

**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)

Department of the Treasury  
Internal Revenue Service

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

**A For the 2007 calendar year, or tax year beginning and ending**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Termination  
 Amended return  
 Application pending

**C Name of organization**  
**CITIZENS UNITED**  
 Number and street (or P O box if mail is not delivered to street address) Room/suite  
**1006 PENNSYLVANIA SE**  
 City or town, state or country, and ZIP + 4  
**WASHINGTON, DC 20003**

**D Employer identification number**  
**91-1433368**

**E Telephone number**  
**202-547-5420**

**F Accounting method:**  Cash  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).

**G Website:** ▶ **WWW.CITIZENSUNITED.ORG**

**J Organization type** (check only one) ▶  501(c) ( 4 ) ◀ (insert no)  4947(a)(1) or  527

**K Check here** ▶  if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

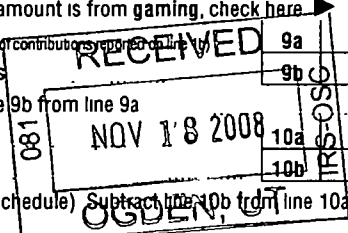
**L Gross receipts:** Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **12,118,981.**

**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 ▶ **N/A**  
**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 Group Exemption Number** ▶ **N/A**  
**M Check** ▶  if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF).

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

Revenue	1	Contributions, gifts, grants, and similar amounts received			
	a	Contributions to donor advised funds	1a		
	b	Direct public support (not included on line 1a)	1b	9,134,982.	
	c	Indirect public support (not included on line 1a)	1c		
	d	Government contributions (grants) (not included on line 1a)	1d		
	e	Total (add lines 1a through 1d) (cash \$ 9,134,982. noncash \$ )	1e	9,134,982.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	35,910.	
	3	Membership dues and assessments	3	2,601,645.	
	4	Interest on savings and temporary cash investments	4	1,178.	
	5	Dividends and interest from securities	5		
	6a	Gross rents	6a		
	6b	Less rental expenses	6b		
6c	Net rental income or (loss) Subtract line 6b from line 6a	6c			
7	Other investment income (describe ▶ )	7			
8a	Gross amount from sales of assets other than inventory	(A) Securities	8a		
		(B) Other	8b		
			8c		
			8d		
9	Special events and activities (attach schedule) if any amount is from gaming, check here ▶ <input type="checkbox"/>				
a	Gross revenue (not including \$ of contributions reported on line 1) (attach schedule)	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			
10a	Gross sales of inventory, less returns and allowances		10a		
		Less cost of goods sold	10b		
		Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	10c		
11	Other revenue (from Part VII, line 103)	11	345,266.		
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	12,118,981.		
Expenses	13	Program services (from line 44, column (B))	13	8,537,569.	
	14	Management and general (from line 44, column (C))	14	156,885.	
	15	Fundraising (from line 44, column (D))	15	2,840,089.	
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses. Add lines 16 and 44, column (A)	17	11,534,543.	
Net Assets	18	Excess or (deficit) for the year Subtract line 17 from line 12	18	584,438.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	239,156.	
	20	Other changes in net assets or fund balances (attach explanation)	20	0.	
	21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21	823,594.	

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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
<b>22a</b> Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> • noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>22b</b> Other grants and allocations (attach schedule) (cash \$ <u>0</u> • noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>23</b> Specific assistance to individuals (attach schedule)				
<b>24</b> Benefits paid to or for members (attach schedule)				
<b>25a</b> Compensation of current officers, directors, key employees, etc listed in Part V-A	170,678.	107,527.	22,371.	40,780.
<b>25b</b> Compensation of former officers, directors, key employees, etc listed in Part V-B	46,170.	29,087.	10,157.	6,926.
<b>25c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c	339,105.	213,636.	50,865.	74,604.
<b>27</b> Pension plan contributions not included on lines 25a, b, and c	20,730.	13,060.	3,109.	4,561.
<b>28</b> Employee benefits not included on lines 25a - 27	9,162.	5,772.	1,374.	2,016.
<b>29</b> Payroll taxes	34,552.	21,768.	5,183.	7,601.
<b>30</b> Professional fundraising fees				
<b>31</b> Accounting fees	10,791.		10,791.	
<b>32</b> Legal fees	60,071.	60,071.		
<b>33</b> Supplies	36,226.	22,830.	5,434.	7,962.
<b>34</b> Telephone	11,284.	7,109.	1,333.	2,842.
<b>35</b> Postage and shipping	1,846,072.	1,365,662.	588.	479,822.
<b>36</b> Occupancy	42,000.	26,460.	6,300.	9,240.
<b>37</b> Equipment rental and maintenance				
<b>38</b> Printing and publications	648,535.	479,881.	47.	168,607.
<b>39</b> Travel	3,917.	2,468.	587.	862.
<b>40</b> Conferences, conventions, and meetings				
<b>41</b> Interest				
<b>42</b> Depreciation, depletion, etc. (attach schedule)	11,941.	7,523.	1,791.	2,627.
<b>43</b> Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g <b>SEE STATEMENT 1</b>	8,243,309.	6,174,715.	36,955.	2,031,639.
<b>44</b> Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	11,534,543.	8,537,569.	156,885.	2,840,089.

**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 \$ 9,223,259. (ii) the amount allocated to Program services \$ 6,825,211.  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ 2,398,048.