

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
▶ 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.

2019

Open to Public
Inspection

A For the 2019 calendar year, or tax year beginning and ending

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

C Name of organization
NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION
Doing business as
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
4301 WILSON BLVD FIN8-110
City or town, state or province, country, and ZIP or foreign postal code
ARLINGTON, VA 22203

D Employer identification number
53-0116145

E Telephone number
(703) 907-5960

G Gross receipts \$ **206,100,807.**

H(a) Is this a group return for subordinates? ☐ Yes ☒ No
H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status: ☐ 501(c)(3) ☒ 501(c) (**6**) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ **NRECA.COOP**

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ **L** Year of formation: **1942** **M** State of legal domicile: **DC**

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: **MEMBERSHIP ASSOCIATION DEDICATED TO REPRESENTING THE NATIONAL INTEREST OF COOPERATIVE ELECTRIC**

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) **3** **47**

4 Number of independent voting members of the governing body (Part VI, line 1b) **4** **47**

5 Total number of individuals employed in calendar year 2019 (Part V, line 2a) **5** **843**

6 Total number of volunteers (estimate if necessary) **6** **0**

7a Total unrelated business revenue from Part VIII, column (C), line 12 **7a** **7,305,958.**

b Net unrelated business taxable income from Form 990-T, line 39 **7b** **606,597.**

Revenue

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	0.	0.
9 Program service revenue (Part VIII, line 2g)	177,462,598.	188,091,685.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	601,637.	515,413.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	16,015,924.	14,172,691.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	194,080,159.	202,779,789.

Expenses

	Prior Year	Current Year
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
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)	125,825,725.	129,189,815.
16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b Total fundraising expenses (Part IX, column (D), line 25) ▶	0.	0.
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	68,301,585.	72,823,663.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	194,127,310.	202,013,478.
19 Revenue less expenses. Subtract line 18 from line 12	-47,151.	766,311.

Net Assets or Fund Balances

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	207,412,991.	213,534,090.
21 Total liabilities (Part X, line 26)	115,062,331.	120,060,262.
22 Net assets or fund balances. Subtract line 21 from line 20	92,350,660.	93,473,828.

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 ▶ **Veneicia Lockhart** Signature of officer **11-13-20** Date

Type or print name and title **ENEICIA LOCKHART, SVP FINANCE**

Print/Type preparer's name Preparer's signature Date Check ☐ self-employed PTIN

Paid Preparer Firm's name ▶ Firm's EIN ▶

Use Only Firm's address ▶ Phone no. ▶

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

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Form 990 (2019)

53-0116145 Page 2

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
(CONTINUED IN SCHEDULE O) NRECA'S PURPOSE IS TO ENGAGE IN THE
COMPILATION AND DISSEMINATION OF INFORMATION WITH RESPECT TO RURAL
ELECTRIFICATION AND THE FURNISHING OF OTHER SERVICES TO RURAL ELECTRIC
COOPERATIVES AND OTHERS IN CONNECTION WITH THE COORDINATION,

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 \$ including grants of \$) (Revenue \$)
REGULATORY, LEGAL, AND LEGISLATIVE: NRECA PROVIDES SUPPORT SERVICES TO
VOTING MEMBERS RELATED TO COMPLIANCE, LEGAL, AND REGULATORY ISSUES. IN
ADDITION, NRECA EDUCATES AND ADVOCATES TO MEMBERS OF CONGRESS AND THEIR
STAFF, FEDERAL AGENCIES, AND THE ADMINISTRATION ON POLICY ISSUES
IMPACTING NRECA VOTING MEMBERS AND THE 42 MILLION CONSUMER-MEMBERS
SERVED BY NRECA VOTING MEMBERS, AND KEEPS OUR MEMBERSHIP INVOLVED WITH
THE LEGISLATIVE PROCESS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)
CONSULTING, TRAINING, AND CONFERENCES: NRECA PROVIDES VOTING MEMBERS
WITH ESSENTIAL INDUSTRY SPECIFIC TRAINING AS WELL AS DIRECTOR, MANAGER,
AND EMPLOYEE TRAINING; CONSULTING RELATED TO THE ORGANIZATION AND
PROCESS IMPROVEMENTS, AND INDUSTRY AND TECHNOLOGICAL CHANGES; AND
CONFERENCES AND MEMBERSHIP MEETINGS, PROMOTING COLLABORATION AND
NETWORKING.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)
MULTIPLE EMPLOYER BENEFIT PLAN ADMINISTRATION: NRECA PROVIDES PLAN
ADMINISTRATION SERVICES ON A COST REIMBURSABLE BASIS TO THREE MULTIPLE
EMPLOYER BENEFIT PROGRAMS IN WHICH MOST NRECA VOTING MEMBERS, AND SOME
NRECA NONVOTING MEMBERS, CAN PARTICIPATE. THEY CONSIST OF TWO
RETIREMENT PROGRAMS, THE NRECA RETIREMENT SECURITY PLAN, WHICH IS A
DEFINED BENEFIT PENSION PLAN, AND THE NRECA 401(K) PENSION PLAN, WHICH
IS A DEFINED CONTRIBUTION PENSION PLAN. BOTH PLANS ARE TAX QUALIFIED
BENEFIT PLANS UNDER THE INTERNAL REVENUE CODE AND ARE REGULATED BY THE
EMPLOYEE RETIREMENT INCOME SECURITY ACT. THESE TWO PLANS SERVE MORE
THAN 60,000 ACTIVE AND RETIRED EMPLOYEES OF MOST NRECA VOTING MEMBERS
AND SOME NRECA NONVOTING MEMBERS. THE THIRD PLAN IS THE NRECA GROUP
BENEFITS PROGRAM, WHICH IS A VEB TRUST THAT PROVIDES MEDICAL, DENTAL,

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

4e Total program service expenses

Form 990 (2019)

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **3**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1	X
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a	X
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **4**

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or 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? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	38	X

Note: All Form 990 filers are required to complete Schedule O

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 ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	444
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **5**

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

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 843		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		X	
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X	
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O		X	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			X
b If "Yes," enter the name of the foreign country			
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?			
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?			
Note: See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?			X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O			
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?		X	
If "Yes," see instructions and file Form 4720, Schedule N.			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?			X
If "Yes," complete Form 4720, Schedule O.			

Form **990** (2019)

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **6**

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

Check if Schedule O contains a response or note to any line in this Part VI ☒ X

Section A. Governing Body and Management

			Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	47		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.				
b Enter the number of voting members included on line 1a, above, who are independent	1b	47		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?	3			X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6 Did the organization have members or stockholders?	6		X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?	8a		X	
b Each committee with authority to act on behalf of the governing body?	8b		X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O	9			X

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

		Yes	No	
10a Did the organization have local chapters, branches, or affiliates?	10a		X	
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b			
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X		
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.				
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X		
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X		
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X		
13 Did the organization have a written whistleblower policy?	13	X		
14 Did the organization have a written document retention and destruction policy?	14	X		
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?				
a The organization's CEO, Executive Director, or top management official	15a	X		
b Other officers or key employees of the organization	15b	X		
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).				
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X	
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b			

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **▶ VA**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records **▶**
ENEICIA LOCKHART - (703)907-5960
4301 WILSON BLVD FIN8-110, ARLINGTON, VA 22203-1860

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **7**

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, and 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 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) CURTIS WYNN PRESIDENT	20.00 1.00	X		X				116,500.	0.	0.
(2) CHRIS CHRISTENSEN VICE PRESIDENT	19.00 1.00	X		X				83,500.	0.	0.
(3) ANTHONY ANDERSON SECRETARY-TREASURER	6.00 1.00	X		X				51,000.	0.	0.
(4) PHIL CARSON DIRECTOR	11.60 0.40	X						43,050.	0.	0.
(5) BRYAN CASE DIRECTOR	5.20 0.80	X						35,500.	0.	0.
(6) DAVID IHA DIRECTOR	3.60 0.40	X						33,250.	0.	0.
(7) MEL COLEMAN DIRECTOR	5.60 0.40	X						33,000.	0.	0.
(8) MARK HOFER DIRECTOR	5.60 0.40	X						32,000.	0.	0.
(9) WILLIAM HART DIRECTOR	6.60 0.40	X						31,500.	0.	0.
(10) LYNN JACOBSON DIRECTOR	7.60 0.40	X						17,700.	0.	12,800.
(11) JEFFERY ARNOLD DIRECTOR	2.00	X						29,500.	0.	0.
(12) STEVEN WALTER DIRECTOR	8.60 0.40	X						29,500.	0.	0.
(13) LAWRENCE BECKER DIRECTOR	7.60 0.40	X						29,250.	0.	0.
(14) DAVID SPRADLIN DIRECTOR	6.60 0.40	X						29,250.	0.	0.
(15) KEVIN DODDRIDGE DIRECTOR	5.00	X						29,000.	0.	0.
(16) CURTIS NOLAN DIRECTOR	6.60 0.40	X						29,000.	0.	0.
(17) GARY POTTER DIRECTOR	3.00	X						29,000.	0.	0.

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **8**

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 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) RANDY PAPENHAUSEN DIRECTOR	6.00	X						28,750.	0.	0.
(19) TOM PURKEY DIRECTOR	5.60 0.40	X						28,750.	0.	0.
(20) BRYAN WOLFE DIRECTOR	4.60 0.40	X						28,500.	0.	0.
(21) JEFFREY PETERSON DIRECTOR	4.60 0.40	X						27,500.	0.	0.
(22) FREDERICK NELSON DIRECTOR	5.00	X						27,250.	0.	0.
(23) JOSEPH MARTIN DIRECTOR	6.00	X						27,000.	0.	0.
(24) KELLEY SMITH DIRECTOR	6.00	X						27,000.	0.	0.
(25) S EUGENE HERRITT DIRECTOR	1.60 0.40	X						6,000.	0.	20,750.
(26) RONALD SCHWARTAU DIRECTOR	2.60 0.40	X						7,250.	0.	19,000.
1b Subtotal								889,500.	0.	52,550.
c Total from continuation sheets to Part VII, Section A								8,413,636.	0.	1790803.
d Total (add lines 1b and 1c)								9,303,136.	0.	1843353.

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 **433**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	X	
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>	X	
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>		X

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
GUIDEPOINT SECURITY LLC, 2201 COOPERATIVE WAY STE 225, HERNDON, VA 20171	IT SECURITY CONSULTING SERVICES	1,227,454.
MICROSOFT LICENSING GP, 1401 ELM ST 5TH FLOOR DEPT 84267, DALLAS, TX 75202	SOFTWARE CONSULTING SERVICES	853,480.
LOCKTON COMPANIES 1801 K ST NW STE 200, WASHINGTON, DC 20006	INSURANCE SERVICES	818,070.
PHILIP ALLEN CRAIG JR. 3401 NORTHLAKE DR, WEST RICHLAND, WA 99353	MAGAZINE ADVERTISING SALES	745,850.
CORESITE LP 1001 17TH AVE STE 500, DENVER, CO 80202	IT CONSULTING SERVICES	661,249.

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 **46**

SEE PART VII, SECTION A CONTINUATION SHEETS

Form **990** (2019)

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990

53-0116145

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 line)	(C) Position (check all that apply)						(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			
(27) GREG WHITE DIRECTOR	6.00	X						26,250.	0.	0.
(28) KERRY KELTON DIRECTOR	9.60 0.40	X						26,000.	0.	0.
(29) MEERA KOHLER DIRECTOR	7.60 0.40	X						26,000.	0.	0.
(30) CAROL SHARP DIRECTOR	7.00	X						25,750.	0.	0.
(31) CHARLES SHORT DIRECTOR	6.60 0.40	X						25,750.	0.	0.
(32) CHRISTOPHER HAMON DIRECTOR	11.60 0.40	X						24,750.	0.	0.
(33) SCOTT HALLOWELL DIRECTOR	4.00	X						24,250.	0.	0.
(34) THOMAS MCQUISTON DIRECTOR	4.60 0.40	X						24,250.	0.	0.
(35) MARION DINGER DIRECTOR	7.00	X						24,000.	0.	0.
(36) MICHAEL WILLIAMS DIRECTOR	6.60 0.40	X						24,000.	0.	0.
(37) SANDRA GREEN DIRECTOR	3.60 0.40	X						23,250.	0.	0.
(38) THOMAS MADSEN DIRECTOR	5.00	X						0.	0.	21,250.
(39) RANDALL KLEAVING DIRECTOR	2.00	X						21,250.	0.	0.
(40) GALEN MILLS DIRECTOR	5.00	X						10,500.	0.	10,250.
(41) KEITH ROSS DIRECTOR	6.00	X						20,000.	0.	0.
(42) BARRY BERNSTEIN DIRECTOR	5.00	X						18,000.	0.	0.
(43) KENNETH COLBURN DIRECTOR	7.60 0.40	X						18,000.	0.	0.
(44) DANIEL DYER DIRECTOR	4.00	X						16,000.	0.	0.
(45) WILLIAM NOEL DIRECTOR	2.60 0.40	X						16,000.	0.	0.
(46) REUBEN RITTHALER DIRECTOR	1.60 0.40	X						13,500.	0.	0.
Total to Part VII, Section A, line 1c										

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990

53-0116145

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 line)	(C) Position (check all that apply)						(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			
(47) TIMOTHY SMITH DIRECTOR	2.60 0.40	X						0.	0.	0.
(48) JIM MATHESON CHIEF EXECUTIVE OFFICER	50.20 1.80			X				1,698,860.	0.	412,907.
(49) JEFFREY CONNOR CHIEF OPERATING OFFICER	47.80 1.20			X				603,959.	0.	109,122.
(50) VENEICIA LOCKHART ASST TREAS; SVP, FINANCE	41.80 1.20			X				410,572.	0.	250,821.
(51) PETER BAXTER SVP, INSURANCE & FINANCE	57.20 0.80				X			877,690.	0.	242,940.
(52) JIM SPIERS SVP, BUSINESS AND TECH. STR	40.00				X			431,156.	0.	115,351.
(53) WAYNE MCGURK SVP & CIO INFORMATION TECHNOLOGY	54.00				X			341,012.	0.	29,220.
(54) JOHN SZCZUR VP, INVESTMENT STRAT. & PE	41.00					X		893,351.	0.	165,850.
(55) RICHARD MEYER SVP, GENERAL COUNSEL	47.00					X		459,928.	0.	121,513.
(56) CHRISTOPHER STEPHEN SR. LEGISLATIVE AFFAIRS DIRECTOR	49.00					X		472,459.	0.	74,886.
(57) STEVE SANKER VP, IF&S RELATIONSHIP MGT.	62.00					X		405,435.	0.	111,849.
(58) SCOTT PETERSON SVP, COMMUNICATIONS	45.00					X		392,540.	0.	124,844.
(59) TOM STANGROOM FORMER SVP & CIO	0.00						X	1,019,174.	0.	0.
Total to Part VII, Section A, line 1c								8,413,636.	1,790,803.	

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **9**

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	1 a 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					
	g Noncash contributions included in lines 1a-1f	1g	\$				
	h Total. Add lines 1a-1f						
Program Service Revenue	2 a REIMBURSED COSTS	Business Code					
	b MEMBERSHIP DUES	524292	124,553,868.	124,553,868.			
	c TRAINING & PROFESSIONAL SERVICES	900099	31,269,010.	31,269,010.			
	d ADVERTISING INCOME	541900	10,196,049.	7,329,331.	2,866,718.		
	e SUBSCRIPTION INCOME	511120	2,021,923.		2,021,923.		
	f All other program service revenue	511120	1,061,007.	1,061,007.			
	g Total. Add lines 2a-2f	900099	18,989,828.	17,199,061.	1,790,767.		
	g Total. Add lines 2a-2f				188,091,685.		
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			515,413.			515,413.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties			659,550.		626,550.	33,000.
	6 a Gross rents	(i) Real	(ii) Personal				
	6a	6,258,902.					
	b Less: rental expenses ...	6b	3,321,018.				
	c Rental income or (loss)	6c	2,937,884.				
	d Net rental income or (loss)			2,937,884.			2,937,884.
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	7a						
	b Less: cost or other basis and sales expenses	7b					
	c Gain or (loss)	7c					
	d Net gain or (loss)						
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a					
	b Less: direct expenses	8b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	9a						
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities							
10 a 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	11 a MEETINGS & CONFERENCES	Business Code					
	b	541900	10,575,257.	10,575,257.			
	c						
	d All other revenue						
	e Total. Add lines 11a-11d				10,575,257.		
12 Total revenue. See instructions				202,779,789.	191,987,534.	7,305,958.	3,486,297.

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **10**

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 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
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	5,957,846.			
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	83,087,101.			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	20,423,466.			
9 Other employee benefits	13,860,327.			
10 Payroll taxes	5,861,075.			
11 Fees for services (nonemployees):				
a Management	180,456.			
b Legal	1,482,667.			
c Accounting	94,431.			
d Lobbying	200,000.			
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	11,148,780.			
12 Advertising and promotion	793,728.			
13 Office expenses	3,448,488.			
14 Information technology	1,963,810.			
15 Royalties				
16 Occupancy	4,223,258.			
17 Travel	6,466,631.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	7,945,500.			
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,545,423.			
23 Insurance	619,257.			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a EQUIPMENT MAINTENANCE	4,194,484.			
b ELECTRONIC SUBSCRIPTION	3,522,697.			
c CONTRACTED PERSONNEL	2,269,461.			
d UBIT	469,925.			
e All other expenses	17,254,667.			
25 Total functional expenses. Add lines 1 through 24e	202,013,478.			
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 ☐ if following SOP 98-2 (ASC 958-720)

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **11**

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	17,889,585.	2	12,666,258.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	38,940,218.	4	40,814,625.
	5 Loans and other receivables from 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	20,261.	8	0.
	9 Prepaid expenses and deferred charges	6,370,800.	9	6,307,811.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 154,958,798.		
	b Less: accumulated depreciation	10b 69,303,555.	87,824,571.	10c 85,655,243.
	11 Investments - publicly traded securities	25,113,359.	11	36,949,942.
	12 Investments - other securities. See Part IV, line 11	19,752,875.	12	18,290,949.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	11,501,322.	15	12,849,262.
16 Total assets. Add lines 1 through 15 (must equal line 33)	207,412,991.	16	213,534,090.	
Liabilities	17 Accounts payable and accrued expenses	22,396,283.	17	16,645,410.
	18 Grants payable		18	
	19 Deferred revenue	62,386,039.	19	73,584,668.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	562,233.	21	543,067.
	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		24	
	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	29,717,776.	25	29,287,117.
	26 Total liabilities. Add lines 17 through 25	115,062,331.	26	120,060,262.
	Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33.		
27 Net assets without donor restrictions			27	
28 Net assets with donor restrictions			28	
Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33.				
29 Capital stock or trust principal, or current funds		0.	29	0.
30 Paid-in or capital surplus, or land, building, or equipment fund		0.	30	0.
31 Retained earnings, endowment, accumulated income, or other funds		92,350,660.	31	93,473,828.
32 Total net assets or fund balances		92,350,660.	32	93,473,828.
33 Total liabilities and net assets/fund balances		207,412,991.	33	213,534,090.

Form **990** (2019)

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 990 (2019)

53-0116145 Page **12**

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	202,779,789.
2	Total expenses (must equal Part IX, column (A), line 25)	2	202,013,478.
3	Revenue less expenses. Subtract line 2 from line 1	3	766,311.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	92,350,660.
5	Net unrealized gains (losses) on investments	5	
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 on Schedule O)	9	356,857.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	93,473,828.

Part XII Financial Statements and Reporting

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

	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	2a	X
b 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 type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c 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 on Schedule O.	2c	X
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? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____	3b	X

Form **990** (2019)

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.**

OMB No. 1545-0047

2019

**Open to Public
Inspection**

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 organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number 53-0116145
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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.
- 2 Political campaign activity expenditures ▶ \$ _____
- 3 Volunteer hours for political campaign activities _____

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? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- 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? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2019

LHA

932041 11-26-19

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 (grassroots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
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)			
h Subtract line 1g from line 1a. If zero or less, enter -0-			
i Subtract line 1f from line 1c. If zero or less, enter -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?			

☐ Yes ☐ 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) 2016	(b) 2017	(c) 2018	(d) 2019	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2019

NATIONAL RURAL ELECTRIC

Schedule C (Form 990 or 990-EZ) 2019 **COOPERATIVE ASSOCIATION**

53-0116145 Page 3

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)).

	(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	X
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	X
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	3	X

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	33,084,828.
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	2,450,000.
b Carryover from last year	2b	
c Total	2c	2,450,000.
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	3,308,483.
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	-858,483.

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.

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **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.**

OMB No. 1545-0047

2019**Open to Public Inspection****Name of the organization** NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**Employer identification number**
53-0116145**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.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2019

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**
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 make significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange program

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

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:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
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 on 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					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Term endowment ☐ %

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:

(i) Unrelated organizations

(ii) Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 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		11,916,966.		11,916,966.
b Buildings		90,445,858.	36,843,570.	53,602,288.
c Leasehold improvements		20,096,041.	11,075,901.	9,020,140.
d Equipment		32,499,933.	21,384,084.	11,115,849.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) **85,655,243.**

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

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	17,463,642.	COST
(3) Other		
(A) CAPITAL TERM CERTIFICATES	827,307.	COST
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶	18,290,949.	

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
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (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
(1) PATRONAGE CAPITAL CERTIFICATES	570,888.
(2) DEFERRED COMPENSATION FUND (EMPLOYEES)	11,715,442.
(3) TENANT ESCROW	543,067.
(4) EMPLOYEE AND EXECUTIVE OPTION PURCHASE PLAN	19,865.
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	12,849,262.

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	
(2) POST RETIREMENT BENEFITS OTHER	
(3) THAN PENSIONS	16,757,093.
(4) DEF COMP FUND (EMPLOYEES)	11,715,442.
(5) EMPLOYEE & EXEC OPT PLAN	18,347.
(6) COOPERATIVE RESEARCH NETWORK FUND	674,804.
(7) OTHER RESTRICTED FUNDS	121,431.
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	29,287,117.

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 FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☒

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**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	242,638,064.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	39,858,275.
e	Add lines 2a through 2d	2e	39,858,275.
3	Subtract line 2e from line 1	3	202,779,789.
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	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	202,779,789.

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	238,880,255.
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	36,866,777.
e	Add lines 2a through 2d	2e	36,866,777.
3	Subtract line 2e from line 1	3	202,013,478.
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	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	202,013,478.

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.

PART IV, LINE 2B:

SECURITY DEPOSITS/ESCROW AMOUNTS ARE HELD FOR BUILDING TENANTS

PART X, LINE 2:

THE ASSOCIATION HAS ADOPTED THE ACCOUNTING STANDARD ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, WHICH ADDRESSES THE DETERMINATION OF WHETHER TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE RECORDED IN THE CONSOLIDATED FINANCIAL STATEMENTS. UNDER THIS GUIDANCE, THE ASSOCIATION MAY RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION. THE TAX BENEFITS RECOGNIZED IN THE CONSOLIDATED

Part XIII Supplemental Information (continued)

FINANCIAL STATEMENTS FROM SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT. THE GUIDANCE ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES ALSO ADDRESSES DE-RECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES ON INCOME TAXES, AND ACCOUNTING IN INTERIM PERIODS. THE ASSOCIATION HAS ANALYZED ITS TAX POSITIONS TAKEN ON TAX RETURNS FOR ALL OPEN TAX YEARS AND HAS CONCLUDED THAT NO ADDITIONAL PROVISION OR BENEFIT EXISTS AND NO AMOUNTS ARE RECORDED FOR INTEREST OR PENALTIES. THE ASSOCIATION IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2016.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

REV FROM SUBS NOT INCLUDED IN FORM 990 LESS TENANT EXPENSES

ON PART VIII, 6B

39,858,275.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

EXP FROM SUBS NOT INCLUDED IN FORM 990 PLUS TENANT EXPENSES

ON PART VIII, 6B

36,866,777.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

- 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.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Employer identification number

53-0116145

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 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 checked="" type="checkbox"/> Tax indemnification 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 (such as 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, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the 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 checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input 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 section 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 on 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

1b	X	
2	X	
4a	X	
4b	X	
4c		X
5a		
5b		
6a		
6b		
7		
8		
9		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2019

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Schedule J (Form 990) 2019

53-0116145

Page **2**

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 aren't 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) JIM MATHESON	(i)	1,190,458.	450,950.	57,452.	374,906.	38,001.	2,111,767.	0.
CHIEF EXECUTIVE OFFICER	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) JEFFREY CONNOR	(i)	503,669.	85,425.	14,865.	68,953.	40,169.	713,081.	0.
CHIEF OPERATING OFFICER	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) VENEICIA LOCKHART	(i)	368,647.	32,460.	9,465.	219,777.	31,044.	661,393.	0.
ASST TREAS; SVP, FINANCE	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) PETER BAXTER	(i)	589,468.	265,200.	23,022.	204,287.	38,653.	1,120,630.	0.
SVP, INSURANCE & FINANCE	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) JIM SPIERS	(i)	363,258.	31,800.	36,098.	84,650.	30,701.	546,507.	0.
SVP, BUSINESS AND TECH. STR	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) WAYNE MCGURK	(i)	242,465.	36,900.	61,647.	10,438.	18,782.	370,232.	0.
SVP & CIO INFORMATION TECHNOLOGY	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) JOHN SZCZUR	(i)	350,153.	532,839.	10,359.	128,350.	37,500.	1,059,201.	0.
VP, INVESTMENT STRAT. & PE	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) RICHARD MEYER	(i)	371,905.	32,945.	55,078.	79,248.	42,265.	581,441.	0.
SVP, GENERAL COUNSEL	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) CHRISTOPHER STEPHEN	(i)	286,954.	8,950.	176,555.	64,270.	10,616.	547,345.	0.
SR. LEGISLATIVE AFFAIRS DIRECTOR	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) STEVE SANKER	(i)	367,777.	200.	37,458.	81,602.	30,247.	517,284.	0.
VP, IF&S RELATIONSHIP MGT.	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) SCOTT PETERSON	(i)	342,611.	40,606.	9,323.	94,256.	30,588.	517,384.	0.
SVP, COMMUNICATIONS	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) TOM STANGROOM	(i)	0.	0.	1,019,174.	0.	0.	1,019,174.	0.
FORMER SVP & CIO	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Schedule J (Form 990) 2019

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.

PART I, LINE 1A:

TRAVEL FOR COMPANIONS - ACCORDING TO NRECA BOARD POLICY, THE SPOUSES OF THE
PRESIDENT AND CEO CAN ACCOMPANY THEM ON A TRIP WHEREVER THERE WILL BE
OFFICIAL FUNCTIONS FOR WHICH SPOUSES ARE RESPONSIBLE FOR ATTENDING. TRAVEL
COSTS FOR COMPANIONS ARE NOT TREATED AS TAXABLE COMPENSATION TO THE
RECIPIENT.

TAX IDENTIFICATION AND GROSS UP PAYMENTS: NRECA GROSSES UP PAYMENTS MADE TO
STAFF UNDER THE EXECUTIVE 401(K) BONUS PLAN AND ON ELIGIBLE RELOCATION
EXPENSES.

PART I, LINES 4A-B:

PART 1, LINE 4 A: THE FOLLOWING FORMER EMPLOYEE RECEIVED A SEVERANCE
PAYMENT. THESE AMOUNTS ARE REPORTED IN PART II, COLUMN B(III): TOM
STANGROOM (\$1,000,000).

PART I, LINE 4B: THE FOLLOWING CURRENT AND FORMER EMPLOYEES RECEIVED
PAYMENTS FROM AN EXECUTIVE NONQUALIFIED RETIREMENT PLAN. THESE AMOUNTS ARE
INCLUDED AND REPORTED IN PART II, COLUMN B(III): JIM SPIERS (\$20,174);

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.

RICHARD MEYER (\$38,064); STEVE SANKER (\$21,582); CHRISTOPHER STEPHEN
(\$170,940); TOM STANGROOM (\$12,163).

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Employer identification number
53-0116145

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

UTILITIES AND THE CONSUMERS THEY SERVE. NRECA HAS MORE THAN 900 VOTING
MEMBERS, A MAJORITY OF WHICH ARE ELECTRIC COOPERATIVES THAT SERVE 42
MILLION CONSUMERS IN 48 STATES.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ADVANCEMENT, AND DEVELOPMENT OF RURAL ELECTRIFICATION IN THE UNITED
STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, FOR THE PRIMARY AND
MUTUAL BENEFIT OF THE VOTING MEMBERS OF THE ASSOCIATION AND THEIR
CONSUMER-MEMBERS. NRECA'S MISSION IS TO PROMOTE, SUPPORT AND PROTECT
THE COMMUNITY AND BUSINESS INTERESTS OF ELECTRIC COOPERATIVES.

FORM 990, PART III, LINE 4C, PROGRAM SERVICE ACCOMPLISHMENTS:

VISION, AND DISABILITY COVERAGE, AND WHICH PROVIDES LIFE, AD&D, AND
BUSINESS TRAVEL ACCIDENT INSURANCE, TO MOST NRECA VOTING MEMBERS AND
SOME NRECA NONVOTING MEMBERS. THIS VEBA TRUST IS EXEMPT FROM INCOME TAX
UNDER IRC SECTION 501(C)(9).

FORM 990, PART VI, SECTION A, LINE 2:

BUSINESS RELATIONSHIPS EXIST BETWEEN SOME NRECA OFFICERS AND KEY EMPLOYEES
WHO ALSO SERVE AS DIRECTORS OR OFFICERS OF THE FOLLOWING NRECA SUBSIDIARIES
AND AFFILIATED ENTITIES:

(A) COOPERATING ENERGY SERVICES - 3 OFFICERS (JEFFREY CONNOR, JIM MATHESON,
AND VENEICIA LOCKHART) SERVE AS OFFICERS AND/OR DIRECTORS.

(B) RE ADVISERS CORPORATION AND RE INVESTMENT CORPORATION - 1 OFFICER

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

Schedule O (Form 990 or 990-EZ) (2019)

Name of the organization	NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number	53-0116145
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(JEFFREY CONNOR) SERVES AS A DIRECTOR.

(C) COOPERATING BENEFIT ADMINISTRATORS - 1 OFFICER (VENEICIA LOCKHART) AND 1 KEY EMPLOYEE (PETER BAXTER) SERVE AS OFFICERS AND/OR DIRECTORS.

(D) ELECTRIC COOPERATIVE LIFE INSURANCE COMPANY - 1 OFFICER (VENEICIA LOCKHART) AND 1 KEY EMPLOYEE (PETER BAXTER) SERVE AS OFFICERS AND/OR DIRECTORS.

(E) NRECA UNITED - 3 OFFICERS (JEFFREY CONNOR, JIM MATHESON, AND VENEICIA LOCKHART) SERVE AS OFFICERS AND DIRECTORS.

(F) COOPERATING INSURANCE SERVICES - 1 OFFICER (VENEICIA LOCKHART) AND 1 KEY EMPLOYEE (PETER BAXTER) SERVE AS OFFICERS AND/OR DIRECTORS.

(G) ARKANSAS ELECTRIC COOPERATIVE CORPORATION - 1 DIRECTOR (MEL COLEMAN) IS A SHARED DIRECTOR.

(H) BASIN ELECTRIC POWER COOPERATIVE - 1 DIRECTOR (REUBEN RITTHALER) IS A SHARED DIRECTOR.

(I) KAMO POWER - 1 DIRECTOR (TIMOTHY SMITH) IS A SHARED DIRECTOR.

(J) SHO-ME POWER - 1 DIRECTOR (CHRISTOPHER HAMON) IS A SHARED DIRECTOR.

(K) WESTERN FARMERS ELECTRIC COOPERATIVE - 1 DIRECTOR (TIMOTHY SMITH) IS A SHARED DIRECTOR.

FORM 990, PART VI, SECTION A, LINE 6:

ALL NRECA VOTING MEMBERS MUST BE ENTITIES WHOSE OPERATIONS ARE CONSISTENT, AS DETERMINED BY THE BOARD OF DIRECTORS, WITH THE INTERNATIONAL COOPERATIVE ALLIANCE COOPERATIVE PRINCIPLES AND THE OBJECTIVES OF NRECA AND FALL INTO ONE OF THE FOLLOWING THREE CATEGORIES: (1) DISTRIBUTION (ELECTRIC DISTRIBUTION COOPERATIVES OR NONPROFIT ASSOCIATIONS, NONPROFIT CORPORATIONS, PUBLIC UTILITY DISTRICTS, OR GOVERNMENT CORPORATIONS OR AUTHORITIES LOCATED IN A STATE, TERRITORY, POSSESSION OR COMMONWEALTH OF THE U.S. AND PRIMARILY ENGAGED IN FURNISHING ELECTRICITY AT RETAIL TO THEIR

Name of the organization	NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number	53-0116145
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CONSUMERS); (2) GENERATION AND TRANSMISSION (COOPERATIVES OR NONPROFIT ASSOCIATIONS, NONPROFIT CORPORATIONS, OR PUBLIC UTILITY DISTRICTS LOCATED IN A STATE, TERRITORY, POSSESSION OR COMMONWEALTH OF THE U.S. AND PRIMARILY ENGAGED IN THE MARKETING, GENERATION AND/OR TRANSMISSION OF WHOLESALE BULK ELECTRICITY FOR SALE TO OTHERS FOR THE PURPOSE OF RESALE); AND (3) SERVICE MEMBERS (ORGANIZATIONS NOT ACTUALLY ENGAGED IN THE MARKETING, GENERATION, TRANSMISSION OR DISTRIBUTION OF ELECTRICITY, BUT A SIGNIFICANT NUMBER OF WHOSE VOTING MEMBERS CONSIST OF NRECA DISTRIBUTION, OR GENERATION AND TRANSMISSION VOTING MEMBERS).

FORM 990, PART VI, SECTION A, LINE 7A:

NRECA VOTING MEMBERS ARE DESCRIBED IN THE SCHEDULE O, PART VI, SECTION A, LINE 6 DESCRIPTION. THE NRECA VOTING MEMBERS LOCATED IN EACH STATE ELECT A MEMBER OF THE NRECA BOARD OF DIRECTORS EVERY TWO YEARS. NRECA HAS TEN GEOGRAPHIC REGIONS WITHIN THE UNITED STATES. THE NRECA BOARD OF DIRECTORS HAS AN EXECUTIVE COMMITTEE THAT INCLUDES A DIRECTOR ELECTED BY THE DIRECTORS FROM EACH REGION. WHEN A NRECA DIRECTOR POSITION BECOMES VACANT FOR ANY REASON OTHER THAN REMOVAL, THE NRECA DIRECTOR WHO REPRESENTS THE REGION ON THE NRECA BOARD OF DIRECTORS EXECUTIVE COMMITTEE (OR, IF THE PREVIOUS NRECA DIRECTOR WAS THE MEMBER OF THE EXECUTIVE COMMITTEE, THEN THE NRECA PRESIDENT) SHALL CONSULT WITH VOTING MEMBERS LOCATED IN THE STATE AND APPOINT A NEW NRECA DIRECTOR FOR THE UNEXPIRED TERM OR UNTIL THE VOTING MEMBERS LOCATED IN THE STATE ELECT A NEW NRECA DIRECTOR FOR THE UNEXPIRED TERM. IF A POSITION BECOMES VACANT THROUGH REMOVAL, THEN THE VOTING MEMBERS LOCATED IN THE STATE FROM WHICH THE DIRECTOR WAS REMOVED ELECT THE NEW DIRECTOR FOR THE UNEXPIRED TERM.

FORM 990, PART VI, SECTION A, LINE 7B:

Name of the organization	NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number 53-0116145
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THE FOLLOWING GOVERNANCE DECISIONS REQUIRE THE APPROVAL OF NRECA VOTING MEMBERS: (1) ARTICLES OF INCORPORATION AMENDMENTS; (2) BYLAW ADOPTION, AMENDMENT, OR REPEAL, WHICH INCLUDES CHANGES TO THE METHODS OF CALCULATING THE DUES OF DISTRIBUTION MEMBERS, OF GENERATION AND TRANSMISSION MEMBERS, AND OF STATEWIDE MEMBERS; (3) EXPULSION OF NRECA MEMBERS; (4) REMOVAL OF A NRECA DIRECTOR IS SUBJECT TO THE APPROVAL OF NRECA VOTING MEMBERS LOCATED IN THE STATE FROM WHICH THE DIRECTOR WAS ELECTED; (5) A SALE, LEASE, EXCHANGE, OR CERTAIN DISPOSITIONS OF ASSETS LEAVING THE ASSOCIATION WITHOUT A SIGNIFICANT CONTINUING BUSINESS ACTIVITY; (6) MERGER; (7) DOMESTICATION IN A FOREIGN JURISDICTION; AND (8) DISSOLUTION. EACH NRECA VOTING MEMBER HAS ONE VOTE.

FORM 990, PART VI, SECTION B, LINE 11B:

THE DIRECTOR OF CORPORATE ACCOUNTING AND SENIOR VP OF FINANCE REVIEW THE FORM 990 AND SUPPORTING WORK PAPERS IN DETAIL. THE FORM 990 IS THEN PROVIDED TO THE NRECA BOARD OF DIRECTORS THROUGH THEIR ELECTRONIC BOARD PORTAL FOR THEIR REVIEW AND COMMENTS IN ADVANCE OF THE RETURN BEING FILED.

FORM 990, PART VI, SECTION B, LINE 12C:

EACH KEY EMPLOYEE IS SUBJECT TO A CONFLICT OF INTEREST POLICY AND REQUIRED TO ANNUALLY COMPLETE AND SUBMIT A CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM TO THE FINANCE DEPARTMENT. IN ADDITION TO THE CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM, EACH KEY EMPLOYEE ANNUALLY SUBMITS A FORM 990 QUESTIONNAIRE TO THE SENIOR VP OF FINANCE. EACH DIRECTOR IS ALSO REQUIRED TO ANNUALLY COMPLETE AND SUBMIT A CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM. DIRECTOR FORMS DISCLOSING ANY MATERIAL FACT KNOWN TO THE DIRECTOR REGARDING ANY POTENTIAL OR ACTUAL VIOLATION OF THE POLICY ARE SUBMITTED TO THE OFFICE OF GENERAL COUNSEL, NRECA PRESIDENT,

Name of the organization	NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number	53-0116145
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NRECA VICE PRESIDENT, AND NRECA SECRETARY-TREASURER. UPON REQUEST OF THE PRESIDENT, EXECUTIVE COMMITTEE, OR ANY FIVE DIRECTORS, A SPECIAL COMMITTEE COMPRISED OF THE EXECUTIVE COMMITTEE MEMBERS OR THE BOARD DETERMINES WHETHER A DIRECTOR COMPLIES WITH THE POLICY. IN MAKING THIS DETERMINATION, THE COMMITTEE OR BOARD NOTIFIES THE DIRECTOR, WITH ASSISTANCE FROM THE OFFICE OF GENERAL COUNSEL. THE COMMITTEE INVESTIGATES AND DETERMINES WHETHER THE DIRECTOR COMPLIES WITH THE POLICY. IF THE COMMITTEE DETERMINES THE DIRECTOR DOES NOT COMPLY WITH THE POLICY, THE COMMITTEE MAKES A RECOMMENDATION TO THE BOARD AND THE BOARD WILL DETERMINE WHETHER THE DIRECTOR COMPLIES WITH THE POLICY. THE DIRECTOR MAY COMMENT, AND THE DIRECTOR MAY BE REQUIRED TO BE ABSENT DURING CONSIDERATION. IF THE BOARD DETERMINES THAT A DIRECTOR FAILS TO COMPLY WITH THE POLICY, THEN, UNLESS THE BOARD DETERMINES OTHERWISE FOR GOOD CAUSE, OR THE DIRECTOR COMPLIES WITH THE POLICY WITHIN 30 DAYS, THE DIRECTOR IS DISQUALIFIED AND NO LONGER A DIRECTOR. IN ADDITION TO THE CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM, EACH DIRECTOR ALSO ANNUALLY COMPLETES AND SUBMITS A FORM 990 QUESTIONNAIRE.

FORM 990, PART VI, SECTION B, LINE 15:

LINE 15A (CEO COMPENSATION): THE CEO EVALUATION COMMITTEE OF THE BOARD IS RESPONSIBLE FOR MAKING RECOMMENDATIONS TO THE BOARD CONCERNING FORMAT AND METHODS TO PROPERLY EVALUATE THE PERFORMANCE OF THE CEO. AN OUTSIDE CONSULTANT (E.G., QUATT ASSOCIATES) REVIEWS INDEPENDENT COMPENSATION STUDIES ANNUALLY TO VERIFY THE CEO'S COMPENSATION IS WITHIN A COMPETITIVE RANGE FOR THE CEO'S OF COMPARABLE ORGANIZATIONS AND PROVIDES THIS INFORMATION TO THE COMMITTEE. THE COMMITTEE REVIEWS COMPETITIVE CEO COMPENSATION SURVEY DATA PROVIDED BY THE OUTSIDE CONSULTANTS AND DEVELOPS A SALARY AND BONUS RECOMMENDATION THAT IS PRESENTED TO THE FULL BOARD. THE

Name of the organization	NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number	53-0116145
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BOARD REVIEWS AND APPROVES THE CEO'S COMPENSATION ANNUALLY.

LINE 15B (OTHER OFFICERS/KEY EMPLOYEE COMPENSATION): NRECA'S HUMAN RESOURCES DEPARTMENT HAS A MARKET PAY TOOL THAT USES CURRENT PAY DATA FROM PURCHASED COMPENSATION STUDIES TO ANALYZE SALARIES FOR POSITIONS WITHIN THE ORGANIZATION. NRECA HAS WRITTEN POLICIES AND PROCEDURES GOVERNING ITS SALARY INCREASE PROCESS. THE SALARY INCREASE PROCESS IS INTENDED TO ENABLE MANAGERS TO MAKE RATIONAL DECISIONS CONCERNING SALARY ACTIONS WITHIN THE ASSOCIATION'S BUDGETING CONSTRAINTS. HOWEVER, IT DOES NOT GUARANTEE AN INCREASE TO ANY EMPLOYEE. THE SALARY PROCESS IS COMPRISED OF THE FOLLOWING STEPS: (1) APPROVAL OF NRECA'S SALARY BUDGET BY THE NRECA BOARD OF DIRECTORS; (2) RECOMMENDATION OF SALARY INCREASES OR LUMP SUM AWARDS FOR INDIVIDUAL EMPLOYEES BASED UPON PERFORMANCE/CONTRIBUTION; (3) ANALYSIS, REVIEW, AND APPROVAL OF SALARY INCREASE RECOMMENDATIONS BY HUMAN RESOURCES AND THE CHIEF EXECUTIVE OFFICER; AND (4) COMMUNICATION OF SALARY INCREASE DECISIONS TO STAFF.

FORM 990, PART VI, SECTION C, LINE 19:

THE NRECA ARTICLES OF INCORPORATION, BYLAWS, ANNUAL REPORT, MOST RECENT FORM 990, AND EXPANDED FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC ON COOPERATIVE.COM. NRECA DISTRIBUTES A COPY OF ITS ANNUAL REPORT TO EACH NRECA VOTING MEMBER. THE NRECA AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO NRECA VOTING MEMBERS ON THE MEMBER-ONLY SECTION OF COOPERATIVE.COM. NRECA NOTIFIES VOTING MEMBERS WHEN THE AUDITED FINANCIAL STATEMENTS FOR THE PRECEDING FISCAL YEAR HAVE BEEN POSTED ON COOPERATIVE.COM. THE NRECA CONFLICT OF INTEREST POLICY AND AUDITED FINANCIAL STATEMENTS ARE NOT AVAILABLE TO THE PUBLIC.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

Name of the organization **NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Employer identification number
53-0116145

NET INCOME OF SUBSIDIARIES

356,857.

FORM 990, PART XII, LINE 2C:

THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ 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.

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Name of the organization **NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION** Employer identification number **53-0116145**

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

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
NRECA INTERNATIONAL - 52-1387851 4301 WILSON BLVD ARLINGTON, VA 22203	INTERNATIONAL RURAL ELECTRIFICATION	VIRGINIA	501(C)(3)	170(B)(1)(A)(VI)	NRECA	X	
FUNDACION ENERGETICA BOLIVIANA 4301 WILSON BLVD ARLINGTON, VA 22203	BOLIVIAN RURAL ELECTRIFICATION	BOLIVIA		N/A	NRECA	X	
NRECA WOOD QUALITY CONTROL INC - 52-1446660 4301 WILSON BLVD ARLINGTON, VA 22203	WOOD POLE TESTING	VIRGINIA	501(C)(6)		NRECA	X	
GLENN ENGLISH NAT'L LEADERSHIP COOP FND - 46-1424031, 4301 WILSON BLVD, ARLINGTON, VA 22203	AWARDING OF SCHOLARSHIPS	VIRGINIA	501(C)(3)	509 (A) (3) TYPE I	NRECA	X	

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2019

Part II Continuation of Identification of Related Tax-Exempt Organizations

[illegible]

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Schedule R (Form 990) 2019

53-0116145 Page **2**

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
COOPERATIVE INSURANCE SERVICES - 52-1076274 4301 WILSON BLVD ARLINGTON, VA 22203	INSURANCE AGENT	VA	NRECA UNITED INC	C CORP	42,910.	816,826.	100%	X	
ELECTRIC COOPERATIVE LIFE INSURANCE CO - 86-0262046, 4301 WILSON BLVD, ARLINGTON, VA 22203	LIFE & HOSPITALIZATION INSURANCE	VA	NRECA	C CORP	97,979.	1,849,882.	100%	X	
COOPERATIVE BENEFIT ADMINISTRATORS - 52-1327041, 4301 WILSON BLVD, ARLINGTON, VA 22203	CLAIMS ADMINISTRATOR	VA	NRECA UNITED INC	C CORP	13,481,882.	4,700,564.	100%	X	
COOPERATING ENERGY SERVICES - 52-1490710 4301 WILSON BLVD ARLINGTON, VA 22203	SOFTWARE INTEGRATION DEVELOPMENT	VA	NRECA UNITED INC	C CORP	272,270.	45,686.	100%	X	
RE INVESTMENT CORPORATION - 52-1679315 4301 WILSON BLVD ARLINGTON, VA 22203	INVESTMENT BROKER	VA	NRECA UNITED INC	C CORP	0.	201,848.	100%	X	

[illegible]

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	X	
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)	X	
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

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) NRECA INTERNATIONAL	L	1,477,238.	ACCOUNTING RECORDS
(2) NRECA INTERNATIONAL	N	117,402.	ACCOUNTING RECORDS
(3) NRECA INTERNATIONAL	Q	5,866,548.	ACCOUNTING RECORDS
(4) NRECA WOOD QUALITY CONTROL INC	L	139,358.	ACCOUNTING RECORDS
(5) NRECA WOOD QUALITY CONTROL INC	O	530,984.	ACCOUNTING RECORDS
(6) NRECA WOOD QUALITY CONTROL INC	Q	1,680,700.	ACCOUNTING RECORDS

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

53-0116145

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(7) COOPERATIVE BENEFIT ADMINISTRATORS	L	4,589,263.	ACCOUNTING RECORDS
(8) COOPERATIVE BENEFIT ADMINISTRATORS	N	635,277.	ACCOUNTING RECORDS
(9) COOPERATIVE BENEFIT ADMINISTRATORS	O	7,443,971.	ACCOUNTING RECORDS
(10) COOPERATIVE BENEFIT ADMINISTRATORS	Q	100,335.	ACCOUNTING RECORDS
(11) COOPERATING ENERGY SERVICES	L	84,458.	ACCOUNTING RECORDS
(12) COOPERATING ENERGY SERVICES	O	80,242.	ACCOUNTING RECORDS
(13) COOPERATING ENERGY SERVICES	Q	73,129.	ACCOUNTING RECORDS
(14) RE INVESTMENT CORPORATION	L	333,804.	ACCOUNTING RECORDS
(15) RE INVESTMENT CORPORATION	Q	3,114,744.	ACCOUNTING RECORDS
(16) RE ADVISERS CORPORATION	A	626,550.	ACCOUNTING RECORDS
(17) RE ADVISERS CORPORATION	L	3,255,599.	ACCOUNTING RECORDS
(18) RE ADVISERS CORPORATION	N	398,909.	ACCOUNTING RECORDS
(19) RE ADVISERS CORPORATION	Q	2,310,967.	ACCOUNTING RECORDS
(20) NRECA UNITED INC	Q	593,089.	ACCOUNTING RECORDS
(21)			
(22)			
(23)			
(24)			

Schedule R (Form 990) 2019

Page 4

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

Schedule R (Form 990) 2019

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

ELECTRIC COOPERATIVE LIFE INSURANCE CO

DIRECT CONTROLLING ENTITY: NRECA

NAME OF RELATED ORGANIZATION:

COOPERATIVE BENEFIT ADMINISTRATORS

DIRECT CONTROLLING ENTITY: NRECA UNITED INC

NAME OF RELATED ORGANIZATION:

COOPERATING ENERGY SERVICES

DIRECT CONTROLLING ENTITY: NRECA UNITED INC

NAME OF RELATED ORGANIZATION:

RE INVESTMENT CORPORATION

DIRECT CONTROLLING ENTITY: NRECA UNITED INC

NAME OF RELATED ORGANIZATION:

RE ADVISERS CORPORATION

DIRECT CONTROLLING ENTITY: RE INVESTMENT CORPORATION

NAME OF RELATED ORGANIZATION:

NRECA UNITED INC

DIRECT CONTROLLING ENTITY: ELECTRIC COOPERATIVE LIFE INSURANCE CO

Form

4720Department of the Treasury
Internal Revenue Service**Return of Certain Excise Taxes Under Chapters
41 and 42 of the Internal Revenue Code**(Sections 170(f)(10), 664(c)(2), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, 4958, 4959, 4960,
4965, 4966, 4967, and 4968)▶ Go to www.irs.gov/Form4720 for instructions and the latest information.

OMB No. 1545-0052

2019

For calendar year 2019 or other tax year beginning , 2019, and ending

Name of organization or entity

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Employer identification number

53-0116145

Number, street, and room or suite no. (or P.O. box if mail is not delivered to street address)

4301 WILSON BLVD FIN8-110

Check box for type of annual return:

☒ Form 990 ☐ Form 990-EZ☐ Form 990-PF ☐ Other☐ Form 5227

City or town, state or province, country, and ZIP or foreign postal code

ARLINGTON, VA 22203

Yes	No
	X
	N/A

A Is the organization a foreign private foundation within the meaning of section 4948(b)?**B** Has corrective action been taken on any taxable event that resulted in Ch. 42 taxes being reported on this form? (Enter "N/A" if not applicable)

If "Yes," attach a detailed description and documentation of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ▶ \$. If "No," (that is, any uncorrected acts or transactions), attach an explanation (see instructions).

Part I Taxes on Organization (Sections 170(f)(10), 664(c)(2), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), 4955(a)(1), 4959, 4960(a), 4965(a)(1), 4966(a)(1), and 4968(a))

1	Tax on undistributed income - Schedule B, line 4	1	
2	Tax on excess business holdings - Schedule C, line 7	2	
3	Tax on investments that jeopardize charitable purpose - Schedule D, Part I, column (e)	3	
4	Tax on taxable expenditures - Schedule E, Part I, column (g)	4	
5	Tax on political expenditures - Schedule F, Part I, column (e)	5	
6	Tax on excess lobbying expenditures - Schedule G, line 4	6	
7	Tax on disqualifying lobbying expenditures - Schedule H, Part I, column (e)	7	
8	Tax on premiums paid on personal benefit contracts	8	
9	Tax on being a party to prohibited tax shelter transactions - Schedule J, Part I, column (h)	9	
10	Tax on taxable distributions - Schedule K, Part I, column (f)	10	
11	Tax on a charitable remainder trust's unrelated business taxable income. Attach statement	11	
12	Tax on failure to meet the requirements of section 501(r)(3) - Schedule M, Part II, line 2	12	
13	Tax on excess executive compensation - Schedule N	13	174,300.
14	Tax on net investment income of private colleges and universities - Schedule O	14	
15	Total (add lines 1 - 14)	15	174,300.

Part II-A Taxes on Managers, Self-Dealers, Disqualified Persons, Donors, Donor Advisors, and Related Persons

(Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), 4958(a), 4965(a)(2), 4966(a)(2), and 4967(a))

(a) Name and address of person subject to tax. City or town, state or province, country, ZIP or foreign postal code				(b) Taxpayer identification number
a				
b				
c				
	(c) Tax on self-dealing - Schedule A, Part II, col. (d), and Part III, col. (d)	(d) Tax on investments that jeopardize charitable purpose - Schedule D, Part II, col. (d)	(e) Tax on taxable expenditures - Schedule E, Part II, col. (d)	(f) Tax on political expenditures - Schedule F, Part II, col. (d)
a				
b				
c				
Total				
	(g) Tax on disqualifying lobbying expenditures - Sch H, Part II, col. (d)	(h) Tax on excess benefit transactions - Schedule I, Part II, col. (d), and Part III, col. (d)	(i) Tax on being a party to prohibited tax shelter transactions - Schedule J, Part II, col. (d)	(j) Tax on taxable distributions - Schedule K, Part II, col. (d)
a				
b				
c				
Total				
	(k) Tax on prohibited benefits - Sch L, Part II, col. (d), and Part III, col. (d)			(l) Total - Add cols. (c) through (k)
a				
b				
c				
Total				

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 4720 (2019)

53-0116145 Page **2**

Part II-B Summary of Taxes (See **Tax Payments** in the instructions.)

1	Enter the taxes listed in Part II-A, column (I), that apply to managers, self-dealers, disqualified persons, donors, donor advisors, and related persons who sign this form. If all sign, enter the total amount from Part II-A, column (I)	1	
2	Total tax. Add Part I, line 15, and Part II-B, line 1	2	174,300.
3	Total payments including amount paid with Form 8868 (see instructions)	3	
4	Tax due. If line 2 is larger than line 3, enter amount owed (see instructions)	4	174,300.
5	Overpayment. If line 2 is smaller than line 3, enter the difference. This is your refund	5	

SCHEDULE A - Initial Taxes on Self-Dealing (Section 4941)

Part I Acts of Self-Dealing and Tax Computation

(a) Act number	(b) Date of act	(c) Description of act	(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealer (10% of col. (e))	(g) Tax on foundation managers (if applicable) (lesser of \$20,000 or 5% of col. (e))
1						
2						
3						
4						
5						

Part II Summary of Tax Liability of Self-Dealers and Proration of Payments

(a) Names of self-dealers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col. (c)) (see instructions)

Part III Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (g), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE B - Initial Tax on Undistributed Income (Section 4942)

1	Undistributed income for years before 2018 (from Form 990-PF for 2019, Part XIII, line 6d)	1	
2	Undistributed income for 2018 (from Form 990-PF for 2019, Part XIII, line 6e)	2	
3	Total undistributed income at end of current tax year beginning in 2019 and subject to tax under section 4942 (add lines 1 and 2)	3	
4	Tax - Enter 30% of line 3 here and on Part I, line 1	4	

Form **4720** (2019)

SCHEDULE C - Initial Tax on Excess Business Holdings (Section 4943)**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions for each line item before making any entries.

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

		(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1	Foundation holdings in business enterprise	1		
2	Permitted holdings in business enterprise	2		
3	Value of excess holdings in business enterprise	3		
4	Value of excess holdings disposed of within 90 days; or, other value of excess holdings not subject to section 4943 tax (attach statement)	4		
5	Taxable excess holdings in business enterprise - line 3 minus line 4	5		
6	Tax - Enter 10% of line 5	6		
7	Total tax - Add amounts on line 6, columns (a), (b), and (c); enter total here and on Part I, line 2	7		

SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose (Section 4944)**Part I** Investments and Tax Computation

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (10% of col. (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of \$10,000 or 10% of col. (d))
1					
2					
3					
4					
5					
Total - Column (e). Enter here and on Part I, line 3					
Total - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

Part II Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Investment no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE E - Initial Taxes on Taxable Expenditures (Section 4945)

Part I Expenditures and Computation of Tax				
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5				
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (20% of col. (b))	(h) Initial tax imposed on foundation managers (if applicable)- (lesser of \$10,000 or 5% of col. (b))
Total - Column (g). Enter here and on Part I, line 4				
Total - Column (h). Enter total (or prorated amount) here and in Part II, column (c), below				

Part II Summary of Tax Liability of Foundation Managers and Proration of Payments			
(a) Names of foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (h), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE F - Initial Taxes on Political Expenditures (Section 4955)

Part I Expenditures and Computation of Tax					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col. (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col. (b))
1					
2					
3					
4					
5					
Total - Column (e). Enter here and on Part I, line 5					
Total - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments			
(a) Names of organization managers or foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE G - Tax on Excess Lobbying Expenditures (Section 4911)

1	Excess of grass roots expenditures over grass roots nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1h). (See the instructions before making an entry.)	1	
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1i). (See the instructions before making an entry.)	2	
3	Excess lobbying expenditures - enter the larger of line 1 or line 2	3	
4	Tax - Enter 25% of line 3 here and on Part I, line 6	4	

SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures (Section 4912)

Part I Expenditures and Computation of Tax					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col. (b))	(f) Tax imposed on organization managers (if applicable)- (5% of col. (b))
1					
2					
3					
4					
5					
Total - Column (e). Enter here and on Part I, line 7					
Total - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

Part II Summary of Tax Liability of Organization Managers and Proration of Payments			
(a) Names of organization managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958)

Part I Excess Benefit Transactions and Tax Computation		
(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		
(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col. (d))	(f) Tax on organization managers (if applicable) (lesser of \$20,000 or 10% of col. (d))

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958) *Continued***Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments**

(a) Names of disqualified persons liable for tax	(b) Trans. no. from Part I, col. (a)	(c) Tax from Part I, col. (e), or prorated amount	(d) Disqualified person's total tax liability (add amounts in col. (c)) (see instructions)

Part III Summary of Tax Liability of 501(c)(3), (c)(4) & (c)(29) Organization Managers and Proration of Payments

(a) Names of 501(c)(3), (c)(4) & (c)(29) organization managers liable for tax	(b) Trans. no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE J - Taxes on Being a Party to Prohibited Tax Shelter Transactions (Section 4965)**Part I Prohibited Tax Shelter Transactions (PTST) and Tax Imposed on the Tax-Exempt Entity**

(see instructions)

(a) Transaction number	(b) Transaction date	(c) Type of transaction 1 - Listed 2 - Subsequently listed 3 - Confidential 4 - Contractual protection	(d) Description of transaction
1			
2			
3			
4			
5			
(e) Did the tax-exempt entity know or have reason to know this transaction was a PTST when it became a party to the transaction? Answer Yes or No		(f) Net income attributable to the PTST	(g) 75% of proceeds attributable to the PTST
		(h) Tax imposed on the tax-exempt entity (see instructions)	
Total - Column (h). Enter here and on Part I, line 9			

Part II	Tax Imposed on Entity Managers (Section 4965) <i>Continued</i>
----------------	---

(a) Name of entity manager	(b) Transaction number from Part I, col. (a)	(c) Tax - enter \$20,000 for each transaction listed in col. (b) for each manager in col. (a)	(d) Manager's total tax liability (add amounts in col. (c))

**SCHEDULE K - Taxes on Taxable Distributions of Sponsoring Organizations Maintaining Donor
Advised Funds** (Section 4966). See the instructions.

Part I	Taxable Distributions and Tax Computation
---------------	--

(a) Item number	(b) Name of sponsoring organization and donor advised fund	(c) Description of distribution
1		
2		
3		
4		

(d) Date of distribution	(e) Amount of distribution	(f) Tax imposed on organization (20% of col. (e))	(g) Tax on fund managers (lesser of 5% of col. (e) or \$10,000)

Total - Column (f). Enter here and on Part I, line 10

Total - Column (g). Enter total (or prorated amount) here and in Part II, column (c), below

Part II	Summary of Tax Liability of Fund Managers and Proration of Payments
----------------	--

(a) Name of fund managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (g) or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE L - Taxes on Prohibited Benefits Distributed From Donor Advised Funds

(Section 4967).

See the instructions.

Part I Prohibited Benefits and Tax Computation		
(a) Item number	(b) Date of prohibited benefit	(c) Description of benefit
1		
2		
3		
4		
5		
(d) Amount of prohibited benefit		(e) Tax on donors, donor advisors, or related persons (125% of col. (d)) (see instructions)
		(f) Tax on fund managers (if applicable) (lesser of 10% of col. (d) or \$10,000) (see instructions)

Part II Summary of Tax Liability of Donors, Donor Advisors, Related Persons, and Proration of Payments			
(a) Names of donors, donor advisors, or related persons liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (e) or prorated amount	(d) Donor's, donor advisor's, or related person's total tax liability (add amounts in col. (c)) (see instructions)

Part III Summary of Tax Liability of Fund Managers and Proration of Payments			
(a) Names of fund managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f) or prorated amount	(d) Fund manager's total tax liability (add amounts in col. (c)) (see instructions)

Schedule M - Tax on Hospital Organization for Failure to Meet the Community Health Needs Assessment Requirements (Sections 4959 and 501(r)(3)). (See instructions.)

Part I Failures to Meet Section 501(r)(3)				
(a) Item number	(b) Name of hospital facility	(c) Description of the failure	(d) Tax year hospital facility last conducted a CHNA	(e) Tax year hospital facility last adopted an implementation strategy
1				
2				
3				
4				
5				

Part II Computation of Tax		
1	Number of hospital facilities operated by the hospital organization that failed to meet the Community Health Needs Assessment requirements of section 501(r)(3)	1
2	Tax - Enter \$50,000 multiplied by line 1 here and on Part I, line 12	2

SCHEDULE N - Tax on Excess Executive Compensation (Section 4960). (See instructions.)

(a) Item number	(b) Name of covered employee	(c) Excess remuneration	(d) Excess parachute payment	(e) Total. Add column (c) and (d)
1	SEE STATEMENT 1			
2				
3				
4				
5				
6	Attachment, if necessary. See instructions			
Total (add column (e) items 1 - 6)				829,998.
Tax. Enter 21% of the amount above here and on Part I, line 13				174,300.

SCHEDULE O - Excise Tax on Net Investment Income of Private Colleges and Universities
(Section 4968)

	(a) Name	(b) EIN	(c) Gross investment income (See instructions.)	(d) Capital gain net income	(e) Administrative expenses allocable to income included in cols. (c) and (d)	(f) Net investment income (See instructions.)
1	Filing Organization					
2	Related Organization					
3	Related Organization					
4	Related Organization					
5	Total from attachment, if necessary					
6	Total					
7	Excise Tax on Net Investment Income. Enter 1.4% of the amount in 6(f) here and on Part I, line 14					

Form **4720** (2019)

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Form 4720 (2019)

53-0116145 Page 10

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

Verecia L. J. | **SVP FINANCE** | *11-13-20*
Signature of officer or trustee Title Date

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person Date

**Sign
Here**

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person Date

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person Date

Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person Date

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

**Paid
Preparer
Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Form 4720 (2019)

FORM 4720

SCHEDULE N - TAX ON EXECUTIVE COMPENSATION

STATEMENT 1

(A) ITEM NO	(B) NAME OF COVERED EMPLOYEE
1.	JIM MATHESON

(C) EXCESS RENUMERATION
810,824.

(D) EXCESS PARACHUTE PAYMENT

(E) TOTAL
810,824.

(A) ITEM NO	(B) NAME OF COVERED EMPLOYEE
2.	TOM STANGROOM

(C) EXCESS RENUMERATION
19,174.

(D) EXCESS PARACHUTE PAYMENT

(E) TOTAL
19,174.

TOTAL EXCESS EXECUTIVE COMPENSATION

829,998.

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No. 1545-0047

2019

Department of the Treasury
Internal Revenue Service

For calendar year 2019 or other tax year beginning _____, and ending _____

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

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

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

A <input type="checkbox"/> Check box if address changed		Print or Type	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	D Employer identification number (Employees' trust, see instructions.) 53-0116145
B Exempt under section <input checked="" type="checkbox"/> 501(c)(6) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)			Number, street, and room or suite no. If a P.O. box, see instructions. 4301 WILSON BLVD FIN8-110	E Unrelated business activity code (See instructions.) 900003
			City or town, state or province, country, and ZIP or foreign postal code ARLINGTON, VA 22203	
C Book value of all assets at end of year 213,534,090.			F Group exemption number (See instructions.) ▶	
		G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust		

H Enter the number of the organization's unrelated trades or businesses. ▶ 1 Describe the only (or first) unrelated trade or business here ▶ SEE STATEMENT 1. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

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

J The books are in care of ▶ VENECIA LOCKHART Telephone number ▶ (703) 907-5960

Part I Unrelated Trade or Business Income				(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales					
b	Less returns and allowances		c Balance ▶	1c		
2	Cost of goods sold (Schedule A, line 7)			2		
3	Gross profit. Subtract line 2 from line 1c			3		
4a	Capital gain net income (attach Schedule D)			4a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			4b		
c	Capital loss deduction for trusts			4c		
5	Income (loss) from a partnership or an S corporation (attach statement)			5		
6	Rent income (Schedule C)			6		
7	Unrelated debt-financed income (Schedule E)			7		
8	Interest, annuities, royalties, and rents from a controlled organization (Schedule F)			8	626,551.	626,551.
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			9		
10	Exploited exempt activity income (Schedule I)			10	4,501,086.	4,662,626.
11	Advertising income (Schedule J)			11	2,021,923.	1,058,607.
12	Other income (See instructions; attach schedule)			12		
13	Total. Combine lines 3 through 12			13	7,149,560.	5,721,233.
						1,428,327.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)		14	
15	Salaries and wages		15	
16	Repairs and maintenance		16	
17	Bad debts		17	
18	Interest (attach schedule) (see instructions)		18	
19	Taxes and licenses		19	28,728.
20	Depreciation (attach Form 4562)	20		
21	Less depreciation claimed on Schedule A and elsewhere on return	21a	21b	
22	Depletion		22	
23	Contributions to deferred compensation plans		23	
24	Employee benefit programs		24	
25	Excess exempt expenses (Schedule I)		25	
26	Excess readership costs (Schedule J)		26	724,602.
27	Other deductions (attach schedule)		27	
28	Total deductions. Add lines 14 through 27		28	753,330.
29	Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13		29	674,997.
30	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		30	0.
31	Unrelated business taxable income. Subtract line 30 from line 29		31	674,997.

Part III Total Unrelated Business Taxable Income

32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32	674,997.
33	Amounts paid for disallowed fringes	33	
34	Charitable contributions (see instructions for limitation rules) STMT 2 STMT 3	34	67,400.
35	Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33	35	607,597.
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36	
37	Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35	37	607,597.
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)	38	1,000.
39	Unrelated business taxable income. Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39	606,597.

Part IV Tax Computation

40	Organizations Taxable as Corporations. Multiply line 39 by 21% (0.21)	40	127,385.
41	Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41	
42	Proxy tax. See instructions	42	
43	Alternative minimum tax (trusts only)	43	
44	Tax on Noncompliant Facility Income. See instructions	44	
45	Total. Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45	127,385.

Part V Tax and Payments

46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a	
b	Other credits (see instructions)	46b	
c	General business credit. Attach Form 3800	46c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d	
e	Total credits. Add lines 46a through 46d	46e	
47	Subtract line 46e from line 45	47	127,385.
48	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	48	
49	Total tax. Add lines 47 and 48 (see instructions)	49	127,385.
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50	0.
51a	Payments: A 2018 overpayment credited to 2019	51a	181,510.
b	2019 estimated tax payments	51b	400,000.
c	Tax deposited with Form 8868	51c	
d	Foreign organizations: Tax paid or withheld at source (see instructions)	51d	
e	Backup withholding (see instructions)	51e	
f	Credit for small employer health insurance premiums (attach Form 8941)	51f	
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other	51g	
52	Total payments. Add lines 51a through 51g	52	581,510.
53	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	53	
54	Tax due. If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54	
55	Overpayment. If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55	454,125.
56	Enter the amount of line 55 you want: Credited to 2020 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	56	454,125.

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

57	At any time during the 2019 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here	Yes	No
58	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file.		X
59	Enter the amount of tax-exempt interest received or accrued during the tax year \$ 515,413.		

Sign Here

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

Veronica L. L. J. 11/13/20 SVP FINANCE
Signature of officer Date Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name	Firm's EIN			
Firm's address	Phone no.			

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

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

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

(see instructions)

1. Description of property

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

2. Rent received or accrued

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

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

(b) Total deductions.

Enter here and on page 1, Part I, line 6, column (B) ...

0.

0.

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

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

Form 990-T (2019)

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

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1) RE INVESTMENT					
(2) CORPORATION	52-1679315			626,551.	
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
Totals			626,551.	0.

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

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

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

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1) MEMBER FEE		STMT 4				
(2) FOR SERVICE	4,501,086.	4,662,626.	-161,540.			
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 25.
Totals		4,501,086.	4,662,626.			0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

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

NATIONAL RURAL ELECTRIC

Form 990-T (2019) COOPERATIVE ASSOCIATION

53-0116145

Page 5

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

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4) STATEMENT 5						
Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, line 11, col. (A). 2021923.	Enter here and on page 1, Part I, line 11, col. (B). 1058607.				Enter here and on page 1, Part II, line 26. 724,602.

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

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

Form 990-T (2019)

FORM 990-T	DESCRIPTION OF ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY	STATEMENT 1
------------	---	-------------

MAGAZINE ADVERTISING, ROYALTIES, MEMBER FEE FOR SERVICE

TO FORM 990-T, PAGE 1

FORM 990-T	CONTRIBUTIONS	STATEMENT 2
DESCRIPTION/KIND OF PROPERTY	METHOD USED TO DETERMINE FMV	AMOUNT
VARIOUS CASH CONTRIBUTIONS	N/A	22,336.
TOTAL TO FORM 990-T, PAGE 2, LINE 34		22,336.

FORM 990-T	CONTRIBUTIONS SUMMARY	STATEMENT 3
QUALIFIED CONTRIBUTIONS SUBJECT TO 100% LIMIT		
QUALIFIED CONTRIBUTIONS SUBJECT TO 25% LIMIT		
CARRYOVER OF PRIOR YEARS UNUSED CONTRIBUTIONS		
FOR TAX YEAR 2014		
FOR TAX YEAR 2015	187,512	
FOR TAX YEAR 2016	247,234	
FOR TAX YEAR 2017	291,357	
FOR TAX YEAR 2018	23,623	
TOTAL CARRYOVER		749,726
TOTAL CURRENT YEAR 10% CONTRIBUTIONS		22,336
TOTAL CONTRIBUTIONS AVAILABLE		772,062
TAXABLE INCOME LIMITATION AS ADJUSTED		67,400
EXCESS CONTRIBUTIONS		704,662
EXCESS 100% CONTRIBUTIONS		0
TOTAL EXCESS CONTRIBUTIONS		704,662
ALLOWABLE CONTRIBUTIONS DEDUCTION		67,400
TOTAL CONTRIBUTION DEDUCTION		67,400

FORM 990-T	SCHEDULE I - EXPENSES DIRECTLY CONNECTED WITH PRODUCTION OF UNRELATED BUSINESS INCOME		STATEMENT 4
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
NATIONAL CONSULTING GROUP		2,421,418.	
MARKET RESEARCH		744,227.	
DEFERRED COMPENSATION EXPENSES		547,429.	
FAS 106 EXPENSES		949,552.	
- SUBTOTAL -	1		4,662,626.
TOTAL OF FORM 990-T, SCHEDULE I, COLUMN 3			4,662,626.

FORM 990-T

SCHEDULE J - INCOME FROM PERIODICALS
REPORTED ON A SEPARATE BASIS

STATEMENT 5

NAME OF PERIODICAL	GROSS ADV INCOME	DIRECT ADV COST	GAIN (LOSS)	CIRC INCOME	RDRSHIP COSTS	EXCESS RDRSHIP COSTS
RURAL ELECTRIFICATION MAGAZINE	1810083.	999,327.	810,756.	906,380.	1478422.	572,042.
ELECTRIC CO-OP TODAY	211,840.	59,280.	152,560.		982,332.	152,560.
TO FM 990-T, SCH J	2021923.	1058607.	963,316.	906,380.	2460754.	724,602.

Form 500

Department of Taxation
P.O. Box 1500
Richmond, VA 23218-1500

2019 Virginia Corporation Income Tax Return



FISCAL or Attention: Return must be filed electronically. Use this form only if you have an approved waiver.

SHORT Year Filer: Beginning Date _____; Ending Date _____

☐ Short Year Return ☐ Change in Accounting Period

Official Use Only

FEIN 53-0116145		Name NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION		Check all that apply: <input type="checkbox"/> Initial Filer <input type="checkbox"/> Name Change <input type="checkbox"/> Mailing Address Change <input type="checkbox"/> Physical Address Change	
Mailing Address 4301 WILSON BLVD FIN8-110					
City or Town ARLINGTON		State VA	ZIP Code 22203		
Physical Address (if different from Mailing Address)				Entity Type Code NP	
Physical City or Town		State	ZIP Code 511120		
Date Incorporated		State or Country of Incorporation		Description of Business Activity MAGAZINE ADVERTISING, ROYALTIES, MEM	
Check Applicable Boxes		Final Return		Corporate Telecommunications Company	
<input type="checkbox"/> Consolidated - Sch. 500AC Enclosed <input type="checkbox"/> Combined - Sch. 500AC Enclosed <input type="checkbox"/> Change in Filing Status <input type="checkbox"/> Sch. 500A Enclosed <input type="checkbox"/> Schedule 500AB Enclosed <input checked="" type="checkbox"/> Nonprofit Corporation <input type="checkbox"/> Certified Company Apportionment - Sch. 500AP Enclosed Enter number of affiliates _____		<input type="checkbox"/> Final Return - Check here and applicable boxes below. <input type="checkbox"/> Withdrawn <input type="checkbox"/> Dissolved - No longer liable for tax. Dissolved Date _____ <input type="checkbox"/> Merged Merger Date _____ Merged FEIN # _____ <input type="checkbox"/> S Corp Effective _____		Enter amount from Form 500T, Line 7: _____ .00	
Amended Return (Do not file this form to carry back a net operating loss. Use Form 500NOLD)				Noncorporate Telecommunications Company	
<input type="checkbox"/> Amended Return - Check here and other applicable boxes. <input type="checkbox"/> Federal Audit - Enclose copy of IRS final determination. <input type="checkbox"/> Schedule 500A Changes <input type="checkbox"/> Schedule 500ADJ Changes		<input type="checkbox"/> Nonrefundable or Refundable Credit Change <input type="checkbox"/> Schedule 500AB Changes <input type="checkbox"/> Capital Loss Carryback <input type="checkbox"/> Other - Enclose explanation.		Check box and enter amount from Form 500T, Line 10: <input type="checkbox"/> _____ .00	
				Electric Supplier Company	
				Enter amount from Sch. 500EL, Line 7 or 14: _____ .00	
				Home Service Contract Provider	
				Enter amount from Form 500HS, Line 10: <input type="checkbox"/> Check box if a noncorporate HSCP. _____ .00	
Questions and Related Information					
<p>A. Have you made any payments to an affiliated corporation, a related individual, or other related entity for interest, royalties or other expenses related to intangible property (patents, trademarks, copyrights, and similar intangible property)? If yes, complete and enclose Schedule 500AB.</p> <p style="text-align: right;">Enter exception amount from Schedule 500AB, Line 8. A. _____ .00</p>					
<p>B. Coalfield Employment Enhancement Tax Credit earned from 2019 Form 306, Line 11. B. _____ .00</p>					
<p>C. If a net operating loss deduction was claimed in computing federal taxable income on the U.S. Corporation Income Tax Return, provide the requested information. If a NOL resulted from a merger, enter the FEIN of the company generating the NOL prior to the merger date.</p> <p style="text-align: right;">(1) Year of Loss _____</p> <p style="text-align: right;">(2) Federal NOL _____</p> <p style="text-align: right;">(3) Percent of federal NOL used this year _____ %</p> <p>FEIN _____</p> <p>(If there are NOLs for more than one year, enclose a schedule for each year with the information requested in Section C.)</p>					
<p>D. If pass-through entity withholding is claimed, enter the number of Schedules VK-1 and complete and enclose Schedule 500ADJ, Page 2. D. _____</p>					
<p>E. Has your federal income tax liability been redetermined with the IRS and finalized for any prior year(s) that has not previously been reported to the Department? If yes, provide the year(s). Year E. _____</p> <p style="text-align: right;">Year _____</p> <p style="text-align: right;">Year _____</p>					
<p>F. Location of corporation's books 4301 WILSON BLVD FIN8-110, AR</p>					
<p>Contact for corporation's books VERNEICIA LOCKHART Contact Phone Number (703)907-5960</p>					

2019 Virginia Form 500

Page 2

FEIN
53-0116145



INCOME

1. Federal taxable income (from enclosed federal return)	1.	606597 .00
2. Total additions from Schedule 500ADJ, Section A, Line 7	2.	28728 .00
3. Total (add Lines 1 and 2)	3.	635325 .00
4. Total subtractions from Schedule 500ADJ, Section B, Line 10	4.	.00
5. Balance (subtract Line 4 from Line 3)	5.	635325 .00
6. Savings and Loan Association's Bad Debt Deduction (see instructions)	6.	.00
7. Virginia taxable income (subtract Line 6 from Line 5)	7.	635325 .00

TAX COMPUTATION

8. Apportionable Income (Schedule 500A Filers) - Complete Lines 8(a) through 8(d). See instructions.		
(a) Income subject to Virginia tax from Schedule 500A, Section B, Line 3(g)	8(a).	.00
(b) Apportionment factor percentage from Schedule 500A, Section B, Line 1 or Line 2(f)	8(b).	%
(c) Nonapportionable investment function income from Schedule 500A, Section B, Line 3(c)	8(c).	.00
(d) Nonapportionable investment function loss from Schedule 500A, Section B, Line 3(e)	8(d).	.00
9. Income tax (6% of Line 7 or 6% of Line 8(a))	9.	38120 .00

PAYMENTS AND CREDITS

10. Nonrefundable tax credits: Enter the amount from Schedule 500CR, Section 2, Part 1, Line 1B	10.	.00
11. Adjusted corporate tax (subtract Line 10 from Line 9)	11.	38120 .00
12. 2019 estimated Virginia income tax payments including overpayment credit from 2018	12.	142262 .00
13. Extension payment	13.	.00
14. Refundable tax credits from Schedule 500CR, Section 4, Part 1, Line 1A	14.	.00
15. Pass-through entity total withholding from Schedule 500ADJ, Section D	15.	.00
16. Total payments and credits (add Lines 12 through 15)	16.	142262 .00

REFUND OR TAX DUE

17. Tax owed (if Line 11 is greater than Line 16, subtract Line 16 from Line 11)	17.	.00
18. Penalty (see instructions)	18.	.00
19. Interest (see instructions)	19.	.00
20. Additional charge from Form 500C, Line 17 (enclose Form 500C)	20.	.00
21. Total due (add Lines 17 through 20)	21.	.00
22. Overpayment (if Line 16 is greater than Line 11, subtract Line 11 from Line 16)	22.	104142 .00
23. Amount to be credited to 2020 estimated tax	23.	.00
24. Amount to be refunded (subtract Line 23 from Line 22)	24.	104142 .00

I, the undersigned president, vice-president, treasurer, assistant treasurer, chief accounting officer, or other officer duly authorized to act on behalf of the corporation for which this return is made, declare under the penalties provided by law that this return (including any accompanying schedules and statements) has been examined by me and is, to the best of my knowledge and belief, a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the income tax laws of the Commonwealth of Virginia. If prepared by a person other than the taxpayer, this declaration is based on all information of which he or she has any knowledge.

By checking the box to the right, I (we) authorize the Department to discuss this return with the undersigned preparer. ☒

Date 11/13/20	Signature of Officer <i>Veneicia Lockhart</i>	Title SVP FINANCE
Printed Name of Officer VENEICIA LOCKHART		Phone Number
Print Preparer's Name and Firm Name		Preparer Phone Number
Date	Individual or Firm, Signature of Preparer	Address of Preparer
Preparer's FEIN, PTIN, or SSN		Approved Vendor Code 1019

IMPORTANT: INCLUDE A COPY OF YOUR FEDERAL RETURN WITH THIS RETURN

Form 500

Department of Taxation
P.O. Box 1500
Richmond, VA 23218-1500

2019 Virginia Corporation Income Tax Return



FISCAL or Attention: Return must be filed electronically. Use this form only if you have an approved waiver.

SHORT Year Filer: Beginning Date _____; Ending Date _____

☐ Short Year Return ☐ Change in Accounting Period

Official Use Only

FEIN 53-0116145		Name NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION		Check all that apply: <input type="checkbox"/> Initial Filer <input type="checkbox"/> Name Change <input type="checkbox"/> Mailing Address Change <input type="checkbox"/> Physical Address Change	
Mailing Address 4301 WILSON BLVD FIN8-110					
City or Town ARLINGTON		State VA	ZIP Code 22203		
Physical Address (if different from Mailing Address)				Entity Type Code NP	
Physical City or Town		State	ZIP Code 511120		
Date Incorporated		State or Country of Incorporation		Description of Business Activity MAGAZINE ADVERTISING, ROYALTIES, MEM	
Check Applicable Boxes		Final Return		Corporate Telecommunications Company	
<input type="checkbox"/> Consolidated - Sch. 500AC Enclosed <input type="checkbox"/> Combined - Sch. 500AC Enclosed <input type="checkbox"/> Change in Filing Status <input type="checkbox"/> Sch. 500A Enclosed <input type="checkbox"/> Schedule 500AB Enclosed <input checked="" type="checkbox"/> Nonprofit Corporation <input type="checkbox"/> Certified Company Apportionment - Sch. 500AP Enclosed Enter number of affiliates _____		<input type="checkbox"/> Final Return - Check here and applicable boxes below. <input type="checkbox"/> Withdrawn <input type="checkbox"/> Dissolved - No longer liable for tax. Dissolved Date _____ <input type="checkbox"/> Merged Merger Date _____ Merged FEIN # _____ <input type="checkbox"/> S Corp Effective _____		Enter amount from Form 500T, Line 7: _____ .00	
Amended Return (Do not file this form to carry back a net operating loss. Use Form 500NOLD)				Noncorporate Telecommunications Company	
<input type="checkbox"/> Amended Return - Check here and other applicable boxes. <input type="checkbox"/> Federal Audit - Enclose copy of IRS final determination. <input type="checkbox"/> Schedule 500A Changes <input type="checkbox"/> Schedule 500ADJ Changes		<input type="checkbox"/> Nonrefundable or Refundable Credit Change <input type="checkbox"/> Schedule 500AB Changes <input type="checkbox"/> Capital Loss Carryback <input type="checkbox"/> Other - Enclose explanation.		Check box and enter amount from Form 500T, Line 10: <input type="checkbox"/> _____ .00	
				Electric Supplier Company	
				Enter amount from Sch. 500EL, Line 7 or 14: _____ .00	
				Home Service Contract Provider	
				Enter amount from Form 500HS, Line 10: <input type="checkbox"/> Check box if a noncorporate HSCP. _____ .00	
Questions and Related Information					
<p>A. Have you made any payments to an affiliated corporation, a related individual, or other related entity for interest, royalties or other expenses related to intangible property (patents, trademarks, copyrights, and similar intangible property)? If yes, complete and enclose Schedule 500AB.</p> <p style="text-align: right;">Enter exception amount from Schedule 500AB, Line 8. A. _____ .00</p>					
<p>B. Coalfield Employment Enhancement Tax Credit earned from 2019 Form 306, Line 11. B. _____ .00</p>					
<p>C. If a net operating loss deduction was claimed in computing federal taxable income on the U.S. Corporation Income Tax Return, provide the requested information. If a NOL resulted from a merger, enter the FEIN of the company generating the NOL prior to the merger date.</p> <p style="text-align: right;">(1) Year of Loss _____</p> <p style="text-align: right;">(2) Federal NOL _____</p> <p style="text-align: right;">(3) Percent of federal NOL used this year _____ %</p> <p>FEIN _____</p> <p>(If there are NOLs for more than one year, enclose a schedule for each year with the information requested in Section C.)</p>					
<p>D. If pass-through entity withholding is claimed, enter the number of Schedules VK-1 and complete and enclose Schedule 500ADJ, Page 2. D. _____</p>					
<p>E. Has your federal income tax liability been redetermined with the IRS and finalized for any prior year(s) that has not previously been reported to the Department? If yes, provide the year(s). E. _____</p> <p style="text-align: right;">Year _____</p> <p style="text-align: right;">Year _____</p> <p style="text-align: right;">Year _____</p>					
<p>F. Location of corporation's books 4301 WILSON BLVD FIN8-110, AR</p>					
<p>Contact for corporation's books VERNEICIA LOCKHART Contact Phone Number (703)907-5960</p>					

2019 Virginia
Schedule 500ADJ

Corporation Schedule
of Adjustments



Name as shown on Virginia return NATIONAL RURAL ELECTRIC COOPERATIVE FEIN 53-0116145

Use **Schedule 500ADJS** in addition to the Schedule 500ADJ if you are claiming more additions or subtractions than the Schedule 500ADJ allows. Refer to the Form 500 Instructions for addition and subtraction codes. Check this box and enclose Schedule 500ADJS with your return ☐

Section A - Additions to Federal Taxable Income

1. Fixed date conformity addition - Depreciation	1.00	
2. Fixed date conformity addition - Other	2.00	
3. Taxable addition from Schedule 500AB, Line 10	3.00	
4. Net income tax and other taxes that are based on, measured by, or computed with reference to net income	4.	28728 .00	
5. Interest on state obligations other than Virginia	5.00	
6. Other Additions			
	Code		
6a. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>99</td></tr></table> <u>STATEMENT 1</u>	99	6a.00
99			
6b.	6b.00	
6c.	6c.00	
7. Total Additions. Add Lines 1-5 and 6a-6c. Enter here and on Form 500, Line 2	7.	28728 .00	

Section B - Subtractions from Federal Taxable Income

1. Fixed date conformity subtraction - Depreciation	1.00	
2. Fixed date conformity subtraction - Other	2.00	
3. Income from obligations or securities of the U.S. exempt from state income taxes, but not from federal income taxes	3.00	
4. Foreign dividend gross-up (IRC § 78)	4.00	
5. Refund or credit of income taxes included in federal taxable income	5.00	
6. Subpart F income (IRC § 951) and/or Global Intangible Low-Taxed Income (IRC § 951A)	6.00	
7. Foreign source income subtraction allowed by Va. Code § 58.1-402 C 8	7.00	
8. Dividends received from corporations in which the recipient owns 50% or more of the voting stock, to the extent remaining in federal taxable income	8.00	
9. Other Subtractions (see instructions for subtraction codes)			
	Certification Number	Code	
9a. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td> </td></tr></table>		9a.00
9b. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td> </td></tr></table>		9b.00
9c. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td> </td></tr></table>		9c.00
10. Total Subtractions. Add Lines 1-8 and 9a-9c. Enter here and on Form 500, Line 4	10.00	

Section C - Amended Return

If you are filing an amended return, complete Section C to determine if you will receive an additional refund or if you need to make an additional payment.

1. Add amount paid with original return plus additional tax paid after it was filed. (Do not include amount paid from Form 500, Line 20.)	1. ....	.00
2. Add Line 1 from above and Line 16 from Form 500 and enter the total here	2. ....	.00
3. Overpayment, if any, as shown on original return or as previously adjusted	3. ....	.00
4. Subtract Line 3 from Line 2	4. ....	.00
5. If Line 4 above is less than Line 11 on amended Form 500, subtract Line 4 above from Line 11 on amended Form 500. This is the tax you owe	5. ....	.00
6. Refund. If Line 11 on amended Form 500 is less than Line 4 above, subtract Line 11 on amended Form 500 from Line 4 above. This is the tax you overpaid	6. ....	.00

EXPLANATION OF CHANGES TO INCOME AND MODIFICATIONS

Enclose an explanation for amending return. Provide the line reference from the Form 500 for which a change is reported and give the reason for each change. Show any computation in detail and enclose any applicable schedules.

VA 500ADJ

ADDITIONS TO TAXABLE INCOME

STATEMENT 1

CODE AND DESCRIPTION

AMOUNT

99 ADD BACK STATE TAXES DEDUCTED FOR FEDERAL TAXABLE INCOME
CALC.

TOTAL TO FORM 500ADJ - ADDITIONS

**2019 Virginia
Schedule 500FED**

**Corporation Schedule of
Federal Line Items**



Enclose Schedule 500FED with your Virginia Corporation Income Tax Return, Form 500.
Schedule 500FED does not replace the requirement to enclose a complete federal Form 1120 with your Virginia return.

Name as shown on Virginia return **NATIONAL RURAL ELECTRIC COOPERATIVE AS** FEIN **53-0116145**

Form 1120 - Deductions and Taxable Income

1. Federal Taxable Income before NOL and Special Deductions	1.	607597	.00
2. Net Operating Loss Deduction	2.		.00
3. Special Deductions	3.	1000	.00
4. Federal Taxable Income after NOL and Special Deductions	4.	606597	.00

Form 1120, Schedule C - Dividends and Special Deductions

5. Subpart F Income and/or Global Intangible Low-Taxed Income	5.		.00
6. Gross-Up for Foreign Taxes Deemed Paid	6.		.00

Form 1120, Schedule K or M-1

7. Tax Exempt Interest	7.		.00
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Form 5884 - Work Opportunity Credit

8. Salaries and Wages not deducted due to the WOTC	8.		.00
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Form 4562 - Special Depreciation Allowance and Other Depreciation

9. Special depreciation allowance for qualified property placed in service during the taxable year	9.		.00
10. Property subject to 168(f)(1) election	10.		.00
11. Other depreciation	11.		.00

Form 1118, Schedule A - Income or Loss Before Adjustments - Gross Income or Loss

12. Total: Dividends (Exclude Gross-up)	12.		.00
13. Total: Dividends (Gross-up)	13.		.00
14. Total: Inclusions (Exclude Gross-up)	14.		.00
15. Total: Inclusions (Gross-up)	15.		.00
16. Total: Interest	16.		.00
17. Total: Gross Rents, Royalties, and License Fees	17.		.00
18. Total: Gross Income from Performance of Services	18.		.00
19. Total: Other	19.		.00
20. Total: Total Gross Income or Loss from Outside the US	20.		.00

Form 1118, Schedule A - Income or Loss Before Adjustments - Deductions

21. Total: Allocable - Rental, Royalty, and Licensing Expenses - Depreciation, Depletion, and Amortization	21.		.00
22. Total: Allocable - Rental, Royalty, and Licensing Expenses - Other Expenses	22.		.00
23. Total: Allocable - Expenses Related to Gross Income from Performance of Services	23.		.00
24. Total: Allocable - Other Allocable Deductions	24.		.00
25. Total: Total Allocable Deductions	25.		.00
26. Total: Apportioned Share of Deductions	26.		.00
27. Total: Net Operating Loss Deduction	27.		.00
28. Total: Total Deductions	28.		.00

Form 1118, Schedule A - Income or Loss Before Adjustments - Total Income

29. Total: Total Income or (Loss) Before Adjustments	29.		.00
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Form 500C

2019 Underpayment of Virginia
Estimated Tax by Corporations

Department of Taxation

P.O. Box 1500

Richmond, VA 23218-1500

FISCAL year filer or SHORT year filer: Enter beginning date _____,

and ending date _____,

and check here ☐

Name NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	FEIN 53-0116145
Mailing Address (Rural Route and Box Number) 4301 WILSON BLVD FIN8-110	
City or Town, State, and ZIP Code ARLINGTON, VA 22203	

Part I - How to Compute the Underpayment

By completing Lines 1 through 8, a corporation can determine whether or not it paid the correct amount of estimated tax by the proper due dates. If the minimum amounts were not timely paid, an additional charge may be imposed for the period of underpayment. A corporation that filed its return on a basis other than a calendar year should enter the dates corresponding to its taxable year in the space provided below

1. Income tax reduced by allowable nonrefundable and refundable credits from Schedule 500CR			38120 .00	
2. 90% of Line 1			34308 .00	
Enter in Columns (a) through (d) the installment due dates (the 15th day of the 4th, 6th, 9th, and 12th months) of your taxable year	Due Dates of Installments			
	(a)	(b)	(c)	(d)
	04/15/19	06/17/19	09/16/19	12/16/19
	8577 .00	8577 .00	8577 .00	8577 .00
	25000 .00	25000 .00	25000 .00	25000 .00
	42262 .00	.00	.00	.00
		58685 .00	75108 .00	91531 .00
	67262 .00	83685 .00	100108 .00	116531 .00
	-58685 .00	-75108 .00	-91531 .00	-107954 .00
3. Enter 25% of Line 2 in Columns (a) through (d)			8577 .00	
4. Amounts paid or credited for each period			25000 .00	
5. Amount of 2018 overpayment credited against 2019 estimated tax			42262 .00	
6. Overpayment of previous installment			58685 .00	
7. Total (Add Lines 4, 5, and 6)			100108 .00	
8. Underpayment (or overpayment) (Subtract Line 3 from Line 7)			-91531 .00	

An overpayment of an installment in Line 8 in excess of all prior underpayments should be applied as a credit against the next installment.

Part II - Exceptions to the Additional Charge

If you meet any of the exceptions to the addition to the tax, complete Lines 9 through 12.

9. Total amount paid or credited from the beginning of the taxable year through the installment dates that correspond to the 15th day of the 4th, 6th, 9th, and 12th months of your taxable year	(a)	(b)	(c)	(d)
	67262.00	92262.00	117262.00	142262.00
	25% of tax	50% of tax	75% of tax	100% of tax
10. Exception 1 - Prior year's tax	22441.00	44882.00	67322.00	89763.00
	25% of tax	50% of tax	75% of tax	100% of tax
11. Exception 2 - Tax on prior year's income based on the facts shown on the prior year's return, but using current year's rates .....	.00	.00	.00	.00
	22.50% of tax	45% of tax	67.50% of tax	90% of tax
12. Exception 3 - Tax on annualized income (Enclose computation) .....	.00	.00	.00	.00

There is no additional charge imposed on an underpayment shown in Line 8 for any installment date if by that date the corporation made the minimum payment determined under any of the exceptions reflected in the instructions.

Part III - Computation of the Additional Charge

If an underpayment of estimated tax is shown in Line 8 for an installment and an exception is not applicable, the additional charge should be computed by completing the portion(s) of this applicable to the installment(s).

Enter the same installment dates used above in Part I ...	(a)	(b)	(c)	(d)
13. Amount of underpayment from Line 8 .....	.00	.00	.00	.00
14. Enter the date of payment or the 15th day of the 4th month after the close of your taxable year, whichever is earlier				
15. Number of days from the due date of installment to the date shown on Line 14				
16. Additional charge (Rate of interest established in IRC § 6621, plus 2%, times the amount on Line 13 for the number of days shown on Line 15) .....	.00	.00	.00	.00
17. Add Columns (a) through (d), Line 16. Enter amount here and on Form 500, Line 20.				.00

A payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment as computed in Line 3. If the corporation made more than 1 payment for a given installment, enclose a schedule showing a separate computation for each payment.