

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

2003

Department of the Treasury
Internal Revenue Service

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

For calendar year 2003, or tax year beginning _____, and ending _____
G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.
 Name of organization: **THE MILBANK FOUNDATION FOR REHABILITATION INC.**
 Number and street (or P O box number if mail is not delivered to street address): **60 EAST 42ND STREET**
 Room/suite: _____
 City or town, state, and ZIP code: **NEW YORK, NY 10165**

A Employer identification number: **11-5125050**
B Telephone number: **(212) 687-7735**
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): **\$ 30,483,131.** (Part I, column (d) must be on cash basis.)
J Accounting method: Cash Accrual
 Other (specify) _____

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).)		(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 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B			N/A	
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	604,546.	604,546.		Statement 1
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain or (loss) from sale of assets not on line 10	1,248,187.			
	b Gross sales price for all assets on line 6a	5,697,419.			
	7 Capital gain net income (from Part IV, line 2)		1,248,187.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income	4,181,315.	0.		Statement 2	
12 Total. Add lines 1 through 11	6,034,048.	1,852,733.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees Stmt 3	8,000.	4,000.		4,000.
	c Other professional fees Stmt 4	197,715.	197,715.		0.
	17 Interest				
	18 Taxes Stmt 5	117,374.	0.		750.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	85.	0.		85.
	22 Printing and publications				
	23 Other expenses Stmt 6	350,100.	36,433.		343,791.
	24 Total operating and administrative expenses. Add lines 13 through 23	673,274.	238,148.		348,626.
	25 Contributions, gifts, grants paid	642,000.			642,000.
26 Total expenses and disbursements. Add lines 24 and 25	1,315,274.	238,148.		990,626.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	4,718,774.				
b Net investment income (if negative, enter -0-)		1,614,585.			
c Adjusted net income (if negative, enter -0-)			N/A		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash - non-interest-bearing		98,950.	58,061.	58,061.	
	2	Savings and temporary cash investments		1,501,129.	588,929.	588,929.	
	3	Accounts receivable ▶	7,998.				
		Less allowance for doubtful accounts ▶		9,434.	7,998.	7,998.	
	4	Pledges receivable ▶					
		Less allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons					
	7	Other notes and loans receivable ▶					
		Less allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges			9,503.	9,503.	9,503.
	10a	Investments - U S and state government obligations			909,160.		
	b	Investments - corporate stock	Stmt 7		3,047,235.	5,303,463.	5,303,463.
	c	Investments - corporate bonds	Stmt 8		423,540.	930,015.	930,015.
11	Investments - land, buildings, and equipment basis ▶						
	Less accumulated depreciation ▶						
12	Investments - mortgage loans						
13	Investments - other	Stmt 9		19,724,538.	23,585,162.	23,585,162.	
14	Land, buildings, and equipment basis ▶						
	Less accumulated depreciation ▶						
15	Other assets (describe ▶)						
16	Total assets (to be completed by all filers)			25,723,489.	30,483,131.	30,483,131.	
Liabilities	17	Accounts payable and accrued expenses		359,956.	327,484.		
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable					
	22	Other liabilities (describe ▶ Statement 10)			45,650.	118,990.	
23	Total liabilities (add lines 17 through 22)			405,606.	446,474.		
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		25,317,883.	30,036,657.		
	25	Temporarily restricted					
	26	Permanently restricted					
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.						
	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			25,317,883.	30,036,657.		
31	Total liabilities and net assets/fund balances			25,723,489.	30,483,131.		

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	25,317,883.
2	Enter amount from Part I, line 27a	2	4,718,774.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	30,036,657.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	30,036,657.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a			
b See Attached Statement			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 5,697,419.		4,449,232.	1,248,187.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0- or Losses (from col (h)))
(i) FMV 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			1,248,187.

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	1,248,187.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8	3	N/A

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

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

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

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2002	1,241,611.	26,336,045.	.0471449
2001	1,826,209.	26,012,969.	.0702038
2000			
1999			
1998			

2 Total of line 1, column (d)	2	.1173487
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	.0586744
4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5	4	27,681,760.
5 Multiply line 4 by line 3	5	1,624,211.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	16,146.
7 Add lines 5 and 6	7	1,640,357.
8 Enter qualifying distributions from Part XII, line 4 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	8	990,626.

THE MILBANK FOUNDATION FOR
REHABILITATION INC.

Form 990-PF (2003)

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling letter _____ (attach copy of ruling letter if necessary-see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	32,292.
c	All other domestic organizations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0.
3	Add lines 1 and 2	3	32,292.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	32,292.
6	Credits/Payments		
a	2003 estimated tax payments and 2002 overpayment credited to 2003	6a	6,000.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	36,000.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	42,000.
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	178.
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	9,530.
11	Enter the amount of line 10 to be Credited to 2004 estimated tax	11	0.

Part VII-A Statements Regarding Activities

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

1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.

1c Did the organization file Form 1120-POL for this year?

2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year
(1) On the organization \$ 0. (2) On organization managers \$ 0.

e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers \$ 0.

2 Has the organization engaged in any activities that have not previously been reported to the IRS?
If "Yes," attach a detailed description of the activities.

3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes

4a Did the organization have unrelated business gross income of \$1,000 or more during the year?
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
If "Yes," attach the statement required by General Instruction T.

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either
• By language in the governing instrument or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?

7 Did the organization have at least \$5,000 in assets at any time during the year?
If "Yes," complete Part II, col. (c), and Part XV.

8a Enter the states to which the foundation reports or with which it is registered (see instructions) NEW YORK

b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation

9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2003 or the taxable year beginning in 2003 (see instructions for Part XIV)? If "Yes," complete Part XIV

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?
Web site address N/A

12 The books are in care of THE ORGANIZATION Telephone no. (212) 687-7735
Located at 60 EAST 42ND STREET ZIP+4 10165

13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here
and enter the amount of tax-exempt interest received or accrued during the year 13 N/A

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12-05-03

Form 990-PF (2003)

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.

	Yes	No
<p>1a During the year did the organization (either directly or indirectly)</p> <p>(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		
<p>b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A</p>	1b	
<p>c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2003? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	1c	X
<p>2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))</p> <p>a At the end of tax year 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If "Yes," list the years <input type="checkbox"/> _____</p> <p>b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) <input type="checkbox"/> N/A</p> <p>c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="checkbox"/> _____</p>	2a	
<p>3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If "Yes," did it have excess business holdings in 2003 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2003.) <input type="checkbox"/> N/A</p>	3a	
<p>4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	4a	X
<p>b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2003? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	4b	X
<p>5a During the year did the organization pay or incur any amount to</p> <p>(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A</p> <p>c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>If "Yes," attach the statement required by Regulations section 53.4945-5(d).</p>	5a	
<p>6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If you answered "Yes" to 6b, also file Form 8870</p>	6a	
	6b	X

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:

(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 11		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
None				

Total number of other employees paid over \$50,000 ▶ 0

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
CUMBERLAND PARTNERS	INV MANAGEMENT - THRU PARTNERSHIPS	152,502.

Total number of others receiving over \$50,000 for professional services ▶ 0

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1a	26,961,556.
b Average of monthly cash balances	1b	1,123,535.
c Fair market value of all other assets	1c	18,219.
d Total (add lines 1a, b, and c)	1d	28,103,310.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	28,103,310.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	421,550.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	27,681,760.
6 Minimum investment return. Enter 5% of line 5	6	1,384,088.

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

1 Minimum investment return from Part X, line 6		1	1,384,088.
2a Tax on investment income for 2003 from Part VI, line 5	2a	32,292.	
b Income tax for 2003 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b	2c	32,292.	
3 Distributable amount before adjustments Subtract line 2c from line 1	3	1,351,796.	
4a Recoveries of amounts treated as qualifying distributions	4a	0.	
b Income distributions from section 4947(a)(2) trusts	4b	0.	
c Add lines 4a and 4b	4c	0.	
5 Add lines 3 and 4c	5	1,351,796.	
6 Deduction from distributable amount (see instructions)	6	0.	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	1,351,796.	

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	990,626.
b Program-related investments - Total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	990,626.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	990,626.

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.

THE MILBANK FOUNDATION FOR
REHABILITATION INC.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2002	(c) 2002	(d) 2003
1 Distributable amount for 2003 from Part XI, line 7				1,351,796.
2 Undistributed income, if any, as of the end of 2002				
a Enter amount for 2002 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2003				
a From 1998				
b From 1999				
c From 2000				
d From 2001	488,840.			
e From 2002				
f Total of lines 3a through e	488,840.			
4 Qualifying distributions for 2003 from Part XII, line 4 ▶ \$ 990,626.				
a Applied to 2002, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2003 distributable amount				990,626.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2003 (If an amount appears in column (d), the same amount must be shown in column (a))	361,170.			361,170.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	127,670.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2002 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2003 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2004				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 1998 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a	127,670.			
10 Analysis of line 9				
a Excess from 1999				
b Excess from 2000				
c Excess from 2001	127,670.			
d Excess from 2002				
e Excess from 2003				

THE MILBANK FOUNDATION FOR
REHABILITATION INC.

Form 990-PF (2003)

11-5125050 Page 9

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2003, enter the date of the ruling ▶

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities					
Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year-see page 25 of the instructions.)

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

None

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

None

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed
CARL HELSTROM, MILBANK FOUNDATION FOR REHABILITATION, 60 EAST 42ND STREET, NEW YORK, NY 10165 (212) 687-7735

b The form in which applications should be submitted and information and materials they should include
See Statement 12

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 13

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
<p>a Paid during the year</p> <p>MATCHING GIFTS</p> <p>SEE SCHEDULE ATTACHED #15</p>			<p>OPERATING SUPPORT</p> <p>OPERATING SUPPORT</p>	<p>32,000.</p> <p>610,000.</p>
Total				▶ 3a 642,000.
<p>b Approved for future payment</p> <p>None</p>				
Total				▶ 3b 0.

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
	(a) Business code	(b) Amount	(c) Exclu- sion 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					
4 Dividends and interest from securities			14	604,546.	
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			18	4,181,315.	
8 Gain or (loss) from sales of assets other than inventory			18	1,248,187.	
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)		0.		6,034,048.	0.
13 Total. Add line 12, columns (b), (d), and (e)					13 6,034,048.

(See worksheet in line 13 instructions 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)

**THE MILBANK FOUNDATION FOR
REHABILITATION INC.**

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

- | <p>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?</p> <p>a Transfers from the reporting organization to a noncharitable exempt organization of</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>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.</p> | <table border="1" style="border-collapse: collapse;"> <thead> <tr> <th style="width: 50px;"></th> <th style="width: 50px;">Yes</th> <th style="width: 50px;">No</th> </tr> </thead> <tbody> <tr> <td>1a(1)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1a(2)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1b(1)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1b(2)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1b(3)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1b(4)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1b(5)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1b(6)</td> <td></td> <td align="center">X</td> </tr> <tr> <td>1c</td> <td></td> <td align="center">X</td> </tr> </tbody> </table> | | Yes | No | 1a(1) | | X | 1a(2) | | X | 1b(1) | | X | 1b(2) | | X | 1b(3) | | X | 1b(4) | | X | 1b(5) | | X | 1b(6) | | X | 1c | | X |
|--|--|----|-----|----|-------|--|---|-------|--|---|-------|--|---|-------|--|---|-------|--|---|-------|--|---|-------|--|---|-------|--|---|----|--|---|
| | Yes | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1a(1) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1a(2) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1b(1) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1b(2) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1b(3) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1b(4) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1b(5) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1b(6) | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1c | | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

- 2a 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	<p style="font-size: x-large; margin: 0;"><i>Carla A. Hobtown</i></p> <p style="font-size: small;">Signature of officer or trustee</p>
Paid Preparer's Use Only	<p style="font-size: x-large; margin: 0;"><i>Owen J. Flanagan</i></p> <p style="font-size: small;">Preparer's signature</p> <p style="margin: 0;">Firm's name (or yours if self-employed), address, and ZIP code</p> <p style="font-size: large; margin: 0;">Owen J Flanagan & Co 60 East 42nd Street New York, NY 10165</p>

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a CAPITAL COUNSEL - SEE STMT #14	P		
b 98,039 SHS JPM BOND FUND	P		
c 7,440 SHS JPM BOND FUND	P		
d CUMBERLAND PARTNERS PER K-1	P		
e CUMBERLAND BENCHMARK PARTNERS K-1	P		
f MISCELLANEOUS COST ADJUSTMENT	P		
g Capital Gains Dividends			
h			
i			
j			
k			
l			
m			
n			
o			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 3,471,162.		3,441,900.	29,262.
b 1,000,000.		936,275.	63,725.
c 75,000.		71,057.	3,943.
d 454,235.			454,235.
e 420,878.			420,878.
f 8,145.			8,145.
g 267,999.			267,999.
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			29,262.
b			63,725.
c			3,943.
d			454,235.
e			420,878.
f			8,145.
g			267,999.
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	1,248,187.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

Form 990-PF	Dividends and Interest from Securities	Statement	1
-------------	--	-----------	---

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
DIVIDENDS	447,750.	0.	447,750.
INTEREST	156,796.	0.	156,796.
JPM BOND FUND	267,999.	267,999.	0.
Total to Form 990-PF, Part I, ln 4	872,545.	267,999.	604,546.

Form 990-PF	Other Income	Statement	2
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Description	Amount
UNREALIZED GAIN (LOSS)	4,181,315.
Total to Form 990-PF, Part I, line 11, Column A	4,181,315.

Form 990-PF	Accounting Fees	Statement	3
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
OWEN FLANAGAN & CO - AUDIT & TAX	8,000.	4,000.		4,000.
To Form 990-PF, Pg 1, ln 16b	8,000.	4,000.		4,000.

Form 990-PF	Other Professional Fees	Statement	4
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
CUMBERLAND PARTNERS INVEST ADV	152,502.	152,502.		0.
CAPITAL COUNSEL - INVEST ADV	45,213.	45,213.		0.
To Form 990-PF, Pg 1, ln 16c	197,715.	197,715.		0.

Form 990-PF	Taxes			Statement 5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
CURRENT EXCISE	33,000.	0.		0.
DEFERRED EXCISE	83,624.	0.		0.
FILING FEES	750.	0.		750.
To Form 990-PF, Pg 1, ln 18	117,374.	0.		750.

Form 990-PF	Other Expenses			Statement 6
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BANK CUSTODY	4,220.	4,220.		0.
INSURANCE	646.	65.		581.
CONSULTING FEES	23,750.	0.		23,750.
ADMINISTRATIVE FEES	321,484.	32,148.		319,460.
To Form 990-PF, Pg 1, ln 23	350,100.	36,433.		343,791.

Form 990-PF	Corporate Stock		Statement 7
Description	Book Value	Fair Market Value	
CAPITAL COUNSEL PORTFOLIO #14	5,303,463.	5,303,463.	
Total to Form 990-PF, Part II, line 10b	5,303,463.	5,303,463.	

Form 990-PF	Corporate Bonds	Statement	8
Description	Book Value	Fair Market Value	
CAPITAL COUNSEL PORTFOLIO #14	930,015.	930,015.	
Total to Form 990-PF, Part II, line 10c	930,015.	930,015.	

Form 990-PF	Other Investments	Statement	9
Description	Book Value	Fair Market Value	
CUMBERLAND PARTNERS LP	8,092,094.	8,092,094.	
JPM BOND FUND	8,999,471.	8,999,471.	
CUMBERLAND BENCHMARK PARTNERS	6,493,597.	6,493,597.	
Total to Form 990-PF, Part II, line 13	23,585,162.	23,585,162.	

Form 990-PF	Other Liabilities	Statement	10
Description	Amount		
CURRENT EXCISE TAX	24,700.		
DEFERRED EXCISE TAX	94,290.		
Total to Form 990-PF, Part II, line 22, Column B	118,990.		

Form 990-PF Part VIII - List of Officers, Directors Trustees and Foundation Managers Statement 11

Name and Address	Title and Avg Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
JEREMIAH M. BOGERT C/O ORGANIZATION NEW YORK, NY 10165	CHAIRMAN & SECTY 2	0.	0.	0.
JEREMIAH M. BOGERT, JR. C/O ORGANIZATION NEW YORK, NY 10165	DIRECTOR 1	0.	0.	0.
JEREMIAH MILBANK, JR. C/O ORGANIZATION NEW YORK, NY 10165	DIRECTOR 1	0.	0.	0.
JEREMIAH MILBANK III C/O ORGANIZATION NEW YORK, NY 10165	PRESIDENT & TREASURER 1	0.	0.	0.
EZRA ZILKHA C/O ORGANIZATION NEW YORK, NY 10165	DIRECTOR 1	0.	0.	0.
CHRIS OLANDER C/O ORGANIZATION NEW YORK, NY 10165	ASST TREASURER 10	0.	0.	0.
CARL HELSTROM C/O ORGANIZATION NEW YORK, NY 10165	ASST SECRETARY 20	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		0.	0.	0.

Form 990-PF Part XV, Line 2b Application Requirements Statement 12

Description

THE PROPOSAL SHOULD BE SUBMITTED IN A BUSINESS LETTER FORMAT. THE MATERIALS SHOULD INCLUDE A LIST OF DIRECTORS, TAX EXEMPTION LETTER, AUDITED FINANCIAL STATEMENTS AND ANNUAL AND PROJECT BUDGETS.

Form 990-PF

Part XV, Line 2d
Award Restrictions and Limitations

Statement 13

Description

GRANTS WILL NOT BE AWARDED FOR ENDOWMENTS OR CAPITAL CAMPAIGNS. GRANTS WILL ALSO NOT BE AWARDED TO INDIVIDUALS, OR FOR PROJECTS OUTSIDE OF THE U.S.

Milbank Foundation for Rehabilitation																
Schedule of Investments (FIFO)																
Year Ended December 31, 2003																
Date Purchased	Description	Opening Shares	Opening Cost	Date of Purchase	Shares Purchased	Cost of Purchase	Share Adjustments	Date of Sale	Shares Sold	Proceeds	Cost Basis	Gain (LOSS)	Ending Shares	Ending Cost	Ending Market	Income 2003
	Amdocs Ltd			08/22/03	2300	46,050 14						0 00	2300	46,050 14	269,760	
	Amdocs Ltd			08/05/03	7000	143,387 30						0 00	7000	143,387 30		
	Amdocs Ltd			10/29/03	2700	52,392 96						0 00	2700	52,392 96		
	American Healthways			05/15/03	3000	73,953 90		7/7/2003	1000	34,887 26	24,651 30	10,235 96	2000	49,302 60		0 00
	American Healthways			05/16/03	2000	50,069 20		7/16/2003	4000	164,539 49	99,371 80	65,167 69	-2000	(49,302 60)		
												0 00	0	0 00		
01/18/01	American Int'l Group	1000	81,576 30									0 00	1000	81,576 30	364,540	
02/23/01	American Int'l Group	500	42,230 00									0 00	500	42,230 00		
03/15/01	American Int'l Group	500	39,755 00									0 00	500	39,755 00		
03/22/01	American Int'l Group	500	37,805 00									0 00	500	37,805 00		
06/08/01	American Int'l Group	500	40,215 40									0 00	500	40,215 40		
09/20/01	American Int'l Group	1000	69,884 60									0 00	1000	69,884 60		
02/05/02	American Int'l Group	500	35,694 70									0 00	500	35,694 70		
07/30/02	American Int'l Group	1000	52,910 60									0 00	1000	52,910 60		
												0 00	0	0 00		
07/17/02	ADP	2500	101,189 25									0 00	2500	101,189 25	257,465	
07/23/02	ADP	4000	129,271 20									0 00	4000	129,271 20		
												0 00	0	0 00		
	Beckman Coulter			09/24/03	3000	140,344 80						0 00	3000	140,344 80	304,980	
	Beckman Coulter			11/03/03	2000	93,776 00						0 00	2000	93,776 00		
	Beckman Coulter			12/22/03	1000	49,425 90						0 00	1000	49,425 90		
												0 00	0	0 00		
04/25/01	CH Robinson Worldwide	4500	116,482 50									0 00	4500	116,482 50	341,190	
06/08/01	CH Robinson Worldwide	500	14,772 15									0 00	500	14,772 15		
06/22/01	CH Robinson Worldwide	1000	27,278 40									0 00	1000	27,278 40		
10/29/01	CH Robinson Worldwide	2000	54,900 00									0 00	2000	54,900 00		
12/06/01	CH Robinson Worldwide	1000	27,649 40									0 00	1000	27,649 40		
												0 00	0	0 00		
	Chicago Merchantile Exchange			08/04/03	1500	113,511 00		12/24/2003	1500	107,202 08	113,511 00	(6,308 92)	0	0 00	289,440	
	Chicago Merchantile Exchange			08/05/03	500	37,285 70		12/24/2003	500	35,734 03	37,285 70	(1,551 67)	0	0 00		
	Chicago Merchantile Exchange			08/08/03	1000	74,611 40		12/24/2003	1000	71,468 04	74,611 40	(3,143 36)	0	0 00		
	Chicago Merchantile Exchange			08/22/03	500	36,279 10		12/24/2003	500	35,734 03	36,279 10	(545 07)	0	0 00		
	Chicago Merchantile Exchange			09/30/03	500	34,654 35						0 00	500	34,654 35		
	Chicago Merchantile Exchange			11/14/03	1000	68,122 30						0 00	1000	68,122 30		
	Chicago Merchantile Exchange			11/19/03	2500	169,168 03						0 00	2500	169,168 03		
												0 00	0	0 00		
	Colgate Polmolive			12/04/03	2500	132,363 00						0 00	2500	132,363 00	215,215	
	Colgate Polmolive			12/23/03	1800	90,847 44						0 00	1800	90,847 44		
												0 00	0	0 00		
06/22/01	Concord EFS Inc	2000	49,500 00					02/26/03	2000	22,463 34	49,500 00	(27,036 66)	0	0 00		
10/31/01	Concord EFS Inc	2000	48,520 00					2/26/2003	2000	22,463 34	48,520 00	(26,056 66)	0	0 00		
07/31/02	Concord EFS Inc	3000	70,497 30					2/26/2003	3000	33,694 94	70,497 30	(36,802 36)	0	0 00		
08/13/02	Concord EFS Inc	1000	16,978 10					2/26/2003	1000	11,231 66	16,978 10	(5,746 44)	0	0 00		
08/13/02	Concord EFS Inc	4000	67,912 40					03/03/03	4000	43,686 68	67,912 40	(24,225 72)	0	0 00		
09/13/02	Concord EFS Inc	3000	46,390 80					03/03/03	3000	32,765 01	46,390 80	(13,625 79)	0	0 00		
												0 00	0	0 00		
												0 00	0	0 00		
11/06/00	Express Scripts Inc - CL A	1000	32,880 85					5/21/2003	1000	63,333 03	32,880 85	30,452 18	0	0 00	471,653	
06/13/00	Express Scripts Inc - CL A	4000	103,620 00									0 00	4000	103,620 00		
	Express Scripts Inc - CL A			10/21/03	1500	87,050 70						0 00	1500	87,050 70		
	Express Scripts Inc - CL A			11/06/03	1000	55,400 00						0 00	1000	55,400 00		
	Express Scripts Inc - CL A			11/07/03	600	33,406 68						0 00	600	33,406 68		
												0 00	0	0 00		
03/01/02	Exxon Mobil	3000	122,878 50									0 00	3000	122,878 50	164,000	
04/17/02	Exxon Mobil	1000	41,534 30									0 00	1000	41,534 30		
												0 00	0	0 00		
												0 00	0	0 00		

Milbank Foundation for Rehabilitation																
Schedule of Investments (FIFO)																
Year Ended December 31, 2003																
Date Purchased	Description	Opening Shares	Opening Cost	Date of Purchase	Shares Purchased	Cost of Purchase	Share Adjustments	Date of Sale	Shares Sold	Proceeds	Cost Basis	Gain (LOSS)	Ending Shares	Ending Cost	Ending Market	Income 2003
06/27/00	First Data Corp Com	2000	51,674 60									0 00	2000	51,674 60	410,900	
07/18/00	First Data Corp Com	2000	49,678 80									0 00	2000	49,678 80		
09/15/00	First Data Corp Com	4000	79,165 80									0 00	4000	79,165 80		
07/15/02	First Data Corp Com	2000	66,091 80									0 00	2000	66,091 80		
	Fed National Mtg Assoc			06/13/03	2000	139,208 60		10/15/2003	2000	143,350 29	139,208 60	4,141 69	0	0 00		
												0 00	0	0 00		
06/16/00	Harte-Hanks Inc Com	3000	44,705 20					4/10/2003	3000	56,240 04	44,705 20	11,534 84	0	0 00		
11/07/00	Harte-Hanks Inc Com	3000	44,148 80					4/14/2003	3000	53,853 17	44,148 80	9,704 37	0	0 00		
												0 00	0	0 00		
	Johnson & Johnson			10/23/03	2500	126,635 25						0 00	2500	126,635 25	129,150	
												0 00	0	0 00		
	McGraw Hill Co			04/28/03	3000	178,997 10		07/07/03	3000	183,608 50	178,997 10	4,611 40	0	0 00		
												0 00	0	0 00		
	Merck & Co			09/26/03	2500	128,940 75						0 00	2500	128,940 75	184,800	
	Merck & Co			10/21/03	1500	73,815 00						0 00	1500	73,815 00		
												0 00	0	0 00		
	Microsoft			06/13/03	4000	97,579 20						0 00	4000	97,579 20	191,590	
	Microsoft			10/06/03	3000	84,638 70						0 00	3000	84,638 70		
												0 00	0	0 00		
11/26/02	Patterson Dental Co	4000	175,169 20					7/25/2003	1500	73,706 54	65,688 45	8,018 09	2500	109,480 75	383,940	
	Patterson Dental Co							10/24/2003	1500	93,820 60	65,688 45	28,132 15	-1500	(65,688 45)		
12/02/02	Patterson Dental Co	2000	78,076 60									0 00	2000	78,076 60		
	Patterson Dental Co			04/21/03	1500	57,557 10						0 00	1500	57,557 10		
	Patterson Dental Co			04/23/03	1500	54,308 40						0 00	1500	54,308 40		
												0 00	0	0 00		
08/06/01	Pepsico Inc	2500	109,275 00									0 00	2500	109,275 00	209,790	
	Pepsico Inc			02/05/03	2000	78,795 60						0 00	2000	78,795 60		
												0 00	0	0 00		
	Reed Elsevier NV			06/24/03	3000	74,929 50						0 00	3000	74,929 50	148,500	
	Reed Elsevier NV			07/28/03	3000	70,586 10						0 00	3000	70,586 10		
2/13/2002	Solelectron Corp conv pfd	6000	155,889 00					1/10/2003	6000	77,632 85	155,889 00	(78,256 15)	0	0 00		
												0 00	0	0 00		
												0 00	0	0 00		
06/23/00	State Street Corp	1000	51,057 80									0 00	1000	51,057 80	364,560	
06/27/00	State Street Corp	1000	50,780 00									0 00	1000	50,780 00		
01/22/01	State Street Corp	1000	51,686 25									0 00	1000	51,686 25		
01/25/01	State Street Corp	1000	51,255 00									0 00	1000	51,255 00		
03/15/01	State Street Corp	1000	48,260 00									0 00	1000	48,260 00		
03/19/01	State Street Corp	2000	89,123 90									0 00	2000	89,123 90		
												0 00	0	0 00		
	Thor Industres			05/06/03	2000	62,963 40		09/08/03	2000	109,942 45	62,963 40	46,979 05	0	0 00		
	Thor Industres			06/18/03	500	20,104 95		09/08/03	500	27,485 61	20,104 95	7,380 66	0	0 00		
												0 00	0	0 00		
04/17/01	Vanan Meds Sys Inc	4000	119,220 00					02/05/03	1500	78,501 18	44,707 50	33,793 68	2500	74,512 50	310,950	
09/25/01	Vanan Meds Sys Inc	2000	58,122 50									0 00	2000	58,122 50		
												0 00	0	0 00		
09/20/01	Walgreen Co	1000	33,373 10									0 00	1000	33,373 10	291,040	
09/25/01	Walgreen Co	1000	32,065 00									0 00	1000	32,065 00		
11/08/01	Walgreen Co	1500	47,658 75									0 00	1500	47,658 75		
	Walgreen Co			01/28/03	1500	44,604 30						0 00	1500	44,604 30		
	Walgreen Co			04/04/03	1000	29,488 10						0 00	1000	29,488 10		
	Walgreen Co			06/26/03	2000	60,110 80						0 00	2000	60,110 80		
												0 00	0	0 00		
	STOCK TOTAL	92,000	2,958,803 85		74,400	2,965,362 75	0 00		48,500 00	1,577,344 16	1,540,491 20	36,852 96	117,900 00	4,383,675 40	5,303,463	26,165 32
																0 00
																0 00
																0 00

Milbank Foundation for Rehabilitation																
Schedule of Investments (FIFO)																
Year Ended December 31 2003																
Date Purchased	Description	Opening Shares	Opening Cost	Date of Purchase	Shares Purchased	Cost of Purchase	Share Adjustments	Date of Sale	Shares Sold	Proceeds	Cost Basis	Gain (LOSS)	Ending Shares	Ending Cost	Ending Market	Income 2003
12/19/02	FNMA 5.0% 12/19/07	300000	308,850.00					12/19/03	300000	300,000.00	308,850.00	(8,850.00)	0	0.00		
10/28/02	Gen Elec 5% 6/15/07	200000	205,530.00									0.00	200000	205,530.00	405,062	
06/07/02	Gen Elec 5% 6/15/07	200000	199,532.00									0.00	200000	199,532.00		
	Int'l Lease Finc 2.95% 5/23/06			05/30/03	500000	501,985.00						0.00	500000	501,985.00	503,955	
10/3/2002	UST-Bill 1/2/03	100000	99,613.25					1/2/2003	100000	99,613.25	99,613.25	0.00	0	0.00		
10/24/02	UST-Bill 1/23/02	300000	298,741.17					1/23/2003	300000	300,000.00	298,741.17	1,258.83	0	0.00		
12/12/02	UST-Bill 3/13/03	200000	199,408.50					3/13/2003	200000	199,408.50	199,408.50	0.00	0	0.00		
	UST-Bill 9/18/03			03/21/03	500000	497,234.72		9/18/2003	500000	497,234.72	497,234.72	0.00	0	0.00		
	UST-Bill 3/18/04			09/18/03	500000	497,561.53		11/18/2003	300000	298,536.92	298,536.92	0.00	200000	199,024.61		
	UST-Bill 3/18/04							12/2/2003	100000	99,512.31	99,512.31	0.00	-100000	(99,512.31)		
	UST-Bill 3/18/04							12/19/2003	100000	99,512.30	99,512.30	0.00	-100000	(99,512.30)		
	BOND TOTAL	1,300,000	1,311,674.92		1,500,000.00	1,496,781.25	0.00		1,900,000	1,794,305.70	1,901,409.17	(7,591.17)	900,000.00	907,047.00	909,017	47,916.10
	TOTAL	1,392,000	4,270,478.77		1,574,400	4,462,144.00			1,948,500	3,371,649.86	3,441,900.37	29,261.79	1,017,900	5,290,722.40	6,212,480	74,081.42
		Prior	4,270,478.77		1,569,100	4,189,507.66			144,500	2,721,999.37	2,672,338.56	49,660.81	1,516,100	5,787,647.87	0	0.00
	December		0.00		5300	272,636.34			503,500.00	649,650.49	769,561.81	(20,399.02)		(496,925.47)		74,081.42
	Money Market												Cash	588,929.22		3,994.03
																3,376.22
																2,809.74
	Income Totals													5,879,651.62		84,261.41

Milbank Foundation for Rehabilitation 2003 Grants

Able Trust Tallahassee, FL 32301	To disseminate a statewide survey on employment of people with disabilities	\$35,000
Alliance for Technology Access San Rafael, CA 94901-5524	Revise and market Computer and Web Resources for People with Disabilities.	\$10,000
Alzheimer's Disease and Related Disorders Association New York, NY 10017	Toward the Dementia Home Care Training Program.	\$15,000
American Association of People with Disabilities Washington, DC 20006	for the AAPD/Paul G. Hearne Leadership Awards	\$50,000
American Council on Science and Health New York, NY 10023	To publish and distribute The New Yorker's Guide to Terrorism Preparedness	\$15,000
American Red Cross Falls Church, VA 22042	To help local Red Cross affiliates enhance disaster preparedness for people with disabilities	\$25,000
Buckeye Institute Columbus, OH 43214	To launch the Center for Health Care Policy Reform	\$25,000
Ethan Allen Institute Concord, VT 05824	Toward a study of home health care in Vermont	\$15,000
Foundation Center New York, NY 10003	In support of resources and services for people with disabilities	\$5,000
Hospital for Special Surgery Fund, Inc New York, NY 10021	to launch the Spine Wellness Program to establish the Margaret Milbank Bogert Chair of Rehabilitation Medicine (\$50,000) and to support the Center for Traumatic Brain Injury Services and the Learning Disabilities Program (\$25,000.00).	\$25,000 \$100,000
ICD-International Center for the Disabled New York NY		
Independence Institute Golden, CO 80401-3119	Toward the Rocky Mountain Center for Health Care Policy.	\$25,000
Manhattan Institute for Policy Research New York, NY 10017	To support a study of the McKay Scholarship Program.	\$25,000
Mayo Foundation for Medical Education and Research Rochester, MN 55905	to support market-oriented health care reform	\$50,000
National Center for Policy Analysis Dallas, TX 75243-1739	toward the Center for Health Policy Studies	\$20,000
National Foundation for Facial Reconstruction New York, NY 10016	For the Virtual Surgery Cleft Lip and Palate Simulation Project	\$25,000
New York Founding Hospital New York, NY 10011	Toward the Pediatric Palliative Care Service and Fellowship	\$10,000

STMT # 15

Milbank Foundation for Rehabilitation
2003 Grants

New York University School of Medicine New York, NY 10016	toward the Center for Spiritual Recovery from Mental Illness and Addiction	\$25,000
Northern Westchester Hospital Center Mt Kisco, NY 10549	To support Healing Partnerships: Service Quality Initiatives to Create a Patient-Centered Model at Northern Westchester Hospital Center.	\$35,000
Organization for Autism Research Arlington, VA 22201	To publish and distribute Life Journey Through Autism: An Educator's Guide	\$20,000
Pacific Research Institute for Public Policy San Francisco, CA 94111	For the Project on Consumer-Driven Health Care	\$20,000
Partners for Youth with Disabilities, Inc Boston, MA 02116	To help launch the Partners Online Program.	\$35,000
	Total Grants	\$610,000

STM #15

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. Name of Exempt Organization: THE MILBANK FOUNDATION FOR REHABILITATION INC. Employer identification number: 11-5125050. Address: 60 EAST 42ND STREET, NEW YORK, NY 10165.

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

- Form 990, Form 990-EZ, Form 990-T (sec. 401(a) or 408(a) trust), Form 1041-A, Form 5227, Form 8870, Form 990-BL, Form 990-PF (checked), Form 990-T (trust other than above), Form 4720, Form 6069.

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

- 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).

4 I request an additional 3-month extension of time until November 15, 2004. 5 For calendar year 2003, or other tax year beginning and ending. 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: THE AUDIT OF THE ORGANIZATION IS NOT COMPLETED.

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. \$ 0. 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. \$ 2,122. 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: [Handwritten Signature] Title: [Handwritten Title] Date: 8/12/2004

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 the 10-day grace period. We cannot consider this application because it was filed after the 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 add different than the one entered above.

Name: Owen J Flanagan & Co. Number and street (include suite, room, or apt. no.) Or a P.O. box number: 60 East 42nd Street. City or town, province or state, and country (including postal or ZIP code): New York, NY 10165.

EXTENSION APPROVED

AUG 20 2004

FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN