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Return of Organization Exempt From Income Tax

Department of the Treasury
Internal Revenue Service

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

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

A For the 2005 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization THE AMERICAN PROSPECT, INC.		D Employer identification number 52-1617061
		Number and street (or P O box if mail is not delivered to street address) Room/suite 11 BEACON STREET 1120		E Telephone number 617-570-8030
		City or town, state or country, and ZIP + 4 BOSTON, MA 02109		F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates: N/A

H(c) Are all affiliates included? (If "No," attach a list) N/A Yes No

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

I Group Exemption Number: N/A

G Website: MOVINGIDEAS.ORG, PROSPECT.ORG

J Organization type (check only one) 501(c) (3) (insert no) 4947(a)(1) or 527

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 the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

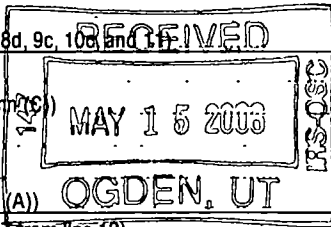
M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 3,813,871.

Part 1 Revenue, Expenses, and Changes in Net Assets or Fund Balances

SCANNED JUL 03 2006

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	2,704,660.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 2,704,660. noncash \$)	1d		2,704,660.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		834,051.	
	3	Membership dues and assessments	3			
	4	Interest on savings and temporary cash investments	4		6,565.	
	5	Dividends and interest from securities	5		3,434.	
	6a	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				
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
		8a				
		8b				
		8c				
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d				
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>					
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		
10a	Gross sales of inventory, less returns and allowances	10a				
		b	Less cost of goods sold	10b		
		c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11	Other revenue (from Part VII, line 103)	11		265,161.		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		3,813,871.		
Expenses	13	Program services (from line 44, column (B))	13		3,174,825.	
	14	Management and general (from line 44, column (C))	14		327,282.	
	15	Fundraising (from line 44, column (D))	15		376,927.	
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 13 and 14, column (A))	17		3,879,034.	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		<65,163.>	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		152,933.	
	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		87,770.	



Handwritten initials: 5-17 and 24

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 \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25 Compensation of officers, directors, etc.	127,212.	43,212.	12,000.	72,000.
26 Other salaries and wages	1,239,554.	976,645.	160,243.	102,666.
27 Pension plan contributions				
28 Other employee benefits	94,468.	70,490.	11,905.	12,073.
29 Payroll taxes	111,928.	83,518.	14,106.	14,304.
30 Professional fundraising fees				
31 Accounting fees	12,000.		12,000.	
32 Legal fees	14,253.	10,773.	3,480.	
33 Supplies	27,578.	22,046.	2,655.	2,877.
34 Telephone	20,766.	15,829.	2,451.	2,486.
35 Postage and shipping	300,676.	284,556.	862.	15,258.
36 Occupancy	240,351.	181,174.	29,381.	29,796.
37 Equipment rental and maintenance	22,101.	16,491.	2,786.	2,824.
38 Printing and publications	327,696.	295,242.		32,454.
39 Travel	57,316.	36,281.	13,884.	7,151.
40 Conferences, conventions, and meetings	27,844.	11,329.	299.	16,216.
41 Interest	250.		250.	
42 Depreciation, depletion, etc. (attach schedule)	33,057.	28,434.	2,295.	2,328.
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e _____	43e			
f _____	43f			
g SEE STATEMENT 1	43g	1,221,984.	1,098,805.	58,685.
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	3,879,034.	3,174,825.	327,282.
				376,927.

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 \$ N/A, (ii) the amount allocated to Program services \$ N/A, (iii) the amount allocated to Management and general \$ N/A, and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

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.

What is the organization's primary exempt purpose? ▶

EDUCATION OF THE PUBLIC

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

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.)

a PUBLICATION OF SCHOLARLY AND LITERARY ARTICLES FOR THE EDUCATION OF THE PUBLIC

(Grants and allocations \$) If this amount includes foreign grants, check here ▶

3,174,825.

b (Grants and allocations \$) If this amount includes foreign grants, check here ▶

c (Grants and allocations \$) If this amount includes foreign grants, check here ▶

d (Grants and allocations \$) If this amount includes foreign grants, check here ▶

e Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here ▶

f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶

3,174,825.

Form 990 (2005)

Part IV Balance Sheets (See the instructions.)

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	155,454.	45 40,638.
	46 Savings and temporary cash investments	465,151.	46 449,013.
	47 a Accounts receivable	47a 212,277.	47c 211,370.
	b Less: allowance for doubtful accounts	47b 907.	
	48 a Pledges receivable	48a	48c
	b Less: allowance for doubtful accounts	48b	
	49 Grants receivable	87,000.	49 159,500.
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable	51a	51c
	b Less: allowance for doubtful accounts	51b	
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges	69,710.	53 81,280.
	54 Investments - securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54
	55 a Investments - land, buildings, and equipment: basis	55a	55c
	b Less: accumulated depreciation	55b	
56 Investments - other		56	
57 a Land, buildings, and equipment: basis	57a 268,153.	57c 57,921.	
b Less: accumulated depreciation	57b 210,232.		
58 Other assets (describe SECURITY DEPOSIT)	31,169.	58 32,369.	
59 Total assets (must equal line 74). Add lines 45 through 58	1,071,681.	59 1,032,091.	
Liabilities	60 Accounts payable and accrued expenses	185,680.	60 239,525.
	61 Grants payable		61
	62 Deferred revenue	733,068.	62 704,796.
	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 Total liabilities. Add lines 60 through 65)	918,748.	66 944,321.	
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	29,183.	67 <121,730.>
	68 Temporarily restricted	123,750.	68 209,500.
	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)	152,933.	73 87,770.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	1,071,681.	74 1,032,091.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Yes No

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 15

b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)

75b X

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?

75c X

Note. Related organizations include section 509(a)(3) supporting organizations.

If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization

d Does the organization have a written conflict of interest policy?

75d X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1 contains 'NONE' in column A.

Part VI Other Information (See the instructions.)

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

76 X

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.

77 X

78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?

78a X

b If "Yes," has it filed a tax return on Form 990-T for this year?

78b X

79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement

79 X

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?

80a X

b If "Yes," enter the name of the organization N/A

and check whether it is [] exempt or [] nonexempt

81 a Enter direct or indirect political expenditures. (See line 81 instructions)

81a 0.

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

81b X

Part VI Other Information (continued)

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 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?
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0, section 4912 0, section 4955 0.
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?
89 c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.
89 d Enter: Amount of tax on line 89c, above, reimbursed by the organization 0.
90 a List the states with which a copy of this return is filed MA
90 b Number of employees employed in the pay period that includes March 12, 2005 29
91 a The books are in care of DIANE STRAUS-TUCKER Telephone no 617-570-8030
Located at 11 BEACON STREET SUITE 1120, BOSTON, MA ZIP + 4 02108
91 b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
91 c At any time during the calendar year, did the organization maintain an office outside of the United States?
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

Table with 2 columns: Yes, No. Rows 91b, 91c.

Part VII Analysis of Income-Producing Activities (See 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 BOOK SALES					110.
b MOVING IDEAS					14,300.
c SUBSCRIPTIONS					815,420.
d WEB SUBSCRIPTION					4,221.
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	6,565.	
96 Dividends and interest from securities			14	3,434.	
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 ADVERTISING INCOME	541800	145,957.			
b MAILING LIST RENTALS			15	119,129.	
c MISCELLANEOUS					75.
d					
e					
104 Subtotal (add columns (B), (D), and (E))		145,957.		129,128.	834,126.
105 Total (add line 104, columns (B), (D), and (E))					1,109,211.

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 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

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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 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 8870 and Form 4720 (see instructions).

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: **DOE STANIS TULLO** Signature of officer Date: **5/31/06** Type or print name and title: **President**

Paid Preparer's Use Only: Preparer's signature: **Robin Lavin** Date: **5/31/06** 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**

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

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

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

THE AMERICAN PROSPECT, INC.

Employer identification number

52 1617061

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

(See page 1 of the 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
ROBERT KUTTNER PINCKNEY STREET, BOSTON, MA	PRESIDENT 40.00	120,000.		
MICHAEL TOMASKY NEVADA AVE NW, WASHINGTON, DC	EXEC EDITOR 40.00	119,908.		
JOSEPH CONASON EAST 10TH STREET, NEW YORK, NY	INVESTIGATIVE EDITOR 30.00	103,638.		
ROBIN HUTSON WOODARD ROAD, WEST ROXBURY, MA	PUBLISHER 32.00	83,593.		
BARBARA SAUNDERS CHERRY HOLLOW ROAD, NASHUA, NH	CONTROLLER 32.00	66,068.		
Total number of other employees paid over \$50,000 ▶	0			

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

(See page 2 of the 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
NONE OVER \$50,000		0.
Total number of others receiving over \$50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms If there are none, enter "None " See page 2 of the instructions)

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

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 ▶ \$ _____ \$ <u>9,213.</u> (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. VI-B, LINE I	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)? SEE PART V-A, FORM 990	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
c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a 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
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		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) sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization **▶** Type 1 Type 2 Type 3

Provide the following information about the supported organizations (See page 6 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) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28).	2,334,905.	2,199,203.	3,433,760.	2,911,895.	10,879,763.
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	1,002,635.	869,422.	653,405.	711,769.	3,237,231.
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	10,500.	4,079.	14,054.	123,519.	152,152.
19 Net income from unrelated business activities not included in line 18	93,884.	100,228.	70,145.	28,291.	292,548.
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.	140,749.	147,958.	SEE STATEMENT 3 88,684.	32,994.	410,385.
23 Total of lines 15 through 22	3,582,673.	3,320,890.	4,260,048.	3,808,468.	14,972,079.
24 Line 23 minus line 17	2,580,038.	2,451,468.	3,606,643.	3,096,699.	11,734,848.
25 Enter 1% of line 23	35,827.	33,209.	42,600.	38,085.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 234,697.
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 5,257,147.
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 11,734,848.
d Add: Amounts from column (e) for lines 18 152,152. 19 292,548. 22 410,385. 26b 5,257,147.					26d 6,112,232.
e Public support (line 26c minus line 26d total)					26e 5,622,616.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 47.9138%
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	(2004) N/A	(2003) N/A	(2002) N/A	(2001) N/A	
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 11b, 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	(2004) N/A	(2003) N/A	(2002) N/A	(2001) N/A	
c Add: Amounts from column (e) for lines 15 17 17 and line 27b total					27c N/A
d Add: Line 27a 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 2001 through 2004, 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

NONE

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)

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?

Yes No

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

Schedule A (Form 990 or 990-EZ) 2005

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 -	41	
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 (e) Total
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	
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 11 of the instructions)

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		9,213.
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.)			9,213.

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

SEE STATEMENT 4

FORM 990

OTHER EXPENSES

STATEMENT 1

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
AUTHOR FEES & EXPENSES	374,630.	374,630.		
ADVERTISING AND PROMOTION	35,633.	35,633.		
ART AND DESIGN	78,098.	78,098.		
DIRECT MAIL	205,181.	205,181.		
DUES AND SUBSCRIPTIONS	13,276.	7,377.		5,899.
EDITORIAL COSTS	36,348.	36,348.		
INSURANCE	38,567.	34,649.	1,945.	1,973.
PRODUCTION	8,379.	8,379.		
OTHER MISCELLANEOUS	5,794.	4,814.	980.	
OUTSIDE SERVICES	218,647.	109,193.	52,832.	56,622.
SUBSCRIPTION EXP	180,736.	180,736.		
BANK FEES	1,446.		1,446.	
BAD DEBT	1,482.		1,482.	
INTERNET AND ONLINE	23,767.	23,767.		
TOTAL TO FM 990, LN 43	1,221,984.	1,098,805.	58,685.	64,494.

FORM 990

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

STATEMENT 2

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DIANE STRAUSS-TUCKER THE AMERICAN PROSPECT, 2000 L ST, NW, SUITE 717 WASHINGTON, DC 20006	PRESIDENT 40.00	7,212.	0.	0.
PAUL STARR 177 PROSPECT AVENUE PRINCETON, NJ 08540	VICE PRESIDENT 0.00	0.	0.	0.
ROBERT REICH HELLER SCHOOL, BRANDEIS UNIVERSITY P.O. BOX 9110, MS 035 WALTHAM, MA 02254-9110	DIRECTOR 0.00	0.	0.	0.
NANCY MILLS AFL-CIO WORKING FOR AMERICA INSTITUTE, 815 16TH STREET, NW WASHINGTON, DC 20006	DIRECTOR 0.00	0.	0.	0.
CHRISTOPHER JENCKS KENNEDY SCHOOL, 79 JFK STREET CAMBRIDGE, MA 02138	DIRECTOR 0.00	0.	0.	0.
RANDALL KENNEDY HARVARD LAW SCHOOL, AREEDA HALL CAMBRIDGE, MA 02138	DIRECTOR 0.00	0.	0.	0.
BEN TAYLOR 35 WALNUT PLACE BROOKLINE, MA 02445	CHAIRMAN 0.00	0.	0.	0.
MARIA ECHAVESTE NUEVA VISTA GROUP LLC, 1801 K STREET, NW, #1000L WASHINGTON, DC 20006	DIRECTOR 0.00	0.	0.	0.
ADELE SIMMONS CHICAGO METROPOLIS 2020, 30 WEST MONROE STREET 18TH FLOOR CHICAGO, IL 60603	TREASURER 0.00	0.	0.	0.

RICHARD C. LEONE CENTURY FOUNDATION, 41 EAST 70TH STREET NEW YORK, NY 10021	DIRECTOR	0.00	0.	0.	0.
DANNY GOLDBERG AIR AMERICA RADIO, 641 SIXTH AVENUE 4TH FL NEW YORK, NY 10011	DIRECTOR	0.00	0.	0.	0.
MICHAEL J. JOHNSTON CAPITAL GROUP COMPANIES, 630 5TH AVENUE NEW YORK, NY 10011	DIRECTOR	0.00	0.	0.	0.
JEHMU GREENE PRESIDENT, ROCK THE VOTE, 10635 SANTA MONICA BLVD LOS ANGELES, CA 90025	DIRECTOR	0.00	0.	0.	0.
ROBERT KUTTNER 11 BEACON STREET, SUITE 1120 BOSTON, MA 02108	TREASURER/SECRETARY	0.00	120,000.	0.	0.
MICHAEL TOMASKY THE AMERICAN PROSPECT, 2000 L ST, NW, SUITE 717 WASHINGTON, DC 20006	CO-EDITOR	0.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V			<u>127,212.</u>	<u>0.</u>	<u>0.</u>

SCHEDULE A	OTHER INCOME			STATEMENT	3
DESCRIPTION	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT	2001 AMOUNT	
	140,749.	147,958.	88,684.	32,994.	
TOTAL TO SCHEDULE A, LINE 22	<u>140,749.</u>	<u>147,958.</u>	<u>88,684.</u>	<u>32,994.</u>	

AS PART OF OUR NON-PROFIT CHARTER, WE CREATE FACT SHEETS ABOUT PARTICULAR ECONOMIC AND DOMESTIC POLICY ISSUES FOR DISSEMINATION TO THE GENERAL PUBLIC. NO HOURS OF EMPLOYEE'S TIME DURING 2005 WAS SPENT SENDING, VIA E-MAIL, SOME OF THESE FACT SHEETS TO LEGISLATIVE DIRECTORS. GRASSROOTS ACTIVITY WAS THE CREATION AND PROMOTION OF E-MAIL ACTION ALERTS FOR ECONOMIC, DOMESTIC AND FOREIGN POLICY ISSUES. THESE ACTION ALERTS ARE POSTED ON OUR MOVING IDEAS WEBSITE FROM MOVING IDEAS AND FROM OUR MOVING IDEAS MEMBER ORGANIZATIONS. 281.1 EMPLOYEE HOURS IN TOTAL FOR 2005 WAS SPENT ON GRASSROOTS EFFORT.