

Department of the Treasury
Internal Revenue Service

**Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2001

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2001, or tax year beginning **07/01**, 2001, and ending **06/30/2002**

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of organization: **ST. LOUIS MERCANTILE LIBRARY ASSOCIATION**

Employer identification number: **43-0694564**

Number and street (or P.O. box number if mail is not delivered to street address): **8001 NATURAL BRIDGE ROAD**

Room/suite: _____

Telephone number (see page 10 of the instructions): **(314) 516-5000**

City or town, state, and ZIP code: **ST. LOUIS, MO 63121**

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16): **386,490**

J Accounting method: Cash Accrual
 Other (specify) _____ (Part I, column (d) must be on cash basis.)

C If exemption application is pending, check here

D 1. Foreign organizations, check here
 2. Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule). Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	11,836.	11,836.		STMT 1
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain or (loss) from sale of assets not on line 10	-16,072.			
	b Gross sales price for all assets on line 6a	-16,072.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	-4,236.	11,836.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	700.	NONE	NONE	700.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 Total operating and administrative expenses. Add lines 13 through 23	700.	NONE	NONE	700.
	25 Contributions, gifts, grants paid	17,500.			17,500.
26 Total expenses and disbursements. Add lines 24 and 25	18,200.	NONE	NONE	18,200.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-22,436.				
b Net investment income (if negative, enter -0-)		11,836.			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets

Attached schedules and amounts in the column should be for end-of-year amounts only. (See instructions.)

	Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets				
1 Cash - non-interest-bearing	1,919.	2,753.	2,753.	
2 Savings and temporary cash investments				
3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶				
4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶				
5 Grants receivable				
6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶				
8 Inventories for sale or use				
9 Prepaid expenses and deferred charges				
10 a Investments - U.S. and state government obligations (attach schedule)				
b Investments - corporate stock (attach schedule)				
c Investments - corporate bonds (attach schedule)				
11 Investments - land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule) STMT 3.	436,926.	413,656.	383,737.	
14 Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I)	438,845.	416,409.	386,490.	
Liabilities				
17 Accounts payable and accrued expenses				
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable (attach schedule)				
22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances				
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
24 Unrestricted	438,845.	416,409.		
25 Temporarily restricted				
26 Permanently restricted				
Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
27 Capital stock, trust principal, or current funds				
28 Paid-in or capital surplus, or land, bldg., and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see page 17 of the instructions)	438,845.	416,409.		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	438,845.	416,409.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	438,845.
2 Enter amount from Part I, line 27a	2	-22,436.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	416,409.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	416,409.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)

(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)

1a SEE PART IV SCHEDULE

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	-16,072.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	{ }	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . . Yes No
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2000			
1999			
1998			
1997			
1996			

2 Total of line 1, column (d)	2	
3 Average distribution ratio for the 5-year base period-divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4 Enter the net value of noncharitable-use assets for 2001 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4	8	

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e)) 4948 - see page 18 of the instructions

1 a Exempt operating foundations described in section 4940(d)(2), check here [X] and enter "N/A" on line 1. Date of ruling letter: 10/28/1998 (attach copy of ruling letter if necessary - see instructions)
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here [] and enter 1% of Part I, line 27b
c All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
3 Add lines 1 and 2
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-
6 Credits/Payments:
a 2001 estimated tax payments and 2000 overpayment credited to 2001
b Exempt foreign organizations - tax withheld at source
c Tax paid with application for extension of time to file (Form 8868)
d Backup withholding erroneously withheld
7 Total credits and payments. Add lines 6a through 6d
8 Enter any penalty for underpayment of estimated tax. Check here [] if Form 2220 is attached
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid
11 Enter the amount of line 10 to be: Credited to 2002 estimated tax Refunded

Part VII-A Statements Regarding Activities

1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?
c Did the organization file Form 1120-POL for this year?
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the organization. (2) On organization managers.
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers.
2 Has the organization engaged in any activities that have not previously been reported to the IRS?
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments?
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?
b If "Yes," has it filed a tax return on Form 990-T for this year?
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
By language in the governing instrument or
By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?
7 Did the organization have at least \$5,000 in assets at any time during the year?
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions)
b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G?
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2001 or the taxable year beginning in 2001 (see instructions for Part XIV on page 25)?
10 Did any persons become substantial contributors during the tax year?
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?
Web site address
12 The books are in care of Telephone no.
Located at ZIP+4
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

- 1 a During the year did the organization (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here

c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2001?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 2001, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2001? If "Yes," list the years

b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 19 of the instructions.)

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.

3 a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?

b If "Yes," did it have excess business holdings in 2001 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2001.)

4 a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2001?

- 5 a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6 a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If you answered "Yes" to 6b, also file Form 8870.

Table with columns for Yes, No, and specific question identifiers (1a, 1b, 1c, 2a, 2b, 3a, 3b, 4a, 4b, 5a, 5b, 6a, 6b) and corresponding 'X' or 'N/A' marks.

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, and Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		-0-	-0-	-0-

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 NONE

3 Five highest-paid independent contractors for professional services - (see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	
2	
All other program-related investments. See page 22 of the instructions.	
3 NONE	
Total. Add lines 1 through 3.	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	401,784.
b Average of monthly cash balances	1b	13,082.
c Fair market value of all other assets (see page 22 of the instructions)	1c	NONE
d Total (add lines 1a, b, and c)	1d	414,866.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	NONE
3 Subtract line 2 from line 1d	3	414,866.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	4	6,223.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	408,643.
6 Minimum investment return. Enter 5% of line 5	6	20,432.

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	20,432.
2 a Tax on investment income for 2001 from Part VI, line 5	2a	NONE
b Income tax for 2001. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	NONE
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	20,432.
4 a Recoveries of amounts treated as qualifying distributions	4a	NONE
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	NONE
5 Add lines 3 and 4c	5	20,432.
6 Deduction from distributable amount (see page 23 of the instructions)	6	NONE
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	20,432.

Part XII Qualifying Distributions (see page 23 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	18,200.
b Program-related investments - Total from Part IX-B	1b	NONE
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	NONE
b Cash distribution test (attach the required schedule)	3b	NONE
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8 and Part XIII, line 4	4	18,200.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	N/A
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	18,200.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2000	(c) 2000	(d) 2001
1 Distributable amount for 2001 from Part XI, line 7				NONE
2 Undistributed income, if any, as of the end of 2000:				
a Enter amount for 2000 only			NONE	
b Total for prior years: <u>1999</u>		NONE		
3 Excess distributions carryover, if any, to 2001:				
a From 1996	NONE			
b From 1997	NONE			
c From 1998	22,582.			
d From 1999	1,755.			
e From 2000	15,700.			
f Total of lines 3a through e	40,037.			
4 Qualifying distributions for 2001 from Part XII, line 4: <u>18,200.</u>				
a Applied to 2000, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 24 of the instructions)		NONE		
c Treated as distributions out of corpus (Election required - see page 24 of the instructions)	NONE			
d Applied to 2001 distributable amount				NONE
e Remaining amount distributed out of corpus	18,200.			
5 Excess distributions carryover applied to 2001 (if an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	58,237.			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		NONE		
d Subtract line 6c from line 6b. Taxable amount - see page 25 of the instructions		NONE		
e Undistributed income for 2000. Subtract line 4a from line 2a. Taxable amount - see page 25 of the instructions			NONE	
f Undistributed income for 2001. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2002				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	NONE			
8 Excess distributions carryover from 1996 not applied on line 5 or line 7 (see page 25 of the instructions)	NONE			
9 Excess distributions carryover to 2002. Subtract lines 7 and 8 from line 6a	58,237.			
10 Analysis of line 9:				
a Excess from 1997	NONE			
b Excess from 1998	22,582.			
c Excess from 1999	1,755.			
d Excess from 2000	15,700.			
e Excess from 2001	18,200.			

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-Question 9) **NOT APPLICABLE**

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2001, enter the date of the ruling

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year		Prior 3 years		(e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 26 of the instructions.)

- 1 **Information Regarding Foundation Managers:**
- a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
- NONE
- b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
- NONE
- 2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.
- a The name, address, and telephone number of the person to whom applications should be addressed:
- N/A
- b The form in which applications should be submitted and information and materials they should include:
- N/A
- c Any submission deadlines:
- N/A
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
- N/A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p>a Paid during the year</p> <p>SEE STATEMENT 9</p>				
Total				▶ 3a 17,500.
<p>b Approved for future payment</p> <p>NONE</p>				NONE
Total				▶ 3b NONE

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 26 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	11,836.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			16	-16,072.	
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)				-4,236.	
13 Total. Add line 12, columns (b), (d), and (e) ▶13					-4,236.

(See worksheet in line 13 instructions on page 26 to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.
▼

Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). (See page 27 of the instructions.)

NOT APPLICABLE

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

Table with 3 columns: Question, Yes, No. Rows include 1a(1) Cash, 1a(2) Other assets, 1b(1) Sales of assets, 1b(2) Purchases of assets, 1b(3) Rental of facilities, 1b(4) Reimbursement arrangements, 1b(5) Loans or loan guarantees, 1b(6) Performance of services, and 1c Sharing of facilities.

a Transfers from the reporting organization to a noncharitable exempt organization of:

- (1) Cash
(2) Other assets
b Other Transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

2 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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

Signature and Preparer information section including fields for Signature of officer or trustee, Date, Title, Preparer's signature, Date, Check if self-employed, and Preparer's SSN or PTIN.

FORM 990-PF - PART IV

CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL LONG-TERM COMMON TRUST FUND AND PARTNERSHIP, S CORPORATION, AND OTHER ESTATES OR TRUST GAIN OR LOSS					-16,072.	
TOTAL GAIN (LOSS)					----- -16,072. =====	

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
UNIVERSITY POOLED FUND	11,836.	11,836.
	-----	-----
TOTAL	11,836.	11,836.
	=====	=====

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
RBG TAX RETURNS	700.	NONE	NONE	700
TOTALS	700.	NONE	NONE	,00

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
UNIV. OF MO BALANCED POOL	413,656.	383,737.
TOTALS	----- 413,656. =====	----- 383,737. =====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----
RUTH A. BRYANT C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JOHN W. BARRIGER, IV C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
PETER A. FANCHI III C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
ELLEN E. JONES C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JAMES H. GROVE C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	SECRETARY 1
WALTER F. BALLINGER, M.D. C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	PRESIDENT 1
HUGH MCPHEETERS	DIRECTOR 1

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----
C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	
MARY M. OTT C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
KATHARINE AMBERG SMITH C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
NINA SMILEY WILKINS C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
MARGARET ADAMS C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
TODD BURKE C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
CAROL GRUEN C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD	DIRECTOR 1

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----
ST. LOUIS, MO 63121	
PHILIP H. LOUGHLIN III C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
SUSAN B. MCCOLLUM C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
STEVE ROBERTS C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
SCOTT WILSON C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JANE P. GLEASON C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JOHN R. ROBERTS C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	TREASURER 1

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----
RICHARD C SHAW, MD C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
DARREN WETHERS, MD C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JOHN P. MULDERIG, CPA C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	ASSISTANT TREAS. 1
HENRY H. LANGENBERG C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JAN MACKEY C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
RUSSELL E. PERRY C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
FRANK J STOKES III	DIRECTOR 1

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----
C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	
KATHY BUTTON BELL C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
DONALD K ANDERSON C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JANE BEADLES C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	DIRECTOR 1
JAMES H. GROVE C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	SECRETARY 1
MARSHALL HIER C/O ST. LOUIS MERC. LIBRARY ASSOC. 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	VICE-PRESIDENT 1

GRAND TOTALS

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MERCANTILE LIBRARY AT UMSL 8001 NATURAL BRIDGE ROAD ST. LOUIS, MO 63121	N/A PUBLIC CHARITY	CAMPAIGN FOR EXCELLENCE AND GROWTH	17,500.
TOTAL CONTRIBUTIONS PAID			17,500.

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041 (or Form 5227). See the separate instructions for Form 1041 (or Form 5227).

OMB No. 1545-0092

2001

Name of estate or trust

Employer identification number

ST. LOUIS MERCANTILE LIBRARY ASSOCIATION

43-0694564

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

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

(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 29)	(f) Gain or (Loss) (col. (d) less col. (e))
1					
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				2
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				3
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2000 Capital Loss Carryover Worksheet				4 ()
5	Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 14 below ▶				5

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

(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 29)	(f) Gain or (Loss) (col. (d) less col. (e))	(g) 28% Rate Gain or (Loss) *(see instr. below)
6						
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				8	-16,072.
9	Capital gain distributions				9	
10	Gain from Form 4797, Part I				10	
11	Long-term capital loss carryover. Enter in both columns (f) and (g) the amount, if any, from line 14, of the 2000 Capital Loss Carryover Worksheet				11 () ()	
12	Combine lines 6 through 11 in column (g).				12	
13	Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 15 below ▶				13	-16,072.

*28% rate gain or loss includes all "collectibles gains and losses" (as defined on page 30 of the instructions) and up to 50% of the eligible gain on qualified small business stock (see page 28 of the instructions).

Part III Summary of Parts I and II

	(1) Beneficiaries' (see page 30)	(2) Estate's or trust's	(3) Total
14 Net short-term gain or (loss) (from line 5 above)	14		
15 Net long-term gain or (loss):			
a 28% rate gain or (loss) (from line 12 above)	15a		
b Unrecaptured section 1250 gain (see line 17 of the worksheet on page 31)	15b		
c Total for year (from line 13 above)	15c		-16,072.
16 Total net gain or (loss). Combine lines 14 and 15c ▶	16		-16,072.

Note: If line 16, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 15c and 16, column (2), are net gains, go to Part V, and do not complete Part IV. If line 16, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

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

Schedule D (Form 1041) 2001

Part IV Capital Loss Limitation

17 Enter here and enter as a (loss) on Form 1041, line 4, the smaller of:
 a The loss on line 16, column (3) or
 b \$3,000

	17	(3,000)
--	----	----------

If the loss on line 16, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the Capital Loss Carryover Worksheet on page 32 of the instructions to determine your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates (Complete this part only if both lines 15c and 16 in column (2) are gains, and Form 1041, line 22 is more than zero.)

Note: If line 15a, column (2) or line 15b, column (2) is more than zero, complete the worksheet on page 34 to figure the instructions to figure the amount to enter on lines 20, 27, and 38 below and skip all other lines below. Otherwise, go to line 18.

18 Enter taxable income from Form 1041, line 22	18			
19 Enter the smaller of line 15c or 16 in column (2)	19			
20 If the estate or trust is filing Form 4952, enter the amount from line 4e; otherwise, enter -0-	20			
21 Subtract line 20 from line 19. If zero or less, enter -0-	21			
22 Subtract line 21 from line 18. If zero or less, enter -0-	22			
23 Figure the tax on the amount on line 22. Use the 2001 Tax Rate Schedule on page 20 of the instructions			23	
24 Enter the smaller of the amount on line 18 or \$1,800	24			
If line 24 is greater than line 22, go to line 25. Otherwise, skip lines 25 through 31 and go to line 32.				
25 Enter the amount from line 22	25			
26 Subtract line 25 from line 24. If zero or less, enter -0- and go to line 32	26			
27 Enter the estate's or trust's allocable portion of qualified 5-year gain, if any, from line 7c of the worksheet on page 33	27			
28 Enter the smaller of line 26 or line 27	28			
29 Multiply line 28 by 8% (.08)			29	
30 Subtract line 28 from line 26	30			
31 Multiply line 30 by 10% (.10)			31	
If the amounts on lines 21 and 26 are the same, skip lines 32 through 35 and go to line 36.				
32 Enter the smaller of line 18 or line 21	32			
33 Enter the amount, if any, from line 26	33			
34 Subtract line 33 from line 32	34			
35 Multiply line 34 by 20% (.20)			35	
36 Add lines 23, 29, 31, and 35			36	
37 Figure the tax on the amount on line 18. Use the 2001 Tax Rate Schedule on page 20 of the instructions			37	
38 Tax on all taxable income (including capital gains). Enter the smaller of line 36 or line 37 here and on line 1a of Schedule G, Form 1041			38	