

Return of Organization Exempt From Income Tax

2003

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)

Open to Public Inspection

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

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
AMERICAN CONSERVATIVE UNION
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1007 CAMERON STREET
 City or town, state or country, and ZIP + 4
ALEXANDRIA, VA 22314

D Employer identification number
52-0810813

E Telephone number
(703) 836-8602

F Accounting method Cash Accrual
 Other (specify) **▶**

G Website: **WWW.CONSERVATIVE.ORG**

J Organization type (check only one) 501(c) (**4**) (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 received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **▶** **3,444,958.**

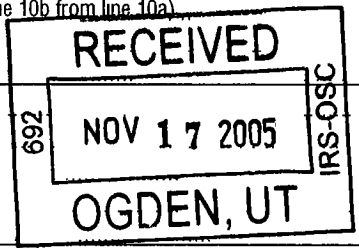
M Check if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

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 **▶**
H(c) Are all affiliates included? **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 **▶**

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

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

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	3,089,111.		
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 3,089,111. noncash \$ _____)			1d	3,089,111.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)			2	
	3 Membership dues and assessments			3	
	4 Interest on savings and temporary cash investments			4	
	5 Dividends and interest from securities			5	335.
	6 a Gross rents	6a			
	b Less: rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)			6c	
	7 Other investment income (describe ▶ _____)			7	
	8 a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other		
		30,112.	8a		
	b Less: cost or other basis and sales expenses	28,702.	8b		
	c Gain or (loss) (attach schedule)	1,410.	8c		
	d Net gain or (loss) (combine line 8c, columns (A) and (B)) STMT 1			8d	1,410.
	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		
10 a 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	325,400.	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	3,416,256.	
13 Program services (from line 44, column (B))			13	479,316.	
14 Management and general (from line 44, column (C))			14	662,907.	
15 Fundraising (from line 44, column (D))			15	2,574,402.	
16 Payments to affiliates (attach schedule)			16		
17 Total expenses (add lines 16 and 44, column (A))			17	3,716,625.	
18 Excess or (deficit) for the year (subtract line 17 from line 12)			18	-300,369.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))			19	395,991.	
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	95,622.	



SCANNED DEC 19 2005

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.

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include various expense categories like Grants and allocations, Salaries and wages, Pension plan contributions, etc.

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 [X] 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? ►

EDUCATE PUBLIC ABOUT ISSUES

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)

Table with 2 columns: Description of program service and Program Service Expenses. Rows include PUBLIC AWARENESS, PUBLIC ADVOCACY, and Other program services.

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	151,518.	45	36,106.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable		47a	
	b Less: allowance for doubtful accounts		47b	47c
	48 a Pledges receivable		48a	
	b Less: allowance for doubtful accounts	25,000.	48b	48c
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable		51a	
	b Less: allowance for doubtful accounts		51b	51c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments - securities STMT 3 <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV	28,702.	54	10,998.
	55 a Investments - land, buildings, and equipment: basis		55a	
	b Less: accumulated depreciation		55b	55c
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	433,907.	57a		
b Less: accumulated depreciation STMT 4	145,189.	57b	57c	
58 Other assets (describe ▶ SEE STATEMENT 5)	169,927.	58	66,447.	
59 Total assets (add lines 45 through 58) (must equal line 74)	678,624.	59	402,269.	
Liabilities	60 Accounts payable and accrued expenses	29,391.	60	73,187.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable STMT 6	232,146.	64b	221,908.
	65 Other liabilities (describe ▶ LEASE PAYABLE)	21,096.	65	11,552.
66 Total liabilities (add lines 60 through 65)	282,633.	66	306,647.	
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	306,642.	67	29,275.
	68 Temporarily restricted	89,349.	68	66,347.
	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)	395,991.	73	95,622.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	678,624.	74	402,269.

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 IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	▶ a	3,416,256.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$ _____		
(2)	Donated services and use of facilities \$ _____		
(3)	Recoveries of prior year grants \$ _____		
(4)	Other (specify): \$ _____		
	Add amounts on lines (1) through (4)	▶ b	0.
c	Line a minus line b	▶ c	3,416,256.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify): \$ _____		
	Add amounts on lines (1) and (2)	▶ d	0.
e	Total revenue per line 12, Form 990 (line c plus line d)	▶ e	3,416,256.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	▶ a	3,716,625.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$ _____		
(2)	Prior year adjustments reported on line 20, Form 990 \$ _____		
(3)	Losses reported on line 20, Form 990 \$ _____		
(4)	Other (specify): \$ _____		
	Add amounts on lines (1) through (4)	▶ b	0.
c	Line a minus line b	▶ c	3,716,625.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify): \$ _____		
	Add amounts on lines (1) and (2)	▶ d	0.
e	Total expenses per line 17, Form 990 (line c plus line d)	▶ e	3,716,625.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 7		272,814.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. ▶ Yes No

Part VI Other Information

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		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.		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		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?	X	
b	If "Yes," enter the name of the organization AMERICAN CONSERVATIVE UNION FOUNDATION _____ and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> 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?		X
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?		X
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.) 82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	X	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	X	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	X	
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.		X
c	Dues, assessments, and similar amounts from members 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
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? N/A		
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders 87a N/A		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A		
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		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 N/A ; section 4912 N/A ; section 4955 N/A		
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		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
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 SEE STATEMENT 8		
b	Number of employees employed in the pay period that includes March 12, 2003 90b 7		
91	The books are in care of ORGANIZATION Telephone no. (703) 836-8602		
Located at 1007 CAMERON STREET, ALEXANDRIA, VA ZIP + 4 22314			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> 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					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	335.	
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			18	1,410.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a OTHER INCOME					16,963.
b REIMBURSED EXPENSES					277,483.
c ROYALTIES			15	30,954.	
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		32,699.	294,446.
105 Total (add line 104, columns (B), (D), and (E))					327,145.

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).
103B	REFUNDS AND MISCELLANEOUS INCOME USED TO FURTHER ORGANIZATION'S ACTIVITIES.
103C	REIMBURSEMENTS RECEIVED FOR EXPENSES PAID ON BEHALF OF AMERICAN CONSERVATIVE UNION FOUNDATION.

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 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
 Signature of officer: *David A. Keene* Date: 11/10/05
 Type or print name and title: DAVID A. KEENE CHAIRMAN

Paid Preparer's Use Only
 Preparer's signature: *Frank & Company* Date: 11/10/05
 Check if self-employed:
 Firm's name (or yours if self-employed), address, and ZIP + 4: FRANK & COMPANY, P.C.
 1360 BEVERLY ROAD, SUITE 300
 MCLEAN, VA 22101
 Preparer's SSN or PTIN: _____
 EIN: _____
 Phone no.: 703-821-0702

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	COMPUTER	071593	SL	5.00	16	3,395.			3,395.	3,395.		0.
2	COPIER	083093	SL	5.00	16	2,645.			2,645.	2,645.		0.
3	PRINTER	113093	SL	5.00	16	1,590.			1,590.	1,590.		0.
4	COMPUTER	113093	SL	5.00	16	1,656.			1,656.	1,656.		0.
5	CAPITAL HILL SOFTWARE	121493	SL	3.00	16	2,500.			2,500.	2,500.		0.
6	OFFICE FURNITURE	051094	SL	7.00	16	2,505.			2,505.	2,505.		0.
7	OFFICE FURNITURE	051694	SL	7.00	16	3,449.			3,449.	3,449.		0.
8	OFFICE FURNITURE	051694	SL	7.00	16	3,102.			3,102.	3,102.		0.
9	OFFICE FURNITURE	053194	SL	7.00	16	1,174.			1,174.	1,174.		0.
10	OFFICE FURNITURE	072994	SL	7.00	16	222.			222.	222.		0.
11	OFFICE FURNITURE	081594	SL	7.00	16	3,099.			3,099.	3,099.		0.
12	COMPUTER	022894	SL	5.00	16	2,294.			2,294.	2,294.		0.
13	OFFICE EQUIPMENT	051694	SL	5.00	16	3,491.			3,491.	3,491.		0.
14	OFFICE EQUIPMENT	071594	SL	5.00	16	941.			941.	941.		0.
15	OFFICE EQUIPMENT	110194	SL	5.00	16	1,619.			1,619.	1,619.		0.
16	OFFICE EQUIPMENT	113094	SL	5.00	16	3,776.			3,776.	3,776.		0.
17	OFFICE BUILDING	051094	SL	39.00	16	364,908.			364,908.	80,703.		9,357.
18	IMPROVEMENTS	102894	SL	39.00	16	3,859.			3,859.	813.		99.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
19	COMPUTER	022493	SL	5.00	16	506.			506.	506.		0.
20	COMPUTER EQUIPMENT	073196	SL	5.00	16	476.			476.	476.		0.
21	PHONE SYSTEM	010100	SL	5.00	16	9,136.			9,136.	4,172.		1,827.
22	FAX	013100	SL	5.00	16	1,045.			1,045.	576.		209.
23	LAPTOP	061500	SL	5.00	16	2,199.			2,199.	712.		440.
24	OFFICE FURNITURE	120100	SL	7.00	16	1,127.			1,127.	335.		161.
25	PHONE EQUIPMENT	050601	SL	5.00	16	12,225.			12,225.	4,279.		2,445.
26	COMPUTER	032701	SL	5.00	16	768.			768.	278.		154.
27	SOFTWARE	042501	SL	3.00	16	200.			200.	122.		67.
	* TOTAL 990 PAGE 2 DEPR					433,907.		0.	433,907.	130,430.	0.	14,759.

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	1
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
MUTUAL FUNDS	30,112.	28,702.	0.	1,410.	
TO FORM 990, PART I, LINE 8	30,112.	28,702.	0.	1,410.	

FORM 990	OTHER EXPENSES				STATEMENT	2
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING		
CONSULTANTS	126,684.	413.	126,116.	155.		
STATE REGISTRATION FEES	29,035.	11,986.	12,549.	4,500.		
PUBLIC INTEREST ADS	56,842.	23,465.	24,566.	8,811.		
SUBSCRIPTIONS	29,501.	12,178.	12,750.	4,573.		
MISCELLANEOUS	19,435.	3,582.	14,508.	1,345.		
PARKING	1,033.	427.	446.	160.		
COMMUNICATION	18,505.	7,639.	7,997.	2,869.		
COMMISSIONS	8,250.	3,406.	3,565.	1,279.		
INTERN STIPEND	16,700.	6,894.	7,217.	2,589.		
PAYROLL FEES	1,672.	690.	723.	259.		
MEALS AND ENTERTAINMENT	1,532.	632.	663.	237.		
REPAIRS AND MAINTENANCE	2,822.	1,165.	1,220.	437.		
BANK FEES	11,327.	356.	10,837.	134.		
CONTRIBUTIONS	150,663.	62,194.	65,116.	23,353.		
ARTWORK	23,759.			23,759.		
DATA PROCESSING	10,553.			10,553.		
MAILSHOP	251,828.			251,828.		
DIRECT MAIL EXPENSES	909,454.			909,454.		
LIST RENTAL EXPENSE	212,906.			212,906.		
TOTAL TO FM 990, LN 43	1,882,501.	135,027.	288,273.	1,459,201.		

FORM 990	NON-GOVERNMENT SECURITIES			STATEMENT	3
SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
MUTUAL FUNDS INVESTMENT RESERVE ACCOUNT			0.		
				10,998.	10,998.
TO 990, LN 54 COL B				10,998.	10,998.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT			STATEMENT	4
DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE		
COMPUTER	3,395.	3,395.	0.		
COPIER	2,645.	2,645.	0.		
PRINTER	1,590.	1,590.	0.		
COMPUTER	1,656.	1,656.	0.		
CAPITAL HILL SOFTWARE	2,500.	2,500.	0.		
OFFICE FURNITURE	2,505.	2,505.	0.		
OFFICE FURNITURE	3,449.	3,449.	0.		
OFFICE FURNITURE	3,102.	3,102.	0.		
OFFICE FURNITURE	1,174.	1,174.	0.		
OFFICE FURNITURE	222.	222.	0.		
OFFICE FURNITURE	3,099.	3,099.	0.		
COMPUTER	2,294.	2,294.	0.		
OFFICE EQUIPMENT	3,491.	3,491.	0.		
OFFICE EQUIPMENT	941.	941.	0.		
OFFICE EQUIPMENT	1,619.	1,619.	0.		
OFFICE EQUIPMENT	3,776.	3,776.	0.		
OFFICE BUILDING IMPROVEMENTS	364,908.	90,060.	274,848.		
	3,859.	912.	2,947.		
COMPUTER	506.	506.	0.		
COMPUTER EQUIPMENT	476.	476.	0.		
PHONE SYSTEM	9,136.	5,999.	3,137.		
FAX	1,045.	785.	260.		
LAPTOP	2,199.	1,152.	1,047.		
OFFICE FURNITURE	1,127.	496.	631.		
PHONE EQUIPMENT	12,225.	6,724.	5,501.		
COMPUTER	768.	432.	336.		
SOFTWARE	200.	189.	11.		
TOTAL TO FORM 990, PART IV, LN 57	433,907.	145,189.	288,718.		

FORM 990	OTHER ASSETS	STATEMENT	5
DESCRIPTION		AMOUNT	
DEPOSITS			100.
CONTRIBUTIONS RECEIVABLE			66,347.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B			66,447.

FORM 990	MORTGAGES PAYABLE	STATEMENT	6
DESCRIPTION		BALANCE DUE	
BURKE & HERBERT BANK & TRUST COMPANY			187,930.
BURKE & HERBERT BANK & TRUST COMPANY			33,978.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B			221,908.

FORM 990	PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES	STATEMENT	7
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JEFFREY BELL 1101 PENNSYLVANIA AVE., NW SUITE 600 WASHINGTON, D.C. 20004	DIRECTOR 0.	0.	0.	0.
MORTON C. BLACKWELL 1101 NORTH HIGHLAND STREET ARLINGTON, VA 22201	DIRECTOR 0.	0.	0.	0.
JAMESON G. CAMPAIGNE, JR. 722 COLUMBUS STREET OTTAWA, IL 61350	SECRETARY 0.	0.	0.	0.
DONALD DEVINE 4805 IDLEWILDE ROAD SHADY SIDE, MD 20764	SECOND VICE-CHAIRMAN 1	0.	0.	0.

M. STANTON EVANS 800 MARYLAND AVENUE, NE WASHINGTON, D.C. 20002	DIRECTOR 0.	0.	0.	0.
JESSE HELMS PO BOX 247 WINGATE, NC 28174	DIRECTOR 0.	0.	0.	0.
CHARLES BLACK 1801 K. STREET, NW SUITE 901-L WASHINGTON, D.C. 20006	DIRECTOR 0.	0.	0.	0.
BEAU BOULTER 6932 FAIRFAX DRIVE, APT. 204 ARLINGTON, VA 22213	DIRECTOR 0.	0.	0.	0.
FLOYD BROWN 217 STATE STREET SANTA BARBARA, CA 93101	DIRECTOR 0.	0.	0.	0.
MURIEL COLEMAN 7507 HUBBARD AVE. MIDDLETON, WI 53562	DIRECTOR 0.	0.	0.	0.
BECKY NORTON DUNLOP 2816 SOUTH JOYCE STREET ARLINGTON, VA 22202	DIRECTOR 0.	0.	0.	0.
ALAN M. GOTTLIEB 12500 NORTHEAST 10TH PLACE BELLEVUE, WA 98005	DIRECTOR 0.	0.	0.	0.
DUNCAN HUNTER 2265 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-0552	DIRECTOR 0.	0.	0.	0.
DAVID A. KEENE 1301 K ST., NW SUITE 800, EAST TOWER WASHINGTON, DC 20004	CHAIRMAN 5	0.	0.	0.
WAYNE R. LAPIERRE, JR. 11250 WAPLES MILL ROAD FAIRFAX, VA 22030	DIRECTOR 0.	0.	0.	0.
ROBERT LUDDY 112 WHEATON DRIVE YOUNGSVILLE, NC 27596	DIRECTOR 0.	0.	0.	0.
M.J. MINTZ 2101 L STREET, NW WASHINGTON, DC 20037-1526	DIRECTOR 0.	0.	0.	0.

GROVER G. NORQUIST 1920 L STREET NW, SUITE 200 WASHINGTON, DC 20036	DIRECTOR 0.	0.	0.	0.
JAMES ARTHUR POPE 3401 GRESHAM LAKE ROAD RALEIGH, NC 27615	DIRECTOR 0.	0.	0.	0.
JAMES V. LACY 30100 TOWN CENTER DRIVE, #0-269 LAGUNA NIGUEL, CA 92677	DIRECTOR 0.	0.	0.	0.
MICHAEL R. LONG 486 78TH STREET BROOKLYN, NY 11209	DIRECTOR 0.	0.	0.	0.
SERPHEIN MALTESE 71-04 MYRTLE AVENUE GLENDALE, NY 11385	DIRECTOR 0.	0.	0.	0.
CLETA MITCHELL 3000 K STREET, NW WASHINGTON, DC 20007	DIRECTOR 0.	0.	0.	0.
RON ROBINSON 110 ELDEN STREET HERNDON, VA 20170	DIRECTOR 0.	0.	0.	0.
MARC E. ROTTERMAN 1209 KINSDALE RD. RALEIGH, NC 27615	TREASURER 0.	0.	0.	0.
LEWIS K. UHLER 151 NORTH SUNRISE AVENUE, SUITE 90 ROSEVILLE, CA 95661	DIRECTOR 0.	0.	0.	0.
THOMAS S. WINTER ONE MASSACHUSETTS AVE, STE 600 WASHINGTON, DC 20001	FIRST VICE-CHAIRMAN 1	0.	0.	0.
ALLEN ROTH 767 5TH AVENUE, #4200 NEW YORK, NY 10153	DIRECTOR 0.	0.	0.	0.
CRAIG SHIRLEY 122 SOUTH PATRICK STREET ALEXANDRIA, VA 22314	DIRECTOR 0.	0.	0.	0.
KIRBY WILBUR 140-4TH AVE. NORTH, SUITE 340 SEATTLE, WA 98109	DIRECTOR 0.	0.	0.	0.

ELIZABETH LEONARD 1007 CAMERON STREET ALEXANDRIA, VA 22314	FINANCE DIRECTOR 40	60,252.	0.	0.
JÓSEPH MORRIS 100 WEST MONROE STREET CHICAGO, IL 60603	DIRECTOR 0.	0.	0.	0.
AL CARDENAS 201 SOUTH BISCAYNE BLVD., STE 2600 MIAMI CTR. MIAMI, FL 33131	DIRECTOR 0.	0.	0.	0.
STEPHEN MOORE 1776 K STREET, NW, SUITE 300 WASHINGTON, D.C. 20006	DIRECTOR 0.	0.	0.	0.
THOMAS W. PAUKEN 5646 MILTON ST., STE 628 DALLAS, TX 75206	DIRECTOR 0.	0.	0.	0.
RICHARD LESSNER 109 CAMERON PARKE CT. ALEXANDRIA, VA 22304	EXECUTIVE DIRECTOR 40	37,500.	0.	0.
W. STEVEN THAYER 1204 S. WASHINGTON ST. #114 ALEXANDRIA, VA 22314	FORMER EXECUTIVE DIRECTOR 40	41,708.	0.	0.
CHARLES MUTH 3659 SCOTWOOD ST. LAS VEGAS, NV 89121	FORMER EXECUTIVE DIRECTOR 40	7,500.	0.	0.
CHARLIE JARVIS 3900 JERMANTOWN ROAD, #450 FAIRFAX, VA 22030	DIRECTOR 0.	0.	0.	0.
STACEY RUMENAP 1020 PAPERMILL CT. NW WASHINGTON, D.C. 20007	DEPUTY DIRCTOR 40	25,729.	0.	0.
IAN WALTERS 1523 E. FALKLAND LN. #48 SILVER SPRING, MD 20910	COMMUNICATIONS DIRECTOR 40	37,250.	0.	0.
DANIEL LAWRENCE 610 S. CHAPEL BALTIMORE, MD 21231	IT MANAGER 40	29,121.	0.	0.
DIANA CARR 4817 VILLAGE DR. FAIRFAX, VA 22030	ADMIN. DIRECTOR 40	33,754.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		272,814.	0.	0.

FORM 990

LIST OF STATES RECEIVING COPY OF RETURN
PART VI, LINE 90

STATEMENT 8

STATES

AL, AK, AZ, AR, CA, CT, FL, GA, IL, KS, KY, LA, ME, MD, MA, MN, MO, NJ, NY,
NC, NH, ND, OH, OK, OR, RI, SC, SD, TN, UT, VA, WA, WV, WI

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

AMERICAN CONSERVATIVE UNION

FORM 990 PAGE 2

52-0810813

Part I Election To Expense Certain Tangible Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See instructions for a higher limit for certain businesses	1	100,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	400,000.
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2002 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2004. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election (see instructions)	15	
16	Other depreciation (including ACRS) (see instructions)	16	14,759.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2003	17	
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

Section B - Assets Placed in Service During 2003 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr	22	14,759.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use.								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2003 tax year:					
43 Amortization of costs that began before your 2003 tax year					43
44 Total. Add amounts in column (f). See instructions for where to report					44

• If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II	Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.	
Type or print. File by the extended due date for filing the return See instructions	Name of Exempt Organization AMERICAN CONSERVATIVE UNION	Employer identification number 52-0810813
	Number, street, and room or suite no. If a P.O. box, see instructions. 1007 CAMERON STREET	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ALEXANDRIA, VA 22314	

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

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

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

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . 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 is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2004.

5 For calendar year 2003, or other tax year beginning _____ and ending _____.

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

7 State in detail why you need the extension
TAXPAYER IS AWAITING RECEIPT OF INFORMATION FROM OUTSIDE SOURCES TO ENSURE A COMPLETE AND ACCURATE FILING.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ **N/A**

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Majorie Thibault Title CPA Date 8/11/04

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other _____

Director _____ By: _____ Date _____

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name FRANK & COMPANY, P.C.
	Number and street (include suite, room, or apt. no.) Or a P.O. box number 1360 BEVERLY ROAD, SUITE 300
	City or town, province or state, and country (including postal or ZIP code) MCLEAN, VA 22101