

Return of Organization Exempt From Income Tax

2002

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 2002 calendar year, or tax year period beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization THE HEARTLAND INSTITUTE		D Employer identification number 36-3309812		
		Number and street (or P O box if mail is not delivered to street address) 19 SOUTH LA SALLE STREET		Room/suite 903	E Telephone number (312) 377-4000	
		City or town, state or country, and ZIP + 4 CHICAGO, IL 60603		F Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)		

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

H and I are not applicable to section 527 organizations

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

H(b) If "Yes," enter number of affiliates

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 **WWW.HEARTLAND.ORG**

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

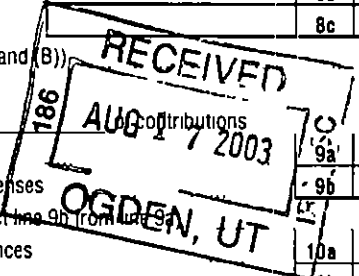
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 **1,552,769.**

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		Expenses		Net Assets	
1	Contributions, gifts, grants, and similar amounts received	13	Program services (from line 44, column (B))	18	Excess or (deficit) for the year (subtract line 17 from line 12)
a	Direct public support	14	Management and general (from line 44, column (C))	19	Net assets or fund balances at beginning of year (from line 73, column (A))
b	Indirect public support	15	Fundraising (from line 44, column (D))	20	Other changes in net assets or fund balances (attach explanation)
c	Government contributions (grants)	16	Payments to affiliates (attach schedule)	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)
d	Total (add lines 1a through 1c) (cash \$ 1,249,137. noncash \$ 5,000.)	17	Total expenses (add lines 16 and 44, column (A))		
2	Program service revenue including government fees and contracts (from Part VII, line 93)				
3	Membership dues and assessments				
4	Interest on savings and temporary cash investments				
5	Dividends and interest from securities				
6a	Gross rents				
6b	Less rental expenses				
6c	Net rental income or (loss) (subtract line 6b from line 6a)				
7	Other investment income (describe)				
8a	Gross amount from sale of assets other than inventory				
8b	Less cost or other basis and sales expenses				
8c	Gain or (loss) (attach schedule)				
8d	Net gain or (loss) (combine line 8c, columns (A) and (B))				
9a	Gross revenue (not including \$ reported on line 1a)				
9b	Less direct expenses other than fundraising expenses				
9c	Net income or (loss) from special events (subtract line 9b from line 9a)				
10a	Gross sales of inventory, less returns and allowances				
10b	Less cost of goods sold				
10c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)				
11	Other revenue (from Part VII, line 103)				
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				
13	Program services (from line 44, column (B))				
14	Management and general (from line 44, column (C))				
15	Fundraising (from line 44, column (D))				
16	Payments to affiliates (attach schedule)				
17	Total expenses (add lines 16 and 44, column (A))				
18	Excess or (deficit) for the year (subtract line 17 from line 12)				
19	Net assets or fund balances at beginning of year (from line 73, column (A))				
20	Other changes in net assets or fund balances (attach explanation)				
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)				



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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others Page 2

Do not include amounts reported on line 5b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) cash \$ _____ noncash \$ _____	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc	25	0.	0.	0.
26 Other salaries and wages	26	434,710.	326,033.	65,207.
27 Pension plan contributions	27			
28 Other employee benefits	28	35,143.	26,358.	5,271.
29 Payroll taxes	29	29,547.	22,160.	4,432.
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32			
33 Supplies	33	29,602.	1,234.	28,368.
34 Telephone	34			
35 Postage and shipping	35	254,124.	234,519.	12,681.
36 Occupancy	36	101,874.	77,425.	14,262.
37 Equipment rental and maintenance	37			
38 Printing and publications	38	303,905.	287,920.	10,948.
39 Travel	39	114,982.	56,774.	3,741.
40 Conferences, conventions, and meetings	40			
41 Interest	41	2,140.		2,140.
42 Depreciation, depletion, etc (attach schedule)	42	3,745.		3,745.
43 Other expenses not covered above (itemize)				
a OTHER EXPENSES	43a	18,640.		18,640.
b SUBCONTRACTOR,	43b			
c WRITERS, EDITORS	43c	194,518.	189,119.	4,365.
d _____	43d			
e _____	43e			
44 Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	1,522,930.	1,221,542.	173,800.

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? RESEARCH & WRITING ON PUBLIC POLICY ISSUES	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others)
a PUBLICATIONS - RESEARCH & WRITING ON PUBLIC POLICY ISSUES. HEARTLAND PRODUCED A BIMONTHLY MAGAZINE, THREE MONTHLY NEWSPAPERS AND FOUR POLICY REPORTS IN 2002. (Grants and allocations \$ _____)	838,943.
b INTERNET PROJECTS - HEARTLAND OPERATED A FREE WEB-BASED RESEARCH SERVICE IN 2002 AND HAD AN EXTENSIVE INTERNET PRESENCE. (Grants and allocations \$ _____)	206,640.
c MEMBER SERVICES - SEMINARS AND EVENTS FOR HEARTLAND MEMBERS AND THE PUBLIC, A MONTHLY MEMBERSHIP NEWSLETTER AND SIMILAR ACTIVITIES. (Grants and allocations \$ _____)	137,316.
d SPEAKERS BUREAU - HEARTLAND OFFERS ITS SENIOR FELLOWS AND STAFF MEMBERS AS SPEAKERS FOR EVENTS HOSTED BY OTHER ORGANIZATIONS. THE SPEAKERS BUREAU PRODUCED 32 SPEAKING ENGAGEMENTS IN 2002. (Grants and allocations \$ _____)	38,643.
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	1,221,542.

Part IV Balance Sheets

Note		(A)		(B)	
Where required, attached schedules and amounts within the description column should be for end-of-year amounts only		Beginning of year		End of year	
Assets	45	Cash - non-interest-bearing	40,362.	45	20,256.
	46	Savings and temporary cash investments		46	
	47 a	Accounts receivable	22,347.		
		b Less allowance for doubtful accounts			
			41,872.	47c	22,347.
	48 a	Pledges receivable			
		b Less allowance for doubtful accounts			
				48c	
	49	Grants receivable			49
	50	Receivables from officers, directors, trustees, and key employees			50
	51 a	Other notes and loans receivable			
		b Less allowance for doubtful accounts			
					51c
	52	Inventories for sale or use			52
	53	Prepaid expenses and deferred charges			53
	54	Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54
	55 a	Investments - land, buildings, and equipment, basis			
		b Less accumulated depreciation			
				55c	
56	Investments - other			56	
57 a	Land, buildings, and equipment, basis	117,362.			
	b Less accumulated depreciation	98,303.			
		11,016.	57c	19,059.	
58	Other assets (describe SECURITY DEPOSIT)	6,000.	58	6,000.	
59	Total assets (add lines 45 through 58) (must equal line 74)	99,250.	59	67,662.	
Liabilities	60	Accounts payable and accrued expenses	110,530.	60	49,103.
	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)		65	
66	Total liabilities (add lines 60 through 65)	110,530.	66	49,103.	
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	<86,856.>	67	18,559.
	68	Temporarily restricted	75,576.	68	0.
	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)	<11,280.>	73	18,559.
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)	99,250.	74	67,662.

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

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

a Total revenue, gains, and other support per audited financial statements	a 1,552,769.
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 1,552,769.
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 1,552,769.

a Total expenses and losses per audited financial statements	a 1,522,930.
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 1,522,930.
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 1,522,930.

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 1		93,165.	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

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78 b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year?
80 a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?
80 b If "Yes," enter the name of the organization and check whether it is exempt or nonexempt.
81 a Enter direct or indirect political expenditures See line 81 instructions
81 b Did the organization file Form 1120-POL for this year?
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?
82 b If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?
83 b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84 a Did the organization solicit any contributions or gifts that were not tax deductible?
84 b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?
85 b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85 c Dues, assessments, and similar amounts from members
85 d Section 162(e) lobbying and political expenditures
85 e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85 f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85 g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85 h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?
86 501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12
86 b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) organizations Enter a Gross income from members or shareholders
87 b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3?
89 a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911, section 4912, section 4955
89 b 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year?
89 c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89 d Enter Amount of tax on line 89c, above, reimbursed by the organization
90 a List the states with which a copy of this return is filed
90 b Number of employees employed in the pay period that includes March 12, 2002
91 The books are in care of THE HEARTLAND INSTITUTE Telephone no (312) 377-4000

Located at 19 SOUTH LA SALLE STREET, #903, CHICAGO, IL ZIP + 4 60603

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

Part VII Analysis of Income-Producing Activities (See page 31 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 PUBLICATIONS/RESEARCH	511110	87,006.			182,933.
b POLICY BOT/INTERNET					
c MEMBER SERVICES					
d SPEAKERS BUREAU					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					28,516.
95 Interest on savings and temporary cash investments					177.
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					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		87,006.		0.	211,626.
105 Total (add line 104, columns (B), (D), and (E))					298,632.

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 32 of the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93	HEARTLAND DISSEMINATES ITS RESEARCH THROUGH PUBLICATIONS.
94	MEMBER DUES QUALIFY MEMBERS FOR FREE PUBLICATIONS & EVENT DISCOUNTS.
95	INTEREST IS EARNED INCIDENTAL TO FUNDRAISING & PROGRAM ACTIVITIES.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 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 33 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 and correct. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here: Diane Carol Bast Date: 8-12-03 Type or print name and title: Diane Carol Bast - Vice President

Preparer's signature: James F. Sexton CPA Date: 07/28/03 Check if self-employed: Preparer's SSN or PTIN: _____

Firm's name (if you are self-employed), address and ZIP + 4: JAMES F. SEXTON & ASSOCIATES, LTD.
2300 N. BARRINGTON ROAD, SUITE 330
HOFFMAN ESTATES, IL 60195

EIN: _____ Phone no: (847) 490-0700

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

2002

Name of the organization

THE HEARTLAND INSTITUTE

Employer identification number

36 3309812

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
JOSEPH L. BAST ----- 900 EAST WILMETTE RD #124 PALATINE IL 60	PRESIDENT 60	93,165.		
DIANE C. BAST ----- 900 EAST WILMETTE RD #124 PALATINE IL 60	VICE PRESIDEN 60	70,250.		
NICOLETTE M. SARET ----- 597 GREEN OAKS DR CRYSTAL LAKE, IL 40	PUBLISHER 40	53,719.		
----- -----				
----- -----				
Total number of other employees paid over \$50,000 ▶	3			

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
NONE -----		
----- -----		
----- -----		
----- -----		
----- -----		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the instructions)	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 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	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	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 5 of the instructions)		
The organization is not a private foundation because it is (Please check only ONE applicable box)		
5 <input type="checkbox"/> A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)		
6 <input type="checkbox"/> A school Section 170(b)(1)(A)(ii) (Also complete Part V)		
7 <input type="checkbox"/> A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)		
8 <input type="checkbox"/> A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)		
9 <input type="checkbox"/> 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 <input type="checkbox"/> An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(v) (Also complete the Support Schedule in Part IV-A.)		
11a <input type="checkbox"/> 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 <input type="checkbox"/> A community trust. Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A.)		
12 <input checked="" type="checkbox"/> 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 <input type="checkbox"/> 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 <input type="checkbox"/> An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)		

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting
 Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total		
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	1,103,375.	783,635.	732,092.	911,971.	3,531,073.		
16 Membership fees received	24,910.	6,683.	9,996.	23,219.	64,808.		
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	334,163.	139,569.	116,458.	15,320.	605,510.		
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	5,381.	37.	344.	792.	6,554.		
19 Net income from unrelated business activities not included in line 18	<10,201.>	<2,249.>	<8,422.>		<20,872.>		
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	178,000.	218,500.	SEE STATEMENT 2 33,500.	6,000.	436,000.		
23 Total of lines 15 through 22	1,635,628.	1,146,175.	883,968.	957,302.	4,623,073.		
24 Line 23 minus line 17	1,301,465.	1,006,606.	767,510.	941,982.	4,017,563.		
25 Enter 1% of line 23	16,356.	11,462.	8,840.	9,573.			
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a	N/A	
	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 1998 through 2001 exceeded the amount shown in line 26a Do not file this list with your return Enter the sum of all these excess amounts				26b	N/A	
	c Total support for section 509(a)(1) test Enter line 24, column (e)				26c	N/A	
	d Add Amounts from column (e) for lines 18 _____ 19 _____	22 _____ 26b _____		26d	N/A		
	e Public support (line 26c minus line 26d total)				26e	N/A	
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f	N/A %	
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						
	(2001) 329,678.	(2000) 467,747.	(1999) 175,234.	(1998) 173,720.			
	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						
	(2001) 0.	(2000) 0.	(1999) 0.	(1998) 0.			
	c Add Amounts from column (e) for lines 15 3,531,073.	16 64,808.			27c	4,201,391.	
	17 605,510.	20 _____	21 _____			27d	1,146,379.
	d Add Line 27a total 1,146,379.	and line 27b total _____				27e	3,055,012.
	e Public support (line 27c total minus line 27d total)						
	f Total support for section 509(a)(2) test Enter amount on line 23, column (e)				27f	4,623,073.	
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g	66.0818%	
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h	.1418%	

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return Do not include these grants in line 15

NONE

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

N/A

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

		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.)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

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

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check a if the organization belongs to an affiliated group Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table -		
If the amount on line 40 is -	The lobbying nontaxable amount is -	
Not over \$500,000	20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000	\$1,000,000	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	
Caution If there is an amount on either line 43 or line 44, you must file Form 4720.		

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(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 11 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

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines e 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)

Yes	No	Amount
		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

	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

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 N/A

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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 N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Depreciation and Amortization 990
(Including Information on Listed Property)

2002

Attachment
Sequence No 67

▶ See separate instructions ▶ Attach to your tax return

Name(s) shown on return THE HEARTLAND INSTITUTE	Business or activity to which this form relates FORM 990 PAGE 2	Identifying number 36-3309812
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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	24,000.
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	\$200,000
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 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 2001 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 2003 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	

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 2002	17	3,066.
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 2002 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		6,788.	5	MM	SL	679.
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 2002 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	3,745.
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 or ly)	(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

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
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?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
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

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
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 2002 tax year					
43 Amortization of costs that began before your 2002 tax year					43
44 Total Add amounts in column (f) See instructions for where to report					44

FORM 990

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

STATEMENT 1

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JOSEPH BAST 600 EAST WILMETTE ROAD #124 PALATINE, IL 60074	PRESIDENT 60	93,165.	0.	0.
ROBERT BUFORD 1333 N. KINGSBURY AVENUE #301 CHICAGO, IL 60622	DIRECTOR 2	0.	0.	0.
WALTER BUCHHOLTZ 2626 LAS COLINAS BLVD IRVING, TX 85039-2298	GOVT REALTIONS ADVISOR 2	0.	0.	0.
PAUL FISCHER 77 WEST WACKER DRIVE, SUITE 4400 CHICAGO, IL 60601	HEAD OF REAL ESTATE 2	0.	0.	0.
JAMES FITZGERALD 1629 COLONIAL PARKWAY INVERNESS, IL 60067	MANAGING DIRECTOR 2	0.	0.	0.
DAN HALES 711 OAK STREET, SUITE 102 WINNETKA, IL 60093	ATTORNEY 2	0.	0.	0.
WILLIAM HIGGINSON ONE EAST SUPERIOR STREET CHICAGO, IL 60611	DIRECTOR 2	0.	0.	0.
JAMES JOHNSTON 2143 CHESTNUT AVENUE WILMETTE, IL 60091	DIRECTOR 5	0.	0.	0.
ROY MARDEN 330 EAST 46TH STREET, SUITE 4J NEW YORK, NY 10017	DIRECTOR 2	0.	0.	0.
DAVID PADDEN 100 WEST MONROE, SUITE 706 CHICAGO, IL 60603	DIRECTOR 2	0.	0.	0.
FRANK RESNIK 175 EAST DELAWARE PLACE CHICAGO, IL 60611	DIRECTOR 2	0.	0.	0.

LESLIE ROSE 1 NORTH BREAKERS ROW, SUITE 361 PALM BEACH, FL 33480-4013	DIRECTOR 2	0.	0.	0.
HERBERT WALBERG 180 EAST PEARSON STREET, SUITE 3607 CHICAGO, IL 60611	CHAIRMAN 5	0.	0.	0.
LEE WALKER 8086 SOUTH GARFIELD AVENUE BURR RIDGE, IL 60527	DIRECTOR 2	0.	0.	0.
THOMAS WALTON 300 RENAISSANCE CENTER, MC 482-C27-C81 DETROIT, MI 48265-3000	DIRECTOR 2	0.	0.	0.

TOTALS INCLUDED ON FORM 990, PART V		<u>93,165.</u>	<u>0.</u>	<u>0.</u>
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SCHEDULE A DESCRIPTION	OTHER INCOME			STATEMENT 2
	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT	1998 AMOUNT
LAPSED TIME RESTRICTIONS	178,000.	218,500.	33,500.	6,000.
TOTAL TO SCHEDULE A, LINE 22	<u>178,000.</u>	<u>218,500.</u>	<u>33,500.</u>	<u>6,000.</u>

Application for Extension of Time To File an Exempt Organization Return

▶ 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 File by the due date for filing your return. See instructions.	Name of Exempt Organization Heartland Institute	Employer identification number 36 : 3309812
	Number, street, and room or suite no. If a P O box, see instructions 19 South LaSalle Street #903	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Chicago IL 60603	

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 31**, 20**03** to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 20**02** or
 ▶ tax year beginning _____, 20 . . , and ending _____, 20 . . .

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 \$ _____

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 *Diane Carol Bast* Title ▶ *Vice President* Date ▶ *3-17-03*