

Form **990-W**

**Estimated Tax on Unrelated Business Taxable
Income for Tax-Exempt Organizations**

OMB No. 1545-0976

(WORKSHEET)

(and on Investment Income for Private Foundations) Form 990-PF
(Keep for your records - Do not send to the Internal Revenue Service.)

2005

Department of the Treasury
Internal Revenue Service

1	Unrelated business taxable income expected in the tax year	1	
2	Tax on the amount on line 1. (See instructions for tax computation.)	2	
3	Alternative minimum tax (see instructions)	3	
4	Total (Add lines 2 and 3.)	4	
5	Estimated tax credits (see instructions)	5	
6	Balance (Subtract line 5 from line 4.)	6	
7	Other taxes (see instructions)	7	
8	Total (Add lines 6 and 7.)	8	
9	Credit for Federal tax paid on fuels (see instructions)	9	
10a	Subtract line 9 from line 8. Note: If less than \$500, the organization is not required to make estimated tax payments. (Private foundations, see instructions.)	10a	
b	Enter the tax shown on the 2004 return (see instructions). (Caution: If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c)	10b	
c	2005 Estimated Tax. Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c. Adjusted To	10c	3,444.

		(a)	(b)	(c)	(d)	
11	Installment due dates (see instructions)	11	05/16/05	06/15/05	09/15/05	12/15/05
12	Required installments. Enter 25% of line 10c in columns (a) through (d) unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization." (see instructions)	12	490.	490.	490.	490.
13	2004 Overpayment. (see instructions)	13				
14	Payment due. (Subtract line 13 from line 12.)	14				

LHA For Paperwork Reduction Act Notice, see instructions.

Form 990-W (2005)

Estimated Tax	3,444.
Overpayment Applied	3,444.
Amount Due	0.

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

2004

Department of the Treasury
Internal Revenue Service

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

For calendar year **2004**, or tax year beginning _____, and ending _____

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 WILLARY FOUNDATION C/O PNC BANK, N. A.	A Employer identification number 23-7014785
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 1600 MARKET STREET - TAX DEPARTMENT	B Telephone number (570)961-6952
	City or town, state, and ZIP code PHILADELPHIA, PA 19103-7240	C If exemption application is pending, check here <input type="checkbox"/>
	H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
	I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 4,904,876. (Part I, column (d) must be on cash basis.)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(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	20,000.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	149,660.	149,660.		Statement 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	60,333.			
	b Gross sales price for all assets on line 6a	375,365.			
	7 Capital gain net income (from Part IV, line 2)		60,333.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11	229,993.	209,993.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	17,002.	17,002.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees Stmt 2	750.	0.		750.
	c Other professional fees Stmt 3	8,500.	0.		8,500.
	17 Interest				
	18 Taxes Stmt 4	9,500.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	7,782.	0.		7,782.
	22 Printing and publications	238.	0.		238.
	23 Other expenses Stmt 5	3,404.	0.		3,404.
	24 Total operating and administrative expenses. Add lines 13 through 23	47,176.	17,002.		20,674.
	25 Contributions, gifts, grants paid	200,222.			200,222.
26 Total expenses and disbursements. Add lines 24 and 25	247,398.	17,002.		220,896.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<17,405.>				
b Net investment income (if negative, enter -0-)		192,991.			
c Adjusted net income (if negative, enter -0-)			N/A		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	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				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations Stmt 7	951,225.	951,225.	999,989.	
	b	Investments - corporate stock Stmt 8	1,389,895.	1,222,435.	3,172,825.	
	c	Investments - corporate bonds				
11	Investments - land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other Stmt 9	497,773.	653,059.	732,062.		
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶					
16	Total assets (to be completed by all filers)	2,838,893.	2,826,719.	4,904,876.		
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				
	22	Other liabilities (describe ▶				
23	Total liabilities (add lines 17 through 22)	0.	0.			
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/>			and complete lines 24 through 26 and lines 30 and 31.		
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Organizations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			and complete lines 27 through 31.		
	27	Capital stock, trust principal, or current funds	2,838,893.	2,826,719.		
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
	29	Retained earnings, accumulated income, endowment, or other funds	0.	0.		
30	Total net assets or fund balances	2,838,893.	2,826,719.			
31	Total liabilities and net assets/fund balances	2,838,893.	2,826,719.			

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	2,838,893.
2	Enter amount from Part I, line 27a	2	<17,405.>
3	Other increases not included in line 2 (itemize) ▶ See Statement 6	3	5,231.
4	Add lines 1, 2, and 3	4	2,826,719.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,826,719.

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				
b See Attached Statement				
c				
d				
e				
(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	375,365.	315,032.	60,333.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(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		
a				
b				
c				
d				
e			60,333.	
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	60,333.	
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). If (loss), enter -0- in Part I, line 8		3	N/A	

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 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))
2003	103,153.	4,488,674.	.0229807
2002	299,829.	4,667,800.	.0642335
2001	211,581.	5,422,970.	.0390157
2000	303,780.	5,924,448.	.0512757
1999	242,873.	5,772,825.	.0420718
2 Total of line 1, column (d)			.2195774
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			.0439155
4 Enter the net value of noncharitable-use assets for 2004 from Part X, line 5		4,798,628.	
5 Multiply line 4 by line 3			210,734.
6 Enter 1% of net investment income (1% of Part I, line 27b)			1,930.
7 Add lines 5 and 6			212,664.
8 Enter qualifying distributions from Part XII, line 4			220,896.

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.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary-see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	1,930.
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-)	2	0.
3	Add lines 1 and 2	3	1,930.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	1,930.
6	Credits/Payments:		
a	2004 estimated tax payments and 2003 overpayment credited to 2004	6a	5,374.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	5,374.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,444.
11	Enter the amount of line 10 to be: Credited to 2005 estimated tax <input checked="" type="checkbox"/> 3,444. Refunded <input type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		
1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization. ▶ \$ 0. (2) On organization managers. ▶ \$ 0.	
e	Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. ▶ \$ 0.	
2		X
If "Yes," attach a detailed description of the activities.		
3		X
4a		X
4b		N/A
5		X
If "Yes," attach the statement required by General Instruction T.		
6	X	
7	X	
If "Yes," complete Part II, col. (c), and Part XV.		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>PENNSYLVANIA</u>	
8b	X	
9		X
10		X
11		N/A
Web site address ▶ <u>WWW.WILLARY.ORG</u>		
12	The books are in care of ▶ <u>PNC BANK, N. A. - TAX DEPARTMENT</u> Telephone no. ▶ <u>(215) 585-5597</u> Located at ▶ <u>1600 MARKRT STREET, PHILADELPHIA, PA</u> ZIP+4 ▶ <u>19103-7240</u>	
13		N/A
Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> 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.

1a 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? Yes No
- (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No
- (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No
- (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No
- (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)? Yes No
- (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.) Yes No

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 20 of the instructions)? Yes No
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 2004? Yes No

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 2004, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2004? Yes No
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 instructions.) Yes No

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

3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No

b If "Yes," did it have excess business holdings in 2004 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 2004.*) Yes No

4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? Yes No

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 2004? Yes No

5a 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))? Yes No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (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)? Yes No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

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 instructions)? Yes No
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? Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
If you answered "Yes" to 6b, also file Form 8870.

	Yes	No
1a		
1b		
1c		X
2a		
2b		
3a		
3b		
4a		X
4b		X
5a		
5b		
6a		
6b		X

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.		Amount
1	N/A	
2		
All other program-related investments. See instructions.		
3		
Total. Add lines 1 through 3		0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	4,871,704.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	4,871,704.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	4,871,704.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	73,076.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,798,628.
6	Minimum investment return. Enter 5% of line 5	6	239,931.

Part XI Distributable Amount (see 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	239,931.
2a	Tax on investment income for 2004 from Part VI, line 5	2a	1,930.
b	Income tax for 2004. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,930.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	238,001.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	238,001.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	238,001.

Part XII Qualifying Distributions (see 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	220,896.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	220,896.
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	5	1,930.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	218,966.

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 instructions)

	(a) Corpus	(b) Years prior to 2003	(c) 2003	(d) 2004
1 Distributable amount for 2004 from Part XI, line 7				238,001.
2 Undistributed income, if any, as of the end of 2003:				
a Enter amount for 2003 only			54,006.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2004:				
a From 1999				
b From 2000				
c From 2001				
d From 2002				
e From 2003				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2004 from Part XII, line 4: ▶ \$ 220,896.				
a Applied to 2003, but not more than line 2a ...			54,006.	
b Applied to undistributed income of prior years (Election required - see instructions) ...		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2004 distributable amount				166,890.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2004 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2003. Subtract line 4a from line 2a. Taxable amount - see instr. ...			0.	
f Undistributed income for 2004. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2005				71,111.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 1999 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2005. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2000 ...				
b Excess from 2001 ...				
c Excess from 2002 ...				
d Excess from 2003 ...				
e Excess from 2004 ...				

WILLARY FOUNDATION

Form 990-PF (2004)

C/O PNC BANK, N. A.

23-7014785

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Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

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 2004, 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) 2004	(b) 2003	(c) 2002	(d) 2001	
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 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:

M. LINDA DONOVAN - PNC ADVISORS - P. O. BOX 937 - SCRANTON, PA 18501-0937

b The form in which applications should be submitted and information and materials they should include:

THE WILLARY FOUNDATION GRANT APPLICATION FORM.

c Any submission deadlines:

SEE APPLICATION FORM

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

SEE APPLICATION FORM

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)				
<i>a Paid during the year</i>				
See Statement 11				
Total				▶ 3a 200,222.
<i>b Approved for future payment</i>				
None				
Total				▶ 3b 0.

Schedule B
(Form 990, 990-EZ, or
990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2004

Name of organization

WILLARY FOUNDATION
C/O PNC BANK, N. A.

Employer identification number

23-7014785

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

General Rule-

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2004)

Name of organization WILLARY FOUNDATION C/O PNC BANK, N. A.	Employer identification number 23-7014785
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	WILLIAM W. SCRANTON ACCOUNT 60-60-001-2005905 <hr/> C/O PNC BANK, N. A. - 201 PENN STREET <hr/> SCRANTON, PA 18501	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

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	LONG-TERM CAPITAL GAIN DISTRIBUTIONS	P		12/21/04
b	SHORT-TERM CAPITAL GAIN DISTRIBUTIONS	P		12/21/04
c	1,300 SHARES ALLTEL CORP.	P		11/17/04
d	4,000 SHARES APPLIED MATERIALS INC.	P		11/17/04
e	1,000 SHARES CARDINAL HEALTH INC.	P		07/28/04
f	4,000 SHARES MICROSOFT CORP.	P		04/19/04
g	1,200 SHARES QUALCOMM INC.	P		04/19/04
h				
i				
j				
k				
l				
m				
n				
o				

	(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	559.			559.
b	7,002.			7,002.
c	74,634.		91,769.	<17,135.>
d	67,888.		95,063.	<27,175.>
e	44,249.		58,100.	<13,851.>
f	101,598.		22,138.	79,460.
g	79,435.		47,962.	31,473.
h				
i				
j				
k				
l				
m				
n				
o				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			559.
b			7,002.
c			<17,135.>
d			<27,175.>
e			<13,851.>
f			79,460.
g			31,473.
h			
i			
j			
k			
l			
m			
n			
o			

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	60,333.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
DOMESTIC DIVIDENDS	29,681.	0.	29,681.
DOMESTIC DIVIDENDS	50,791.	0.	50,791.
DOMESTIC DIVIDENDS	12,000.	0.	12,000.
U. S. GOVERNMENT INTEREST	57,188.	0.	57,188.
Total to Fm 990-PF, Part I, ln 4	149,660.	0.	149,660.

Form 990-PF	Accounting Fees			Statement	2
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
PNC BANK, N. A. - TAX PREPARATION FEES	750.	0.		750.	
To Form 990-PF, Pg 1, ln 16b	750.	0.		750.	

Form 990-PF	Other Professional Fees			Statement	3
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
PNC BANK, N. A. - ADMINISTRATIVE FEES	8,500.	0.		8,500.	
To Form 990-PF, Pg 1, ln 16c	8,500.	0.		8,500.	

Form 990-PF	Taxes			Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
FORM 990-PF EXCISE TAX 12/31/2003	9,500.	0.			0.
To Form 990-PF, Pg 1, ln 18	9,500.	0.			0.

Form 990-PF	Other Expenses			Statement	5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
VALUE WEB - WEBSITE FEES	276.	0.		276.	
OFFICE SUPPLIES	22.	0.		22.	
MAILING/SHIPPING EXPENSES	25.	0.		25.	
DIRECTORS AND OFFICERS					
LIABILITY INSURANCE	2,553.	0.		2,553.	
POSTMASTER FEES	38.	0.		38.	
COUNCIL ON FOUNDATIONS 2004					
MEMBERSHIP DUES	490.	0.		490.	
To Form 990-PF, Pg 1, ln 23	3,404.	0.		3,404.	

Form 990-PF	Other Increases in Net Assets or Fund Balances	Statement	6
Description			Amount
ADJUSTMENT BOOK CARRYING VALUE VS. TAX COST ON LISTED SALES			5,175.
ADJUSTMENT TO BOOK CARRYING VALUE			56.
Total to Form 990-PF, Part III, line 3			5,231.

Form 990-PF		U.S. and State/City Government Obligations		Statement	7
Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value	
U. S. GOVERNMENT BONDS AND NOTES	X		951,225.	999,989.	
Total U.S. Government Obligations			951,225.	999,989.	
Total State and Municipal Government Obligations					
Total to Form 990-PF, Part II, line 10a			951,225.	999,989.	

Form 990-PF	Corporate Stock	Statement	8
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Description	Book Value	Fair Market Value
COMMON STOCK	1,222,435.	3,172,825.
Total to Form 990-PF, Part II, line 10b	1,222,435.	3,172,825.

Form 990-PF Part VIII - List of Officers, Directors Statement 10
 Trustees and Foundation Managers

Name and Address	Title and Avg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
PNC BANK, N. A. 201 PENN STREET SCRANTON, PA 18501	AGENT FOR TRUSTEES N/A	26,252.	0.	0.
WILLIAM W. SCRANTON C/O PNC BANK, N. A. - 201 PENN STREET SCRANTON, PA 18501	TRUSTEE 5	0.	0.	0.
MARY L. SCRANTON C/O PNC BANK, N. A. - 201 PENN STREET SCRANTON, PA 18501	TRUSTEE 5	0.	0.	0.
JOSEPH C. SCRANTON C/O PNC BANK, N. A. - 201 PENN STREET SCRANTON, PA 18501	TRUSTEE 5	0.	0.	0.
SUSAN SCRANTON DAWSON C/O PNC BANK, N. A. - 201 PENN STREET SCRANTON, PA 18501	TRUSTEE 5	0.	0.	0.
PETER K. SCRANTON C/O PNC BANK, N. A. - 201 PENN STREET SCRANTON, PA 18501	TRUSTEE 5	0.	0.	0.
WILLIAM W. SCRANTON, III C/O PNC BANK, N. A. - 201 PENN STREET SCRANTON, PA 18501	TRUSTEE 5	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		26,252.	0.	0.

Form 990-PF Grants and Contributions Statement 11
Paid During the Year

Recipient Name and Address	Recipient Status	Purpose of Grant	Recipient Relationship	Amount
THE F. M. KIRBY CENTER FOR THE PERFORMING ARTS, WILKES-BARRE, PA 18701		GENERAL USE OF THE ORGANIZATION		44,200.
MARYWOOD UNIVERSITY, SCRANTON, PA 18509		GENERAL USE OF THE UNIVERSITY		6,209.
SCRANTON TOMORROW, SCRANTON, PA		GENERAL USE OF THE ORGANIZATION		5,000.
JEWISH COMMUNITY CENTER, SCRANTON, PA		GENERAL USE OF THE ORGANIZATION		10,000.
NORTHEAST REGION AMERICAN CANCER SOCIETY, HERSHEY, PA 17033		GENERAL USE OF THE ORGANIZATION		15,000.
PENN STATE WORTHINGTON SCRANTON, SCRANTON, PA		GENERAL USE OF THE UNIVERSITY		25,000.
EMPLOYMENT OPPORTUNITY TRAINING CENTER OF NORTHEASTERN PA, SCRANTON,		GENERAL USE OF THE ORGANIZATION		39,813.
THE NATURE CONSERVANCY IN PENNSYLVANIA, CONSHOHOCKEN, PA 19428		GENERAL USE OF THE ORGANIZATION		25,000.
NEWTON RECREATION CENTER, 1841 NEWTON RANSOM BLVD., CLARKS SUMMIT, PA 18411	MUNICIPAL GOVERNMENT	GENERAL USE OF THE ORGANIZATION		30,000.
Total to Form 990-PF, Part XV, line 3a				200,222.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization WILLARY FOUNDATION C/O PNC BANK, N. A.	Employer identification number 23-7014785
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. 1600 MARKET STREET - TAX DEPARTMENT	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. PHILADELPHIA, PA 19103-7240	

Check type of return to be filed (file a separate application for each return):

- | | | |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **PNC BANK, N. A. - TAX DEPARTMENT**
 Telephone No. ▶ **(215) 585-5597** 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 will cover.

- 1** I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **August 15, 2005** to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 - ▶ calendar year **2004** or
 - ▶ tax year beginning _____, and ending _____.
- 2** If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3a** If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ **1,930.**
- b** If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ **5,374.**
- c Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ **0.**

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see instructions.** Form **8868** (Rev. 12-2004)