

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2001

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 2001 calendar year, or tax year period beginning and ending

<p>B Check if applicable</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Final return</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>Please use IRS label or print or type See Specific Instructions</p>	<p>C Name of organization CITIZENS FOR A SOUND ECONOMY EDUCATIONAL FOUNDATION, INC.</p> <p>Number and street (or P O box if mail is not delivered to street address) Room/suite 1250 H STREET, N.W. 700</p> <p>City or town state or country, and ZIP + 4 WASHINGTON, DC 20005</p>	<p>D Employer identification number 52-1527294</p> <p>E Telephone number (202) 783-3870</p> <p>F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶</p>
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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 ▶

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

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

I Enter 4-digit GEN ▶

G Web site ▶ **N/A**

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 received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

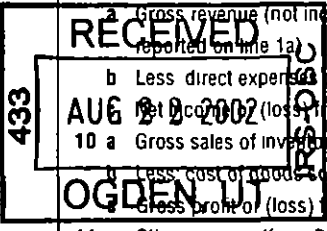
L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **4,570,746.**

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

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

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a		4,385,842.	
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 4,385,842. noncash \$ _____)		1d		4,385,842.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2		3,210.
	3	Membership dues and assessments		3		
	4	Interest on savings and temporary cash investments		4		146,953.
	5	Dividends and interest from securities		5		
	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 sale 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)					
9a	Gross revenue (not including \$ _____ of contributions reported on line 1a)		9a			
			9b			
			9c			
			9d			
10a	Gross sales of inventory, less returns and allowances		10a			
			10b			
	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	34,741.	
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)		12	4,570,746.	
Expenses	13	Program services (from line 44, column (B))		13	3,963,064.	
	14	Management and general (from line 44, column (C))		14	676,953.	
	15	Fundraising (from line 44, column (D))		15	809,304.	
	16	Payments to affiliates (attach schedule)		16		
	17	Total expenses (add lines 13 and 14, column (A))		17	5,449,321.	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)		18	<878,575.>	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	6,840,953.	
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 1		20	<240,595.>	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	5,721,783.	

SCANNED SEP 12 2002



Part II Statement of Functional Expenses

All organizations must complete column (A) Columns (B), (C) and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	cash \$ _____ noncash \$ _____				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	362,050.	82,991.	277,108.	1,951.
26	Other salaries and wages	1,852,946.	1,453,846.	67,543.	331,557.
27	Pension plan contributions				
28	Other employee benefits	385,317.	267,346.	59,955.	58,016.
29	Payroll taxes	136,859.	94,957.	21,295.	20,607.
30	Professional fundraising fees				
31	Accounting fees	16,368.	12,108.	1,762.	2,498.
32	Legal fees	122,119.	90,334.	13,145.	18,640.
33	Supplies	36,388.	30,197.	2,277.	3,914.
34	Telephone	152,248.	134,350.	6,038.	11,860.
35	Postage and shipping	87,924.	78,030.	1,970.	7,924.
36	Occupancy	334,847.	251,212.	35,497.	48,138.
37	Equipment rental and maintenance				
38	Printing and publications	86,789.	74,287.	3,494.	9,008.
39	Travel	389,379.	316,800.	48,583.	23,996.
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	229,018.	145,052.	35,623.	48,343.
43	Other expenses not covered above (itemize)				
a	_____				
b	_____				
c	_____				
d	_____				
e	SEE STATEMENT 2	1,257,069.	931,554.	102,663.	222,852.
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	5,449,321.	3,963,064.	676,953.	809,304.

Joint Costs Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____

(iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

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

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

a	CONSUMER CHOICE: SUPPORTING RESEARCH ON HOW REDUCING FEDERAL REGULATIONS WILL IMPROVE THE ECONOMY, AND EDUCATING THE PUBLIC BY DISSEMINATING INFORMATION THROUGH PRINT AND BROADCAST MEDIA.	(Grants and allocations \$ _____)	1,039,578.
b	TAX AND BUDGET POLICY: SUPPORTING RESEARCH AND PUBLIC EDUCATION ON HOW REDUCING FEDERAL SPENDING AND LOWERING THE TAX BURDEN WILL IMPROVE THE AMERICAN ECONOMY.	(Grants and allocations \$ _____)	383,931.
c	STATE CHAPTER ACTIVITIES: SUPPORTING RESEARCH AND PUBLIC EDUCATION REGARDING THE EFFECT OF STATE REGULATIONS AND STATE SPENDING ON THE ECONOMY.	(Grants and allocations \$ _____)	2,316,593.
d	MEMBERSHIP SERVICES: MAILINGS TO MEMBERS MONTHLY TO KEEP THEM INFORMED ABOUT ISSUES THE ORGANIZATION IS CURRENTLY WORKING ON.	(Grants and allocations \$ _____)	222,962.
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44 column (B) Program services)		3,963,064.

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		45
	46 Savings and temporary cash investments	3,020,717.	46 1,816,489.
	47 a Accounts receivable	47a 993,238.	
	b Less allowance for doubtful accounts	47b 454.	47c 992,784.
	48 a Pledges receivable	48a	
	b Less allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees and key employees		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	144,679.	53 124,763.
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55 a Investments - land, buildings, and equipment basis	55a	
	b Less accumulated depreciation	55b	55c
56 Investments - other	SEE STATEMENT 4	3,106,802.	56 2,885,941.
57 a Land, buildings, and equipment basis	57a 1,660,403.		
b Less accumulated depreciation	STMT 5 57b 1,232,014.	656,608.	57c 428,389.
58 Other assets (describe <input type="checkbox"/>)		58	
59 Total assets (add lines 45 through 58) (must equal line 74)	8,121,901.	59 6,248,366.	
Liabilities	60 Accounts payable and accrued expenses	743,707.	60 239,432.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 6)	537,241.	65 287,151.
66 Total liabilities (add lines 60 through 65)	1,280,948.	66 526,583.	
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	6,303,003.	67 5,705,833.
	68 Temporarily restricted	537,950.	68 15,950.
	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)	6,840,953.	73 5,721,783.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	8,121,901.	74 6,248,366.	

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	4,330,151.
b Amounts included on line a but not on line 12, Form 990	
(1) Net unrealized gains on investments \$ <240,595.>	
(2) Donated services and use of facilities \$	
(3) Recoveries of prior year grants \$	
(4) Other (specify) \$	
Add amounts on lines (1) through (4)	<240,595.>
c Line a minus line b	4,570,746.
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)	0.
e Total revenue per line 12, Form 990 (line c plus line d)	4,570,746.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return	
a Total expenses and losses per audited financial statements	5,449,321.
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)	0.
c Line a minus line b	5,449,321.
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)	0.
e Total expenses per line 17, Form 990 (line c plus line d)	5,449,321.

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
DAVID H. KOCH 1250 H STREET, NW, WASHINGTON, DC 20005	CHAIRMAN ASRQ	0.	0.	0.
JOHN S THOMAS 1250 H STREET, NW WASHINGTON, DC 20005	DIRECTOR ASRQ	0.	0.	0.
DR. WALTER E. WILLIAMS 1250 H STREET, NW WASHINGTON, DC 20005	DIRECTOR ASRQ	0.	0.	0.
SARAH H. ATKINS 1250 H STREET, NW WASHINGTON, DC 20005	DIRECTOR ASRQ	0.	0.	0.
WAYNE E. GABLE 1250 H STREET, NW WASHINGTON, DC 20005	DIRECTOR ASRQ	0.	0.	0.
PAUL BECKNER 1250 H STREET, NW WASHINGTON, DC 20005	PRESIDENT ASRQ	195,050.	6,147.	0.
MATT KIBBE 1250 H STREET, NW WASHINGTON, DC 20005	EXECUTIVE V.P. ASRQ	134,000.	7,476.	0.
THOMAS POSEY 1250 H STREET, NW WASHINGTON, DC 20005	TREASURER ASRQ	33,000.	3,350.	0.

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CITIZENS FOR A SOUND ECONOMY
EDUCATIONAL FOUNDATION, INC.

Form 990 (2001)

52-1527294

Page 5

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	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? N/A	78b		
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 SEE STATEMENT 8 _____ and check whether it is <input 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?	81b		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?	82a		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?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A 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	85b		
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 in 85f?	85g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	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	88		X
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.			
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	89b		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 9			
b	Number of employees employed in the pay period that includes March 12, 2001	90b		84

91 The books are in care of **THE ORGANIZATION** Telephone no **202-783-3870**
Located at **1250 H STREET, NW, SUITE 700, WASHINGTON, DC** ZIP + 4 **20005**

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 Check here
and enter the amount of tax-exempt interest received or accrued during the tax year **92** N/A

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

	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	
Note Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a OTHER REVENUE					3,210.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	146,953.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a MAILING LIST RENTAL			15	34,741.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		181,694.	3,210.
105 Total (add line 104, columns (B), (D), and (E))					184,904.

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 Specific Instructions on page 32)

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)
93A	MISCELLANEOUS REVENUE RECEIVED TO SUPPORT THEIR EXEMPT PURPOSE.

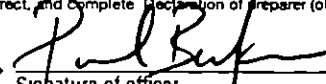
Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

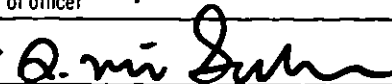
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33)

- (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:  08-12-02 PAUL BECKNER PRESIDENT + CEO
Signature of officer Date Type or print name and title

Paid Preparer's Use Only:  8/2/02 Preparer's SSN or PTIN
Firm's name (or yours if self-employed) address and ZIP + 4: RUBINO & MCGEEHIN, CHARTERED 6905 ROCKLEDGE DRIVE, SUITE 700 BETHESDA, MD 20817
EIN: Phone no: 301-564-3636

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2001

Name of the organization **CITIZENS FOR A SOUND ECONOMY
EDUCATIONAL FOUNDATION, INC.** Employer identification number
52 1527294

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
WAYNE BROUGH ----- 1250 H ST, NW, WASHINGTON, DC 20005	ECONOMIST	99,875.	6,413.	
MARTIN REISER ----- 1250 H ST, NW, WASHINGTON, DC 20005	VP-CAMPAIGN	83,200.	4,078.	
CHARLES FULLER ----- 1250 H ST, NW, WASHINGTON, DC 20005	VP-PUB. POLICY	73,320.	3,772.	
JACLYNNE BROWN ----- 1250 H ST, NW, WASHINGTON, DC 20005	VP-DEV.	72,500.	5,253.	
WILLIAM O'BRIEN ----- 1250 H ST, NW, WASHINGTON, DC 20005	DIRECTOR	69,832.	5,445.	
Total number of other employees paid over \$50,000 ▶	4			

Part II 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
ROBERT RUSSELL & ASSOC, INC ----- 12 SOUTH FIFTH STREET GENEVA, IL 60134-2111	CONSULTING	171,800.
GLOBAL COMMERCE & INFO. INC ----- 3516 PLANK ROAD FREDERICKSBURG, VA 22407	COMPUTER CONSULTING	144,678.
CMDI ----- 7704 LEESBURG PIKE, FALLS CHURCH, VA 22043	LIST RENTALS & MAINTENANCE	104,474.
INSIGHT DESIGN ----- 384 ACORN LANE SHELBURNE, VT 05482	PRINTING	86,268.
ECONOMIC IMPACT ANALYSTS, INC ----- 903 TURKEY RUN ROAD MCLEAN, VA 22010	CONSULTING	74,550.
Total number of others receiving over \$50,000 for professional services ▶	0	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ

Schedule A (Form 990 or 990-EZ) 2001

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 ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes " must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		X
2	During the year, has the organization either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors officers creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer director trustee, majority owner or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions) SEE STATEMENT 10		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods services or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e	Transfer of any part of its income or assets?		X
3	Does the organization make grants for scholarships, fellowships student loans etc ? (See Note below)		X
4	Do you have a section 403(b) annuity plan for your employees?		X
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments			

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

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

Provide the following information about the supported organizations (See page 5 of the instructions)

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

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

CITIZENS FOR A SOUND ECONOMY

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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	6,553,376.	7,342,689.	8,935,246.	4,470,966.	27,302,277.
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	42,953.	52,674.	95,589.	179,403.	370,619.
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	238,972.	288,365.	264,258.	219,078.	1,010,673.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	6,835,301.	7,683,728.	9,295,093.	4,869,447.	28,683,569.
24 Line 23 minus line 17	6,792,348.	7,631,054.	9,199,504.	4,690,044.	28,312,950.
25 Enter 1% of line 23	68,353.	76,837.	92,951.	48,694.	

26 Organizations described on lines 10 or 11 a Enter 2% of amount in column (e) line 24	26a	566,259.
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 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	26b	4,566,358.
c Total support for section 509(a)(1) test. Enter line 24, column (e)	26c	28,312,950.
d Add Amounts from column (e) for lines 18 <u>1,010,673.</u> 19 _____ 22 _____ 26b <u>4,566,358.</u>	26d	5,577,031.
e Public support (line 26c minus line 26d total)	26e	22,735,919.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	80.3022%

27 Organizations described on line 12 a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: **N/A**

(2000)	(1999)	(1998)	(1997)
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A			
(2000)	(1999)	(1998)	(1997)

c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____	27c	N/A
d Add Line 27a total _____ and line 27b total _____	27d	N/A
e Public support (line 27c total minus line 27d total)	27e	N/A
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)	27f	N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	N/A %

28 Unusual Grants For an organization described in line 10, 11, or 12, that received any unusual grants during 1997 through 2000, 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

CITIZENS FOR A SOUND ECONOMY

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

N/A

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

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

(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	0.												
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	0.												
38	Total lobbying expenditures (add lines 36 and 37)	38	0.												
39	Other exempt purpose expenditures	39	0.												
40	Total exempt purpose expenditures (add lines 38 and 39)	40	0.												
41	Lobbying nontaxable amount Enter the amount from the following table -														
	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">If the amount on line 40 is -</td> <td style="width: 50%;">The lobbying nontaxable amount is -</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is -	The lobbying nontaxable amount is -	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	0.
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	0.												
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	0.												
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	0.												

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

4 Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

N/A

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

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

- (i) Cash
- (ii) Other assets

b Other transactions

- (i) Sales or exchanges of assets with a noncharitable exempt organization
- (ii) Purchases of assets from a noncharitable exempt organization
- (iii) Rental of facilities, equipment, or other assets
- (iv) Reimbursement arrangements
- (v) Loans or loan guarantees
- (vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)	X	
b(iv)	X	
b(v)		X
b(vi)		X
c		X

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
51B3	1,819,000.	CITIZENS FOR A SOUND ECONOMY	THE FOUNDATION REIMBURSES CSE
		(CSE)	FOR ITS SHARE OF RENT EXPENSE
51B4	3,654,000.		CSE REIMBURSES THE FOUNDATION
			FOR ITS SHARE OF SALARY EXP

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship
CITIZENS FOR A SOUND ECONOMY	501(C)(4)	COMMON BOARD MEMBERS
TAXPAYER ACTION LEAGUE	501(C)(4)	COMMON BOARD MEMBERS
TAX FOUNDATION	501(C)(4)	COMMON BOARD MEMBERS
CITIZENS FOR THE ENVIRONMENT	501(C)(4)	COMMON BOARD MEMBERS

Schedule B
(Form 990, 990-EZ, or
990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No 1545-0047

2001

Name of organization **CITIZENS FOR A SOUND ECONOMY
EDUCATIONAL FOUNDATION, INC.** Employer identification number **52-1527294**

Organization type (check one)

- | Filers of | Section |
|--------------------|---|
| Form 990 or 990 EZ | <input checked="" type="checkbox"/> 501(c)(3) (enter number) organization |
| | <input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation |
| | <input type="checkbox"/> 527 political organization |
| Form 990 PF | <input type="checkbox"/> 501(c)(3) exempt private foundation |
| | <input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation |
| | <input type="checkbox"/> 501(c)(3) taxable private foundation |

Check if your organization is covered by the **General rule** or a **Special rule** (Note Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General rule and a Special rule-see instructions)

General Rule-

- For organizations filing Form 990, 990 EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules-

- For a section 501(c)(3) organization filing Form 990, or Form 990 EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990 EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990 EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the Parts unless the General rule applies to this organization because it received nonexclusively religious, charitable, etc , contributions of \$5,000 or more during the year) ▶ \$ _____

Caution Organizations that are not covered by the General rule and/or the Special rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Schedule B (Form 990, 990-EZ, or 990-PF) (2001)

Name of organization CITIZENS FOR A SOUND ECONOMY EDUCATIONAL FOUNDATION, INC.	Employer identification number 52-1527294
--	--

Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>		<u>275,250.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>2</u>		<u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>3</u>		<u>250,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>4</u>		<u>450,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>5</u>		<u>750,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>6</u>		<u>255,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization
**CITIZENS FOR A SOUND ECONOMY
 EDUCATIONAL FOUNDATION, INC.**

Employer identification number
52-1527294

Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7		\$ 175,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
8		\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
9		\$ 350,036.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus. % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	OFFICE FURNITURE AND EQUIPMENT	VARIES		.000	16	1075490.			1075490.	492,690.		229,018.
2	LEASEHOLD IMPROVEMENTS	VARIES		.000	16	584,913.			584,913.	510,306.		0.
	* TOTAL 990 PAGE 2 DEPR					1660403.		0.	1660403.	1002996.	0.	229,018.

(D) - Asset disposed

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT 1
DESCRIPTION		AMOUNT
UNREALIZED GAINS ON INVESTMENTS		<240,595.>
TOTAL TO FORM 990, PART I, LINE 20		<240,595.>

FORM 990

OTHER EXPENSES

STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
LIST RENTAL COSTS	11,424.	11,424.		
PAID MEDIA	28,359.	28,136.	223.	
MOBILIZATION	31,729.	31,372.		357.
PROFESSIONAL FEES	176,248.	130,374.	18,971.	26,903.
MEMBERSHIP MAILINGS	101,101.			101,101.
OTHER	255,486.	247,416.	13,211.	<5,141.>
CONSULTING	652,722.	482,832.	70,258.	99,632.
TOTAL TO FM 990, LN 43	1,257,069.	931,554.	102,663.	222,852.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 3
PART III

EXPLANATION

PUBLIC POLICY AND EDUCATIONAL ORGANIZATION THAT SUPPORTS CONSUMERS' FREEDOM OF CHOICE IN A MARKET ECONOMY.

FORM 990

OTHER INVESTMENTS

STATEMENT 4

<u>DESCRIPTION</u>	<u>VALUATION METHOD</u>	<u>AMOUNT</u>
MUTUAL FUNDS	MARKET VALUE	2,885,941.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		2,885,941.

FORM 990 **DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT** **STATEMENT** **5**

<u>DESCRIPTION</u>	<u>COST OR OTHER BASIS</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>BOOK VALUE</u>
OFFICE FURNITURE AND EQUIPMENT	1,075,490.	721,708.	353,782.
LEASEHOLD IMPROVEMENTS	584,913.	510,306.	74,607.
TOTAL TO FORM 990, PART IV, LN 57	1,660,403.	1,232,014.	428,389.

FORM 990 OTHER LIABILITIES STATEMENT 6

DESCRIPTION	AMOUNT
DEFERRED LEASE BENEFIT	208,651.
CAPITAL LEASE OBLIGATION	78,500.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	287,151.

FORM 990

PART V - OFFICER COMPENSATION FROM
RELATED ORGANIZATIONS

STATEMENT 7

<u>OFFICER'S NAME</u>	<u>NAME OF RELATED ORGANIZATION</u>	<u>COMPEN- SATION</u>	<u>EMPLOYEE BEN PLAN CONTRIB</u>	<u>EXPENSE ACCOUNT</u>
PAUL BECKNER	CITIZENS FOR A SOUND ECONOMY, INC.	39,950.	1,259.	0.
MATT KIBBE	CITIZENS FOR A SOUND ECONOMY, INC.	66,000.	3,682.	0.

FORM 990

IDENTIFICATION OF RELATED ORGANIZATIONS
PART VI, LINE 80B

STATEMENT 8

NAME OF ORGANIZATION

EXEMPT

NONEXEMPT

CITIZENS FOR A SOUND ECONOMY, INC.

X

TAX FOUNDATION

X

TAXPAYER ACTION LEAGUE

X

CITIZENS FOR THE ENVIRONMENT

X

FORM 990

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

STATEMENT 9

STATES

AL, AK, AZ, AR, CA, FL, GA, IL, KS, KY, ME, MD, MA, MI, MN, MS, NH, NJ, NM,
NY, NC, ND, OH, OK, OR, PA, RI, SC, TN, UT, VA, WA, WV, WI, CT, IA, DC

SCHEDULE A

STATEMENT REGARDING ACTIVITIES WITH
SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,
CREATORS, KEY EMPLOYEES, ETC.,
PART III, LINE 2

STATEMENT 10

\$1,292 EXPENSE REIMBURSEMENT FOR MATT KIBBE, EXECUTIVE V.P.
SEE PART V, FORM 990

Depreciation and Amortization (Including Information on Listed Property) 990

2001 Attachment Sequence No 67

See separate instructions Attach to your tax return

Name(s) shown on return: CITIZENS FOR A SOUND ECONOMY EDUCATIONAL FOUNDATION, INC. Business or activity to which this form relates: FORM 990 PAGE 2 Identifying number: 52-1527294

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

Table with 5 rows for Section 179 election details. Line 1: 24,000. Line 3: \$200,000.

Table with 3 columns: (a) Description of property, (b) Cost (business use only), (c) Elected cost. Rows 6-13.

Table with 2 columns: Description, Amount. Lines 7-13.

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)

Table with 2 columns: Description, Amount. Lines 14-16. Line 16: 229,018.

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

Section A Table with 2 columns: Description, Amount. Lines 17-18. Line 18 includes a checked box.

Section B - Assets Placed in Service During 2001 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 19a-19i.

Section C - Assets Placed in Service During 2001 Tax Year Using the Alternative Depreciation System

Table with 6 columns: (a) Class life, (b) Recovery period, (c) Convention, (d) Method, (e) Depreciation deduction. Rows 20a-20c.

Part IV Summary (See instructions)

Table with 2 columns: Description, Amount. Lines 21-23. Line 22: 229,018.

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 listed property acquired after September 10, 2001, 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 2001 tax year					
43 Amortization of costs that began before your 2001 tax year					43
44 Total Add amounts in column (f) See instructions for where to report					44

Form 8868

(December 2000)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ 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)

Note: 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)

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only ▶

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization CITIZENS FOR A SOUND ECONOMY EDUCATIONAL FOUNDATION, INC.	Employer identification number 52-1527294
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P O box, see instructions 1250 H STREET, N.W., NO. 700	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions WASHINGTON, DC 20005	

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

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 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 |

• 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-month, for 990-T corporation) extension of time until AUGUST 15, 2002 to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year 2001 or
▶ tax year beginning _____, and ending _____

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 \$ _____

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 \$ _____

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 \$ _____ 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 ▶ Maryout DeBe Title ▶ C.P.A.

Date ▶ 4-2-02

LHA For Paperwork Reduction Act Notice, see instruction

Form 8868 (12-2000)