

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)

OMB No 1545-0047

2007

Open to Public Inspection

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
AMERICANS FOR TAX REFORM
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1920 L STREET, N.W. **200**
 City or town, state or country, and ZIP + 4
WASHINGTON, DC 20036

D Employer identification number
52-1403587

E Telephone number
(202) 785-0266

F Accounting method Cash Accrual
 Other (specify) _____

G Website: **WWW.ATR.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.

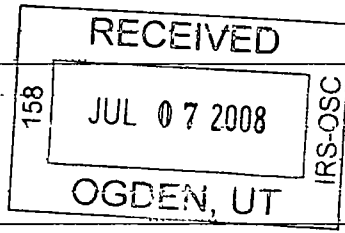
L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **2,795,816.**

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).

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

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

		1a		1b		1c		1d		1e	
1 Contributions, gifts, grants, and similar amounts received:											
a Contributions to donor advised funds											
b Direct public support (not included on line 1a)				2,566,968.							
c Indirect public support (not included on line 1a)											
d Government contributions (grants) (not included on line 1a)											
e Total (add lines 1a through 1d) (cash \$ 2,566,968. noncash \$ _____)										2,566,968.	
2 Program service revenue including government fees and contracts (from Part VII, line 93)										2	
3 Membership dues and assessments										3	
4 Interest on savings and temporary cash investments										4 55,035.	
5 Dividends and interest from securities										5	
6 a Gross rents SEE STATEMENT 1		6a		150,048.							
b Less: rental expenses		6b									
c Net rental income or (loss). Subtract line 6b from line 6a										6c 150,048.	
7 Other investment income (describe _____)										7	
8 a Gross amount from sales of assets other than inventory		(A) Securities		(B) Other							
b Less: cost or other basis and sales expenses		8a									
c Gain or (loss) (attach schedule)		8b									
d Net gain or (loss). Combine line 8c, columns (A) and (B)		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 1b)		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 23,765.	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11										12 2,795,816.	
13 Program services (from line 44, column (B))										13 2,420,491.	
14 Management and general (from line 44, column (C))										14 323,147.	
15 Fundraising (from line 44, column (D))										15 294,270.	
16 Payments to affiliates (attach schedule)										16	
17 Total expenses. Add lines 16 and 44, column (A)										17 3,037,908.	
18 Excess or (deficit) for the year. Subtract line 17 from line 12										18 -242,092.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))										19 7,519,733.	
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 7,277,641.	



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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
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0, noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 279,129, noncash \$ 0) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	279,129.	279,129.	STATEMENT 3	STATEMENT 4
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	286,629.	215,626.	48,725.	22,278.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c 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)				
26 Salaries and wages of employees not included on lines 25a, b, and c	769,397.	587,741.	119,974.	61,682.
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27	38,920.		38,920.	
29 Payroll taxes	100,025.	77,019.	16,004.	7,002.
30 Professional fundraising fees				
31 Accounting fees	45,008.	34,413.	7,039.	3,556.
32 Legal fees	74,304.	56,813.	11,621.	5,870.
33 Supplies	33,322.	25,476.	5,214.	2,632.
34 Telephone	77,793.	59,480.	12,167.	6,146.
35 Postage and shipping	289,939.	138,765.	28,385.	122,789.
36 Occupancy	521,383.	398,650.	81,544.	41,189.
37 Equipment rental and maintenance	67,054.	51,270.	10,487.	5,297.
38 Printing and publications	241,229.	184,444.	37,728.	19,057.
39 Travel	379,217.	379,217.		
40 Conferences, conventions, and meetings	38,577.	38,577.		
41 Interest				
42 Depreciation, depletion, etc (attach schedule)	23,137.	17,691.	3,619.	1,827.
43 Other expenses not covered above (itemize)				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 2	-227,155.	-123,820.	-98,280.	-5,055.
44 Total functional expenses Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,037,908.	2,420,491.	323,147.	294,270.

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 \$ 108,451. ; (ii) the amount allocated to Program services \$ 0. ;

(iii) the amount allocated to Management and general \$ 0. ; and (iv) the amount allocated to Fundraising \$ 108,451.

Part III Statement of Program Service Accomplishments (See the instructions.)

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

What is the organization's primary exempt purpose? ► <u>SEE STATEMENT 5</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
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)	
a PLEDGE CAMPAIGN: THE IDEA OF THE PLEDGE IS SIMPLE: MAKE POLITICIANS PUT THEIR NO-NEW-TAXES RHETORIC IN WRITING. THE TAXPAYER PROTECTION PLEDGE IS OFFERED TO EVERY CANDIDATE FOR OFFICE, STATE AND FEDERAL, AND ALL INCUMBENTS.	
(Grants and allocations \$ <u>139,564.</u>) If this amount includes foreign grants, check here ► <input type="checkbox"/>	691,273.
b OUTREACH: ATR USES ITS NETWORK OF PLEDGE SIGNERS AND WORKS WITH A COALITION OF LIKE-MINDED GROUPS TO PROMOTE PRO-TAXPAYER, SMALL GOVERNMENT POLICIES.	
(Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	771,110.
c ISSUE DEVELOPMENT AND EDUCATION: ATR WATCHES AND TRACKS POLICIES AND INITIATIVES BEYOND THE TRADITIONAL TAX INCREASE MODEL.	
(Grants and allocations \$ <u>139,565.</u>) If this amount includes foreign grants, check here ► <input type="checkbox"/>	656,671.
d EVENTS: ATR HOSTS A MULTITUDE OF PRESS CONFERENCES, MEETINGS, AND SPECIAL EVENTS HIGHLIGHTING THE YEAR'S WORK.	
(Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	301,437.
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	2,420,491.

Form 990 (2007)

Part IV Balance Sheets (See the instructions.)

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	1,300.	45 1,300.
	46 Savings and temporary cash investments	1,206,251.	46 1,357,107.
	47 a Accounts receivable	47a	
	b Less: allowance for doubtful accounts	47b	47c
	48 a Pledges receivable	48a	
	b Less allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 a Receivables from current and former officers, directors, trustees, and key employees		50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b
	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	36,113.	53 44,582.
	54 a Investments - publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a
	b Investments - other securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b
	55 a Investments - land, buildings, and equipment - basis	55a	
	b Less accumulated depreciation	55b	55c
	56 Investments - other		56
57 a Land, buildings, and equipment - basis	57a 145,446.		
b Less accumulated depreciation STMT 6	57b 99,864.	57c 68,719.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> SEE STATEMENT 7)		58 6,303,661.	
59 Total assets (must equal line 74) Add lines 45 through 58		59 7,616,044.	
Liabilities	60 Accounts payable and accrued expenses	96,311.	60 588,729.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe <input type="checkbox"/>)		65
	66 Total liabilities. Add lines 60 through 65		66 96,311.
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	7,519,733.	67 7,277,641.
	68 Temporarily restricted		68
	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 and column (B) must equal line 21)		73 7,519,733.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		74 7,616,044.	

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions)

a	Total revenue, gains, and other support per audited financial statements		a	3,985,833.
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify) CONTRACT SERVICE REVENUE	b4	1,190,017.	
	Add lines b1 through b4		b	1,190,017.
c	Subtract line b from line a		c	2,795,816.
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify)	d2		
	Add lines d1 and d2		d	0.
e	Total revenue (Part I, line 12) Add lines c and d		e	2,795,816.

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

a	Total expenses and losses per audited financial statements		a	4,227,925.
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify) CONTRACT SERVICE EXPENSE	b4	1,190,017.	
	Add lines b1 through b4		b	1,190,017.
c	Subtract line b from line a		c	3,037,908.
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify)	d2		
	Add lines d1 and d2		d	0.
e	Total expenses (Part I, line 17) Add lines c and d		e	3,037,908.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

(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 plans	(E) Expense account and other allowances
GROVER G. NORQUIST 1920 L STREET, NW, STE 200 WASHINGTON, DC 20036	PRESIDENT/DIRECTOR 20.00	205,409.	7,189.	0.
PETER BALKIN 1920 L STREET, NW, STE 200 WASHINGTON, DC 20036	VICE PRESIDENT/DIRECTOR 0.50	0.	0.	0.
STEVE MASTY 1920 L STREET, NW, STE 200 WASHINGTON, DC 20036	SECRETARY/DIRECTOR 0.50	0.	0.	0.
GROVER G. NORQUIST RETROACTIVE PAY 1920 L STREET, NW, STE 200 WASHINGTON, DC 20036	PRESIDENT/DIRECTOR 20.00	74,031.	0.	0.

Part V-A	Current Officers, Directors, Trustees, and Key Employees (continued)	Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ <u>3</u>		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b	X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization"	75c	X
If "Yes," attach a statement that includes the information described in the instructions			
d	Does the organization have a written conflict of interest policy?	75d	X

Part V-B	Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)			
(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
NONE				

Part VI	Other Information (See the instructions)	Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	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 ▶ <u>AMERICANS FOR TAX REFORM FOUNDATION</u>		
and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt			
81 a	Enter direct and indirect political expenditures (See line 81 instructions)	81a	0.
b	Did the organization file Form 1120-POL for this year?	81b	X

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)		
	82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	X	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	X	
85 a	501(c)(4), (5), or (6) Were substantially all dues nondeductible by members?	X	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		X
c	Dues, assessments, and similar amounts from members.		
	85c N/A		
d	Section 162(e) lobbying and political expenditures		
	85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
	85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
	85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
	N/A		
85g			
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
	N/A		
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 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
88b			
89 a	501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under section 4911 N/A; section 4912 N/A; section 4955 N/A		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89b			
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.		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89e			
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89f			
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
89g			
90 a	List the states with which a copy of this return is filed DC		
b	Number of employees employed in the pay period that includes March 12, 2007	90b	16
91 a	The books are in care of THE ORGANIZATION Telephone no. (202) 785-0266 Located at 1920 L STREET, N.W., WASHINGTON, DC ZIP + 4 20036		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country N/A See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts	91b	X

Part VI Other Information (continued) Yes No

- c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No
 If "Yes," enter the name of the foreign country N/A
- 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 0.

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	55,035.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	150,048.	
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 MISC INCOME			01	23,765.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		228,848.	0.
105 Total (add line 104, columns (B), (D), and (E))					228,848.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See 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).
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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 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)

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13) N/A

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

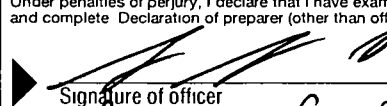
	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	-----					
b	-----					
c	-----					
Totals						

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	-----					
b	-----					
c	-----					
Totals						

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Signature of officer Date 7/1/08

Type or print name and title: Grover G. Norquist, President

Paid Preparer's Use Only: Preparer's signature [Signature] Date JUN 24 2008 Check if self-employed Preparer's SSN or PTIN (See Gen Inst X) P00699613

Firm's name (or yours if self-employed), address, and ZIP + 4: HALT, BUZAS & POWELL, LTD.
99 CANAL CENTER PLAZA, SUITE 230
ALEXANDRIA, VA 22314

EIN 26-0004395 Phone no. (703) 836-1350

2007 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 2

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Asset No	Description	Date Acquired	Method	Life	Conv	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction in Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
70	ANTI VIRUS SOFTWARE	11/11/05	SL	5.00	HY16	994.				994.	232.		199.	431.
71	CDW EXCHANGE SERVER AND LICENSE	11/28/05	SL	5.00	HY16	1,942.				1,942.	420.		388.	808.
72	CDW WINDOWS SERVER AND LICENSE	11/28/05	SL	5.00	HY16	1,400.				1,400.	303.		280.	583.
73	10 DELL COMPUTER	01/01/06	SL	5.00	HY16	15,219.				15,219.	3,044.		3,044.	6,088.
74	5 DELL COMPUTER	01/01/06	SL	5.00	HY16	7,433.				7,433.	1,487.		1,487.	2,974.
75	HP COLOR LASERJET 3800DTN	02/10/06	SL	5.00	HY16	1,360.				1,360.	249.		272.	521.
76	EXABYTE VXA-320 PACKET DRIVE EXTERNAL KIT	04/26/06	SL	5.00	HY16	1,155.				1,155.	154.		231.	385.
77	2 HP HARD DRIVE - 160GB - SATA-150	05/22/06	SL	5.00	HY16	316.				316.	37.		63.	100.
78	TRIPP LIFE EXTERNAL ROUND SCSI	05/22/06	SL	5.00	HY16	44.				44.	5.		9.	14.
79	HP PROLIANT ML150 G2	05/22/06	SL	5.00	HY16	927.				927.	108.		185.	293.
80	LSI LOGIC PCI-X ULTRA320 SCSI DUAL CHANNEL HBA	05/22/06	SL	5.00	HY16	199.				199.	23.		40.	63.
81	DELL LASER PRINTER 1710	06/07/06	SL	5.00	HY16	311.				311.	36.		62.	98.
82	ADOBE ILLUSTRATOR UPGRADE	07/25/06		36M	HY43	386.				386.	54.		129.	183.
83	MAIL BOY 3 USER LICENSE	10/09/06	SL	5.00	HY16	79.				79.	4.		16.	20.
84	MAIL BOY SINGLE USER LICENSE	10/12/06	SL	5.00	HY16	39.				39.	2.		8.	10.
85	SPRINT MOBILE BROAD BAND CARD PC-5740	10/12/06	SL	5.00	HY16	150.				150.	8.		30.	38.
86	BLACKBERRY T - SUPPORT RENEWAL	12/26/06	SL	5.00	HY16	841.				841.			168.	168.
87	TREND MICRO LICENSE RENEWAL	12/12/06	SL	5.00	HY16	668.				668.	11.		134.	145.

728111 08-23-07

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

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FORM 990 PAGE 2

Asset No	Description	Date Acquired	Method	Life	Conv	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
88	CRUCIAL COMPUTING -- MEMORY FOR SERVER * 990 PAGE 2 TOTAL -- COMPUTER EQUIPMENT FIXTURES & EQUIPMENT	12/12/06	SL	5.00	HY16	261.				261.	4.		52.	56.
12	FURNITURE	10/27/99	SL	5.00	HY16	2,435.				2,435.	2,435.	0.	0.	2,435.
13	FURNITURE	12/10/99	SL	5.00	HY16	2,435.				2,435.	2,435.	0.	0.	2,435.
31	DESKS (3)	06/14/01	SL	5.00	HY16	450.				450.	450.	0.	0.	450.
64	CHRIS' OFFICE FURNITURE	11/21/05	SL	5.00	HY16	1,856.				1,856.	402.		371.	773.
65	CONFERENCE ROOM TABLE	05/27/05	SL	5.00	HY16	15,713.				15,713.	4,976.		3,143.	8,119.
66	20 CONFERENCE ROOM CHAIRS * 990 PAGE 2 TOTAL -- FIXTURES & EQUIPMENT LEASEHOLD IMPROVEMENTS	09/22/05	SL	5.00	HY16	3,661.				3,661.	915.		732.	1,647.
15	CC&T	09/10/99	SL	10.00	HY16	6,714.				6,714.	4,921.		671.	5,592.
16	CC&T * 990 PAGE 2 TOTAL -- LEASEHOLD IMPROVEMENTS CAPITAL ASSET * 990 PAGE 2 TOTAL -- CAPITAL ASSET * GRAND TOTAL 990 PAGE 2 DEPR & AMORT	11/11/99	SL	10.00	HY16	5,035.				5,035.	3,612.		504.	4,116.
						11,749.				11,749.	8,533.		1,175.	9,708.
						145,446.				145,446.	76,727.		23,137.	99,861.

728111
08-23-07

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

FORM 990

RENTAL INCOME

STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
REAL ESTATE - 1920 L ST, WASH, DC	1	150,048.
TOTAL TO FORM 990, PART I, LINE 6A		150,048.

FORM 990

OTHER EXPENSES

STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
CONTRACT LABOR	158,737.	126,990.	31,747.	
ADVERTISING AND PROMOTION	417,350.	417,350.		
OTHER EXPENSES	442.	338.	69.	35.
CATERING	53,123.	39,842.		13,281.
SOFTWARE AND COMPUTER SERVICES	44,161.	33,765.	6,907.	3,489.
INSURANCE	12,537.		12,537.	
MEALS & ENTERTAINMENT	48,274.	33,792.		14,482.
INTERN DUES AND	63,963.	15,991.		47,972.
PUBLICATIONS	58,554.	44,770.	9,158.	4,626.
PHOTOGRAPHY	1,956.	1,760.		196.
BANK CHARGES	9,674.		9,674.	
INTERNET	32,381.	24,286.	8,095.	
WEBSITE MAINTENANCE	43,694.	33,408.	6,834.	3,452.
PARKING	5,166.	3,950.	808.	408.
PROPERTY TAXES	203.	155.	32.	16.
CABLE	844.	645.	132.	67.
REPAIRS AND MAINTENANCE	9,214.	7,045.	1,441.	728.
CONTRACT SERVICES				
REVENUE	-1,190,017.	-909,887.	-186,119.	-94,011.
PAYROLL FEES	2,255.	1,724.	353.	178.
FINANCE CHARGES	334.	256.	52.	26.
TOTAL TO FM 990, LN 43	-227,155.	-123,820.	-98,280.	-5,055.

FORM 990	CASH GRANTS AND ALLOCATIONS TO OTHERS	STATEMENT	3
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CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
GRANTS CITIZENS FOR LIMITED TAXATION PO BOX 1147 MARBLEHEAD, MA 01945	10,000.
GRANTS GRASSROOTS INSTITUTE OF HAWAII 1314 SOUTH KING STREET #1163 HONOLULU, HI 96814	2,900.
GRANTS HAYEK INSTITUTE PO BOX 8375 STANFORD, CA 94305	13,729.
GRANTS INTERNATIONAL POLICY NETWORK THIRD FLOOR, BEDFORD CHAMBERS THE PIAZZA LONDON WC2E 8HA UK	3,000.
GRANTS NATIONAL TAXPAYERS UNION 108 N. ALFRED ST. ALEXANDRIA, VA 22314	1,000.
GRANTS NATIONAL ALLIANCE FOR WORKER AND EMPLOYEE RIGHTS 10424 WOODBURY WOODS COURT FAIRFAX, VA 22032	200,000.
GRANTS SOUTH DAKOTANS FOR OPEN AND CLEAN GOVERNMENT PO BOX 2109 SIOUX FALLS, SD 57101	10,000.
GRANTS TAXPAYERS ASSOCIATION OF OREGON PO BOX 23573 TIGARD, OR 97281	12,000.
GRANTS THOUGHT LEADERSHIP MANAGEMENT 2401 W. BEHREND STE. 7 PHOENIX, AZ 85027	11,000.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B	263,629.

FORM 990

CASH GRANTS AND ALLOCATIONS
TO INDIVIDUALS

STATEMENT 4

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
GRANTS CHRISTOPHER NELSON AND ASSOCIATES 5432 E. NORTHERN LIGHTS BLVD. STE. 521 ANCHORAGE, AK 99508	NONE	5,500.
GRANTS RICK WATSON AND ASSOCIATES PO BOX 10038 TALLAHASSEE, FL 32302	NONE	10,000.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B		15,500.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 5
PART III

EXPLANATION

TO INCREASE PUBLIC AWARENESS ABOUT THE SIZE AND REGULATIONS OF GOVERNMENT
AND RALLYING SUPPORT FOR LOWER TAXES AND SMALLER GOVERNMENT.