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Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

A For the 2003 calendar year, or tax year beginning and ending

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: THE AMERICAN PROSPECT, INC. D Employer identification number: 52-1617061. E Telephone number: 617-570-8030. F Accounting method: Accrual.

G Website: MOVINGIDEAS.ORG, PROSPECT.ORG. H(a) Is this a group return for affiliates? H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling?

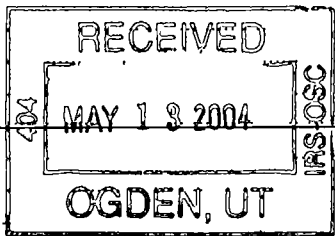
J Organization type: 501(c)(3). K Check here if the organization's gross receipts are normally not more than \$25,000.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12: 3,320,890. M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

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

Table with 21 rows and multiple columns. Includes Revenue (lines 1-12), Expenses (lines 13-17), and Net Assets (lines 18-21). Total revenue: 3,320,890. Total expenses: 3,626,710. Net assets at end of year: 567,898.

Net SCANNED MAY 25 2004



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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	120,000.	6,000.	54,000.
26	Other salaries and wages	26	978,739.	169,941.	98,419.
27	Pension plan contributions	27			
28	Other employee benefits	28	80,371.	12,868.	11,149.
29	Payroll taxes	29	92,218.	14,767.	12,793.
30	Professional fundraising fees	30			
31	Accounting fees	31	37,756.	32,576.	5,180.
32	Legal fees	32	38,089.	8,089.	
33	Supplies	33	35,830.	28,023.	6,798.
34	Telephone	34	25,564.	4,094.	3,546.
35	Postage and shipping	35	22,584.	11,349.	7,047.
36	Occupancy	36	322,030.	51,565.	44,673.
37	Equipment rental and maintenance	37	20,666.	3,309.	2,867.
38	Printing and publications	38	513,582.		14,024.
39	Travel	39	32,164.	6,912.	6,318.
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42	42,148.	6,749.	5,847.
43	Other expenses not covered above (itemize)				
a	_____	43a			
b	_____	43b			
c	_____	43c			
d	_____	43d			
e	<b>SEE STATEMENT 1</b>	43e	1,264,969.	1,317.	29,323.
44	<small>Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15</small>	44	3,626,710.	357,559.	301,984.

Joint Costs. Check  if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  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?  \_\_\_\_\_

**EDUCATION OF THE PUBLIC**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts, but optional for others)

a	<b>PUBLICATION OF SCHOLARLY AND LITERARY ARTICLES FOR THE EDUCATION OF THE PUBLIC</b>				
			(Grants and allocations \$ _____)		2,967,167.
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 (should equal line 44, column (B), Program services)</b>				<b>2,967,167.</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
Assets	45 Cash - non-interest-bearing	649,281.	45	28,584.
	46 Savings and temporary cash investments	95,213.	46	661,694.
	47 a Accounts receivable	115,969.		
	47 b Less allowance for doubtful accounts	1,807.	167,541.	47c 114,162.
	48 a Pledges receivable			
	48 b Less allowance for doubtful accounts			48c
	49 Grants receivable	742,900.	49	350,000.
	50 Receivables from officers, directors, trustees, and key employees			50
	51 a Other notes and loans receivable			
	51 b Less allowance for doubtful accounts			51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges	64,916.	53	71,303.
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54
	55 a Investments - land, buildings, and equipment basis			
	55 b Less accumulated depreciation			55c
56 Investments - other			56	
57 a Land, buildings, and equipment basis	294,693.			
57 b Less accumulated depreciation	217,201.	108,990.	57c 77,492.	
58 Other assets (describe <input type="checkbox"/> SEE STATEMENT 2 )	49,482.	58	49,239.	
59 Total assets (add lines 45 through 58) (must equal line 74)	1,878,323.	59	1,352,474.	
Liabilities	60 Accounts payable and accrued expenses	276,093.	60	122,051.
	61 Grants payable		61	
	62 Deferred revenue	728,512.	62	662,525.
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	64 b Mortgages and other notes payable		64b	
	65 Other liabilities (describe <input type="checkbox"/> )		65	
66 Total liabilities (add lines 60 through 65)	1,004,605.	66	784,576.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	<366,582.>	67	<516,202.>
	68 Temporarily restricted	1,240,300.	68	1,084,100.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	873,718.	73	567,898.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	1,878,323.	74	1,352,474.	

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

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? If "Yes," attach a conformed copy of the changes
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? If "Yes," attach a statement
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 direct or indirect political expenditures See line 81 instructions
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 (See instructions in Part III)
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? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year
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 on line 85f?
85 h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 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 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 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, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX
89 a 501(c)(3) organizations. Enter Amount of tax imposed on the organization 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 or did it become aware of an excess benefit transaction from a prior 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 on line 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, 2003
91 The books are in care of ROBERT KUTTNER Telephone no 617-570-8630

Located at 5 BROAD STREET BOSTON, MA ZIP + 4 02109

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 92 N/A

**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions)

Note: 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	
93 Program service revenue					
a <b>BOOK SALES</b>					575.
b <b>MOVING IDEAS</b>					22,900.
c <b>SUBSCRIPTIONS</b>					845,947.
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	3,023.	
96 Dividends and interest from securities			14	1,056.	
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					
103 Other revenue.					
a <b>ADVERTISING INCOME</b>	541800	100,228.			
b <b>MAILING LIST RENTALS</b>			15	147,532.	
c <b>OTHER INCOME</b>					426.
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		100,228.		151,611.	869,848.
105 Total (add line 104, columns (B), (D), and (E))					1,121,687.

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** (See page 34 of the instructions)

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)
93	INCOME FROM THE PUBLICATION OF SCHOLARLY AND LITERARY ARTICLES WHICH IS THE PURPOSE OF THE ORGANIZATION
103	OTHER INCOME RECEIVED DURING THE YEAR THAT IS A BYPRODUCT OF THE ORGANIZATIONS PRIMARY EXEMPT PURPOSE

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

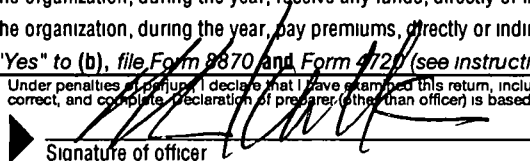
**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions)


(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If "Yes" to (b), file Form 9870 and Form 9720 (see instructions).

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

Signature of officer:  Date: 5-6-04 Type or print name and title: ROBERT KUTTNER, PRESIDENT

Preparer's signature:  Date: 5/10/07 Check if self-employed:  Preparer's SSN or PTIN: \_\_\_\_\_

Firm's name (or yours if self-employed), address, and ZIP + 4: FEELEY & DRISCOLL, P.C. 200 PORTLAND STREET BOSTON, MA 02114

EIN: \_\_\_\_\_ Phone no: 617-742-7788





**Part III** Statements About Activities (See page 2 of the instructions)

	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 <b>▶</b> \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) 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		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, 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? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e Transfer of any part of its income or assets?		X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)		X
b Do you have a section 403(b) annuity plan for your employees?		X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

**Part IV** Reason for Non-Private Foundation Status (See pages 3 through 6 of the 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)
- 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 page 5 of the instructions)

(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 page 6 of the instructions)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	3,433,760.	2,911,895.	1,322,824.	4,586,967.	12,255,446.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	653,405.	711,769.	550,438.	240,752.	2,156,364.
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	14,054.	123,519.	131,635.	88,795.	358,003.
19 Net income from unrelated business activities not included in line 18	70,145.	28,291.	72,086.	45,926.	216,448.
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	88,684.	32,994.	SEE STATEMENT 4 28,589.	31,247.	181,514.
23 Total of lines 15 through 22	4,260,048.	3,808,468.	2,105,572.	4,993,687.	15,167,775.
24 Line 23 minus line 17	3,606,643.	3,096,699.	1,555,134.	4,752,935.	13,011,411.
25 Enter 1% of line 23	42,600.	38,085.	21,056.	49,937.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 260,228.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a Do not file this list with your return. Enter the total of all these excess amounts					26b 0.
c Total support for section 509(a)(1) test Enter line 24, column (e)					26c 13,011,411.
d Add Amounts from column (e) for lines: 18 358,003. 19 216,448. 22 181,514.					26d 755,965.
e Public support (line 26c minus line 26d total)					26e 12,255,446.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 94.1900%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" Do not file this list with your return. Enter the sum of such amounts for each year N/A					(2002) (2001) (2000) (1999)
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records 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) Do not file this list with your return. 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					(2002) (2001) (2000) (1999)
c Add Amounts from column (e) for lines 15 16 17 20 21					27c 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 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return. Do not include these grants in line 15

**Part V Private School Questionnaire** (See page 7 of the instructions )

N/A

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

		Yes	No
<b>29</b>	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?		
<b>30</b>	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?		
<b>31</b>	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? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )		
<hr/> <hr/> <hr/>			
<b>32</b>	Does the organization maintain the following		
<b>a</b>	Records indicating the racial composition of the student body, faculty, and administrative staff?	<b>32a</b>	
<b>b</b>	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	<b>32b</b>	
<b>c</b>	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<b>32c</b>	
<b>d</b>	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )	<b>32d</b>	
<hr/> <hr/>			
<b>33</b>	Does the organization discriminate by race in any way with respect to		
<b>a</b>	Students' rights or privileges?	<b>33a</b>	
<b>b</b>	Admissions policies?	<b>33b</b>	
<b>c</b>	Employment of faculty or administrative staff?	<b>33c</b>	
<b>d</b>	Scholarships or other financial assistance?	<b>33d</b>	
<b>e</b>	Educational policies?	<b>33e</b>	
<b>f</b>	Use of facilities?	<b>33f</b>	
<b>g</b>	Athletic programs?	<b>33g</b>	
<b>h</b>	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )	<b>33h</b>	
<hr/> <hr/>			
<b>34 a</b>	Does the organization receive any financial aid or assistance from a governmental agency?	<b>34a</b>	
<b>b</b>	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	<b>34b</b>	
<b>35</b>	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	<b>35</b>	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.) N/A  
 (To be completed ONLY by an eligible organization that filed Form 5768)

Check  a  if the organization belongs to an affiliated group Check  b  if you checked "a" 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 on page 11 of the instructions )

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(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) (See page 12 of the instructions.) N/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			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
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	OTHER EXPENSES			STATEMENT 1
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
AUTHOR FEES & EXPENSES	268,364.	268,364.		
ADVERTISING AND PROMOTION	45,823.	45,823.		
ART AND DESIGN	121,214.	121,214.		
DIRECT MAIL	96,656.	96,656.		
DUES AND SUBSCRIPTIONS	300.	300.		
EDITORIAL COSTS	156,758.	156,758.		
INSURANCE	9,601.	9,601.		
MOVING IDEAS	47,159.	47,159.		
OTHER MISCELLANEOUS	18,475.	18,475.		
OUTSIDE SERVICES	76,045.	76,045.		
SPECIAL EVENT	21,903.	21,903.		
SUBSCRIPTION EXP	336,853.	336,853.		
TAP ONLINE	35,178.	35,178.		
BAD DEBT	<4,334.>		<4,334.>	
BANK FEES	2,052.		2,052.	
DUES AND SUBSCRIPTION INSURANCE	1,406. 2,193.		1,406. 2,193.	
DUES AND SUBSCRIPTIONS INSURANCE	2,923. 1,900.			2,923. 1,900.
OUTSIDE SERVICES	24,500.			24,500.
<b>TOTAL TO FM 990, LN 43</b>	<b>1,264,969.</b>	<b>1,234,329.</b>	<b>1,317.</b>	<b>29,323.</b>

FORM 990	OTHER ASSETS	STATEMENT 2
DESCRIPTION		AMOUNT
RENT DEPOSIT		10,430.
SECURITY DEPOSIT		38,809.
<b>TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B</b>		<b>49,239.</b>

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,  
TRUSTEES AND KEY EMPLOYEES

STATEMENT 3

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT
ROBERT KUTTNER 61 DEAN ROAD BROOKLINE, MASS 02146	PRESIDENT 40	120,000.	0. 0.
PAUL STARR 177 PROSPECT STREET PRINCETON, NEW JERSEY 08540	VICE PRESIDENT 10	0.	0. 0.
ROBERT REICH 4 MERCER CIRCLE CAMBRIDGE, MASS 02138	DIRECTOR NONE	0.	0. 0.
NANCY MILLS AFL-CIO 815 16TH STREET WASHINGTON, DC 02138	EXECUTIVE DIRECTORS NONE	0.	0. 0.
CHRISTOPHER JENCKS KENNEDY SCHOOL, 79 JFK STREET CAMBRIDGE, MASS 02138	TREASURER NONE	0.	0. 0.
RANDALL KENNEDY HARVARD LAW SCHOOL, AREEDA HALL CAMBRIDGE, MASS 02138	DIRECTOR NONE	0.	0. 0.
BEN TAYLOR 35 WALNUT PLACE BROOKLINE, MASS 02445	DIRECTOR NONE	0.	0. 0.
LAURA TYSON UCB HAAS BUSINESS SCH, RM S545 BERKELEY CA 94720-1900	DIRECTOR NONE	0.	0. 0.
ADELE SIMMONS CHICAGO 30 WEST MONROE STREET CHICAGO, IL 60603	DIRECTOR NONE	0.	0. 0.
RICHARD C. LEONE CENTURY FO 41 EAST 70TH STREET NEW YORK, NY 10021	CHAIRMAN NONE	0.	0. 0.
DONNY GOLDBERG CAPITAL GROUP CO. 130 5TH AVENUE NEW YORK, NY 10011	DIRECTOR NONE	0.	0. 0.

THE AMERICAN PROSPECT, INC.

52-1617061

MICHAEL JAY JOHNSTON  
ARTEMIS RECORD 630 5TH AVENUE  
NEW YORK, NY 10011

DIRECTOR  
NONE

0. 0. 0.

TOTALS INCLUDED ON FORM 990, PART V

120,000. 0. 0.

SCHEDULE A OTHER INCOME STATEMENT 4

DESCRIPTION	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT
	88,684.	32,994.	28,589.	31,247.
TOTAL TO SCHEDULE A, LINE 22	88,684.	32,994.	28,589.	31,247.



SCHEDULE A	OTHER INCOME			STATEMENT 4
DESCRIPTION	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT
	88,684.	32,994.	28,589.	31,247.
TOTAL TO SCHEDULE A, LINE 22	88,684.	32,994.	28,589.	31,247.