



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2007

For calendar year 2007 or other tax year beginning 8/01, 2007, and ending 7/31, 2008

Department of the Treasury Internal Revenue Service (77)

See separate instructions.

Open to Public Inspection for 501(c)(3) Organizations Only

Header section A-G containing organization name (People for the Ethical Treatment of Animals, Inc.), EIN (52-1218336), and other identifying information.

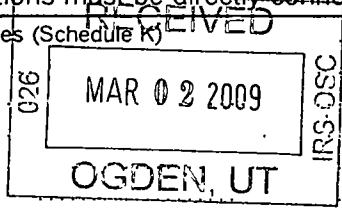
Section H-I: Describe the organization's primary unrelated business activity (Mdse sales, advertising) and whether it was a subsidiary in an affiliated group.

J The books are in care of The Corporation Telephone number (757) 962-8364

Table for Part I: Unrelated Trade or Business Income. Columns include (A) Income, (B) Expenses, and (C) Net. Rows include Gross receipts (101,793), Cost of goods sold (36,733), and Total (116,425).

Part II: Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

Table for Part II: Deductions Not Taken Elsewhere. Columns include (A) Income, (B) Expenses, and (C) Net. Rows include Compensation of officers (14,114), Charitable contributions (47,646), and Total deductions (120,514).



MAR 03 2009

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation
 Controlled group members (sections 1561 and 1563) check here . See instructions and:
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order)
 (1) \$ _____ (2) \$ _____ (3) \$ _____
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____
 (2) Additional 3% tax (not more than \$100,000) \$ _____
c Income tax on the amount on line 34 **35 c** 0.

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: Tax rate schedule or Schedule D (Form 1041) **36**

37 Proxy tax. See instructions. **37**

38 Alternative minimum tax **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies **39** 0.

Part IV Tax and Payments

40 a Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116) **40 a**

b Other credits (see instructions) **40 b**

c General business credit. Check here and indicate which forms are attached
 Form 3800 Form(s) (specify) _____ **40 c**

d Credit for prior year minimum tax (attach Form 8801 or 8827) **40 d**

e Total credits. Add lines 40a through 40d **40 e** 0.

41 Subtract line 40e from line 39 **41** 0.

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866
 Other (attach schedule) **42**

43 Total tax. Add lines 41 and 42 **43** 0.

44 a Payments: A 2006 overpayment credited to 2007 **44 a**

b 2007 estimated tax payments **44 b**

c Tax deposited with Form 8868 **44 c**

d Foreign organizations Tax paid or withheld at source (see instructions) **44 d**

e Backup withholding (see instructions) **44 e** 83,334.

f Other credits and payments Form 2439 _____
 Form 4136 _____ Other _____ Total **44 g**

45 Total payments. Add lines 44a through 44f **45** 83,334.

46 Estimated tax penalty (see instructions). Check if Form 2220 is attached **46**

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47**

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** 83,334.

49 Enter the amount of line 48 you want **Credited to 2008 estimated tax** **49** 83,334.
 Refunded

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2007 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1
 If YES, enter the name of the foreign country here _____ **Yes** **No**
 Yes No

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?
 If YES, see the instructions for other forms the organization may have to file. **Yes** **No**
 Yes No

3 Enter the amount of tax-exempt interest received or accrued during the tax year **\$** 1,292. **Yes** **No**
 Yes No

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **Lower of cost or market**

| | | | | | |
|--|------------|---------|---|-------------------------------------|--------------------------|
| 1 Inventory at beginning of year | 1 | 48,912. | 6 Inventory at end of year | 6 | 21,302. |
| 2 Purchases | 2 | 9,123. | 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2. | 7 | 36,733. |
| 3 Cost of labor | 3 | | | | |
| 4 a Additional section 263A costs (attach schedule) | 4 a | | | | |
| b Other costs (attach sch) | 4 b | | | | |
| 5 Total. Add lines 1 through 4b | 5 | 58,035. | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | Yes | No |
| | | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

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

Sign Here
 Signature of officer: [Signature] Date: 12-24-09 Title: President
 May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only

Preparer's signature: Susan J Rosenberg Date: 2/18/2009 Check if self-employed: Preparer's SSN or PTIN: P00059813

Firm's name (or yours if self-employed), address, and ZIP code: Saggar & Rosenberg, P.C.
One Church Street, Suite 204
Rockville, MD 20850 EIN: 52-2190100 Phone no: 301 738-9040

Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

| 1 Description of property | | |
|---|---|--|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| 2 Rent received or accrued | | 3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total | Total | Total deductions. Enter here and on page 1, Part I, line 6, column (B) ▶ |

Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶

Schedule E – Unrelated Debt-Financed Income (see instructions)

| 1 Description of debt-financed property | 2 Gross income from or allocable to debt-financed property | 3 Deductions directly connected with or allocable to debt-financed property | | |
|--|--|---|--|--|
| | | (a) Straight line depreciation (attach sch) | (b) Other deductions (attach schedule) | |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5 Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6 Column 4 divided by column 5 | 7 Gross income reportable (column 2 x column 6) | 8 Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| | | | Enter here and on page 1, Part I, line 7, column (A) ▶ | Enter here and on page 1, Part I, line 7, column (B) ▶ |

Totals

Total dividends-received deductions included in column 8 ▶

Schedule F – Interest, Annuities, Royalties, and Rents from Controlled Organizations (see instructions)

| 1 Name of Controlled Organization | 2 Employer Identification Number | Exempt Controlled Organizations | | | | |
|------------------------------------|----------------------------------|--|--|--|---|---|
| | | 3 Net unrelated income (loss) (see instructions) | 4 Total of specified payments made | 5 Part of column 4 that is included in the controlling organization's gross income | 6 Deductions directly connected with income in column 5 | |
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Nonexempt Controlled Organizations | | 7 Taxable Income | 8 Net unrelated income (loss) (see instructions) | 9 Total of specified payments made | 10 Part of column 9 that is included in the controlling organization's gross income | 11 Deductions directly connected with income in column 10 |
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| | | | | Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). | Add columns 6 and 11. Enter here and on page 1, part I, line 8, column (B). | |

Totals

Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

| 1 Description of income | 2 Amount of income | 3 Deductions directly connected (attach schedule) | 4 Set-asides (attach schedule) | 5 Total deductions and set-asides (column 3 plus column 4) |
|-------------------------|---|---|--------------------------------|--|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| Totals | Enter here and on page 1, Part I, line 9, column (A). | | | Enter here and on page 1, Part I, line 9, column (B) |

Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

| 1 Description of exploited activity | 2 Gross unrelated business income from trade or business | 3 Expenses directly connected with production of unrelated business income | 4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7. | 5 Gross income from activity that is not unrelated business income | 6 Expenses attributable to column 5 | 7 Excess exempt expenses (column 6 minus column 5, but not more than column 4) |
|-------------------------------------|--|--|---|--|-------------------------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals | Enter here and on page 1, Part I, line 10, column (A) | Enter here and on page 1, Part I, line 10, column (B). | | | | Enter here and on page 1, Part II, line 26 |

Schedule J – Advertising Income (See instructions)

Part I: Income From Periodicals Reported on a Consolidated Basis

| 1 Name of periodical | 2 Gross advertising income | 3 Direct advertising costs | 4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7. | 5 Circulation income | 6 Readership costs | 7 Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|----------------------------|----------------------------|---|----------------------|--------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals (carry to Part II, line (5)) | | | | | | |

Part II: Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

| | | | | | | |
|------------------------------------|---|--|-----------|--|--|---|
| (1) Various periodicals | 51,365. | 173,926. | -122,561. | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| (5) Totals from Part I | | | | | | |
| Totals, Part II (lines 1-5) | Enter here and on page 1, Part I, line 11, column (A). 51,365. | Enter here and on page 1, Part I, line 11, column (B). 173,926. | | | | Enter here and on page 1, Part II, line 27. |

Schedule K – Compensation of Officers, Directors, and Trustees (see instructions)

| 1 Name | 2 Title | 3 Percent of time devoted to business | 4 Compensation attributable to unrelated business |
|--|---------|---------------------------------------|---|
| | | % | |
| | | % | |
| | | % | |
| | | % | |
| Total. Enter here and on page 1, Part II, line 14 | | | |

Statement 1
Form 990-T, Part II, Line 28
Other Deductions

| | |
|--------------------|-------------------|
| General operating | \$ 5,229. |
| Occupancy | 2,158. |
| Other consultants | 14,602. |
| Postage & shipping | 24,275. |
| Printing | 738. |
| Telephone | 180. |
| Training | 29. |
| Travel | 435. |
| Total | \$ 47,646. |

Statement 2
Form 990-T, Part II, Line 31
Net Operating Loss Deduction

| Loss Year Ending | Original Loss | Loss Previously Used | Loss Available |
|--|------------------|----------------------------|-------------------|
| 7/31/93 | \$ 59,250. | \$ 0. | \$ 59,250. |
| 7/31/94 | 77,937. | 0. | 77,937. |
| 7/31/95 | 67,569. | 0. | 67,569. |
| 7/31/96 | 202,897. | 0. | 202,897. |
| 7/31/97 | 24,273. | 0. | 24,273. |
| 7/31/98 | 230,644. | 0. | 230,644. |
| 7/31/99 | 42,712. | 0. | 42,712. |
| 7/31/00 | 59,324. | 0. | 59,324. |
| 7/31/01 | 54,142. | 0. | 54,142. |
| 7/31/02 | 69,763. | 0. | 69,763. |
| 7/31/03 | 47,889. | 0. | 47,889. |
| 7/31/04 | 70,298. | 0. | 70,298. |
| 7/31/05 | 97,323. | 0. | 97,323. |
| 7/31/06 | 62,463. | 0. | 62,463. |
| 7/31/07 | 89,148. | 0. | 89,148. |
| Net Operating Loss Available | | | \$ 1,255,632. |
| Taxable Income | | | \$ -120,514. |
| Net Operating Loss Deduction (Limited to Taxable Income) | | | <u>\$ 0.</u> |

Election to Waive Net Operating Loss Carryback

Pursuant to IRC Section 172(b)(3), the Organization hereby elects to relinquish the entire carryback period with respect to the net operating loss incurred for the tax year ended 7/31/08.

| FORM | | W-2G STATEMENT FOR CERTAIN GAMBLING WINNINGS | | COPY B - TO BE FILED WITH FEDERAL TAX RETURN | |
|-----------------------------|---|--|---------------|--|-------------------------|
| 1 PAYER | NEW YORK STATE LOTTERY P.O. BOX 7533 SCHENECTADY, NY 12301-7533 | ID# 14 - 1588338 | TAX YEAR 2008 | 04/11/2008 | |
| 2 WINNER'S TAX ID NO | 52-1218336 | 3 GROSS WINNINGS | \$333,335.00 | 4 FEDERAL TAX WITHHELD | \$83,334.00 |
| 5 STATE TAX WITHHELD | \$0.00 | 6 CITY TAX WITHHELD | \$0.00 | 8 TYPE OF WAGER | LOTTERY |
| 7 WINNER'S NAME AND ADDRESS | PEOPLE FOR THE ETHICAL TREATMT OF ANIMALS % ALICIA SUTTON | | 9 DATE PAID | 04/10/2008 | FEDERAL RATE 25.000000% |
| 501 FRONT STREET | NORFOLK | VA | 23510 | | |

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c) corporations required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

| | | |
|--|--|---|
| Type or print | Name of Exempt Organization People for the Ethical Treatment of Animals, Inc. | Employer identification number 52-1218336 |
| File by the due date for filing your return See instructions | Number, street, and room or suite number If a P O box, see instructions 501 Front Street | |
| | City, town or post office, state, and ZIP code For a foreign address, see instructions Norfolk, VA 23510 | |

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

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

• The books are in the care of ▶ The Corporation

Telephone No ▶ (757) 962-8364 FAX No. ▶ _____

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

1 I request an automatic 3-month (6 months for a section 501(c) corporation required to file Form 990-T) extension of time until 6/15, 20 09, to file the exempt organization return for the organization named above.
The extension is for the organization's return for:

- ▶ calendar year 20__ or
- ▶ tax year beginning 8/01, 20 07, and ending 7/31, 20 08.

2 If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period

| | | | |
|--|-----------|----|---------|
| 3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 3a | \$ | 0. |
| b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | 3b | \$ | 83,334. |
| c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions | 3c | \$ | 0. |

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

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.