deductions for assets placed in service in tax years beginning before 2014 | 17 | |
| 18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/> | | |

Section B - Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only - see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | | | | | |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs. | | S/L | |
| h Residential rental property | / | | 27.5 yrs. | MM | S/L | |
| | / | | 27.5 yrs. | MM | S/L | |
| i Nonresidential real property | / | | 39 yrs. | MM | S/L | |
| | / | | | MM | S/L | |

Section C - Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|----------------|---|--|---------|----|-----|--|
| 20a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs. | | S/L | |
| c 40-year | / | | 40 yrs. | MM | S/L | |

Part IV Summary (See instructions.)

| | | |
|--|-----------|----------|
| 21 Listed property. Enter amount from line 28 | 21 | |
| 22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr. | 22 | 287,562. |
| 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Business/ investment use percentage | (d) Cost or other basis | (e) Basis for depreciation (business/investment use only) | (f) Recovery period | (g) Method/ Convention | (h) Depreciation deduction | (i) Elected section 179 cost |
|---|-------------------------------------|--|-------------------------------|--|---------------------------|------------------------------|----------------------------------|---------------------------------------|
| 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use | | | | | | | 25 | |
| 26 Property used more than 50% in a qualified business use: | | | | | | | | |
| | | % | | | | | | |
| | | % | | | | | | |
| | | % | | | | | | |
| 27 Property used 50% or less in a qualified business use: | | | | | | | | |
| | | % | | | | S/L - | | |
| | | % | | | | S/L - | | |
| | | % | | | | S/L - | | |
| 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 | | | | | | | 28 | |
| 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 | | | | | | | | 29 |

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

| | (a) Vehicle | | (b) Vehicle | | (c) Vehicle | | (d) Vehicle | | (e) Vehicle | | (f) Vehicle | |
|---|----------------|----|----------------|----|----------------|----|----------------|----|----------------|----|----------------|----|
| | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| 30 Total business/investment miles driven during the year (do not include commuting miles) | | | | | | | | | | | | |
| 31 Total commuting miles driven during the year | | | | | | | | | | | | |
| 32 Total other personal (noncommuting) miles driven | | | | | | | | | | | | |
| 33 Total miles driven during the year. Add lines 30 through 32 | | | | | | | | | | | | |
| 34 Was the vehicle available for personal use during off-duty hours? | | | | | | | | | | | | |
| 35 Was the vehicle used primarily by a more than 5% owner or related person? | | | | | | | | | | | | |
| 36 Is another vehicle available for personal use? | | | | | | | | | | | | |

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

| | Yes | No |
|--|-----|----|
| 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | | |
| 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners | | |
| 39 Do you treat all use of vehicles by employees as personal use? | | |
| 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? | | |
| 41 Do you meet the requirements concerning qualified automobile demonstration use? | | |

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|--|------------------------------------|------------------------------|------------------------|---|--------------------------------------|
| 42 Amortization of costs that begins during your 2014 tax year: | | | | | |
| | | | | | |
| 43 Amortization of costs that began before your 2014 tax year | | | | | 43 |
| 44 Total. Add amounts in column (f). See the instructions for where to report | | | | | 44 |

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))
▶ Attach to your tax return.

▶ Information about Form 4797 and its separate instructions is at www.irs.gov/form4797.

| | |
|--|---|
| Name(s) shown on return THE ART INSTITUTE OF CHICAGO | Identifying number 36-2167725 |
|--|---|

1 Enter the gross proceeds from sales or exchanges reported to you for 2014 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 **1**

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

| (a) Description of property | (b) Date acquired (mo., day, yr.) | (c) Date sold (mo., day, yr.) | (d) Gross sales price | (e) Depreciation allowed or allowable since acquisition | (f) Cost or other basis, plus improvements and expense of sale | (g) Gain or (loss) Subtract (f) from the sum of (d) and (e) |
|-----------------------------|-----------------------------------|-------------------------------|-----------------------|---|--|--|
| 2 | | | | | | |
| | | | | | | |
| | | | | | | |

| | |
|--|----------|
| 3 Gain, if any, from Form 4684, line 39 | 3 |
| 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 | 4 |
| 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 | 5 |
| 6 Gain, if any, from line 32, from other than casualty or theft | 6 |
| 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below. | 7 |
| 8 Nonrecaptured net section 1231 losses from prior years (see instructions) SEE STATEMENT 7 | 8 |
| 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions) | 9 |

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

| | | | | | | |
|----------------------|--|--|--|--|--|-------|
| CHS PRIVATE EQUITY V | | | | | | |
| L.P. | | | | | | <67.> |
| | | | | | | |

| | |
|---|--------------------------|
| 11 Loss, if any, from line 7 | 11 () |
| 12 Gain, if any, from line 7 or amount from line 8, if applicable | 12 |
| 13 Gain, if any, from line 31 | 13 |
| 14 Net gain or (loss) from Form 4684, lines 31 and 38a | 14 |
| 15 Ordinary gain from installment sales from Form 6252, line 25 or 36 | 15 |
| 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 | 16 |
| 17 Combine lines 10 through 16 | 17 <67.> |
| 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below: a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14 | 18a 18b |

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255 (see instructions)

| 19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property: | | (b) Date acquired (mo., day, yr.) | (c) Date sold (mo., day, yr.) | | |
|---|---|--------------------------------------|----------------------------------|------------|------------|
| A | | | | | |
| B | | | | | |
| C | | | | | |
| D | | | | | |
| These columns relate to the properties on lines 19A through 19D. | | Property A | Property B | Property C | Property D |
| 20 | Gross sales price (Note: See line 1 before completing.) | 20 | | | |
| 21 | Cost or other basis plus expense of sale | 21 | | | |
| 22 | Depreciation (or depletion) allowed or allowable | 22 | | | |
| 23 | Adjusted basis. Subtract line 22 from line 21 | 23 | | | |
| 24 | Total gain. Subtract line 23 from line 20 | 24 | | | |
| 25 If section 1245 property: | | | | | |
| a | Depreciation allowed or allowable from line 22 | 25a | | | |
| b | Enter the smaller of line 24 or 25a | 25b | | | |
| 26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291. | | | | | |
| a | Additional depreciation after 1975 (see instructions) | 26a | | | |
| b | Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions) | 26b | | | |
| c | Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e | 26c | | | |
| d | Additional depreciation after 1969 and before 1976 | 26d | | | |
| e | Enter the smaller of line 26c or 26d | 26e | | | |
| f | Section 291 amount (corporations only) | 26f | | | |
| g | Add lines 26b, 26e, and 26f | 26g | | | |
| 27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership). | | | | | |
| a | Soil, water, and land clearing expenses | 27a | | | |
| b | Line 27a multiplied by applicable percentage | 27b | | | |
| c | Enter the smaller of line 24 or 27b | 27c | | | |
| 28 If section 1254 property: | | | | | |
| a | Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions) | 28a | | | |
| b | Enter the smaller of line 24 or 28a | 28b | | | |
| 29 If section 1255 property: | | | | | |
| a | Applicable percentage of payments excluded from income under section 126 (see instructions) | 29a | | | |
| b | Enter the smaller of line 24 or 29a (see instructions) | 29b | | | |

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

| | | | |
|----|---|----|--|
| 30 | Total gains for all properties. Add property columns A through D, line 24 | 30 | |
| 31 | Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13 | 31 | |
| 32 | Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6 | 32 | |

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (see instructions)

| | (a) Section 179 | (b) Section 280F(b)(2) |
|----|---|------------------------|
| 33 | Section 179 expense deduction or depreciation allowable in prior years | 33 |
| 34 | Recomputed depreciation (see instructions) | 34 |
| 35 | Recapture amount. Subtract line 34 from line 33. See the instructions for where to report | 35 |

FORM 4797 NONRECAPTURED NET SECTION 1231 LOSSES STATEMENT 7
 FROM PRIOR YEARS

| TAX YEAR | SECTION 1231 LOSSES | SECTION 1231 LOSSES RECAPTURED | NONRECAPTURED SECTION 1231 LOSSES |
|----------------------------|------------------------|-----------------------------------|---|
| 2009 | 0. | 0. | 0. |
| 2010 | 13,044. | 5,847. | 7,197. |
| 2011 | 0. | 0. | 0. |
| 2012 | 0. | 0. | 0. |
| 2013 | 0. | 0. | 0. |
| TOTAL TO FORM 4797, LINE 8 | 13,044. | 5,847. | 7,197. |

THE ART INSTITUTE OF CHICAGO
990-T

36-2167725
06/30/2015

Section 1.263(a)-3(n) Capitalization Election

The Art Institute of Chicago hereby elects to capitalize repair and maintenance costs under Treas. Reg. § 1.263(a)-3(n). The costs were incurred during the taxable year in the electing taxpayer's trade or business and the electing taxpayer treats such costs as capital expenditures on its books and records.

| Taxpayer Name | EIN | Address |
|------------------------------|------------|--|
| The Art Institute of Chicago | 36-2167725 | 111 South Michigan Avenue Chicago, IL 60603 |

THE ART INSTITUTE OF CHICAGO
990-T

36-2167725
06/30/2015

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

The Art Institute of Chicago Center is making the de minimis safe harbor election under Treas. Reg. § 1.263(a)-1(f) for all eligible amounts paid or incurred during the taxable year.

| Taxpayer Name | EIN | Address |
|------------------------------|------------|--|
| The Art Institute of Chicago | 36-2167725 | 111 South Michigan Avenue Chicago, IL 60603 |