

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

**2016**

For calendar year 2016 or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

Information about Form 990-T and its instructions is available at [www.irs.gov/form990t](http://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

Department of the Treasury  
Internal Revenue Service

<p><b>A</b> <input type="checkbox"/> Check box if address changed</p> <p><b>B</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)</p> <p><b>C</b> Book value of all assets at end of year  <b>1,762,166.</b></p>	<p>Print or Type</p>	<p>Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.)  <b>THE HEARTLAND INSTITUTE</b></p> <p>Number, street, and room or suite no. If a P.O. box, see instructions.  <b>3939 NORTH WILKE ROAD</b></p> <p>City or town, state or province, country, and ZIP or foreign postal code  <b>ARLINGTON HEIGHTS, IL 60004</b></p> <p><b>F</b> Group exemption number (See instructions.)</p> <p><b>G</b> Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p>	<p><b>D</b> Employer identification number (Employees' trust, see instructions.)  <b>36-3309812</b></p> <p><b>E</b> Unrelated business activity codes (See instructions.)  <b>511110</b></p>
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**H** Describe the organization's primary unrelated business activity. **ADVERTISING INCOME**

**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 **THE HEARTLAND INSTITUTE** Telephone number **312-377-4000**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
c Balance	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5		
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	56,535.	-50,096.
12 Other income (See instructions; attach schedule)	12		
13 Total. Combine lines 3 through 12	13	6,439.	-50,096.

**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		
16 Repairs and maintenance	16		
17 Bad debts	17		
18 Interest (attach schedule)	18		
19 Taxes and licenses	19		
20 Charitable contributions (See instructions for limitation rules)	20		
21 Depreciation (attach Form 4562)	21		
22 Less depreciation claimed on Schedule A and elsewhere on return	22a		22b
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)	28		
29 Total deductions. Add lines 14 through 28	29		0.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		-50,096.
31 Net operating loss deduction (limited to the amount on line 30)	31	SEE STATEMENT 1	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32		-50,096.
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		-50,096.

**Part III Tax Computation**

<b>35 Organizations Taxable as Corporations.</b> See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> 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.
<b>36 Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 34 from:		
<input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)		36
<b>37 Proxy tax.</b> See instructions		37
<b>38 Alternative minimum tax</b>		38
<b>39 Tax on Non-Compliant Facility Income.</b> See instructions		39
<b>40 Total.</b> Add lines 37, 38 and 39 to line 35c or 36, whichever applies		40 0.

**Part IV Tax and Payments**

<b>41a</b> Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	41a	
<b>b</b> Other credits (see instructions)	41b	
<b>c</b> General business credit. Attach Form 3800	41c	
<b>d</b> Credit for prior year minimum tax (attach Form 8801 or 8827)	41d	
<b>e Total credits.</b> Add lines 41a through 41d	41e	
<b>42</b> Subtract line 41e from line 40	42	0.
<b>43</b> Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	43	
<b>44 Total tax.</b> Add lines 42 and 43	44	0.
<b>45a</b> Payments: A 2015 overpayment credited to 2016	45a	
<b>b</b> 2016 estimated tax payments	45b	
<b>c</b> Tax deposited with Form 8868	45c	
<b>d</b> Foreign organizations: Tax paid or withheld at source (see instructions)	45d	
<b>e</b> Backup withholding (see instructions)	45e	
<b>f</b> Credit for small employer health insurance premiums (Attach Form 8941)	45f	
<b>g</b> Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other	45g	Total
<b>46 Total payments.</b> Add lines 45a through 45g	46	
<b>47</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	47	
<b>48 Tax due.</b> If line 46 is less than the total of lines 44 and 47, enter amount owed	48	0.
<b>49 Overpayment.</b> If line 46 is larger than the total of lines 44 and 47, enter amount overpaid	49	0.
<b>50</b> Enter the amount of line 49 you want: <b>Credited to 2017 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	50	

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

<b>51</b> At any time during the 2016 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here	Yes	No
		X
<b>52</b> During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.		X
<b>53</b> Enter the amount of tax-exempt interest received or accrued during the tax year		\$

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: *[Signature]* Date: 8/24/17 Title: PRESIDENT CEO

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

Paid Preparer Use Only	Print/Type preparer's name CYNTHIA M. PETSCHKE, CPA, CVA	Preparer's signature <i>[Signature]</i>	Date 07/31/17	Check <input type="checkbox"/> if self-employed	PTIN P01362853
	Firm's name <b>TIGHE, KRESS &amp; ORR, P.C.</b>			Firm's EIN <b>26-0476995</b>	
	Firm's address <b>2001 LARKIN AVENUE, SUITE 202 ELGIN, IL 60123</b>			Phone no. <b>(847) 695-2700</b>	

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

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**

▶ **Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).**

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

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

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

	<b>Enter filer's identifying number</b>	
<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>THE HEARTLAND INSTITUTE</b>	Employer identification number (EIN) or <b>36-3309812</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>3939 NORTH WILKE ROAD</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ARLINGTON HEIGHTS, IL 60004</b>	

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

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

**THE HEARTLAND INSTITUTE**

• The books are in the care of ▶ **3939 NORTH WILKE ROAD - ARLINGTON HEIGHTS, IL 60004**  
Telephone No. ▶ **312-377-4000** Fax No. ▶ \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **NOVEMBER 15, 2017**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶  calendar year **2016** or
- ▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

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

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

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

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

1	Inventory at beginning of year	1		6	Inventory at end of year	6	
2	Purchases	2		7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	
3	Cost of labor	3		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?		Yes No
4a	Additional section 263A costs (attach schedule)	4a					
b	Other costs (attach schedule)	4b					
5	Total. Add lines 1 through 4b	5					

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

1. Description of property

(1)  
(2)  
(3)  
(4)

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)	
(1)			
(2)			
(3)			
(4)			
Total	0.	Total	0.

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

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A). <b>0.</b>	Enter here and on page 1, Part I, line 7, column (B). <b>0.</b>
Total dividends-received deductions included in column 8				<b>0.</b>

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

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

**Nonexempt Controlled Organizations**

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
<b>Totals</b>			0.	0.

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

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).
<b>Totals</b>		0.		0.

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.
<b>Totals</b>		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) <b>ADVERTISING</b>						
(2) <b>INCOME</b>	6,439.	56,535.				
(3)						
(4)						
<b>Totals (carry to Part II, line (5))</b>	6,439.	56,535.	-50,096.			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)						
<b>Totals from Part I</b>	<b>6,439.</b>	<b>56,535.</b>				<b>0.</b>
<b>Totals, Part II (lines 1-5)</b>	<b>6,439.</b> <small>Enter here and on page 1, Part I, line 11, col. (A).</small>	<b>56,535.</b> <small>Enter here and on page 1, Part I, line 11, col. (B).</small>				<b>0.</b> <small>Enter here and on page 1, Part II, line 27.</small>

**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)		%	
<b>Total.</b> Enter here and on page 1, Part II, line 14			<b>0.</b>

FORM 990-T

NET OPERATING LOSS DEDUCTION

STATEMENT 1

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR
12/31/12	105,965.	0.	105,965.	105,965.
12/31/13	12,649.	0.	12,649.	12,649.
12/31/15	47,188.	0.	47,188.	47,188.
NOL CARRYOVER AVAILABLE THIS YEAR			165,802.	165,802.

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<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>THE HEARTLAND INSTITUTE</b>	Enter filer's identifying number Employer identification number (EIN) or <b>36-3309812</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>3939 NORTH WILKE ROAD</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ARLINGTON HEIGHTS, IL 60004</b>	

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

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Form 990-BL	02	Form 1041-A	08
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Form 5227	04	Form 5227	10
Form 1(a) or 408(a) trust	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**THE HEARTLAND INSTITUTE**

• The books are in the care of ▶ **3939 NORTH WILKE ROAD - ARLINGTON HEIGHTS, IL 60004**  
Telephone No. ▶ **312-377-4000** Fax No. ▶ \_\_\_\_\_

• If the organization does not have an office or place of business in the United States, check this box

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▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

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<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

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MAIL TO: DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE CENTER  
OGDEN, UT 84201-0045