

Return of Private Foundation

2004

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation
 Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

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

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization BILL & MELINDA GATES FOUNDATION		A Employer identification number 91-1663695
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 1551 EASTLAKE AVENUE EAST		B Telephone number (see page 10 of the instructions) (206) 709-3100
	City or town, state, and ZIP code SEATTLE, WA 98102		

C If exemption application is pending, check here

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 28,798,609,188.**

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	627,000,000.			
	2 Check <input type="checkbox"/> If the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	816,144,343.	816,144,343.		
	4 Dividends and interest from securities	143,126,231.	163,616,149.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	753,454,592.			
	b Gross sales price for all assets on line 6a 5,182,019,250.				
	7 Capital gain net income (from Part IV, line 2)		786,289,678.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	273,659,198.	60,587,748.		STMT 1	
12 Total. Add lines 1 through 11	2,613,384,364.	1,826,637,918.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	814,085.			814,085.
	14 Other employee salaries and wages	18,713,707.			19,570,624.
	15 Pension plans, employee benefits	6,330,513.			6,308,669.
	16a Legal fees (attach schedule) STMT 2	1,071,488.	NONE	NONE	985,358.
	b Accounting fees (attach schedule) STMT 3	138,933.	NONE	NONE	138,933.
	c Other professional fees (attach schedule) STMT 4	80,232,909.	41,569,395.		36,745,609.
	17 Interest	121,104.	121,104.		NONE
	18 Taxes (attach schedule) (see page 14 of the instructions) **	30,837,182.	9,413,672.		104,175.
	19 Depreciation (attach schedule) and depletion	9,443,759.			
	20 Occupancy	4,584,915.			4,324,340.
	21 Travel, conferences, and meetings	6,291,163.			6,038,362.
	22 Printing and publications	290,093.			266,141.
	23 Other expenses (attach schedule) STMT 6	12,661,707.	8,456,959.		6,298,484.
	24 Total operating and administrative expenses. Add lines 13 through 23	171,531,558.	59,561,130.	NONE	81,594,780.
	25 Contributions, gifts, grants paid	1,464,573,295.			1,255,762,783.
26 Total expenses and disbursements. Add lines 24 and 25	1,636,104,853.	59,561,130.	NONE	1,337,357,563.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	977,279,511.				
b Net investment income (if negative, enter -0-)		1,767,076,788.			
c Adjusted net income (if negative, enter -0-)			-0-		

FOR PUBLIC DISCLOSURE

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing	182,800.	255,857.	255,857.
	2	Savings and temporary cash investments	398,686,495.	1,272,703,294.	1,272,703,294.
	3	Accounts receivable ▶ 278,714,356.			
		Less: allowance for doubtful accounts ▶	300,880,623.	278,714,356.	278,714,356.
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	719,902.	598,378.	598,378.
	10 a	Investments - U.S. and state government obligations (attach schedule) **	4,351,902,691.	4,058,030,975.	4,058,030,975.
	b	Investments - corporate stock (attach schedule) STMT 8.	5,237,420,438.	7,417,192,339.	7,417,192,339.
	c	Investments - corporate bonds (attach schedule) STMT 9.	6,602,829,780.	6,081,793,545.	6,081,793,545.
	11	Investments - land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
12	Investments - mortgage loans				
13	Investments - other (attach schedule) STMT 10.	9,881,670,716.	9,666,669,266.	9,666,669,266.	
14	Land, buildings, and equipment: basis ▶ 48,987,252. Less: accumulated depreciation (attach schedule) ▶ 30,762,701.	21,827,547.	18,224,551.	18,224,551.	
15	Other assets (describe ▶ STMT 11)	14,396,778.	4,426,627.	4,426,627.	
16	Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I)	26,810,517,770.	28,798,609,188.	28,798,609,188.	
Liabilities	17	Accounts payable and accrued expenses	20,308,875.	25,217,925.	
	18	Grants payable	1,672,868,424.	1,885,062,624.	
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ STMT 12)	26,033,551.	34,039,365.	
23	Total liabilities (add lines 17 through 22)	1,719,210,850.	1,944,319,914.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	25,091,306,920.	26,854,289,274.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances (see page 17 of the instructions)	25,091,306,920.	26,854,289,274.		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	26,810,517,770.	28,798,609,188.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	25091306920.
2	Enter amount from Part I, line 27a	2	977,279,511.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 13	3	785,702,843.
4	Add lines 1, 2, and 3	4	26854289274.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	26854289274.

**STMT 7

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
a	ATTACHMENT M				
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	786,289,678.	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }		3		

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2003	1,247,853,357.	24,865,047,239.	0.05018503866
2002	1,238,249,533.	23,299,692,084.	0.05314445910
2001	1,179,539,373.	22,337,837,124.	0.05280454712
2000	991,553,573.	20,261,693,232.	0.04893734999
1999	513,922,234.	13,579,574,683.	0.03784523787
2	Total of line 1, column (d)		2 0.24291663274
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3 0.04858332655
4	Enter the net value of noncharitable-use assets for 2004 from Part X, line 5		4 26,522,795,456.
5	Multiply line 4 by line 3		5 1,288,565,633.
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 17,670,768.
7	Add lines 5 and 6		7 1,306,236,401.
8	Enter qualifying distributions from Part XII, line 4		8 1,345,336,019.

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

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

Table with 11 rows and 2 columns. Row 1: 17,670,768. Row 2: 2. Row 3: 17,670,768. Row 4: NONE. Row 5: 17,670,768. Row 6: 6a: 20,757,480; 6b: NONE; 6c: NONE; 6d: NONE. Row 7: 20,757,480. Row 8: 8. Row 9: 9. Row 10: 3,086,712. Row 11: 3,086,712. Refunded.

Part VII-A Statements Regarding Activities

Table with 11 rows and 3 columns (Yes, No, and a third column for details). Row 1a: X. Row 1b: X. Row 1c: X. Row 2: X. Row 3: ATTACHMENT A. Row 4a: X. Row 4b: X. Row 5: X. Row 6: X. Row 7: X. Row 8a: WASHINGTON STATE, WASHINGTON, D.C. Row 8b: X. Row 9: X. Row 10: X. Row 11: X. WWW.GATESFOUNDATION.ORG. GWEN SHERMAN, CONTROLLER. Telephone no. 206-709-3100. Located at 1551 EASTLAKE AVENUE EAST, SEATTLE, WA ZIP+4 98102. N/A.

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

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

Table with columns for question descriptions, Yes/No checkboxes, and a grid for Yes/No responses. Includes questions 1a through 6b regarding disqualifying activities, taxes on failure to distribute income, and interest in business enterprises.

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 14		814,085.	134,006.	NONE

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ASHOK ALEXANDER 1551 EASTLAKE AVE, SEATTLE, WA	DIRECTOR AVAHAN 40 HRS/WK	393,958.	51,415.	NONE
RICHARD D KLAUSNER, MD 1551 EASTLAKE AVE, SEATTLE, WA	EXEC DIR GLOBAL HLTH 40 HRS/WK	386,686.	47,317.	NONE
HELENE D. GAYLE, MD 1551 EASTLAKE AVE, SEATTLE, WA	DIR HIV/TB/REPR HLTH 40 HRS/WK	331,667.	11,868.	NONE
THOMAS J. VANDER ARK 1551 EASTLAKE AVE, SEATTLE, WA	EXEC DIR EDUCATION 40 HRS/WK	308,051.	47,652.	NONE
GORDON W. PERKIN, MD 1551 EASTLAKE AVE, SEATTLE, WA	SENIOR FELLOW 40 HRS/WK	267,602.	42,633.	NONE
Total number of other employees paid over \$50,000				168

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
COALITION OF ESSENTIAL SCHOOLS NORTHWEST 1500 NORTH WARNER, TACOMA, WA 98416	GRANTEE ASSISTANCE	5,797,442.
AMERICAN INSTITUTES FOR RESEARCH 1000 THOMAS JEFFERSON ST, WASH DC 20007	PROGRAM EVALUATION	5,760,412.
FOUTS & ASSOCIATES, LLC BOTHELL, WA 98012	PROGRAM EVALUATION	2,559,407.
THE CORKERY GROUP 260 FIFTH AVENUE, NEW YORK, NY 10001	HIV WORKING GROUP	2,442,024.
THE BRIDGESPAN GROUP, INC ONE EMBARCADERO CTR, SAN FRAN, CA 94111	SCHOOL INITIATIVES	1,845,551.
Total number of others receiving over \$50,000 for professional services		56

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 PROVIDED CONSULTING ASSISTANCE TO SCHOOLS; CONVENED EDUCATORS TO DISCUSS BEST PRACTICES IN SECONDARY EDUCATION / LEADERSHIP SHARED PROGRAM EVALUATION INFO AND LESSONS LEARNED.	21,816,743.
2 PROVIDED TECHNICAL SUPPORT TO PUBLIC LIBRARIES IN 22 STATES FOR PUBLIC ACCESS TO THE INTERNET.	1,766,264.
3 LAUNCHED FORUM ON GLOBAL HEALTH DIAGNOSTICS, CONVENED THE VARIOUS HIV VACCINE ENTERPRISE GROUPS, BROUGHT TOGETHER EXPERTS IN THE MICROBICIDE FIELD.	1,370,962.
4 SUPPORTED EVALUATION OF SOUND FAMILIES INITIATIVE--AN EFFORT TO STABILIZE HOMELESS FAMILIES THROUGH SUPPORTIVE, AFFORDABLE HOUSING; EVALUATION OF COMMUNITY ACCESS TO TECH PROGRAMS	342,647.

Part IX-B Summary of Program-Related Investments (see page 22 of the instructions)

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	25,989,952,344.
b	Average of monthly cash balances	1b	932,336,071.
c	Fair market value of all other assets (see page 22 of the instructions)	1c	4,322,794.
d	Total (add lines 1a, b, and c)	1d	26,926,611,209.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	NONE
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	26,926,611,209.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 23 of the instructions)	4	403,815,753.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	26,522,795,456.
6	Minimum investment return. Enter 5% of line 5	6	1,326,139,773.

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

1	Minimum investment return from Part X, line 6	1	1,326,139,773.
2a	Tax on investment income for 2004 from Part VI, line 5	2a	17,670,768.
b	Income tax for 2004. (This does not include the tax from Part VI.)	2b	NONE
c	Add lines 2a and 2b	2c	17,670,768.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,308,469,005.
4	Recoveries of amounts treated as qualifying distributions	4	3,414,837.
5	Add lines 3 and 4	5	1,311,883,842.
6	Deduction from distributable amount (see page 23 of the instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,311,883,842.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,337,357,563.
b	Program-related investments - total from Part IX-B	1b	NONE
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	7,978,456.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,345,336,019.
5	Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	17,670,768.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,327,665,251.

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

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

	(a) Corpus	(b) Years prior to 2003	(c) 2003	(d) 2004
1 Distributable amount for 2004 from Part XI, line 7				1,311,883,842.
2 Undistributed income, if any, as of the end of 2003:				
a Enter amount for 2003 only			NONE	
b Total for prior years: _____		NONE		
3 Excess distributions carryover, if any, to 2004:				
a From 1999	203,473,210.			
b From 2000	76,942,701.			
c From 2001	135,729,759.			
d From 2002	103,019,469.			
e From 2003	26,905,168.			
f Total of lines 3a through e	546,070,307.			
4 Qualifying distributions for 2004 from Part XII, line 4: ► \$ 1,345,336,019.				
a Applied to 2003, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 24 of the instructions)		NONE		
c Treated as distributions out of corpus (Election required - see page 24 of the instructions)	NONE			
d Applied to 2004 distributable amount				1,311,883,842.
e Remaining amount distributed out of corpus	33,452,177.			
5 Excess distributions carryover applied to 2004 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	579,522,484.			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		NONE		
d Subtract line 6c from line 6b. Taxable amount - see page 25 of the instructions		NONE		
e Undistributed income for 2003. Subtract line 4a from line 2a. Taxable amount - see page 25 of the instructions			NONE	
f Undistributed income for 2004. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2005				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	NONE			
8 Excess distributions carryover from 1999 not applied on line 5 or line 7 (see page 25 of the instructions)	203,473,210.			
9 Excess distributions carryover to 2005. Subtract lines 7 and 8 from line 6a	376,049,274.			
10 Analysis of line 9:				
a Excess from 2000	76,942,701.			
b Excess from 2001	135,729,759.			
c Excess from 2002	103,019,469.			
d Excess from 2003	26,905,168.			
e Excess from 2004	33,452,177.			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2004, enter the date of the ruling					
b Check box to indicate whether the organization is a private operating foundation described in section		<input type="checkbox"/> 4942(j)(3) or		<input type="checkbox"/> 4942(j)(5)	
. a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

WILLIAM H. GATES, III

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

SEE STATEMENT 15

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

SEE STATEMENT 15 AND WWW.GATESFOUNDATION.ORG

c Any submission deadlines:

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: **SEE STATEMENT 15 AND WWW.GATESFOUNDATION.ORG**

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHMENT C				1,255,762,783.
Total				▶ 3a 1,255,762,783.
b Approved for future payment SEE ATTACHMENT G				1,246,768,774.
Total				▶ 3b 1,246,768,774.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 26 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	816,144,343.	
4 Dividends and interest from securities			14	143,126,231.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income	110000	1,038,860.	18	272,620,338.	
8 Gain or (loss) from sales of assets other than inventory			17	753,454,592.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)		1,038,860.		1,985,345,504.	
13 Total. Add line 12, columns (b), (d), and (e)			13	1,986,384,364.	

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

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

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). (See page 27 of the instructions.)
▼	

NOT APPLICABLE

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

- | | | Yes | No |
|---|-------|-----|----|
| 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | | |
| a Transfers from the reporting organization to a noncharitable exempt organization of: | | | |
| (1) Cash | 1a(1) | X | |
| (2) Other assets | 1a(2) | | X |
| b Other transactions: | | | |
| (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | X |
| (3) Rental of facilities, equipment, or other assets | 1b(3) | | X |
| (4) Reimbursement arrangements | 1b(4) | | X |
| (5) Loans or loan guarantees | 1b(5) | | X |
| (6) Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |
- d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
1A (1)	355,608.	ALASKA COUNCIL OF SCHOOL ADMINISTRATOR	LEADERSHIP DEVELOPMENT FOR SUPERINTENDENTS & PRINCIPALS

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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

Sign Here	<i>William H. Gates III</i>	10/31/05	TRUSTEE
	Signature of officer or trustee	Date	Title
	Preparer's signature <i>Jane M. Seering</i> Firm's name (or yours if self-employed), address, and ZIP code CLARK NUBER P.S. 10900 NE 4TH, SUITE 1700 BELLEVUE, WA 98004	Date 10/21/05 Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN (See Signature on page 28 of the instructions.) P00000565 EIN 91-1194016 Phone no. 425 454-4919	
	Paid Preparer's Use Only		

FOR PUBLIC DISCLOSURE

Schedule B

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2004

Name of organization

BILL & MELINDA GATES FOUNDATION

Employer identification number

91-1663695

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

General Rule -

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

Special Rules -

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

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

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

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

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

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

Name of organization **BILL & MELINDA GATES FOUNDATION**

Employer identification number

91-1663695

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<p><u>WILLIAM H. GATES, III</u></p> <p><u>2365 CARILLON POINT</u></p> <p><u>KIRKLAND, WA 98033</u></p>	<p><u>627,000,000.</u></p>	<p>Person <input checked="" type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
			<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
			<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
			<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
			<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
			<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization Bill & Melinda Gates Foundation	Employer identification number 91 : 1663695
	Number, street, and room or suite no. If a P.O. box, see instructions. PO Box 23350	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Seattle, WA 98102	

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

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

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **Gwen Sherman, Director of Administration & Controller**
 Telephone No. **(206) 709-3118** FAX No. **(206) 709-3186**
- 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 is for.

- 4 I request an additional 3-month extension of time until **November 15**, 20**05**.
- 5 For calendar year **2004**, or other tax year beginning _____, 20____, and ending _____, 20____.
- 6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 7 State in detail why you need the extension **Taxpayer is waiting from information from third parties necessary to file a complete and accurate return.**

8a 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	\$ 17,908,225
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	\$ 20,758,380
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	\$ 0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title **Chief Financial Officer** Date **8/4/2005**

Notice to Applicant—To Be Completed by the IRS

- We **have** approved this application. Please attach this form to the organization's return.
- We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We **have not** approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We **cannot consider** this application because it was filed after the extended due date of the return for which an extension was requested.
- Other _____

Director _____ By: _____ Date _____

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name
	Number and street (include suite, room, or apt. no.) or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)



Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ 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)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only
All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

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

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization Bill & Melinda Gates Foundation	Employer identification number 91 : 1663695
	Number, street, and room or suite no. If a P.O. box, see instructions. P O Box 23350	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Seattle, WA 98102	

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

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

• The books are in the care of ▶ **Gwen Sherman, Director of Administration & Controller**

Telephone No. ▶ (206) 709-3118 FAX No. ▶ (206) 709.3186

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

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until August 15, 2005, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 2004 or
 ▶ tax year beginning _____, 20____, and ending _____, 20____

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 \$ 17,908,225

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 \$ 20,758,380

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 0

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