

990

Return of Organization Exempt From Income Tax

OMB No. 1545-

0047 2020

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundation): Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

Form 990 Department of the Treasury Internal Revenue Service

A For the 2020 calendar year, or tax year beginning 01-01-2020, and ending 12-31-2020

- B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending

C Name of organization: THE HERITAGE FOUNDATION. Doing business as. Number and street (or P.O. box if mail is not delivered to street address): 214 MASSACHUSETTS AVE NE. Room/suite. City or town, state or province, country, and ZIP or foreign postal code: WASHINGTON, DC 20002

D Employer identification number: 23-7327730. E Telephone number: (202) 546-4400. G Gross receipts \$ 765,206,329

F Name and address of principal officer: KAY COLES JAMES, 214 MASSACHUSETTS AVE NE, WASHINGTON, DC 20002

H(a) Is this a group return for subordinates? H(b) Are all subordinates included? H(c) Group exemption number

I Tax-exempt status: 501(c)(3), 501(c) () (insert no.), 4947(a)(1) or 527

J Website: WWW.HERITAGE.ORG

K Form of organization: Corporation, Trust, Association, Other

L Year of formation: 1973. M State of legal domicile: DC

Part I Summary

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

Table with 2 columns: Description and Amount. Rows include: 2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets. 3 Number of voting members of the governing body (Part VI, line 1a) = 22. 4 Number of independent voting members of the governing body (Part VI, line 1b) = 19. 5 Total number of individuals employed in calendar year 2020 (Part V, line 2a) = 388. 6 Total number of volunteers (estimate if necessary) = 30. 7a Total unrelated business revenue from Part VIII, column (C), line 12 = 0. 7b Net unrelated business taxable income from Form 990-T, line 39 = 0.

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 8 Contributions and grants (Part VIII, line 1h) = 116,992,003 / 65,877,330. 9 Program service revenue (Part VIII, line 2g) = 561,668 / 152,804. 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) = 4,863,711 / 52,493,822. 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) = 443,820 / 610,523. 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) = 122,861,202 / 119,134,479.

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) = 210,737 / 717,386. 14 Benefits paid to or for members (Part IX, column (A), line 4) = 0 / 0. 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) = 38,362,575 / 39,785,050. 16a Professional fundraising fees (Part IX, column (A), line 11e) = 2,408,014 / 2,255,780. 16b Total fundraising expenses (Part IX, column (D), line 25) = 14,631,685. 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) = 36,991,424 / 35,995,323. 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) = 77,972,750 / 78,753,539. 19 Revenue less expenses. Subtract line 18 from line 12 = 44,888,452 / 40,380,940.

Table with 3 columns: Description, Beginning of Current Year, End of Year. Rows include: 20 Total assets (Part X, line 16) = 365,763,848 / 381,332,869. 21 Total liabilities (Part X, line 26) = 44,267,015 / 49,578,721. 22 Net assets or fund balances. Subtract line 21 from line 20 = 321,496,833 / 331,754,148.

Part II Signature Block

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

Sign Here: Signature of officer: KAY COLES JAMES PRESIDENT. Date: 2021-06-29. Type or print name and title.

Paid Preparer Use Only: Print/Type preparer's name, Preparer's signature, Date 2021-06-29, Check if self-employed, PTIN P00369217, Firm's name RSM US LLP, Firm's EIN 42-0714325, Firm's address 9801 WASHINGTONIAN BLVD STE 500, GAITHERSBURG, MD 20878, Phone no. (301) 296-3600.

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

Part III Statement of Program Service Accomplishments

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



1 Briefly describe the organization's mission:

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

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

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

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

If "Yes," describe these changes on Schedule O.

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

4a (Code:) (Expenses \$ 29,929,389 including grants of \$ 520,000) (Revenue \$ 152,804)

(SEE SCHEDULE O)EDUCATIONAL PROGRAMS:THE HERITAGE FOUNDATION ("THF OR "THE FOUNDATION") HOSTS EVENTS AND SPONSORS PROGRAMS TO EDUCATE GOVERNMENT OFFICIALS, THE ACADEMIC COMMUNITY, JOURNALISTS, AND THE GENERAL PUBLIC ON TOPICS RANGING FROM THE FOUNDING FATHERS AND CIVIL SOCIETY TO POLITICAL PHILOSOPHY AND LEGAL PRINCIPLES. IN 2020, THF'S LECTURES AND SEMINARS PROGRAM PRODUCED 157 LIVE AND VIRTUAL PUBLIC EVENTS, ATTRACTING 22,581 ATTENDEES. THF'S VIRTUAL RESOURCE BANK CONVENED CONSERVATIVE MOVEMENT LEADERS, POLICY EXPERTS, ACTIVISTS, AND DONORS FOR YEAR-ROUND POLICY DISCUSSIONS THROUGH WEBINARS AND VIRTUAL ROUNDTABLES, REACHING OVER 1,600 LIVE VIEWS AND ALMOST 50,000 TOTAL VIEWS INCLUDING VIEWS OF ARCHIVED RECORDINGS. THF'S INTERN PROGRAM HOSTED 75 INTERNS IN A FULLY REMOTE WORK-STUDY EXPERIENCE. 389 YOUNG PROFESSIONALS PARTICIPATED IN THF'S NEW ONLINE EDUCATIONAL SERIES, THE ACADEMY. THF'S GOVERNMENT RELATIONS HOSTED 97 POLICY BRIEFING EVENTS IN 2020 WITH PARTICIPATION FROM 228 UNIQUE CONGRESSIONAL OFFICES. PARTICIPANTS INCLUDED MEMBERS OF CONGRESS LEGISLATIVE STAFFERS, COMMUNICATIONS DIRECTORS, AND CHIEFS OF STAFF. ADDITIONAL INFORMATION IS AVAILABLE IN OUR 2020 ANNUAL REPORT, AVAILABLE ONLINE AT HTTPS://WWW.HERITAGE.ORG/ARTICLE/THE-HERITAGE-FOUNDATIONS-FINANCIAL-INFORMATION

4b (Code:) (Expenses \$ 25,974,820 including grants of \$ 125,000) (Revenue \$)

(SEE SCHEDULE O)PUBLIC POLICY RESEARCH:THE HERITAGE FOUNDATION PRODUCES HUNDREDS OF RESEARCH PAPERS ANNUALLY, INCLUDING ISSUE BRIEFS, BLOG POSTS, FACT SHEETS, BACKGROUNDERS, GUIDES, AND BOOKS ADDRESSING A BROAD RANGE OF ECONOMIC, DOMESTIC, DEFENSE, FOREIGN, AND SOCIAL POLICY ISSUES. THESE PUBLICATIONS ANALYZE BOTH CURRENT PUBLIC POLICIES AND ALTERNATIVE POLICY RECOMMENDATIONS FOR SUBSTANCE AND MERIT. THE RESULTS OF OUR RESEARCH ARE AVAILABLE IN PRINT FORMAT AND AT NO CHARGE THROUGH OUR WEBSITE, WHICH IS VISITED BY MILLIONS. ADDITIONAL INFORMATION IS AVAILABLE IN OUR 2020 ANNUAL REPORT, AVAILABLE ONLINE AT HTTPS://WWW.HERITAGE.ORG/ARTICLE/THE-HERITAGE-FOUNDATIONS-FINANCIAL-INFORMATION

4c (Code:) (Expenses \$ 6,943,269 including grants of \$ 72,386) (Revenue \$)

(SEE SCHEDULE O)MEDIA AND GOVERNMENT RELATIONS:THE HERITAGE FOUNDATION DISTRIBUTES ITS RESEARCH PRODUCTS TO MEMBERS OF CONGRESS, CONGRESSIONAL STAFF, POLICYMAKERS IN THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT, STATE OFFICIALS, JOURNALISTS, MEMBERS OF THE ACADEMIC COMMUNITY, OTHER NON-PROFIT ORGANIZATIONS, THE GENERAL PUBLIC, AND DONORS. THE HERITAGE FOUNDATION CONDUCTS HUNDREDS OF BRIEFINGS FOR DOMESTIC AND INTERNATIONAL OFFICIALS, POLICYMAKERS, EXPERTS, AND LAWMAKERS AND THEIR STAFF ON ISSUES RANGING FROM FEDERAL SPENDING AND UNFUNDED LIABILITIES TO HOMELAND SECURITY, TAX, AND HEALTH POLICY. IN 2020, THF PUBLISHED 112 ISSUE BRIEFS, 112 BACKGROUNDERS, 21 LEGAL MEMORANDA, AND 21 SPECIAL REPORTS. THF DELIVERED 18 CONGRESSIONAL TESTIMONIES. THF'S ANALYSTS MADE OVER 3,400 RADIO AND TELEVISION APPEARANCES IN 2020 AND EARNED OVER 1,700 OP-ED PLACEMENTS IN MAJOR PRINT AND ONLINE MEDIA OUTLETS. THF SENT OUT A DAILY NEWSLETTER, "THE MORNING BELL," TO OVER 401,000 SUBSCRIBERS, A NEWSLETTER, "THE AGENDA" TO OVER 223,000 SUBSCRIBERS, AND PUBLISHED HUNDREDS OF ARTICLES THROUGH THE FOUNDATION'S DIGITAL NEWS PUBLICATIONS. THF HELD 21 REGIONAL DONOR EVENTS. THF'S SOCIAL MEDIA PLATFORMS HAD 3.6 MILLION FANS AND FOLLOWERS AND ITS WEBSITES HERITAGE.ORG AND DAILYSIGNAL.COM HAD 68.8 MILLION TOTAL VISITOR SESSIONS. HERITAGE AND DAILY SIGNAL VIDEOS RECEIVED 46.9 MILLION VIEWS.ADDITIONAL INFORMATION IS AVAILABLE IN OUR 2020 ANNUAL REPORT, AVAILABLE ONLINE AT HTTPS://WWW.HERITAGE.ORG/ARTICLE/THE-HERITAGE-FOUNDATIONS-FINANCIAL-INFORMATION

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 62,847,478

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 21 regarding organizational requirements and schedules A through H.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, and Yes/No columns. Rows include questions 22 through 38 regarding tax-exempt bond issues, excess benefit transactions, and other IRS filings.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V [checked]

Table with 3 columns: Question ID, Question Text, and Yes/No columns. Rows include questions 1a, 1b, and 1c regarding Form 1096, Forms W-2G, and gaming winnings.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Form 990 (2020) Part V Statements Regarding Other IRS Filings and Tax Compliance (continued). Includes sections 2a-16, 7, 8, 9, 10, 11, 12a, 13, 14a, 15, 16 with various questions and input fields.

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 2 Did any officer, director, trustee... 3 Did the organization delegate control... 4 Did the organization make any significant changes... 5 Did the organization become aware... 6 Did the organization have members... 7a Did the organization have members... 7b Are any governance decisions... 8 Did the organization contemporaneously document... 8a The governing body... 8b Each committee... 9 Is there any officer, director, trustee...

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters... 10b If "Yes," did the organization have written policies... 11a Has the organization provided a complete copy... 11b Describe in Schedule O the process... 12a Did the organization have a written conflict of interest policy... 12b Were officers, directors, or trustees... 12c Did the organization regularly and consistently monitor... 13 Did the organization have a written whistleblower policy... 14 Did the organization have a written document retention... 15 Did the process for determining compensation... 15a The organization's CEO... 15b Other officers or key employees... 16a Did the organization invest in, contribute assets to... 16b If "Yes," did the organization follow a written policy...

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include: 17 List the states with which a copy of this Form 990 is required to be filed. 18 Section 6104 requires an organization to make its Form 1023... 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents... 20 State the name, address, and telephone number of the person who possesses the organization's books and records.

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

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

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

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

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

See instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) KAY COLES JAMES PRESIDENT	40.00	X		X				908,352	0	87,356
(2) KIM HOLMES EXECUTIVE VICE PRESIDENT	40.00			X				447,564	0	70,342
(3) JAMES CARAFANO VP, DAVIS INST. FOR NAT'L SECURITY	40.00			X				301,129	0	40,019
(4) ROBERT BLUEY VP, COMMUNICATIONS	40.00			X				271,511	0	65,476
(5) JACK SPENCER VP, INST. FOR ECONOMIC FREEDOM	40.00			X				270,098	0	66,060
(6) JOHN MALCOLM VP, INST. FOR CONSTITUTIONAL GOV'T	40.00			X				265,955	0	65,608
(7) WESLEY DYCK VP, PERSONNEL	40.00			X				267,344	0	63,191
(8) CARSTEN WALTER SR DIR, DEVELOPMENT OPERATIONS	40.00					X		265,203	0	61,679
(9) BRIDGETT WAGNER VP, POLICY PROMOTION	40.00			X				258,999	0	58,962
(10) BECKY NORTON DUNLOP RONALD REAGAN DISTINGUISHED FELLOW	40.00					X		269,605	0	46,718
(11) GENEVIEVE WOOD DIRECTOR, DONOR COMMUNICATIONS	40.00					X		269,583	0	45,879
(12) MIGUEL M GONZALEZ SENIOR FELLOW	40.00					X		253,076	0	62,247
(13) JOHN BACKIEL VP, FINANCE AND ACCOUNTING	40.00			X				251,517	0	62,801
(14) ERIC KORSVALL VP, OPERATIONS	40.00			X				247,757	0	63,453
(15) PAUL WINFREE DIRECTOR, THOMAS A. ROE INSTITUTE	40.00					X		254,365	0	51,556
(16) ANDREW MCINDOE VP, DEVELOPMENT	40.00			X				244,073	0	56,760
(17) ANGELA SAILOR VP, THE FEULNER INSTITUTE	40.00			X				241,272	0	56,477

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) THOMAS BINION VP, GOVERNMENT RELATIONS	40.00			X			231,639	0	57,934	
(19) CHARMAINE YOEST VP, INST. FOR FAMILY, COMM., & OPP	40.00			X			249,410	0	29,396	
(20) CHRISTOPHER BYRNES GENERAL COUNSEL & SECRETARY	40.00			X			221,381	0	54,125	
(21) EDWIN J FEULNER PHD TRUSTEE	8.00	X					192,464	0	0	
(22) EDWIN MEESE III TRUSTEE	4.00	X					32,100	0	0	
(23) BARB VAN ANDEL-GABY CHAIRMAN	2.00	X					0	0	0	
(24) MICHAEL W GLEBA VICE CHAIRMAN	2.00	X					0	0	0	
(25) LARRY P ARNN PHD TRUSTEE	2.00	X					0	0	0	
(26) MALCOLM STEVENSON FORBES JR TRUSTEE	2.00	X					0	0	0	
(27) ROBERT P GEORGE TRUSTEE	2.00	X					0	0	0	
(28) RYAN HAGGERTY TRUSTEE	2.00	X					0	0	0	
(29) PRICE HARDING TRUSTEE	2.00	X					0	0	0	
(30) VIRGINIA HECKMAN TRUSTEE	2.00	X					0	0	0	
(31) WILLIAM J HUME TRUSTEE	2.00 2.00	X					0	0	0	
(32) MARK A KOLOKOTRONES TRUSTEE	2.00	X					0	0	0	
(33) REBEKAH A MERCER TRUSTEE	2.00 2.00	X					0	0	0	
(34) HON J WILLIAM MIDDENDORF II TRUSTEE	2.00	X					0	0	0	
(35) ABBY SPENCER MOFFAT TRUSTEE	2.00	X					0	0	0	
(36) NERSI NAZARI PHD TRUSTEE	2.00 2.00	X					0	0	0	
(37) ROBERT PENNINGTON TRUSTEE	2.00	X					0	0	0	
(38) ANTHONY J SALIBA TRUSTEE	2.00	X					0	0	0	
(39) THOMAS A SAUNDERS III TRUSTEE	2.00	X					0	0	0	
(40) BRIAN TRACY TRUSTEE	2.00	X					0	0	0	
(41) WILLIAM L WALTON TRUSTEE	2.00	X					0	0	0	
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							6,214,397	0	1,166,039	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 107**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
BOGNET CONSTRUCTION ASSOCIATES INC 8224 OLD COURTHOUSE ROAD VIENNA, VA 22182	CONSTRUCTION	7,449,494
MERKLE RESPONSE SERVICES INC 100 JAMISON COURT HAGERSTOWN, MD 21740	MAILING CONTACT MGMT	1,474,281
CONRAD DIRECT INC 300 KNICKERBOCKER RD CRESSKILL, NJ 07626	MAILING CONTACT MGMT	1,354,607
NEXT AFTER LLC 5810 TENNYSON PARKWAY SUITE 102 PLANO, TX 75024	MAILING CONTACT MGMT	972,000
ODELL SIMMS & LYNCH INC 1593 SPRING HILL ROAD SUITE 450 VIENNA, VA 22182	CONSULTANTS ON DIRECT MAIL PROGRAM	731,432

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **▶ 42**

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . .	1a				
	b Membership dues . . .	1b				
	c Fundraising events . . .	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	65,877,330			
g Noncash contributions included in lines 1a - 1f:\$	1g	1,477,083				
h Total. Add lines 1a-1f			65,877,330			

Program Service Revenue			Business Code			
	2a INTERN HOUSING REVENUE		531110	133,759	133,759	
b MEDIA & PUBLICATION		511190	19,045	19,045		
c						
d						
e						
f All other program service revenue.						
g Total. Add lines 2a-2f.			152,804			

Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			1,612,136			1,612,136	
	4 Income from investment of tax-exempt bond proceeds							
	5 Royalties			16,201			16,201	
	6a Gross rents	(i) Real	269,689					
		(ii) Personal						
		6b Less: rental expenses	1,330,809					
		6c Rental income or (loss)	-1,061,120					
	d Net rental income or (loss)			-1,061,120			-1,061,120	
	7a Gross amount from sales of assets other than inventory	(i) Securities	695,622,727					
		(ii) Other						
		7b Less: cost or other basis and sales expenses	644,406,890	334,151				
		7c Gain or (loss)	51,215,837	-334,151				
	d Net gain or (loss)			50,881,686			50,881,686	
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
		8b Less: direct expenses						
c Net income or (loss) from fundraising events								
9a Gross income from gaming activities. See Part IV, line 19	9a							
	9b Less: direct expenses							
	c Net income or (loss) from gaming activities							
10a Gross sales of inventory, less								

returns and allowances . . .	10a				
b Less: cost of goods sold	10b				
c Net income or (loss) from sales of inventory . . .					
Miscellaneous Revenue	Business Code				
11a OTHER INCOME	900099	1,655,442			1,655,442
b					
c					
d All other revenue					
e Total. Add lines 11a-11d		1,655,442			
12 Total revenue. See instructions		119,134,479	152,804	0	53,104,345

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).
 Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	692,386	692,386		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	25,000	25,000		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	5,800,524	4,882,998	93,376	824,150
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	26,863,680	22,669,743	428,518	3,765,419
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,496,596	1,194,618	25,071	276,907
9 Other employee benefits	3,414,196	2,992,181	58,406	363,609
10 Payroll taxes	2,210,054	1,764,116	37,022	408,916
11 Fees for services (non-employees):				
a Management				
b Legal	143,394	119,649	16,782	6,963
c Accounting	94,905	77,761	1,481	15,663
d Lobbying				
e Professional fundraising services. See Part IV, line 17	2,255,780			2,255,780
f Investment management fees	1,156,900	923,636	19,366	213,898
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	8,061,192	7,695,273	101,535	264,384
12 Advertising and promotion	1,751,961	1,226,273	60	525,628
13 Office expenses	12,877,501	9,912,656	17,298	2,947,547
14 Information technology	3,622,683	2,338,130	30,205	1,254,348
15 Royalties				
16 Occupancy	2,300,640	1,862,887	325,686	112,067
17 Travel	276,155	170,877	3,621	101,657
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,486,118	882,476	17,361	586,281
20 Interest	330,613	263,903	5,538	61,172
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,915,294	2,327,055	48,836	539,403
23 Insurance	115,454	85,768	25,839	3,847
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a DUES & SUBSCRIPTIONS	538,078	467,845	15,876	54,357
b BOOKS & PRODUCTS	243,531	194,038	1,064	48,429
c HONORARIA/WRITER'S FEES	67,595	67,595		
d OTHER EXPENSES	13,309	10,614	1,435	1,260
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	78,753,539	62,847,478	1,274,376	14,631,685
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720).	12,952,927	11,143,895	0	1,809,032

Part X Balance Sheet

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

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash-non-interest-bearing	1,885	1	2,423
	2 Savings and temporary cash investments	59,407,704	2	16,653,287
	3 Pledges and grants receivable, net	9,415,860	3	8,586,648
	4 Accounts receivable, net	156,628	4	233,787
	5 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	422,416	9	766,537
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 139,873,593		
	b Less: accumulated depreciation	10b 47,048,205	86,153,974	10c 92,825,388
	11 Investments—publicly traded securities	2,759,256	11	176,968,519
	12 Investments—other securities. See Part IV, line 11	207,179,107	12	84,287,111
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	267,018	15	1,009,169
16 Total assets: Add lines 1 through 15 (must equal line 33)	365,763,848	16	381,332,869	
Liabilities	17 Accounts payable and accrued expenses	9,257,260	17	9,526,479
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties	21,350,203	24	26,957,136
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D	13,659,552	25	13,095,106
	26 Total liabilities. Add lines 17 through 25	44,267,015	26	49,578,721
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	232,176,281	27	242,678,801
	28 Net assets with donor restrictions	89,320,552	28	89,075,347
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	321,496,833	32	331,754,148
33 Total liabilities and net assets/fund balances	365,763,848	33	381,332,869	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	119,134,479
2	Total expenses (must equal Part IX, column (A), line 25)	2	78,753,539
3	Revenue less expenses. Subtract line 2 from line 1	3	40,380,940
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	321,496,833
5	Net unrealized gains (losses) on investments	5	-29,294,433
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-829,192
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (A))	10	331,754,148

Part XII Financial Statements and Reporting

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

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

Additional Data

Return to Form

Software ID:

Software Version:

Form 990, Special Condition Description:

Special Condition Description

SCHEDULE A
(Form 990 or
990EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section
4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2020

**Open to Public
Inspection**

Department of the Treasury

Internal Revenue Service
Name of the organization
THE HERITAGE FOUNDATION

Employer identification number

23-7327730

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

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture. See instructions. Enter the name, city, and state of the college or university:
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations _____
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

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

Section A. Public Support

Table with 7 columns: (a) 2016, (b) 2017, (c) 2018, (d) 2019, (e) 2020, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total; 5 The portion of total contributions by each person; 6 Public support.

Section B. Total Support

Table with 7 columns: (a) 2016, (b) 2017, (c) 2018, (d) 2019, (e) 2020, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support; 12 Gross receipts from related activities; 13 First 5 years.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2020 (86.000%); 15 Public support percentage for 2019 Schedule A, Part II, line 14 (87.050%); 16a 33 1/3% support test—2020; b 33 1/3% support test—2019; 17a 10%-facts-and-circumstances test—2020; b 10%-facts-and-circumstances test—2019; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b. .						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
9 Amounts from line 6. . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . .						
13 Total support. (Add lines 9, 10c, 11, and 12.) . .						
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2020 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2019 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2020 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2019 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2020. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3% support tests—2019. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, of Part I, complete Sections A and B. If you checked box 12b, of Part I, complete Sections A and C. If you checked box 12c, of Part I, complete Sections A, D, and E. If you checked box 12d, of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b	Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c	Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ) .</i>		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b	Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).</i>		

Part IV Supporting Organizations (continued)

- 11** Has the organization accepted a gift or contribution from any of the following persons?
 - a** A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization?
 - b** A family member of a person described in 11a above?
 - c** A 35% controlled entity of a person described in line 11a or 11b above? *If "Yes" to 11a, 11b, or 11c, provide detail in Part VI.*

	Yes	No
11a		
11b		
11c		

Section B. Type I Supporting Organizations

- 1** Did the officers, directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.*
- 2** Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.*

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

- 1** Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*

	Yes	No
1		

Section D. All Type III Supporting Organizations

- 1** Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?
- 2** Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).*
- 3** By reason of the relationship described in line 2 above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.*

	Yes	No
1		
2		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (**see instructions**):

- a** The organization satisfied the Activities Test. Complete **line 2** below.
- b** The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c** The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions)

2 Activities Test. **Answer lines 2a and 2b below.**

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*
- b** Did the activities described in line 2a constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*

	Yes	No
2a		
2b		
3a		
3b		

3 Parent of Supported Organizations. **Answer lines 3a and 3b below.**

- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *If "Yes" or "No" provide details in Part VI.*
- b** Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in Part VI. the role played by the organization in this regard.*

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in **Part VI**). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income

(A) Prior Year

(B) Current Year
(optional)

1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		

Section B - Minimum Asset Amount

(A) Prior Year

(B) Current Year
(optional)

1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):	1		
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by 0.035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		

Section C - Distributable Amount

Current Year

1 Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2 Enter 85% of line 1	2	
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4 Enter greater of line 2 or line 3	4	
5 Income tax imposed in prior year	5	
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	

- 7** Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

(continued)

Section D - Distributions		Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	1	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	3	
4 Amounts paid to acquire exempt-use assets	4	
5 Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5	
6 Other distributions (describe in Part VI). See instructions	6	
7 Total annual distributions. Add lines 1 through 6.	7	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions	8	
9 Distributable amount for 2020 from Section C, line 6	9	
10 Line 8 amount divided by Line 9 amount	10	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2020	(iii) Distributable Amount for 2020
1 Distributable amount for 2020 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2020 (reasonable cause required-- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2020:			
a From 2015.			
b From 2016.			
c From 2017.			
d From 2018.			
e From 2019.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2020 distributable amount			
i Carryover from 2015 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2020 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2020 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. If the amount is greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. If the amount is greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2021. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2016.			
b Excess from 2017.			
c Excess from 2018.			
d Excess from 2019.			
e Excess from 2020.			

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference	Explanation

Additional Data

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Name of the organization THE HERITAGE FOUNDATION	Employer identification number 23-7327730
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Organization type (check one):

- | | |
|--------------------|---|
| Filers of: | Section: |
| Form 990 or 990-EZ | <input type="checkbox"/> 501(c)() (enter number) organization |
| | <input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation |
| | <input type="checkbox"/> 527 political organization |
| Form 990-PF | <input type="checkbox"/> 501(c)(3) exempt private foundation |
| | <input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation |
| | <input type="checkbox"/> 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 an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or other property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33¹/₃% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled 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. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I
Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
RESTRICTED		\$ RESTRICTED	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
-		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
-		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
-		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
-		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
-		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)

Name of organization
 THE HERITAGE FOUNDATION

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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____
-	_____ _____ _____	_____ \$	_____

Name of organization THE HERITAGE FOUNDATION	Employer identification number 23-7327730
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	

Additional Data

Return to Form

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Open to Public Inspection

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

Complete if the organization is described below. Attach to Form 990 or Form 990-EZ. Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury Internal Revenue Service

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of the organization THE HERITAGE FOUNDATION

Employer identification number

23-7327730

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

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")
2 Political campaign activity expenditures (see instructions)
3 Volunteer hours for political campaign activities (see instructions)

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

- 1 Enter the amount of any excise tax incurred by the organization under section 4955
2 Enter the amount of any excise tax incurred by organization managers under section 4955
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year?
4a Was a correction made?
b If "Yes," describe in Part IV.

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities
3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b.
4 Did the filing organization file Form 1120-POL for this year?
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments.

Table with 5 columns: (a) Name, (b) Address, (c) EIN, (d) Amount paid from filing organization's funds, (e) Amount of political contributions received and promptly and directly delivered to a separate political organization. Rows 1-6.

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

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)	0													
d Other exempt purpose expenditures	65,452,663													
e Total exempt purpose expenditures (add lines 1c and 1d)	65,452,663													
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%; text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000													
h Subtract line 1g from line 1a. If zero or less, enter -0-	0													
i Subtract line 1f from line 1c. If zero or less, enter -0-	0													
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) Total
2a Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures					
d Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation

Additional Data

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Software Version:

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2020

Open to Public Inspection

Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury Internal Revenue Service

Name of the organization THE HERITAGE FOUNDATION

Employer identification number

23-7327730

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor informed status.

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes questions about purpose of easements, number of easements, acreage, monitoring, and expenses. Includes a table for 'Held at the End of the Year' with rows 2a, 2b, 2c, 2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting requirements and amounts for art and historical treasures.

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

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . **Yes** **No**

Part IV Escrow and Custodial Arrangements.

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? **Yes** **No**
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? **Yes** **No**
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	206,439,566	160,512,607	173,622,149	151,164,944	142,750,132
b Contributions	1,345,701	29,295,514	6,850,506	2,387,800	2,883,251
c Net investment earnings, gains, and losses	19,609,287	28,302,761	-11,617,790	28,290,192	13,082,409
d Grants or scholarships					
e Other expenditures for facilities and programs	10,119,068	10,503,428	7,595,806	7,295,013	6,626,765
f Administrative expenses	801,058	1,167,888	746,452	925,774	924,083
g End of year balance	216,474,428	206,439,566	160,512,607	173,622,149	151,164,944

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment ▶ 66.190 %
 - b** Permanent endowment ▶ 19.076 %
 - c** Term endowment ▶ 14.735 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|-----|----|
| (i) Unrelated organizations | No | No |
| (ii) Related organizations | No | No |
- b** If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?
- 4** Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		12,828,701		12,828,701
b Buildings		115,775,051	36,740,402	79,034,649
c Leasehold improvements				
d Equipment		8,426,882	7,668,087	758,795
e Other		2,842,959	2,639,716	203,243
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				92,825,388

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) INVESTMENTS IN ALTERNATIVES & LP'S	69,553,327	F
(B) TRUSTS & ANNUITIES	14,733,784	F
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)	84,287,111	

Part VIII Investments—Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col.(B) line 13.)		

Part IX Other Assets.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)	

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 25.)	13,095,106

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	89,184,763
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	-29,294,433
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	-829,192
e	Add lines 2a through 2d	2e	-30,123,625
3	Subtract line 2e from line 1	3	119,308,388
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	1,156,900
b	Other (Describe in Part XIII.)	4b	-1,330,809
c	Add lines 4a and 4b	4c	-173,909
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	119,134,479

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	78,927,448
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	1,330,809
e	Add lines 2a through 2d	2e	1,330,809
3	Subtract line 2e from line 1	3	77,596,639
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	1,156,900
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	1,156,900
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	78,753,539

Part XIII Supplemental Information

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

Return Reference	Explanation
PART V, LINE 4:	THE LONG-TERM INVESTMENT FUND, CONSISTING OF MULTIPLE FUNDED PROGRAMS, GENERAL BOARD DESIGNATED FUNDS, AND OPERATING RESERVES, HAS BEEN ESTABLISHED IN ORDER TO SUPPORT THE GROWTH AND OPERATIONS OF THE HERITAGE FOUNDATION ("THE FOUNDATION"). THE INVESTMENTS IN THE FUND WILL BE MADE FOR THE EXCLUSIVE BENEFIT OF THE FOUNDATION. INDIVIDUAL DONOR-RESTRICTED FUNDS WILL BE GOVERNED BY THE TERMS OF THEIR GOVERNING PLAN DOCUMENTS. SEPARATE ACCOUNTING IS MAINTAINED FOR EACH FUND. FUNDS ARE USED ANNUALLY TO SUPPORT PROGRAMS IN ACCORDANCE WITH THE FOUNDATION'S SPENDING POLICY OR AS STIPULATED BY THE DONOR(S). THE LONG-TERM FUND INCLUDES A PERMANENT FUND, ESTABLISHED BY THE BOARD OF TRUSTEES, WITH THE MAIN OBJECTIVE OF LONG-TERM GROWTH OF CAPITAL IN ACCORDANCE WITH DONOR WISHES. THE PERMANENT FUND IS INCLUDED IN THE CALCULATION OF ANNUAL DRAWS USED TO SUPPORT THE OPERATIONS OF THE FOUNDATION.
PART X, LINE 2:	THE FOLLOWING IS THE FIN 48 (ASC 740) FOOTNOTE CONTAINED IN THE HERITAGE FOUNDATION'S ("THE FOUNDATION") CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020: THE HERITAGE FOUNDATION IS A NONPROFIT ORGANIZATION EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(A), AS AN ENTITY DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. THE HERITAGE FOUNDATION HAS BEEN CLASSIFIED BY THE INTERNAL REVENUE SERVICE AS A PUBLIC CHARITY AND IS NOT A PRIVATE FOUNDATION. CONTRIBUTIONS TO THE HERITAGE FOUNDATION ARE DEDUCTIBLE FOR FEDERAL INCOME, ESTATE AND GIFT TAX PURPOSES. INCOME WHICH IS NOT RELATED TO EXEMPT PURPOSES IS SUBJECT TO TAX. THERE WAS NO SIGNIFICANT NET UNRELATED INCOME TAX DURING THE YEARS ENDED DECEMBER 31, 2020 AND 2019. 3RD STREET PROPERTIES, LLC, MASSACHUSETTS AVENUE PROPERTIES, LLC AND INTERN HOUSING, LLC ARE LIMITED LIABILITY COMPANIES WHOSE SOLE MEMBER IS THE HERITAGE FOUNDATION. CONSEQUENTLY, 3RD STREET PROPERTIES, LLC, MASSACHUSETTS AVENUE PROPERTIES, LLC AND INTERN HOUSING, LLC ARE DISREGARDED ENTITIES FOR FEDERAL AND STATE INCOME TAX PURPOSES. MANAGEMENT EVALUATED THE FOUNDATION'S TAX POSITIONS AND CONCLUDED THAT THE FOUNDATION HAD TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO THE CONSOLIDATED FINANCIAL STATEMENTS.
PART XI, LINE 2D - OTHER ADJUSTMENTS:	UNREALIZED GAIN (LOSS) ON INTEREST RATE SWAPS -300,403. CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -528,789.
PART XI, LINE 4B - OTHER ADJUSTMENTS:	EXPENSES FROM RENTAL ACTIVITIES -1,330,809.
PART XII, LINE 2D - OTHER ADJUSTMENTS:	EXPENSES FROM RENTAL ACTIVITIES 1,330,809.

Additional Data

[**Return to Form**](#)

Software ID:

Software Version:

2020

Open to Public Inspection

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number

23-7327730

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
(1) EAST ASIA AND THE PACIFIC	0	0	PROGRAM SERVICE	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	3,270
(2) EUROPE (INCLUDING ICELAND & GREENLAND)	0	0	PROGRAM SERVICE	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	89,730
(3) NORTH AMERICA	0	0	PROGRAM SERVICE	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	8,678
(4) RUSSIA AND NEIGHBORING STATES	0	0	PROGRAM SERVICE	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	242
(5) SOUTH ASIA	0	0	PROGRAM SERVICE	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	5,755
(6) SUB-SAHARAN AFRICA	0	0	PROGRAM SERVICE	RESEARCH, MEDIA & GOVERNMENT RELATIONS, AND EDUCATION	5,918
(7) CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		15,795,895
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total	0	0			15,909,488
b Total from continuation sheets to Part I	0	0			0
c Totals (add lines 3a and 3b)	0	0			15,909,488

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

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of noncash assistance	(h) Description of noncash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

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

3 Enter total number of other organizations or entities

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of noncash assistance	(g) Description of noncash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; don't file with Form 990)* Yes No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)* Yes No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* Yes No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* Yes No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; don't file with Form 990).* Yes No

Additional Data

Software ID:

Software Version:

Supplemental Information Regarding
Fundraising or Gaming Activities

2020

Open to Public Inspection

Complete if the organization answered "Yes" on Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

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

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | |
|---|--|
| a <input checked="" type="checkbox"/> Mail solicitations | e <input checked="" type="checkbox"/> Solicitation of non-government grants |
| b <input checked="" type="checkbox"/> Internet and email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input checked="" type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input type="checkbox"/> In-person solicitations | |
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**
- b** If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1 ODELL SIMMS & LYNCH INC 1593 SPRING HILL ROAD SUITE 450 TYSONS CORNER, V A 22182	CONSULTANTS ON DIRECT MAIL PROGRAM		No	11,300,811	745,360	10,555,451
2 TELEFUND INC 186 LINCOLN ST SUITE 100 BOSTON, MD 021112497	TELEMARKETING		No	3,625,496	373,068	3,252,428
3 WARFIELD & WALSH INC 601 S WASHINGTON STREET ALEXANDRIA, V A 223143004	CONSULTANTS ON DIRECT MAIL PROGRAM		No	2,301,503	425,324	1,876,179
4 THREE CREATIVE INC 10211 WINCOPIN CIRCLE 100 COLUMBIA, MD 21044	MARKETING & FUNDRAISING		No	1,911,575	142,539	1,769,036
5 GIVE RIGHT INC 375 N STEPHANIE 14 HENDERSON, NV 89014	TELEMARKETING PROGRAMS & THANK YOU FOLLOW UPS		No	1,468,439	373,451	1,094,988
6 MDS COMMUNICATIONS CORPORATION 545 W JUANITA AVENUE MESA, AZ 85210	TELEMARKETING PROGRAMS & THANK YOU FOLLOW UPS		No	221,640	179,808	41,832
7 HSP DIRECT 20130 LAKEVIEW CENTER PLAZA SUITE ASHBURN, V A 20147	CONSULTANTS ON DIRECT MAIL PROGRAM		No	166,750	16,230	150,520
8						
9						
10						
Total				20,996,214	2,255,780	18,740,434

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

A K, A L, A R, C O, C T, D C, F L, H I, I L, K S, K Y, L A, M A, M D, M E, M I, M S, M O, N C, N D, N H, N J, N M, N Y, O H, O K, O R, P A, R I, S C, T N, U T, V A, W A, W I, W V, M N, G A, C A, N V

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

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

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col.(a) through col.(c))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____% .. <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% .. <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% .. <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d) ▶					
8 Net gaming income summary. Subtract line 7 from line 1, column (d) ▶					

9 Enter the state(s) in which the organization conducts gaming activities: _____

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

b If "No," explain: _____

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

b If "Yes," explain: _____

11 Does the organization conduct gaming activities with nonmembers? Yes No

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

13 Indicate the percentage of gaming activity conducted in:

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

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

Name ▶ -----

Address ▶ -----

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

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

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

Name ▶ -----

Address ▶ -----

16 Gaming manager information:

Name ▶ -----

Gaming manager compensation ▶ \$ -----

Description of services provided ▶ -----

Director/officer

Employee

Independent contractor

17 Mandatory distributions:

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

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

Part IV Supplemental Information. Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See Instructions.

Return Reference	Explanation
SCHEDULE G, PART I, LINE 2B, COLUMN (V)	PROFESSIONAL FUNDRAISING PAYMENTS ARE DISTINGUISHED FROM EXPENSE PAYMENTS OR REIMBURSEMENTS PER THE INVOICES PROVIDED BY THE FUNDRAISER. NAME OF FUNDRAISER: GIVE RIGHT, INC. POSTAGE: \$4,522 NAME OF FUNDRAISER: ODELL, SIMMS & LYNCH, INC. POSTAGE: \$83 SHIPPING: \$21 NAME OF FUNDRAISER: WARFIELD & WALSH, INC. PRINTING: \$900 NAME OF FUNDRAISER: MDS COMMUNICATIONS CORPORATION PRINTING: \$5,333

**Schedule I
(Form 990)**

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

OMB No. 1545-0047

2020

**Open to Public
Inspection**

Department of the
Treasury
Internal Revenue Service

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for the latest information.

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) CAPITOL HILL BUSINESS IMPROVEMENT DISTRICT 30 MASSACHUSETTS AVE NE WASHINGTON, DC 20002	52-2232461	501(C)(6)	39,386				CLEANING, SAFETY, AND BEAUTIFICATION PROGRAMS IN THE CAPITOL HILL COMMUNITY
(2) CONCERNED WOMEN FOR AMERICA 1000 N PAYNE ST ALEXANDRIA, VA 22314	95-3580834	501(C)(3)	20,000				GENERAL OPERATIONS
(3) HERITAGE ACTION FOR AMERICA 214 MASSACHUSETTS AVENUE NE STE 400 400 WASHINGTON, DC 20002	27-2244700	501(C)(4)	500,000				EDUCATION
(4) ALLIANCE DEFENDING FREEDOM 15100 N 90 ST SCOTTSDALE, AZ 85260	54-1660459	501(C)(3)	100,000				GENERAL OPERATIONS
(5) READY WILLING & WORKING 1451 PENNSYLVANIA AVE SE WASHINGTON, DC 20003	26-2383012	501(C)(3)	20,000				GENERAL OPERATIONS
(6) CENTRAL UNION MISSION 65 MASSACHUSETTS AVE NW WASHINGTON, DC 20001	53-0218650	501(C)(3)	10,000				GENERAL OPERATIONS

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 4
- 3** Enter total number of other organizations listed in the line 1 table 2

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1) SALVATORI PRIZE FOR CITIZENSHIP	1	25,000			
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

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

Return Reference	Explanation
PART I, LINE 2:	THE HERITAGE FOUNDATION ("THF") MAKES PERIODIC CONTRIBUTIONS, BUT IS NOT A GRANT-MAKING ORGANIZATION. THF'S CONTRIBUTIONS TO OTHER QUALIFYING ORGANIZATIONS IN 2020 COMPRISED APPROXIMATELY NINE TENTHS OF A PERCENT OF TOTAL ANNUAL EXPENSES. IF AN ORGANIZATION MAKES A GRANT REQUEST, THE REQUESTING ORGANIZATION IS RESEARCHED AND REVIEWED BY STAFF TO DETERMINE IF A GRANT ALIGNS WITH THF'S OBJECTIVES AND OVERALL MISSION. IF A GRANT IS AWARDED, IT MUST BE USED TO SUPPORT THOSE PURPOSES. THE GRANT AMOUNT IS THEN DETERMINED BY THE RELEVANT MANAGER AND AWARDED TO THE REQUESTING ORGANIZATION. PERIODIC REPORTS OF THE USE OF THE GRANT FUNDS BY THE GRANTEE ORGANIZATION ARE REQUIRED AS A CONDITION OF THE AWARD.

Additional Data

[Return to Form](#)

Software ID:
Software Version:

Schedule J
(Form 990)

Compensation Information

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- ▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
- ▶ **Attach to Form 990.**
- ▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number

23-7327730

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|---|--|
| <input checked="" type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax idemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
 - b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
 - c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
 - b** Any related organization?
- If "Yes," on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
 - b** Any related organization?
- If "Yes," on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b	Yes	
2		
3		
4a		No
4b		No
4c		No
5a		No
5b		No
6a		No
6b		No
7	Yes	
8		No
9		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 KAY COLES JAMES PRESIDENT	(i)	531,837	365,700	10,815	57,000	30,356	995,708	0
	(ii)	0	0	0	0	-	-	0
2 KIM HOLMES EXECUTIVE VICE PRESIDENT	(i)	336,596	100,300	10,668	57,000	13,342	517,906	0
	(ii)	0	0	0	0	-	-	0
3 JAMES CARAFANO VP, DAVIS INST. FOR NAT'L SECURITY	(i)	242,643	50,300	8,186	37,650	2,369	341,148	0
	(ii)	0	0	0	0	-	-	0
4 ROBERT BLUEY VP, COMMUNICATIONS	(i)	216,112	54,800	599	34,675	30,801	336,987	0
	(ii)	0	0	0	0	-	-	0
5 JACK SPENCER VP, INST. FOR ECONOMIC FREEDOM	(i)	216,911	52,300	887	35,058	31,002	336,158	0
	(ii)	0	0	0	0	-	-	0
6 JOHN MALCOLM VP, INST. FOR CONSTITUTIONAL GOV'T	(i)	213,891	48,300	3,764	33,777	31,831	331,563	0
	(ii)	0	0	0	0	-	-	0
7 WESLEY DYCK VP, PERSONNEL	(i)	215,401	49,300	2,643	34,167	29,024	330,535	0
	(ii)	0	0	0	0	-	-	0
8 CARSTEN WALTER SR DIR, DEVELOPMENT OPERATIONS	(i)	212,379	50,300	2,524	32,511	29,168	326,882	0
	(ii)	0	0	0	0	-	-	0
9 BRIDGETT WAGNER VP, POLICY PROMOTION	(i)	211,913	43,300	3,786	32,626	26,336	317,961	0
	(ii)	0	0	0	0	-	-	0
10 BECKY NORTON DUNLOP RONALD REAGAN DISTINGUISHED FELLOW	(i)	226,846	35,300	7,459	34,441	12,277	316,323	0
	(ii)	0	0	0	0	-	-	0
11 GENEVIEVE WOOD DIRECTOR, DONOR COMMUNICATIONS	(i)	222,965	45,300	1,318	34,321	11,558	315,462	0
	(ii)	0	0	0	0	-	-	0
12 MIGUEL M GONZALEZ SENIOR FELLOW	(i)	211,122	38,300	3,654	33,370	28,877	315,323	0
	(ii)	0	0	0	0	-	-	0
13 JOHN BACKIEL VP, FINANCE AND ACCOUNTING	(i)	204,719	46,300	498	31,885	30,916	314,318	0
	(ii)	0	0	0	0	-	-	0
14 ERIC KORSVALL VP, OPERATIONS	(i)	199,910	47,300	547	32,547	30,906	311,210	0
	(ii)	0	0	0	0	-	-	0
15 PAUL WINFREE DIRECTOR, THOMAS A. ROE INSTITUTE	(i)	216,121	37,800	444	23,010	28,546	305,921	0
	(ii)	0	0	0	0	-	-	0
16 ANDREW MCINDOE VP, DEVELOPMENT	(i)	203,371	40,300	402	30,314	26,446	300,833	0
	(ii)	0	0	0	0	-	-	0
17 ANGELA SAILOR VP, THE FEULNER INSTITUTE	(i)	207,985	32,200	1,087	27,303	29,174	297,749	0
	(ii)	0	0	0	0	-	-	0
18 THOMAS BINION VP, GOVERNMENT RELATIONS	(i)	192,948	38,300	391	29,441	28,493	289,573	0
	(ii)	0	0	0	0	-	-	0
19 CHARMAINE YOEST VP, INST. FOR FAMILY, COMM., & OPP	(i)	214,381	33,100	1,929	27,478	1,918	278,806	0
	(ii)	0	0	0	0	-	-	0
20 CHRISTOPHER BYRNES GENERAL COUNSEL & SECRETARY	(i)	187,764	33,200	417	25,489	28,636	275,506	0
	(ii)	0	0	0	0	-	-	0
21 EDWIN J FEULNER PHD TRUSTEE	(i)	192,464	0	0	0	0	192,464	0
	(ii)	0	0	0	0	-	-	0

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	<p>FIRST CLASS OR CHARTER TRAVEL: THE HERITAGE FOUNDATION (THF) ALLOWS FIRST CLASS TRAVEL OR CHARTER TRAVEL FOR THE PRESIDENT AND CERTAIN APPROVED STAFF IN CERTAIN CIRCUMSTANCES, SUCH AS INTERNATIONAL TRAVEL, AND ONLY WHEN CONDUCTING OFFICIAL BUSINESS FOR THF. IN ACCORDANCE WITH THF'S TRAVEL POLICIES, ANY AMOUNT PAID BY THF FOR ANY TRAVEL BY ANY EMPLOYEE THAT IS NOT BUSINESS RELATED IS REQUIRED TO BE REIMBURSED BY THE INDIVIDUAL TO THF OR IS INCLUDED IN THE INDIVIDUAL'S REPORTABLE COMPENSATION ON FORM W-2, BOX 5, AND INCLUDED IN PART VII OF THE FORM 990 AND SCHEDULE J, PART II.</p> <p>TRAVEL FOR COMPANIONS: FROM TIME TO TIME, THF ALLOWS TRAVEL FOR SPOUSES OF CERTAIN OFFICERS OF THE ORGANIZATION. AMOUNTS PAID FOR TRAVEL FOR COMPANIONS THAT ARE NOT BUSINESS RELATED ARE EITHER REIMBURSED BY THE OFFICER TO THF OR ARE INCLUDED IN THE OFFICER'S REPORTABLE COMPENSATION ON FORM W-2, BOX 5, AND INCLUDED IN PART VII OF THE FORM 990 AND SCHEDULE J, PART II.</p>
PART I, LINE 7	<p>A PORTION OF MANAGEMENT COMPENSATION IS IN THE FORM OF AN ANNUAL BONUS. MANAGEMENT BONUSES ARE CONTINGENT ON ACHIEVING THE ORGANIZATION'S MISSION AS WELL AS ON THEIR OWN PERFORMANCE AND ACHIEVEMENT OF ESTABLISHED GOALS. GOALS ARE REVIEWED MID-YEAR AND ANNUALLY, AND QUARTERLY REPORTS OF ORGANIZATION ACTIVITIES ARE PROVIDED TO THE BOARD OF TRUSTEES.</p>

Additional Data

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Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No. 1545-0047

2020

Open to Public Inspection

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number
23-7327730

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

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

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958. _____
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization. ▶ \$. ▶ _____

Part II Loans to and/or From Interested Persons.

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

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

Total ▶ \$ _____

Part III Grants or Assistance Benefiting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MELISSA BLUEY	SPOUSE OF OFFICER: ROBERT BLUEY	75,200	EMPLOYMENT		No

Part V Supplemental Information

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

Return Reference

Explanation

Additional Data

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Software ID:
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Noncash Contributions

2020

Open to Public Inspection

- ▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
- ▶ **Attach to Form 990.**
- ▶ **Go to www.irs.gov/Form990 for the latest information.**

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number

23-7327730

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	113	1,477,083	FMV
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

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

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

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

Return Reference	Explanation
PART I, COLUMN (B):	THE AMOUNTS REPORTED IN COLUMN (B) REPRESENT THE NUMBER OF INDIVIDUAL CONTRIBUTIONS.

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SCHEDULE O
(Form 990 or 990-
EZ)**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.**2020****Open to Public
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Department of the Treasury

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number

23-7327730

Return Reference	Explanation
FORM 990, PART V, LINE 3B	THF IS AWAITING ADDITIONAL INFORMATION IN ORDER TO TIMELY FILE A COMPLETE AND ACCURATE FORM 990-T BY THE EXTENDED DEADLINE OF NOVEMBER 15, 2021.
FORM 990, PART VI, SECTION A, LINE 4	THE HERITAGE FOUNDATION AMENDED ITS BYLAWS TO CHANGE THE BOARD'S AUTHORITY TO REMOVE TRUSTEES AND TO INCREASE THE QUORUM REQUIREMENT OF THE BOARD OF TRUSTEES
FORM 990, PART VI, SECTION B, LINE 11B	THE VICE PRESIDENT OF FINANCE AND ACCOUNTING COMPILES NECESSARY INFORMATION TO COMPLETE THE FORM 990. PAID TAX PREPARERS THEN ASSIST IN COMPLETING THE FORM, WHICH IS REVIEWED BY THE VICE PRESIDENT OF FINANCE AND ACCOUNTING. THE COMPLETED DRAFT IS THEN REVIEWED BY THE PRESIDENT AND EXECUTIVE VICE PRESIDENT. A COMPLETE FINAL DRAFT OF THE FORM 990 IS GIVEN TO THE BOARD OF TRUSTEES FOR FINAL COMMENTS AND APPROVAL BEFORE FILING WITH THE INTERNAL REVENUE SERVICE.
FORM 990, PART VI, SECTION B, LINE 12C	ALL NEW HERITAGE EMPLOYEES ARE REQUIRED TO SIGN AND ACKNOWLEDGE THAT THEY HAVE RECEIVED AND WILL ADHERE TO ALL POLICIES CONTAINED WITHIN THE FOUNDATION'S EMPLOYEE HANDBOOK, INCLUDING THE FOUNDATION'S CONFLICT OF INTEREST POLICY. SEPARATELY, THE FOUNDATION REQUIRES ALL MEMBERS OF THE BOARD OF TRUSTEES TO DISCLOSE, ANNUALLY, ANY AND ALL FINANCIAL INTEREST OR HOLDINGS THAT MAY BE CONSIDERED A CONFLICT OF INTEREST TO HIS/HER DUTIES AS A TRUSTEE OF THE ORGANIZATION. ADDITIONAL DISCLOSURES ARE REQUIRED PROMPTLY WHEN A PREVIOUSLY UNKNOWN CONFLICT ARISES OR IS DISCOVERED. IN THE CASE OF A POTENTIAL CONFLICT, AFTER A MEMBER OF THE BOARD DISCLOSES SUCH FINANCIAL OR ADVERSE ORGANIZATIONAL INTEREST AND ALL MATERIAL FACTS, AND AFTER ANY DISCUSSION WITH THE MEMBER, HE/SHE IS REQUIRED TO LEAVE THE GOVERNING BOARD OR COMMITTEE MEETING(S) WHILE THE POTENTIAL CONFLICT OF INTEREST IS DISCUSSED AND VOTED UPON BY THE REMAINING MEMBERS TO DETERMINE WHETHER A CONFLICT EXISTS AND WHAT ACTION SHOULD BE TAKEN. IF APPROPRIATE, THE CHAIRPERSON OF THE GOVERNING BOARD OR COMMITTEE MAY APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT GIVING RISE TO THE POTENTIAL CONFLICT. AFTER EXERCISING DUE DILIGENCE, THE GOVERNING BOARD OR COMMITTEE VOTES ON WHETHER THE TRANSACTION IN QUESTION IS IN THE BEST INTEREST OF THE FOUNDATION. IF THE GOVERNING BOARD OR COMMITTEE HAS REASONABLE CAUSE TO BELIEVE A PERSON HAS FAILED TO DISCLOSE ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, IT IS REQUIRED TO INFORM THE MEMBER OF THE BASIS FOR SUCH BELIEF AND AFFORD THE MEMBER AN OPPORTUNITY TO EXPLAIN. IF THE BOARD OR COMMITTEE DETERMINES THE PERSON HAS FAILED TO DISCLOSE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, DISCIPLINARY AND CORRECTIVE ACTION WILL BE TAKEN.
FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION, INCLUDING SALARIES, BONUSES, AND BENEFITS, FOR THF'S PRESIDENT, EXECUTIVE VICE PRESIDENT, AND CERTAIN OTHER OFFICERS IS APPROVED BY THE HERITAGE FOUNDATION'S INDEPENDENT BOARD OF TRUSTEES, AND BASED ON THE RECOMMENDATION OF THE BOARD'S COMPENSATION COMMITTEE. IN 2020, THE COMPENSATION COMMITTEE WAS COMPRISED OF FIVE INDEPENDENT, VOLUNTEER BOARD MEMBERS WHO WERE NOT, AND HAVE NEVER BEEN, EMPLOYEES OF THE FOUNDATION. EACH YEAR, THE COMPENSATION COMMITTEE MEETS TO DEVELOP COMPENSATION RECOMMENDATIONS TO THE FULL BOARD AND ITS MEETINGS ARE DOCUMENTED CONTEMPORANEOUSLY. IN DEVELOPING ITS RECOMMENDATIONS, THE COMMITTEE CONSIDERS MARKET DATA AND OTHER SALARY AND BENEFIT SURVEY INFORMATION REGARDING THE COMPENSATION OF SIMILARLY SITUATED EXECUTIVES, WHICH IS PREPARED FOR THE COMMITTEE BY AN OUTSIDE COMPENSATION EXPERT FOR SELECTED POSITIONS. BECAUSE THE MANAGEMENT AND LEADERSHIP SKILLS OF HERITAGE EXECUTIVES HAVE A SIGNIFICANT EFFECT ON THE FOUNDATION'S SUCCESS, A SIGNIFICANT PORTION OF CASH COMPENSATION IS IN THE FORM OF A BONUS. BONUSES ARE CONTINGENT ON ACHIEVING THE ORGANIZATION'S MISSION AS WELL AS THEIR OWN PERFORMANCE AND ACHIEVEMENT OF ESTABLISHED GOALS. GOALS ARE REVIEWED MID-YEAR AND ANNUALLY, AND QUARTERLY REPORTS OF FOUNDATION ACTIVITIES ARE PROVIDED TO THE BOARD. IN CONSIDERING AND APPROVING TOTAL COMPENSATION FOR 2020, THE COMPENSATION COMMITTEE AND THE FULL BOARD OF TRUSTEES ALSO APPROVED BENEFITS PROVIDED UNDER AN EMPLOYER-FUNDED QUALIFIED RETIREMENT PLAN, GROUP HEALTH, LIFE, AND LONG-TERM DISABILITY AND LONG-TERM CARE INSURANCE PLANS, AND OTHER BENEFITS.
FORM 990, PART VI, SECTION C, LINE 19	THE HERITAGE FOUNDATION MAKES ITS FORM 990 AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST IN COMPLIANCE FOR THE PERIOD OF DISCLOSURE AS SET FORTH IN SECTION 6104(D).
FORM 990, PART IX, LINE 11G	CONSULTING: PROGRAM SERVICE EXPENSES 5,919,600. MANAGEMENT AND GENERAL EXPENSES 76,116. FUNDRAISING EXPENSES 94,365. TOTAL EXPENSES 6,090,081. INDEPENDENT CONTRACTORS: PROGRAM SERVICE EXPENSES 1,445,766. MANAGEMENT AND GENERAL EXPENSES 10,200. FUNDRAISING EXPENSES 158,977. TOTAL EXPENSES 1,614,943. NON-CONSULTING SERVICE FEES: PROGRAM SERVICE EXPENSES 329,907. MANAGEMENT AND GENERAL EXPENSES 15,219. FUNDRAISING EXPENSES 9,542. TOTAL EXPENSES 354,668. OUTSIDE AUTHOR: PROGRAM SERVICE EXPENSES 0. MANAGEMENT AND GENERAL EXPENSES 0. FUNDRAISING EXPENSES 1,500. TOTAL EXPENSES 1,500.
FORM 990, PART XI, LINE 9:	CHANGE IN VALUE OF INTEREST RATE SWAPS -300,403. CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -528,789.

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**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2020

**Open to Public
Inspection**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HERITAGE FOUNDATION

Employer identification number

23-7327730

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) INTERN HOUSING LLC 236 MASSACHUSETTS AVE NE STE 110 WASHINGTON, DC 20002 46-0771893	HOUSING	DE	133,759	186,739	THE HERITAGE FOUNDATION
(2) MASSACHUSETTS AVENUE PROPERTIES LLC 236 MASSACHUSETTS AVE NE STE 105 WASHINGTON, DC 20002 46-1554578	REAL ESTATE	DE	126,129	-1,401,949	THE HERITAGE FOUNDATION
(3) 3RD STREET PROPERTIES LLC 236 MASSACHUSETTS AVE NE STE 115 WASHINGTON, DC 20002 46-1548557	REAL ESTATE	DE	118,843	3,565,808	THE HERITAGE FOUNDATION

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

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

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) AMERICAN DREAM BROADCASTING INC 214 MASS AVE NE STE 400 WASHINGTON, DC 20002 45-4869531	BROADCASTING SERVICES	DC	HERITAGE ACTION FOR AMERICA	C		295	100.000 %	Yes	

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

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)HERITAGE ACTION FOR AMERICA	B	500,000	FMV
(2)HERITAGE ACTION FOR AMERICA	J	162,708	FMV
(3)HERITAGE ACTION FOR AMERICA	L	1,115,860	COST OF SERVICES
(4)HERITAGE ACTION FOR AMERICA	M	517,500	FMV
(5)HERITAGE ACTION FOR AMERICA	Q	1,550,044	FMV

Part VII Supplemental Information

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

Return Reference

Explanation

Schedule R (Form 990) 2020

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