

# Return of Organization Exempt From Income Tax

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

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

**A** For the 1998 calendar year, OR tax year period beginning \_\_\_\_\_, 1998, and ending \_\_\_\_\_, 19

**B** Check if:

Change of address

Initial return

Final return

Amended return (required also for state reporting)

Please use IRS label or print or type. See Specific Instructions.

**C** Name of organization  
**FOUNDATION FOR RELIGIOUS TOLERANCE**

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
**1332 L. RON HUBBARD WAY**

City or town, state or country, and ZIP+4  
**LOS ANGELES, CA 90027-5902**

**D** Employer identification number  
**95-4035696**

**E** Telephone number  
**323 661-1196**

**F** Check  if exemption application is pending

**G** Type of organization →  Exempt under 501(c) ( 3 ) (insert number) OR  section 4947(a)(1) nonexempt charitable trust

**Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).**

**H(a)** Is this a group return filed for affiliates?  Yes  No

**(b)** If "Yes," enter the number of affiliates for which this return is filed: \_\_\_\_\_

**(c)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** If either box in H is checked "Yes," enter four-digit group exemption number (GEN) \_\_\_\_\_

**J** Accounting method:  Cash  Accrual  Other (specify) \_\_\_\_\_

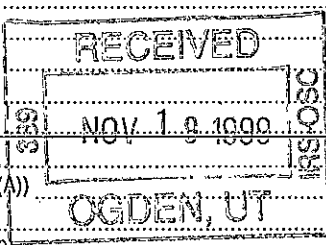
**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

**Note:** Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

SCANNED JAN 06 2000

Revenue					
1	Contributions, gifts, grants, and similar amounts received:				
a	Direct public support	1a	94027.		
b	Indirect public support	1b	50276.		
c	Government contributions (grants)	1c			
d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 144303. noncash \$ _____)	1d	144303.		
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2			
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4	35.		
5	Dividends and interest from securities	5			
6 a	Gross rents	6a			
b	Less: rental expenses	6b			
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe _____)	7			
8 a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
b	Less: cost or other basis and sales expenses	8a			
c	Gain or (loss) (attach schedule)	8b			
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
8d		8d			
9	Special events and activities (attach schedule):				
a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
b	Less: direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10 a	Gross sales of inventory, less returns and allowances	10a	7460.		
b	Less: cost of goods sold	10b	3050.		
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	STMT 1 4410.		
11	Other revenue (from Part VII, line 103)	11			
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	148748.		
<b>Expenses</b>					
13	Program services (from line 44, column (B))	13	132117.		
14	Management and general (from line 44, column (C))	14	1209.		
15	Fundraising (from line 44, column (D))	15	3920.		
16	Payments to affiliates (attach schedule)	16			
17	Total expenses (add lines 16 and 44, column (A))	17	137246.		
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	11502.		
<b>Net Assets</b>					
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	102.		
20	Other changes in net assets or fund balances (attach explanation)	20	0.		
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	11604.		



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**Part II Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) .....				
cash \$ _____ noncash \$ _____	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc. ....	25	0.	0.	0.
26 Other salaries and wages .....	26			
27 Pension plan contributions .....	27			
28 Other employee benefits .....	28			
29 Payroll taxes .....	29			
30 Professional fundraising fees .....	30			
31 Accounting fees .....	31			
32 Legal fees .....	32			
33 Supplies .....	33	2655.	2111.	181.
34 Telephone .....	34	7891.	5524.	789.
35 Postage and shipping .....	35	4772.	4584.	63.
36 Occupancy .....	36			
37 Equipment rental and maintenance .....	37	6452.	6281.	57.
38 Printing and publications .....	38	177.	177.	
39 Travel .....	39	67996.	67996.	
40 Conferences, conventions, and meetings .....	40			
41 Interest .....	41			
42 Depreciation, depletion, etc. (attach schedule) ...	42	260.	182.	26.
43 Other expenses (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e <b>SEE STATEMENT 2</b>	43e	47043.	45262.	93.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15 .....	44	137246.	132117.	1209.

Reporting of Joint Costs. - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? <b>THE PURSUIT OF RELIGIOUS FREEDOM AND TOLERANCE</b>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a <b>SEE STATEMENT 3</b>	
(Grants and allocations \$ _____)	132117.
b _____	
(Grants and allocations \$ _____)	
c _____	
(Grants and allocations \$ _____)	
d _____	
(Grants and allocations \$ _____)	
e Other program services (attach schedule)	(Grants and allocations \$ _____)
f <b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	<b>132117.</b>

**Part IV Balance Sheets**

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing .....	102.	45	4423.
	46 Savings and temporary cash investments .....		46	
	47 a Accounts receivable .....	47a		
	b Less: allowance for doubtful accounts .....	47b		47c
	48 a Pledges receivable .....	48a		
	b Less: allowance for doubtful accounts .....	48b		48c
	49 Grants receivable .....			49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule) .....			50
	51 a Other notes and loans receivable .....	51a		
	b Less: allowance for doubtful accounts .....	51b		51c
	52 Inventories for sale or use .....			52
	53 Prepaid expenses and deferred charges .....			53
	54 Investments - securities (attach schedule) .....			54
	55 a Investments - land, buildings, and equipment: basis .....	55a		
b Less: accumulated depreciation (attach schedule) .....	55b		55c	
56 Investments - other .....			56	
57 a Land, buildings, and equipment: basis .....	57a	3376.		
b Less: accumulated depreciation STMT 4 .....	57b	260.	57c	
58 Other assets (describe ▶ .....			58	
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74) .....		102.	59	11802.
<b>Liabilities</b>	60 Accounts payable and accrued expenses .....		60	198.
	61 Grants payable .....		61	
	62 Deferred revenue .....		62	
	63 Loans from officers, directors, trustees, and key employees .....		63	
	64 a Tax-exempt bond liabilities .....		64a	
	b Mortgages and other notes payable .....		64b	
	65 Other liabilities (describe ▶ .....			65
66 <b>Total liabilities</b> (add lines 60 through 65) .....		0.	66	198.
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted .....		67	
	68 Temporarily restricted .....		68	
	69 Permanently restricted .....		69	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds .....	0.	70	0.
	71 Paid-in or capital surplus, or land, building, and equipment fund .....	0.	71	0.
	72 Retained earnings, endowment, accumulated income, or other funds .....	102.	72	11604.
73 <b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21) .....	102.	73	11604.	
74 <b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73) .....	102.	74	11802.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.



Part VI Other Information

Yes No

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78 b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year?
80 a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?
80 b If "Yes," enter the name of the organization and check whether it is exempt OR nonexempt.
81 a Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81
81 b Did the organization file Form 1120-POL for this year?
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?
82 b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II.
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?
83 b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84 a Did the organization solicit any contributions or gifts that were not tax deductible?
84 b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations. - a Were substantially all dues nondeductible by members?
85 b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85 c Dues, assessments, and similar amounts from members
85 d Section 162(e) lobbying and political expenditures
85 e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85 f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85 g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?
85 h If section 6033(e)(1)(A) dues notice were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?
86 501(c)(7) organizations. - Enter:
86 a Initiation fees and capital contributions included on line 12
86 b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) organizations. - Enter:
87 a Gross income from members or shareholders
87 b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX
89 a 501(c)(3) organizations. - Enter: Amount of tax imposed during the year under: section 4911; section 4912; section 4955
89 b 501(c)(3) and 501(c)(4) organizations. - Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction
89 c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89 d Enter: Amount of tax in 89c, above, reimbursed by the organization
90 a List the states with which a copy of this return is filed
90 b Number of employees employed in the pay period that includes March 12, 1998
91 The books are in care of LEISA GOODMAN Telephone no. 323 960-3500
Located at 6331 HOLLYWOOD BLVD. #1200, LA, CA ZIP +4 90028-6329
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041. - Check here and enter the amount of tax-exempt interest received or accrued during the tax year

**Part VII 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) Exclusion code	(D) Amount	
93 Program service revenue:					
(a) _____					
(b) _____					
(c) _____					
(d) _____					
(e) _____					
(f) Medicare/Medicaid payments .....					
(g) Fees and contracts from government agencies .....					
94 Membership dues and assessments .....					
95 Interest on savings and temporary cash investments .....			14	35.	
96 Dividends and interest from securities .....					
97 Net rental income or (loss) from real estate:					
(a) debt-financed property .....					
(b) not debt-financed property .....					
98 Net rental income or (loss) from personal property .....					
99 Other investment income .....					
100 Gain or (loss) from sales of assets other than inventory .....					
101 Net income or (loss) from special events .....					
102 Gross profit or (loss) from sales of inventory .....					4410.
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) .....		0.		35.	4410.
105 TOTAL (add line 104, columns (B), (D), and (E)) .....					4445.

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
102	ITEMS SOLD TO PROMOTE EXEMPT PURPOSE.

**Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on 88 is checked.)**

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
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 officer) is based on all information of which preparer has any knowledge.

Please Sign Here: *Leisa Goodman* 15/11/99 LEISA GOODMAN, TRUSTEE  
 Signature of officer Date Type or print name and title

Paid Preparer's Use Only: *Charles Blakeslee, Jr.* 11/15/99 CHARLES BLAKESLEE, JR.  
 Preparer's signature Date Check if self-employed Preparer's SSN  
 Firm's name (or yours if self-employed) and address EIN  
 814 MICHELTORANA ST. ZIP +4  
 LOS ANGELES, CA. 90026-2702

**SCHEDULE A  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information**

▶ Must be completed by the above organizations and attached to their Form 990 or 990EZ.

OMB No. 1545-0047

**1998**

Name of the organization **FOUNDATION FOR RELIGIOUS TOLERANCE** Employer identification number **95 4035696**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
<b>NONE</b>				
Total number of other employees paid over \$50,000 ▶	0			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<b>NONE</b>		
Total number of others receiving over \$50,000 for professional services ▶	0	

**Part III Statement About Activities**

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? ..... If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities. ▶ \$ _____ Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:		
a Sale, exchange, or leasing of property? .....	2a	X
b Lending of money or other extension of credit? .....	2b	X
c Furnishing of goods, services, or facilities? .....	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? .....	2d	X
e Transfer of any part of its income or assets? ..... If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? .....	3	X
4 a Do you have a section 403(b) annuity plan for your employees? .....	4a	X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions.)		

**Part IV Reason for Non-Private Foundation Status** (See instructions.)

The organization is not a private foundation because it is (Please check only ONE applicable box):

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 4.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions on page 4.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions on page 4.)



**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12 above.) Use cash method of accounting.  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) .....	(a) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) .....	0.	0.	100.	4474.	4574.
16 Membership fees received .....					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose .....					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 .....	2.	3.	2.	5.	12.
19 Net income from unrelated business activities not included in line 18 .....					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .....					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge .....					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets .....					
23 Total of lines 15 through 22 .....	2.	3.	102.	4479.	4586.
24 Line 23 minus line 17 .....	2.	3.	102.	4479.	4586.
25 Enter 1% of line 23 .....			1.	45.	
26 Organizations described in lines 10 or 11: a Enter 2% of amount in column (e), line 24 .....					26a 92.
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1994 through 1997 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts .....					26b 0.
c Total support for section 509(a)(1) test: Enter line 24, column (e) .....					26c 4586.
d Add: Amounts from column (e) for lines: 18 <u>12.</u> 19 _____ 22 _____ 26b _____ .....					26d 12.
e Public support (line 26c minus line 26d total) .....					26e 4574.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) .....					26f 99.7383%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year. N/A (1997) ..... (1996) ..... (1995) ..... (1994) .....					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A (1997) ..... (1996) ..... (1995) ..... (1994) .....					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ .....					27e N/A
d Add: Line 27a total ... and line 27b total .....					27d N/A
e Public support (line 27c, total minus line 27d total) .....					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) .....					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f, (denominator)) .....					27g N/A %
h Investment income percentage (line 18 column (e) (numerator) divided by line 27f (denominator)) .....					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12, that received any unusual grants during 1994 through 1997, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions.)

NONE

**Part V Private School Questionnaire**

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....	29	
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....	30	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....	31	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
.....			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges? .....	33a	
b	Admissions policies? .....	33b	
c	Employment of faculty or administrative staff? .....	33c	
d	Scholarships or other financial assistance? .....	33d	
e	Educational policies? .....	33e	
f	Use of facilities? .....	33f	
g	Athletic programs? .....	33g	
h	Other extracurricular activities? .....	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
34 a	Does the organization receive any financial aid or assistance from a governmental agency? .....	34a	
b	Has the organization's right to such aid ever been revoked or suspended? .....	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation .....	35	

**Part VI-A Lobbying Expenditures by Electing Public Charities**

(To be completed ONLY by an eligible organization that filed Form 5768)

N/A

Check here  a If the organization belongs to an affiliated group.

Check here  b If you checked "a" above and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying) .....	37	
38	Total lobbying expenditures (add lines 36 and 37) .....	38	
39	Other exempt purpose expenditures .....	39	
40	Total exempt purpose expenditures (add lines 38 and 39) .....	40	
41	Lobbying nontaxable amount. Enter the amount from the following table -		
	If the amount on line 40 is -                      The lobbying nontaxable amount is -		
	Not over \$500,000 .....	20% of the amount on line 40 .....	
	Over \$500,000 but not over \$1,000,000 .....	\$100,000 plus 15% of the excess over \$500,000 .....	
	Over \$1,000,000 but not over \$1,500,000 .....	\$175,000 plus 10% of the excess over \$1,000,000 .....	
	Over \$1,500,000 but not over \$17,000,000 .....	\$225,000 plus 5% of the excess over \$1,500,000 .....	
	Over \$17,000,000 .....	\$1,000,000 .....	
42	Grassroots nontaxable amount (enter 25% of line 41) .....	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45	Lobbying nontaxable amount .....				0.
46	Lobbying ceiling amount (150% of line 45(e)) .....				0.
47	Total lobbying expenditures .....				0.
48	Grassroots nontaxable amount .....				0.
49	Grassroots ceiling amount (150% of line 48(e)) .....				0.
50	Grassroots lobbying expenditures .....				0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers .....		X	
b Paid staff or management (include compensation in expenses reported on lines c through h) .....		X	
c Media advertisements .....		X	
d Mailings to members, legislators, or the public .....		X	
e Publications or published or broadcast statements .....		X	
f Grants to other organizations for lobbying purposes .....		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body .....		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....		X	
i Total lobbying expenditures (add lines c through h) .....			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.





FORM 990

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

STATEMENT 1

INCOME

1. GROSS RECEIPTS . . . . .	7460	
2. RETURNS AND ALLOWANCES . . . . .		
3. LINE 1 LESS LINE 2 . . . . .		7460
4. COST OF GOODS SOLD (LINE 13) . . . . .	3050	
5. GROSS PROFIT (LINE 3 LESS LINE 4) . . . . .		4410

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR . . . . .	0	
7. MERCHANDISE PURCHASED . . . . .	7313	
8. COST OF LABOR . . . . .		
9. MATERIALS AND SUPPLIES . . . . .		
10. OTHER COSTS . . . . .		
11. ADD LINES 6 THROUGH 10 . . . . .		7313
12. INVENTORY AT END OF YEAR . . . . .	4263	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12) . . . . .		3050

FORM 990	OTHER EXPENSES			STATEMENT 2
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
COMMISSIONS	1001.			1001.
INSURANCE	4500.	4500.		
DOMAIN NAME	70.	70.		
BANK CHARGES	934.	654.	93.	187.
PROGRAM EXPENSES	40038.	40038.		
FUNDRAISING EXPENSES	500.			500.
TOTAL TO FM 990, LN 43	47043.	45262.	93.	1688.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 3

DESCRIPTION OF PROGRAM SERVICE ONE

DURING 1998, THE FOUNDATION WAS ACTIVE IN PUBLIC AWARENESS CAMPAIGNS TO PROCLAIM THE MESSAGE OF TOLERANCE FOR ALL FAITHS, CONCENTRATING MOSTLY ON GERMANY, DUE TO ITS PATTERN OF DISCRIMINATION AGAINST MINORITY RELIGIONS.

THE FOUNDATION WAS PART OF A COALITION OF DIFFERENT RELIGIOUS GROUPS WHICH CONDUCTED A RELIGIOUS FREEDOM RALLY AND CONCERT IN FRANKFURT, GERMANY. APPROXIMATELY 8,000 PEOPLE ATTENDED THIS EVENT. AS A RESULT OF THIS ACTIVITY AN ALLIANCE OF DIVERSE RELIGIOUS GROUPS WAS FORMED WITH THE PURPOSE OF UPHOLDING RELIGIOUS FREEDOM IN GERMANY.

THE FRANKFURT RALLY WAS THE CULMINATION OF A 3,225 KILOMETER "EUROPEAN JOURNEY FOR RELIGIOUS FREEDOM" ACROSS 8 COUNTRIES OF EUROPE WHICH WAS COORDINATED BY THE CHURCH OF SCIENTOLOGY TO COMMEMORATE THE 50TH ANNIVERSARY OF THE UNIVERSAL DECLARATION OF HUMAN RIGHTS. THE FOUNDATION ASSISTED THE JOURNEY BY

PRODUCING PROMOTIONAL ITEMS SUCH AS T-SHIRTS AND CAPS. THEY ALSO CREATED A SPECIAL WEBSITE FOR THE OCCASION AND KEPT IT UPDATED WITH A MAP AND PICTURES OF THE

RUNNERS AS THEY PROGRESSED ACROSS EUROPE.

FRANKFURT ALSO BECAME THE SITE OF A 12-FOOT SCULPTURE DEPICTING A WHITE MARBLE DOVE OF PEACE AND FREEDOM, CARRYING A BRUSHED STAINLESS STEEL OLIVE BRANCH. THE FOUNDATION, IN COORDINATION WITH A HOLLYWOOD ARTISTS' GROUP, ENLISTED THE SUPPORT OF WORLD-RENOWNED ARTIST, PERLI PELZIG, TO CREATE THE STATUE. UNVEILED AT A PUBLIC CEREMONY IN FRANKFURT, IT NOW STANDS AS A REPRESENTATION OF THE WORLD OF ART JOINING FORCES WITH RELIGIOUS GROUPS TO DEMAND RELIGIOUS FREEDOM IN GERMANY, EUROPE AND THE WORLD OVER. THOUSANDS HAVE SEEN THIS SCULPTURE.

THE FOUNDATION HELD A "VOICES IN UNISON" CONCERT CELEBRATING RELIGIOUS FREEDOM IN THE UNITED STATES. VARIOUS RELIGIOUS GROUPS WERE REPRESENTED AND ACKNOWLEDGED FOR THEIR SUPPORT OF RELIGIOUS TOLERANCE. THIS INVOLVED MANY DIFFERENT RELIGIOUS FAITHS, INCLUDING HINDU, JEWISH, SIKH AND CHRISTIAN GROUPS.

THE FOUNDATION AIDED IN THE DISTRIBUTION OF 5 MILLION BROADSHEETS THROUGHOUT GERMANY EXPOSING RELIGIOUS DISCRIMINATION IN GERMANY AND CALLING FOR RELIGIOUS FREEDOM FOR ALL.

THE FOUNDATION CONDUCTED A CELEBRATION OF RELIGIOUS FREEDOM IN LOS ANGELES ON ROSH HASHANAH. A LOCAL RABBI WAS ONE OF A NUMBER OF SPEAKERS ON THIS THEME.

MEMBERS OF THE FOUNDATION PLAYED A KEY ROLE IN CONDUCTING DEMONSTRATIONS, INCLUDING CANDLELIGHT VIGILS, HELD WEEKLY OUTSIDE THE GERMAN CONSULATE IN LOS ANGELES TO PROTEST THE DISCRIMINATION OF THE GERMAN GOVERNMENT TOWARDS THE CHURCH OF SCIENTOLOGY. REPRESENTATIVES OF MANY FAITHS HAVE PARTICIPATED IN THESE PROTESTS FOR OVER 100 WEEKS TO REPEAT THE MESSAGE THAT THE GERMAN GOVERNMENT MUST ENGAGE IN DIALOGUE WITH THE CHURCH TO RESOLVE DIFFERENCES.

TO FORM 990, PART III, LINE A

GRANTS	EXPENSES
_____	_____
_____	132117.



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**FORM 990**                      **DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT**                      **STATEMENT**                      **4**

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<u>DESCRIPTION</u>	<u>COST OR OTHER BASIS</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>BOOK VALUE</u>
LAPTOP COMPUTER	1686.	169.	1517.
FAX MACHINE	372.	25.	347.
COMPUTER/SURGE PROTECTOR	1318.	66.	1252.
<b>TOTAL TO FORM 990, PART IV, LN 57</b>	<b>3376.</b>	<b>260.</b>	<b>3116.</b>