Form **990** Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047 **2001** Open to Public Inspection

Department of the Treasury Internal Revenue Service

A For the 2001 calendar year, or tax year period beginning SEP 1, 2001 and ending AUG 31, 2002

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Final return [ ] Amended return [ ] Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: Mercatus Center, Inc.

Number and street (or P O box if mail is not delivered to street address): 3301 North Fairfax Drive — Room/suite: 450

City or town, state or country, and ZIP + 4: Arlington, VA 22201

D Employer identification number: 54-1436224

E Telephone number: (703)993-4930

F Accounting method [ ] Cash [X] Accrual [ ] 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 [X] No

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

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

G Web site ▶www.mercatus.org

J Organization type (check only one) ▶ [X] 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

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

I Enter 4-digit GEN ▶

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 4,446,216.

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	4,369,397.	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash $ 4,321,316. noncash $ 48,081.)		1d	4,369,397.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	12,526.
	3	Membership dues and assessments		3	
	4	Interest on savings and temporary cash investments		4	23,466.
	5	Dividends and interest from securities		5	
	6 a	Gross rents	6a		
	b	Less rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)		6c	
	7	Other investment income (describe ▶ See Statement 1)		7	1,076.
	8 a	Gross amount from sale of assets other than inventory — (A) Securities: 36,449.	8a	(B) Other:	
	b	Less cost or other basis and sales expenses — (A) Securities: 36,449.	8b		
	c	Gain or (loss) (attach schedule)	8c		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B)) Stmt 2		8d	
	9	Special events and activities (attach schedule)			
	a	Gross revenue (not including $ ________ of contributions reported on line 1a)	9a		
	b	Less direct expenses other than fundraising expenses	9b		
	c	Net income or (loss) from special events (subtract line 9b from line 9a)		9c	
	10 a	Gross sales of inventory, less returns and allowances	10a		
	b	Less cost of goods sold	10b		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)		10c	
	11	Other revenue (from Part VII, line 103)		11	3,302.
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)		12	4,409,767.
Expenses	13	Program services (from line 44, column (B))		13	3,832,497.
	14	Management and general (from line 44, column (C))		14	164,323.
	15	Fundraising (from line 44, column (D))		15	1,312,746.
	16	Payments to affiliates (attach schedule)		16	
	17	Total expenses (add lines 16 and 44, column (A))		17	5,309,566.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)		18	<899,799.>
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	7,452,158.
	20	Other changes in net assets or fund balances (attach explanation) See Statement 3		20	636,082.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	7,188,441.

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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

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 $1201735. noncash $	22	1,201,735.	1,201,735.	Statement 6	
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	397,192.	257,468.	96,109.	43,615.
26 Other salaries and wages	26	1,242,165.	1,076,940.	19,052.	146,173.
27 Pension plan contributions	27				
28 Other employee benefits	28	72,155.	58,734.	5,065.	8,356.
29 Payroll taxes	29	115,655.	94,143.	8,119.	13,393.
30 Professional fundraising fees	30				
31 Accounting fees	31	17,812.	8,181.	1,229.	8,402.
32 Legal fees	32	2,830.	1,300.	195.	1,335.
33 Supplies	33	124,585.	51,935.	1,122.	71,528.
34 Telephone	34	25,677.	21,260.	2,138.	2,279.
35 Postage and shipping	35	533,996.	76,850.	342.	456,804.
36 Occupancy	36				
37 Equipment rental and maintenance	37				
38 Printing and publications	38	476,196.	128,735.	191.	347,270.
39 Travel	39	78,136.	74,893.	1,885.	1,358.
40 Conferences, conventions, and meetings	40	309,771.	303,905.	1,386.	4,480.
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	47,879.	40,448.	2,581.	4,850.
43 Other expenses not covered above (itemize)					
a	43a				
b	43b				
c	43c				
d	43d				
e See Statement 4	43e	663,782.	435,970.	24,909.	202,903.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	44	5,309,566.	3,832,497.	164,323.	1,312,746.

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 5

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 University & Student Programs: Building a network of professionals & scholars whose work advances our understanding of the freedom to prosper through assistantships, workshops, etc. (Grants and allocations $ 795,751.)	883,412.
b Policy Education: Brings education in economic ideas to key decision-makers in the public policy process. A major component of the program is the Chief of Staff Retreat. (Grants and allocations $ 0.)	680,299.
c Research and Application: The Center's research efforts are directed toward generating knowledge and understanding about the institutions that affect the freedom to prosper. (Grants and allocations $ 405,984.)	716,761.
d Regulatory Studies Program: Generates academic and practical information about regulations in order to enhance the quality of discussion and debate regarding regulatory policy. (Grants and allocations $ 0.)	589,446.
e Other program services (attach schedule) Statement 7 (Grants and allocations $)	962,579.
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	3,832,497.

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		261.	45	261.
46	Savings and temporary cash investments		2,333,390.	46	399,119.
47 a	Accounts receivable	47a 8,018.			
b	Less allowance for doubtful accounts	47b	39,190.	47c	8,018.
48 a	Pledges receivable	48a			
b	Less allowance for doubtful accounts	48b		48c	
49	Grants receivable		211,645.	49	1,924,949.
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		14,337.	53	28,642.
54	Investments - securities ▶ ☐ Cost ☐ FMV			54	
55 a	Investments - land, buildings, and equipment basis	55a			
b	Less accumulated depreciation	55b		55c	
56	Investments - other See Statement 8		5,363,918.	56	6,000,000.
57 a	Land, buildings, and equipment basis	57a 252,038.			
b	Less accumulated depreciation	57b 185,047.	84,777.	57c	66,991.
58	Other assets (describe ▶)			58	
59	**Total assets** (add lines 45 through 58) (must equal line 74)		8,047,518.	59	8,427,980.
Liabilities					
60	Accounts payable and accrued expenses		205,990.	60	126,988.
61	Grants payable		363,306.	61	1,065,003.
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 ▶ Gift annuity)		26,064.	65	47,548.
66	**Total liabilities** (add lines 60 through 65)		595,360.	66	1,239,539.
Net Assets or Fund Balances					
	Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted		7,452,158.	67	7,188,441.
68	Temporarily restricted			68	
69	Permanently restricted			69	
	Organizations that do not follow SFAS 117, check here ▶ ☐ 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)		7,452,158.	73	7,188,441.
74	**Total liabilities and net assets / fund balances** (add lines 66 and 73)		8,047,518.	74	8,427,980.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

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

a	Total revenue, gains, and other support per audited financial statements	a	5,281,828.
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments $ 636,082.		
(2)	Donated services and use of facilities $ 235,979.		
(3)	Recoveries of prior year grants $		
(4)	Other (specify) $		
	Add amounts on lines (1) through (4)	b	872,061.
c	Line a minus line b	c	4,409,767.
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	4,409,767.

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

a	Total expenses and losses per audited financial statements	a	5,545,545.
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities $ 235,979.		
(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	235,979.
c	Line a minus line b	c	5,309,566.
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	5,309,566.

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 9		397,192.	18,671.	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 ▶ [X] Yes [ ] No Stmt 10

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 ▶ Institute for Humane Studies and check whether it is [X] exempt OR [ ] nonexempt			
81 a	Enter direct or indirect political expenditures See line 81 instructions — 81a: 0.			
b	Did the organization file Form 1120-POL for this year?	81b		X
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: 235,979.			
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? N/A	84a		
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	85b		
	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			
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? N/A	85g		
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? N/A	85h		
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 ▶ None			
b	Number of employees employed in the pay period that includes March 12, 2001 — 90b: 29			

91 The books are in care of ▶ Mercatus Center, Inc. Telephone no ▶ (703) 993-4930

Located at ▶ 3301 North Fairfax Drive. #450 Arlington, VA ZIP + 4 ▶ 22201

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)

Note Enter gross amounts unless otherwise indicated	Unrelated business income (A) Business code	(B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	(D) Amount	(E) Related or exempt function income
93 Program service revenue					
a Publications					3,011.
b Conference fees					9,515.
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	23,466.	
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			14	1,076.	
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 Miscellaneous					3,302.
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		24,542.	15,828.
105 Total (add line 104, columns (B), (D), and (E)) ▶					40,370.

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)
	See Statement 11

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)*

Please Sign Here

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

▶ Signature of officer — Date 14-3-03 ▶ GARY LEFF TREASURER — Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ CPA — Date 4/2/03 — Check if self-employed ▶ ☐ — Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address and ZIP + 4 ▶ Raffa, P.C. 1899 L Street, NW, Suite 600 Washington, DC 20036 — EIN ▶ — Phone no ▶ (202) 822-5000

123161 01-02-02

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: Mercatus Center, Inc.

Employer identification number: 54 1436224

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
Maurice McTigue 3301 N Fairfax Dr Arlington, VA 22201	Dir. Gov. Acc 40 hrs/week	100,000.	6,564.	
Susan Dudley 3301 N Fairfax Dr Arlington, VA 22201	Assoc. Dir. 40 hrs/week	99,833.	2,285.	
Lawson Bader 3301 N Fairfax Dr Arlington, VA 22201	Dir. Ec. Educ 40 hrs/week	77,167.	6,854.	
Jay Cochran 3301 N Fairfax Dr Arlington, VA 22201	Research Fel. 40 hrs/week	69,667.	0.	
Wendy Gramm 3301 N Fairfax Dr Arlington, VA 22201	Dir. Reg. St. 40 hrs/week	60,000.	0.	
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
Stephen Clouse & Associates 43538 Golden Meadow Circle, Ashburn, VA 20147	Video Production Services	140,813.
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

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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)	1		X
	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			
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)? See Part V, Form 990	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* See Statement 12

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)

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)	4,769,635.	4,861,724.	1,545,906.	3,481,893.	14,659,158.
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	128,188.	126,248.	616,035.	149,342.	1,019,813.
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	71,822.	114,398.	151,387.	103,840.	441,447.
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	4,163.	5,465.	See Statement 13 2,304.	6,621.	18,553.
23 Total of lines 15 through 22	4,973,808.	5,107,835.	2,315,632.	3,741,696.	16,138,971.
24 Line 23 minus line 17	4,845,620.	4,981,587.	1,699,597.	3,592,354.	15,119,158.
25 Enter 1% of line 23	49,738.	51,078.	23,156.	37,417.	

26 **Organizations described on lines 10 or 11** a Enter 2% of amount in column (e), line 24 ▶ 26a 302,383.

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 0.

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c 15,119,158.

d Add Amounts from column (e) for lines 18 441,447. 19 ______ 22 18,553. 26b ______ ▶ 26d 460,000.

e Public support (line 26c minus line 26d total) ▶ 26e 14,659,158.

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 96.9575%

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 peson (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

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?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

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	41		
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)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(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:	Yes	No	Amount
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?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	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 [X] No

b If "Yes," complete the following schedule N/A

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

Mercatus Center, Inc.
Form 990, Part II, Line 42 - Depreciation
Form 990, Part IV, Line 57 - Land, Buildings, and Equipment
Year Ended August 31, 2002 **54-1436224**

ASSETS

	Beginning of Year	Additions	Disposals	End of Year
Furniture, fixtures, and equipment	$ 219,042	$ 30,093	$ -	$ 249,135
Leasehold Improvements	2,903	-	-	2,903
Total	$ 221,945	$ 30,093	$ -	$ 252,038

ACCUMULATED DEPRECIATION

	Beginning of Year	Current Year Depreciation	Disposals	End of Year
Furniture, fixtures, and equipment	$ 136,278	$ 47,298	$ -	$ 183,576
Leasehold Improvements	890	581	-	1,471
Total	$ 137,168	$ 47,879	$ -	$ 185,047

Note: Property and equipment are stated at cost and are depreciated over estimated useful lives of five to seven years using the straight-line method, with no salvage value Leasehold improvements are stated at cost and are amortized over the remaining term of the lease or their useful life, whichever is shorter

Form 990	Other Investment Income	Statement 1

Description	Amount
Interest earned on investments in partnership holdings	1,076.
Total to Form 990, Part I, line 7	1,076.

Form 990 Gain (Loss) From Publicly Traded Securities Statement 2

Description	Gross Sales Price	Cost or Other Basis	Expense of Sale	Net Gain or (Loss)
Trading securities	36,449.	36,449.	0.	0.
To Form 990, Part I, line 8	36,449.	36,449.	0.	0.

Form 990	Other Changes in Net Assets or Fund Balances	Statement 3

Description	Amount
Unrealized gain on partnership interests.	636,082.
Total to Form 990, Part I, line 20	636,082.

Form 990 | Other Expenses | Statement 4

Description	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising
Temporary help	385.	385.		
Insurance	9,071.	7,663.	489.	919.
Property tax	2,402.	2,030.	129.	243.
Audio visual	82,611.	14,067.		68,544.
Miscellaneous	17,959.	11,934.	4,663.	1,362.
Space advertising	3,628.	3,283.	345.	
Books and subscriptions	22,034.	21,345.	80.	609.
Professional fees	278,223.	127,794.	19,203.	131,226.
Honoraria	247,469.	247,469.		
Total to Fm 990, ln 43	663,782.	435,970.	24,909.	202,903.

Form 990 Statement of Organization's Primary Exempt Purpose Statement 5
Part III

Explanation

The Center's primary exempt purpose is to educate students and produce professionals who are equipped to understand the problems and polices of our modern age. The Center pursues its goals through education and research.

Form 990 Cash Grants and Allocations Statement 6

Classification	Donee's Name	Donee's Address	Donee's Relationship	Amount
Fellowships, research, faculty	George Mason University	4400 University Dr. Fairfax, VA 22030	None	200,735.
General operations	Institute for Humane Studies	3301 N. Fairfax Dr. Arlington, VA 22201	None	720,000.
Research Support	Professor Peter Boettke	4400 University Dr. Fairfax, VA 22030	None	12,000.
Research Support	Professor Thomas Stratmann	4400 University Dr. Fairfax, VA 22030	None	20,000.
Research Support	Professor Robin Hanson	4400 University Dr. Fairfax, VA 22030	None	12,000.
Research Support	Professor Mark Crain	4400 University Dr. Fairfax, VA 22030	None	20,000.
Research Support	Professor Rebecca Menes	4400 University Dr. Fairfax, VA 22030	None	3,000.
Research Support	Professor David Prychitko	1702 Lincoln No. 9, Marquette, MI 49855	None	3,000.
Research Support	Ben Powell	4400 University Dr. Fairfax, VA 22030	None	1,500.
Research Support	Christopher Coyne	4400 University Dr. Fairfax, VA 22030	none	1,500.
Research Support	Peter Leeson	4400 University Dr. Fairfax, VA 22030	None	1,500.
Research Support	Scott Beaulier	4400 University Dr. Fairfax, VA 22030	None	1,500.

Research Support	Todd Zywicki	4400 University Dr. Fairfax, VA 22030	None	3,000.
Research Support	Professor Bryan Caplan	4400 University Dr. Fairfax, VA 22030	None	12,000.
Research Support	Professor Charles Rowley	4400 University Dr. Fairfax, VA 22030	None	10,000.
Research Support	Professor David Levy	4400 University Dr. Fairfax, VA 22030	None	12,000.
Research Support	Professor Donald Boudreaux	4400 University Dr. Fairfax, VA 22030	None	3,000.
Research Support	Professor Mario Rizzo	269 Mercer St., New York, NY 10003	None	3,000.
Fellowships, research, faculty	George Mason University	4400 University Dr. Fairfax, VA 22030	None	160,000.
Research Support	Professor Charles Rowley	4400 University Dr. Fairfax, VA 22030	None	2,000.
Total Included on Form 990, Part II, line 22				1201735.

Form 990 Other Program Services Statement 7

Description	Grants and Allocations	Expenses
Public Relations	0.	511,584.
Government Accountability	0.	341,362.
Other	0.	109,633.
Total to Form 990, Part III, line e		962,579.

Form 990 Other Investments Statement 8

Description	Valuation Method	Amount
Investment in partnership holdings	Cost	6,000,000.
Total to Form 990, Part IV, line 56, Column B		6,000,000.

Form 990 | Part V - List of Officers, Directors, Trustees and Key Employees | Statement 9

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
Tyler Cowen 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Chairman and Gen. Director 5 hrs/wk	0.	0.	0.
Paul S. Edwards 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	President 2/15/02-present 40 hrs/wk	67,833.	4,781.	0.
Robert Mottice 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Executive Director 40 hrs/wk	124,583.	6,854.	0.
Kevin Gentry 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Vice President 24 hrs/wk	100,779.	5,058.	0.
Colleen Morretta 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Secretary 40 hrs/wk	53,792.	0.	0.
Mary Dillon 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Treasurer 9/1/01-12/15/01 20 hrs/wk	12,205.	446.	0.
Gary Leff 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Treasurer 2/1/02-present 40 hrs/wk	38,000.	1,532.	0.
Vernon Smith 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.
Dwight Schar 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.
Charles G. Koch 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.
Richard H. Fink 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.

Roger D. Silk 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.
Manuel H. Johnson 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.
Donald J. Boudreaux 3301 N. Fairfax Dr. Ste. 450 Arlington, VA 22201	Director <1 hr/wk	0.	0.	0.
Totals Included on Form 990, Part V		397,192.	18,671.	0.

Form 990 Part V - Officer Compensation from Related Organizations Statement 10

Officer's Name	Name of Related Organization	Compen-sation	Employee Ben Plan Contrib	Expense Account
Kevin Gentry	Institute for Humane Studies	68,698.	3,372.	0.

Form 990 Part VIII - Relationship of Activities to Accomplishment of Exempt Purposes Statement 11

Line	Explanation of Relationship of Activities
93a	Revenue from sales of the Center's publications relating to research conducted by its faculty and staff. The Center charges a nominal amount for publications, primarily to cover costs of production, materials, and postage. The publications are often used in the classroom and are distributed to educational and non-profit organizations.
93b	Revenue is used to educate government leaders on the major components of successfully managing organizational change and the implementation of result based management in the public sector.
103a	Miscellaneous revenue generated in relation to the dissemination of information on research of market-based solutions to social and economic problems.

Schedule A Explanation of Qualifications to Receive Payments Statement 12
Part III, Line 3

The purpose of the grant award program is to recruit and develop young scholars to push out the frontier of knowledge in market process theory, law and economics, and constitutional political economy; and to help those young scholars become skilled expositors of market economics and public policy in the classroom, in the policy arena, and to the media.
Faculty awards are given to those Center faculty members who are in good standing at George Mason University and who actively engage in original research. Awards are usually restricted to those projects and faculty for which research support can be obtained. Research projects are expected to result in scholarly journal articles, book manuscripts, monographs, or other quality products.

Schedule A — Other Income — Statement 13

Description	2000 Amount	1999 Amount	1998 Amount	1997 Amount
Miscellaneous revenue	4,163.	5,465.	2,304.	6,621.
Total to Schedule A, line 22	4,163.	5,465.	2,304.	6,621.

Form 8868
(December 2000)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

OMB No 1545 1709

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ▶ [X]
- 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	Employer identification number
	Mercatus Center, Inc.	54-1436224
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 3401 North Fairfax Drive, No. 450	
	City, town or post office, state, and ZIP code For a foreign address, see instructions Arlington, VA 22201	

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

[X] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990 BL	[ ] Form 990-T (sec 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990 EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990 PF	[ ] Form 1041 A	[ ] 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 April 15, 2003 to file the exempt organization return for the organization named above The extension is for the organization's return for
▶ [ ] calendar year ______ or
▶ [X] tax year beginning SEP 1, 2001 , and ending AUG 31, 2002

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 ▶ Title ▶ CPA Date ▶ 1/15/2003

LHA For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)

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