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

2008

For calendar year 2008 or other tax year beginning 01/01, 2008, and ending 12/31, 2008. See separate instructions.

Check box if address changed

Name of organization (Check box if name changed and see instructions)
THE J.M. KAPLAN FUND, INC.

D Employer identification number
 (Employees' trust, see instructions for Block D on page 9)
13-6090286

B Exempt under section
 501(c)(3)
 408(e) 220(e)
 408A 530(a)
 529(a)

Print or Type

C/O CONDON O'MEARA MCGINTY & DONNELLY

Number, street, and room or suite no. If a P.O. box, see page 9 of instructions
**ONE BATTERY PARK PLAZA
 7TH FLOOR**

E Unrelated business activity codes
 (See instructions for Block E on page 9)

City or town, state, and ZIP code
NEW YORK, NY 10004-1405

900001

C Book value of all assets at end of year
123,089,317.

F Group exemption number (See instructions for Block F on page 9) **▶**

G Check organization type 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity **▶ PARTNERSHIP INCOME**

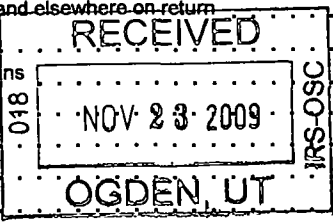
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No
 If "Yes," enter the name and identifying number of the parent corporation. **▶**

J The books are in care of **▶ THE J.M. KAPLAN FUND** Telephone number **▶ 212-661-7777**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a 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			
4 a Capital gain net income (attach Schedule D)	4 a			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4 b			
c Capital loss deduction for trusts	4 c			
5 Income (loss) from partnerships and S corporations (attach statement)	5	-1,930,558.	STMT 1	-1,930,558.
6 Rent income (Schedule C)	6			
7 Unrelated debt-financed income (Schedule E)	7			
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9			
10 Exploited exempt activity income (Schedule I)	10			
11 Advertising income (Schedule J)	11			
12 Other income (See page 11 of the instructions, attach schedule)	12			
13 Total. Combine lines 3 through 12	13	-1,930,558.		-1,930,558.

Part II Deductions Not Taken Elsewhere (See page 11 of the instructions for limitations on deductions.)
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14		
15 Salaries and wages	15		
16 Repairs and maintenance	16		
17 Bad debts	17		
18 Interest (attach schedule)	18	SEE STATEMENT 2	453,698.
19 Taxes and licenses	19		14,357.
20 Charitable contributions (See page 13 of the instructions for limitation rules.)	20		
21 Depreciation (attach Form 4562)	21	NONE	
22 Less depreciation claimed on Schedule A and elsewhere on return	22 a		
	22 b		NONE
23 Depletion	23		
24 Contributions to deferred compensation plans	24		
25 Employee benefit programs	25		
26 Excess exempt expenses (Schedule I)	26		
27 Excess readership costs (Schedule J)	27		
28 Other deductions (attach schedule)	28	SEE STATEMENT 3	99,968.
29 Total deductions. Add lines 14 through 28	29		568,023.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		-2,498,581.
31 Net operating loss deduction (limited to the amount on line 30)	31		
32 Unrelated business taxable income before specific deduction Subtract line 31 from line 30	32		-2,498,581.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33		1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.	34		-2,498,581.



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Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15. 36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. 37 Proxy tax. See page 16 of the instructions. 38 Alternative minimum tax. 39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies.

Part IV Tax and Payments

40 a Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116). 41 Subtract line 40e from line 39. 42 Other taxes. 43 Total tax. Add lines 41 and 42. 44 a Payments: A 2007 overpayment credited to 2008. 45 Total payments. Add lines 44a through 44f. 46 Estimated tax penalty. 47 Tax due. 48 Overpayment. 49 Enter the amount of line 48 you want.

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 18)

1 At any time during the 2008 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? 2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? 3 Enter the amount of tax-exempt interest received or accrued during the tax year.

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

1 Inventory at beginning of year. 2 Purchases. 3 Cost of labor. 4 a Additional section 263A costs (attach schedule). 4 b Other costs (attach schedule). 5 Total. Add lines 1 through 4b. 6 Inventory at end of year. 7 Cost of goods sold. Subtract line 6 from line 5. 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?

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.

Sign Here: Signature of officer: William Balabee, Date: 11/9/09, Title: Controller. May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [] No

Paid Preparer's Use Only: Preparer's signature: [Signature], Date: NOV 09 2009, Check if self-employed: [], Preparer's SSN or PTIN: P00183769, Firm's name: CONDON O'NEARA MCGINTY & DONNELLY L, EIN: 13-3628255, Address: ONE BATTERY PARK PLAZA, NEW YORK, NY 10004-1405, Phone no: 212-661-7777

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions on page 21)

Table with 5 columns: 1 Description of income, 2 Amount of income, 3 Deductions directly connected, 4 Set-asides, 5 Total deductions and set-asides. Includes rows (1) through (4) and a Totals row.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions on page 21)

Table with 7 columns: 1 Description of exploited activity, 2 Gross unrelated business income, 3 Expenses directly connected, 4 Net income, 5 Gross income from activity, 6 Expenses attributable, 7 Excess exempt expenses. Includes rows (1) through (4) and a Totals row.

Schedule J - Advertising Income (see instructions on page 21)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or (loss), 5 Circulation income, 6 Readership costs, 7 Excess readership costs. Includes rows (1) through (4) and a Totals row.

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.)

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or (loss), 5 Circulation income, 6 Readership costs, 7 Excess readership costs. Includes rows (1) through (4) and a Totals row.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 22)

Table with 4 columns: 1 Name, 2 Title, 3 Percent of time devoted to business, 4 Compensation attributable to unrelated business. Includes a Total row.

**The J.M.Kaplan Fund
990T
Schedule of Other Income
31-Dec-08
Statement 1**

Adamas Opportunities, L.P.	(EIN:04-3514360)	\$ (1,339)
Adamas Opportunities, L.P.(3yrs)	(EIN:04-3514360)	\$ (3,715)
Adamas Partners L.P. (1 yr)	(EIN:04-3514358)	\$ (808)
Adamas Partners L.P. (3yrs)	(EIN:04-3514358)	\$ (1,629)
Avanti Strategic Land Investors II Active	(EIN:59-3305003)	\$ (770)
Avanti Strategic Land Investors III Active	(EIN:59-3501318)	\$ (3,104)
Avanti Strategic Land Investors IV Active	(EIN:59-3711076)	\$ (9,207)
Dover Street IV	(EIN:04-3456831)	\$ 2,198
Dover Street V	(EIN:98-0373064)	\$ (1,835)
Kayhaven Capital Partners II,L.P.	ein:98-0539392	\$ (3,808)
Metropolitan Real Estate IV	EIN:65-1265800	\$ (12,747)
Metropolitan Real Estate Partners Global II	ein:26-2214434	\$ (43)
Metropolitan Real Estate Partners V	EIN:20-8395095	\$ (895)
Paul Capital Partners VII	(EIN:94-3389160)	\$ 950
Paul Capital VI	(ein:91-1910394)	\$ 2,000
Paul Capital VIII	(EIN#20-0741955)	\$ (1,196)
Prospect Harbor	(ein:20-0606486)	\$ (1,679,257)
Special Opportunities Fund	ein(36-4617228)	\$ (2,364)
Steel Partners Japan	(ein#:04-3584101)	\$ (203,993)
Venture Investment Associates VI	(EIN:20-5196244)	\$ (92)
Venture Investment Associates, Inc.	(ein#:94-3390505)	\$ (6,358)
Venture Investment Associates, Inc.	(ein#:22-3679965)	\$ (2,546)
	Total	<u>\$ (1,930,558)</u>

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return.

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

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

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

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

File by the due date for filing your return. See instructions.	Name of Exempt Organization THE J.M. KAPLAN FUND, INC.	Employer identification number
	C/O CONDON O'MEARA MCGINTY & DONNELLY	13-6090286
	Number, street, and room or suite no. If a P.O. box, see instructions ONE BATTERY PARK PLAZA	
	City, town or post office, state, and ZIP code For a foreign address, see instructions.	
	7TH FLOOR	
	NEW YORK, NY 10004-1405	

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

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

• The books are in the care of ▶ THE J.M. KAPLAN FUND

Telephone No ▶ 212 661-7777 FAX No. ▶ _____

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 11/15, 2009, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year 2008 or
▶ tax year beginning _____, _____, and ending _____

2 If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$ <u>100</u>
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$ <u>17,407</u>
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$ <u>-0-</u>

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

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

**The J.M.Kaplan Fund
990T
Schedule of Interest Expense
31-Dec-08
Statement 3**

Dover Street IV	(EIN:04-3456831)	\$	(1,616)
Dover Street V	(EIN:98-0373064)	\$	(670)
Metropolitan Real Estate IV	EIN:65-1265800	\$	(61)
Paul Capital VI	(ein:91-1910394)	\$	(919)
Prospect Harbor	(ein:20-0606486)	\$	(69,799)
Special Opportunities Fund	ein(36-4617228)	\$	(234)
Steel Partners Japan	(ein# 04-3584101)	\$	(24,627)
Venture Investment Associates VI	(EIN:20-5196244)	\$	(30)
Venture Investment Associates, Inc.	(ein#:94-3390505)	\$	(773)
Venture Investment Associates, Inc.	(ein#:22-3679965)	\$	(1,239)
	Total	\$	<u>(99,968)</u>

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS
=====

SEE ATTACHED STATEMENT

99,968.

PART II - LINE 28 - OTHER DEDUCTIONS

99,968.
=====

**The J.M.Kaplan Fund
990T
Schedule of Interest Expense
31-Dec-08
Statement 2**

Adamas Opportunities, L.P.	(EIN:04-3514360)	\$	(25,246)
Adamas Opportunities, L.P.(3yrs)	(EIN:04-3514360)	\$	(70,056)
Adamas Partners L.P. (1 yr)	(EIN:04-3514358)	\$	(30,361)
Adamas Partners L.P. (3yrs)	(EIN:04-3514358)	\$	(61,223)
Avanti Strategic Land Investors II Active	(EIN:59-3305003)	\$	(612)
Avanti Strategic Land Investors III Active	(EIN:59-3501318)	\$	(14,692)
Avanti Strategic Land Investors IV Active	(EIN:59-3711076)	\$	(5,499)
Dover Street IV	(EIN:04-3456831)	\$	(476)
Dover Street V	(EIN:98-0373064)	\$	(599)
Metropolitan Real Estate IV	EIN:65-1265800	\$	(4,807)
Metropolitan Real Estate Partners Global II	ein:26-2214434	\$	(2,881)
Metropolitan Real Estate Partners V	EIN:20-8395095	\$	(1,878)
Paul Capital Partners VII	(EIN:94-3389160)	\$	(312)
Paul Capital VI	(ein:91-1910394)	\$	(10)
Prospect Harbor	(ein:20-0606486)	\$	(163,933)
Special Opportunities Fund	ein(36-4617228)	\$	(416)
Steel Partners Japan	(ein#:04-3584101)	\$	(2,524)
Venture Investment Associates VI	(EIN:20-5196244)	\$	(46)
Venture Investment Associates, Inc.	(ein#:94-3390505)	\$	(38,518)
Venture Investment Associates, Inc.	(ein#:22-3679965)	\$	(29,609)
	Total	\$	<u>(453,698)</u>

FORM 990T - PART II - LINE 18 - INTEREST
=====

SEE ATTACHED SCHEDULE

453,698.

PART II - LINE 18 - INTEREST

453,698.
=====

FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS
=====

SEE ATTACHED STATEMENT

-1,930,558.

INCOME (LOSS) FROM PARTNERSHIPS

-1,930,558.
=====

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)
(see instructions on page 19)

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	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) . . . ▶

Schedule E - Unrelated Debt-Financed Income (see instructions on page 19)

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

Total dividends-received deductions included in column 8 ▶

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 20)

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

Nonexempt Controlled Organizations

7 Taxable income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals ▶			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)