Form **990**

Department of the Treasury
Internal Revenue Service

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

2006

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning and ending

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: COUNCIL FOR NATIONAL POLICY

Number and street (or P.O. box if mail is not delivered to street address) / Room/suite: 1411 K STREET NW, SUITE 601

City or town, state or country, and ZIP + 4: WASHINGTON, DC 20005

D Employer identification number: 72-0921017

E Telephone number: 202-207-0165

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 ☒ 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

G Website: ▶N/A

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (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.

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 ▶ 1,681,793.

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

SCANNED AUG 29 2007

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	1,302,043.		
	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 $ 1,302,043. noncash $)			1e	1,302,043.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	368,325.
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	
	5	Dividends and interest from securities			5	9,277.
	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 ▶)			7	

		(A) Securities		(B) Other
8 a	Gross amount from sales of assets other than inventory		8a	
b	Less: cost or other basis and sales expenses		8b	879.
c	Gain or (loss) (attach schedule)		8c	<879.>

Revenue	8 d	Net gain or (loss). Combine line 8c, columns (A) and (B) STMT 2			8d	<879.>
	9	Special events and activities (attach schedule). If any amount is from **gaming**, check here ▶ ☐				
	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	2,148.
	12	**Total revenue** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	1,680,914.
Expenses	13	Program services (from line 44, column (B))			13	1,161,108.
	14	Management and general (from line 44, column (C))			14	388,958.
	15	Fundraising (from line 44, column (D))			15	95,322.
	16	Payments to affiliates (attach schedule)			16	
	17	**Total expenses.** Add lines 16 and 44, column (A)			17	1,645,388.
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12			18	35,526.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	266,325.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3			20	11,428.
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20			21	313,279.

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01-18-07 LHA **For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.** Form 990 (2006)

11140802 701364 060925 2006.05070 COUNCIL FOR NATIONAL POLICY 060925_1

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 ▶ ☐	22a				
22b Other grants and allocations (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22b				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	219,317.	120,624.	43,864.	54,829.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	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)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26	292,199.	157,005.	115,673.	19,521.
27 Pension plan contributions not included on lines 25a, b, and c	27	40,740.	20,801.	16,441.	3,498.
28 Employee benefits not included on lines 25a - 27	28	28,575.	15,716.	5,715.	7,144.
29 Payroll taxes	29	30,634.	16,849.	6,126.	7,659.
30 Professional fundraising fees	30				
31 Accounting fees	31	15,520.		15,520.	
32 Legal fees	32	310.		310.	
33 Supplies	33	57,520.	46,823.	10,697.	
34 Telephone	34	21,122.	11,617.	9,505.	
35 Postage and shipping	35	20,578.	11,785.	7,089.	1,704.
36 Occupancy	36	35,435.	19,601.	15,834.	
37 Equipment rental and maintenance	37	5,142.		5,142.	
38 Printing and publications	38	3,917.		3,917.	
39 Travel	39	42,965.	42,965.		
40 Conferences, conventions, and meetings	40	638,273.	637,306.		967.
41 Interest	41	2,332.		2,332.	
42 Depreciation, depletion, etc (attach schedule)	42	35,590.	19,575.	16,015.	
43 Other expenses not covered above (itemize):					
a CONSULTING	43a	40,441.	40,441.		
b AUTOMOBILE	43b	14,569.		14,569.	
c INSURANCE	43c	12,148.		12,148.	
d DUES, SUBSCRIPTIONS &	43d				
e PUBS	43e	743.		743.	
f MISCELLANEOUS	43f	49,832.		49,832.	
g DATABASE MAINTENANCE	43g	37,486.		37,486.	
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	1,645,388.	1,161,108.	388,958.	95,322.

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 $ N/A ; (ii) the amount allocated to Program services $ N/A ;

(iii) the amount allocated to Management and general $ N/A ; and (iv) the amount allocated to Fundraising $ N/A

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? ▶ SEE STATEMENT 4 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 EDUCATIONAL CONFERENCES AND SEMINARS FOR NATIONAL LEADERS IN THE FIELDS OF BUSINESS, GOVERNMENT, RELIGION AND ACADEMIA TO EXPLORE NATIONAL POLICY ALTERNATIVES. (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	1,107,815.
b WEEKLY NEWSLETTERS ARE DISTRIBUTED TO ALL MEMBERS TO KEEP THEM APPRISED OF MEMBER ACTIVITIES AND PUBLIC POLICY ISSUES. A SEMIANNUAL JOURNAL IS PRODUCED FROM MEMBERSHIP MEETING SPEECHES. (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	53,293.
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	1,161,108.

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		246,252.	45	222,874.
46	Savings and temporary cash investments			46	
47 a	Accounts receivable	47a 3,375.			
b	Less allowance for doubtful accounts	47b	12,000.	47c	3,375.
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		25,258.	53	21,400.
54 a	Investments - publicly-traded securities STMT 7 ▶ ☐ Cost ☒ FMV		103,090.	54a	114,518.
b	Investments - other securities ▶ ☐ Cost ☐ 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 162,065.			
b	Less: accumulated depreciation	57b 66,190.	63,941.	57c	95,875.
58	Other assets, including program-related investments (describe ▶ SEE STATEMENT 5)		28,748.	58	19,402.
59	**Total assets** (must equal line 74). Add lines 45 through 58		479,289.	59	477,444.
Liabilities					
60	Accounts payable and accrued expenses		109,605.	60	101,332.
61	Grants payable			61	
62	Deferred revenue		93,375.	62	58,525.
63	Loans from officers, directors, trustees, and key employees			63	
64 a	Tax-exempt bond liabilities			64a	
b	Mortgages and other notes payable STMT 6		9,984.	64b	4,308.
65	Other liabilities (describe ▶)			65	
66	**Total liabilities.** Add lines 60 through 65		212,964.	66	164,165.
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		167,414.	67	298,399.
68	Temporarily restricted		98,911.	68	14,880.
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 and column (B) must equal line 21)		266,325.	73	313,279.
74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73		479,289.	74	477,444.

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01-20-07

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	1,692,342.
b	Amounts included on line a but not on Part I, line 12:				
1	Net unrealized gains on investments	b1	11,428.		
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify):	b4			
	Add lines **b1** through **b4**			b	11,428.
c	Subtract line **b** from line **a**			c	1,680,914.
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	1,680,914.

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

a	Total expenses and losses per audited financial statements			a	1,645,388.
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)	b4			
	Add lines **b1** through **b4**			b	0.
c	Subtract line **b** from line **a**			c	1,645,388.
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	1,645,388.

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
STEVE BALDWIN FAIRFAX, VA	EXEC. DIRECTOR 40.00	189,658.	40,167.	0.
SEE ATTACHED STATEMENT	DIRECTORS 0.00	0.	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 ▶ 16			
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." SEE STATEMENT 8 If "Yes," attach a statement that includes the information described in the instructions.	75c	X	
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 ▶ CNP ACTION, INC. 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

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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?	82a		X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III) 82b N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	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 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	88a		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 ▶	88b		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.			
e	*All organizations.* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		X
f	*All organizations* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		X
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?	89g		X

90 a List the states with which a copy of this return is filed ▶VA

b Number of employees employed in the pay period that includes March 12, 2006 | 90b | 6

91 a The books are in care of ▶ THE ORGANIZATION Telephone no.▶ 202-207-0165

Located at ▶ 1411 K STREET, NW, WASHINGTON, DC ZIP + 4 ▶ 20005

			Yes	No
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? If "Yes," enter the name of the foreign country ▶ N/A	91c		X

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 the instructions.)*

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue					
a CONFERENCE FEES					368,325.
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					
96 Dividends and interest from securities			14	9,277.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	<879.>	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a MISCELLANEOUS					2,148.
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		8,398.	370,473.

105 **Total** (add line 104, columns (B), (D), and (E)) ▶ 378,871.

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).
93A	EDUCATE CONFERENCE ATTENDEES IN THE FIELDS OF BUSINESS, GOVERNMENT, RELIGION AND ACADEMIA TO EXPLORE NATIONAL POLICY ALTERNATIVES.
103A	SAME AS LINE 93A.

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

	Yes	No
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
a				
b				
c				
Totals				

	Yes	No
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
a				
b				
c				
Totals				

	Yes	No
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?		

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 8/10/07

Steve Baldwin Executive Director

Type or print name and title

Paid Preparer's Use Only

Preparer's signature: Richard Leonard — Date 8/7/07 — Check if self-employed ☐ — Preparer's SSN or PTIN (See Gen Inst X)

Firm's name (or yours if self-employed), address, and ZIP + 4: HOMES, LOWRY, HORN & JOHNSON, LTD. 3998 FAIR RIDGE DRIVE, SUITE 360 FAIRFAX, VA 22033-2907

EIN

Phone no. (703)281-4880

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 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

2006

Name of the organization: COUNCIL FOR NATIONAL POLICY

Employer identification number: 72 0921017

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**
(See page 2 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
JENNIFER A. RUTLEDGE 4214 KINCAID CT., CHANTILLY, VA 20151	FINANCE DIR. 40.00	113,569.	24,720.	
DAVID T. FENNER 4230 WILLOW WOODS DRIVE, ANNANDALE, V	DIRECTOR IT 35.00	62,197.	14,441.	
ASHLEY RECCORD 1331 SOUTH EADS STREET, ARLINGTON, VA	DIRECTOR OF PROGRAMS 40.00	55,811.	13,188.	

Total number of other employees paid over $50,000 ▶ 0

Part II-A **Compensation of the Five Highest Paid Independent Contractors for Professional Services**
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over $50,000 for professional services ▶ 0

Part II-B **Compensation of the Five Highest Paid Independent Contractors for Other Services**
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

Total number of other contractors receiving over $50,000 for other services ▶ 0

Part III **Statements About Activities** (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ________ $ ________ (Must equal amounts on line 38, Part VI-A, or line 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-A, FORM 990	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a		X
b	Dd the organization have a section 403(b) annuity plan for its employees?	3b		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a		X
b	Did the organization make any taxable distributions under section 4966?	4b		X
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		X
d	Enter the total number of donor advised funds owned at the end of the tax year ▶			0
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶			0.
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶			0.
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year ▶			0.

Part IV **Reason for Non-Private Foundation Status** (See pages 4 through 7 of the instructions.)

I certify that 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 [X] 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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

[ ] Type I [ ] Type II [ ] Type III-Functionally Integrated [ ] Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents? Yes	(d) No	(e) Amount of support
Total ▶					

14 [ ] An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

Schedule A (Form 990 or 990-EZ) 2006

623121
01-18-07

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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	1,184,476.	1,098,583.	986,203.	960,066.	4,229,328.
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	266,790.	456,915.	354,737.	281,247.	1,359,689.
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	4,129.	1,521.	888.	918.	7,456.
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	7,219.	4,464.	SEE STATEMENT 10 26,280.	3,901.	41,864.
23 Total of lines 15 through 22	1,462,614.	1,561,483.	1,368,108.	1,246,132.	5,638,337.
24 Line 23 minus line 17	1,195,824.	1,104,568.	1,013,371.	964,885.	4,278,648.
25 Enter 1% of line 23	14,626.	15,615.	13,681.	12,461.	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a 85,573.

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 2002 through 2005 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 4,278,648.

d Add: Amounts from column (e) for lines: 18 7,456. 19 ______ 22 41,864. 26b ______ ▶ 26d 49,320.

e Public support (line 26c minus line 26d total) ▶ 26e 4,229,328.

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 98.8473%

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

(2005) (2004) (2003) (2002)

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, 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

(2005) (2004) (2003) (2002)

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 2002 through 2005, 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 9 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 10 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 -	41		
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		

If the amount on line 40 is -	The lobbying nontaxable amount is -
Not over $500,000	20% of the amount on line 40
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

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 13 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(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 13 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 13 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:

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
51B		CNP ACTION, INC.	SEE STATEMENT 11
51C		CNP ACTION, INC.	

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? ▶ [X] Yes [ ] No

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship
CNP ACTION, INC.	501(C)(4)	SEE STATEMENT 12

FOOTNOTES STATEMENT 1

FORM 990, PART V-A, LINE 75C

STEVE BALDWIN IS EXEC. DIRECTOR OF COUNCIL FOR NATIONAL POLICY AND PRESIDENT OF CNP ACTION, INC., A RELATED NON-PROFIT ORGANIZATION (EIN 52-1530983). $8,066 OF HIS TOTAL SALARY FOR 2006 WAS PAID BY CNP ACTION, INC.

JENNIFER RUTLEDGE IS FINANCE DIRECTOR OF COUNCIL FOR NATIONAL POLICY AND ACTS IN THE SAME CAPACITY FOR CNP ACTION, INC. $2,568 OF HER TOTAL COMPENSATION FOR 2006 WAS PAID BY CNP ACTION, INC.

SEE FOOTNOTES FOR SCHEDULE A, PART VII, FOR A DESCRIPTION OF THE ORGANIZATIONAL RELATIONSHIP BETWEEN THE TWO ENTITIES.

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION		DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
OFFICE FURNITURE & EQUIPMENT		VARIOUS	12/31/06	PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	0.	26,338.	0.	26,338.	0.
DESCRIPTION		DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
COMPUTER		04/02/03	12/31/06	PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	0.	2,609.	0.	1,955.	<654.>
DESCRIPTION		DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
WIRELESS HANDHELD		10/10/03	12/31/06	PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	0.	643.	0.	418.	<225.>
TO FM 990, PART I, LN 8		29,590.	0.	28,711.	<879.>

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3

DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	11,428.
TOTAL TO FORM 990, PART I, LINE 20	11,428.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III STATEMENT 4

EXPLANATION

PROVIDE INFORMATION ABOUT PUBLIC POLICY AND NATIONAL POLICY ALTERNATIVES TO LEADERS IN BUSINESS, GOVERNMENT, RELIGION AND ACADEMIA.

FORM 990 OTHER ASSETS STATEMENT 5

DESCRIPTION	AMOUNT
DEPOSITS	4,584.
DUE FROM CNP ACTION, INC.	14,818.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	19,402.

FORM 990 OTHER NOTES AND LOANS PAYABLE STATEMENT 6

LENDER'S NAME	TERMS OF REPAYMENT
MINOLTA BUSINESS SYSTEMS	48 MONTHS

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
10/25/02	10/25/06	15,600.	29.63%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
COPIER	CAPITAL LEASE

RELATIONSHIP OF LENDER
UNRELATED

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
CAPITAL LEASE	4,308.	4,308.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B		4,308.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 7

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
MUTUAL FUND	FMV	114,518.			114,518.
TO FORM 990, LINE 54A, COL B		114,518.			114,518.

FORM 990 PART V-A OFFICER COMPENSATION FROM RELATED ORGANIZATIONS STATEMENT 8

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
STEVE BALDWIN	8,066.		

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
CNP ACTION, INC.	52-1530983

RELATIONSHIP BETWEEN ORGANIZATIONS

COMPENSATION DESCRIPTION

THE COUNCIL SHARES OFFICE SPACE WITH CNP ACTION, INC. AND IS REIMBURSED BY CNP ACTION AT FAIR MARKET VALUE FOR USE OF ITS FACILITIES. A PORTION OF THE TIME OF CERTAIN EMPLOYEES OF THE COUNCIL IS DEVOTED TO CNP ACTION. THE SALARY ALLOCABLE TO THAT TIME IS REIMBURSED BY CNP ACTION AT FULL COST.

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
JENNIFER RUTLEDGE	2,568.		

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
CNP ACTION, INC.	52-1530983

RELATIONSHIP BETWEEN ORGANIZATIONS

COMPENSATION DESCRIPTION

THE COUNCIL SHARES OFFICE SPACE WITH CNP ACTION, INC. AND IS REIMBURSED BY CNP ACTION AT FAIR MARKET VALUE FOR USE OF ITS FACILITIES. A PORTION OF THE TIME OF CERTAIN EMPLOYEES OF THE COUNCIL IS DEVOTED TO CNP ACTION. THE SALARY ALLOCABLE TO THAT TIME IS REIMBURSED BY CNP ACTION AT FULL COST.

FOOTNOTES STATEMENT 9

SCHEDULE A, PART VII, LINE 51B III

THE COUNCIL SHARES OFFICE SPACE WITH CNP ACTION AND, AS A CONVENIENCE, ALLOWS CNP ACTION TO USE A VARIETY OF ITS ASSETS FOR WHICH IT IS REIMBURSED BY CNP ACTION AT FAIR MARKET VALUE.

PART VII, LINE 51C

A PORTION OF THE TIME OF CERTAIN EMPLOYEES OF THE COUNCIL IS DEVOTED TO CNP ACTION. THE SALARY ALLOCABLE TO THAT TIME IS REIMBURSED BY CNP ACTION AT FULL COST.

PART VII, LINE 51B(VI)

CNP ACTION RECEIVES ONE-THIRD OF THE INITIAL CONTRIBUTION OF NEW MEMBERS. CNP ACTION IS CHARGED $1.00 PER NEW MEMBER INVITATION THAT IS SENT OUT BY THE COUNCIL.

PART VII, LINE 52B

THE DIRECTORS OF CNP ACTION ARE MEMBERS OF THE COUNCIL FOR NATIONAL POLICY. CNP ACTION PRESENTS SEMINARS AT COUNCIL MEETINGS THAT COUNCIL MEMBERS MAY ATTEND AND CNP ACTION DISTRIBUTES A MONTHLY NEWSLETTER TO COUNCIL MEMBERS.

SCHEDULE A OTHER INCOME STATEMENT 10

DESCRIPTION	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT
MISCELLANEOUS	7,219.	4,464.	26,280.	3,901.
TOTAL TO SCHEDULE A, LINE 22	7,219.	4,464.	26,280.	3,901.

SCHEDULE A INVOLVEMENT WITH NONCHARITABLE ORGANIZATIONS STATEMENT 11
PART VII, LINE 51, COLUMN (D)

NAME OF NONCHARITABLE EXEMPT ORGANIZATION

CNP ACTION, INC.

DESCRIPTION OF TRANSFERS, TRANSACTIONS, AND SHARING ARRANGEMENTS

SEE ATTACHED STATEMENT

NAME OF NONCHARITABLE EXEMPT ORGANIZATION

CNP ACTION, INC.

DESCRIPTION OF TRANSFERS, TRANSACTIONS, AND SHARING ARRANGEMENTS

SEE ATTACHED STATEMENT

SCHEDULE A AFFILIATION WITH TAX-EXEMPT ORGANIZATIONS STATEMENT 12
PART VII, LINE 52, COLUMN (C)

NAME OF AFFILIATED OR RELATED ORGANIZATION

CNP ACTION, INC.

DESCRIPTION OF RELATIONSHIP WITH AFFILIATED OR RELATED ORGANIZATION

SEE ATTACHED STATEMENT

COUNCIL FOR NATIONAL POLICY

OFFICERS 2006:

The Honorable T. Kenneth Cribb, Jr.
President
P.O. Box 4431
Wilmington, DE 19807-0431

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Chairman
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9625 Surveyor Court, Suite 400
Manassas, VA 20110

72-0921017
01/01/2006 - 12/31/2006
Sorted: General - User defined 6

Council for National Policy [60925]
Depreciation Expense
Federal
01/01/2006 - 12/31/2006

7/30/2007
11:57:16AM

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Sec. 179/ Bonus/ (Cur. Yr. Only)	Beg. Accum. Depreciation/ (Sec. 179)	Current Depreciation	Total Depreciation/ (Sec. 179)
20 Furniture and Fixtures										
14	D	MONITOR	3/2/1998	SL / N/A	5 0000	672	0	672	0	672
18	D	HARD DRIVE	7/23/1998	SL / N/A	5 0000	597	0	597	0	597
16	D	HARD DRIVE	7/28/1998	SL / N/A	5 0000	188	0	188	0	188
11	D	FILE CABINET	9/16/1998	SL / N/A	7 0000	202	0	202	0	202
3	D	FAX MACHINE	10/29/1998	SL / N/A	5 0000	3,000	0	3,000	0	3,000
20	D	CD ROM /MEMORY	2/19/1999	SL / N/A	5 0000	846	0	845	0	845
22	D	PRINTER	5/14/1999	SL / N/A	5 0000	397	0	396	0	396
13		TELEPHONE SYSTEM	8/19/1999	SL / N/A	5 0000	6,219	0	6,219	0	6,219
23	D	COMPUTER	9/23/1999	SL / N/A	5 0000	2,684	0	2,684	0	2,684
24		CAMERA	11/5/1999	SL / N/A	5 0000	592	0	592	0	592
2	D	LAPTOP COMPUTER	12/27/1999	SL / N/A	5 0000	2,152	0	2,151	0	2,151
26		COMPUTER	6/30/2000	SL / N/A	5 0000	3,135	0	3,135	0	3,135
27		DELL COMPUTER	10/31/2000	SL / N/A	5 0000	3,982	0	3,982	0	3,982
28		PRINTER	11/16/2001	SL / N/A	3 0000	640	0	569	0	569
29		Server	6/25/2002	SL / N/A	5 0000	4,055	0	4,055	0	4,055
31		Flat Screen	9/23/2002	SL / N/A	5 0000	200	0	200	0	200
32		Printer	9/23/2002	SL / N/A	5 0000	299	0	299	0	299
33	D	Copier-Capital Lease	10/25/2002	SL / N/A	5 0000	15,600	0	14,586	1,014	15,600
34		DELL LAPTOP COMPTUER	1/30/2003	SL / N/A	5 0000	3,300	0	1,925	660	2,585
35		WALKIE TALKIE	2/20/2003	SL / N/A	5 0000	555	0	315	111	426
36	D	TOSHIBA COMPUTER	4/2/2003	SL / N/A	5 0000	2,609	0	1,435	522	1,957
40		LASER PRINTER	9/24/2003	SL / N/A	5 0000	606	0	272	121	393
38		WALKIE TALKIE	10/1/2003	SL / N/A	5 0000	502	0	225	100	325
39		DELL BACKUP SOFTWARE	10/2/2003	SL / N/A	3 0000	836	0	628	208	836
42	D	WIRELESS HANDHELD	10/10/2003	SL / N/A	5 0000	643	0	290	129	419
43		2 COMPUTER MONITORS	11/25/2003	SL / N/A	5 0000	718	0	300	144	444
44		IMAGER ONE PRINTER	1/14/2004	SL / N/A	5 0000	5,021	0	2,008	1,004	3,012
45		CD-R Power Tower	1/27/2004	SL / N/A	5 0000	1,259	0	483	252	735
47		3 MARANTZ PORTABLE CD	2/27/2004	SL / N/A	5 0000	2,007	0	736	401	1,137
48		BACK UP SERVER	4/26/2004	SL / N/A	5 0000	1,088	0	363	218	581
49		RIM HANDHELD	4/26/2004	SL / N/A	5 0000	402	0	134	80	214
46		WJ135 Mailing Mach-Capital	6/29/2004	SL / N/A	5 0000	5,795	0	1,739	1,159	2,898
50		RECORDING DUPLICATING	10/5/2004	SL / N/A	5 0000	4,000	0	1,000	800	1,800
51		Toshiba M2V Computer	1/12/2005	SL / N/A	3 0000	2,169	0	723	723	1,446
52		Toshiba S810 Computer	3/25/2005	SL / N/A	3 0000	1,600	0	400	533	933
54		Toshiba S810 Computer	3/25/2005	SL / N/A	3 0000	1,522	0	381	507	888
53		Brother Multi-function Printer	4/10/2005	SL / N/A	3 0000	567	0	142	189	331

Council for National Policy [60925]

Depreciation Expense

Federal

01/01/2006 - 12/31/2006

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Sec. 179/ Bonus/ (Cur. Yr. Only)	Beg. Accum. Depreciation/ (Sec. 179)	Current Depreciation	Total Depreciation/ (Sec. 179)
20 Furniture and Fixtures										
55		Edirol V 4 Video Mixer	4/20/2005	SL / N/A	5 0000	1,337	0	178	267	445
56		Canon XL-1s Video Camera	9/20/2005	SL / N/A	5 0000	2,000	0	100	400	500
67		IBM Thinkpad T43	11/1/2005	SL / N/A	3 0000	2,207	0	123	736	859
68		IBM Thinkpad T43	11/1/2005	SL / N/A	3 0000	2,207	0	123	736	859
63		Blackbaud The Raiser's Edg	11/29/2005	SL / N/A	3 0000	32,000	0	889	10,667	11,556
64		Flat Panel Monitor	12/1/2005	SL / N/A	3 0000	402	0	11	134	145
65		Richard - HD & Memory	12/1/2005	SL / N/A	3 0000	576	0	16	192	208
66		Phone System	12/28/2005	SL / N/A	5 0000	1,864	0	0	373	373
87		Software implementation	1/1/2006	SL / N/A	3 0000	22,912	0	0	7,637	7,637
57		Reception Table	1/6/2006	SL / N/A	7 0000	312	0	0	45	45
58		Conference Room Table	1/6/2006	SL / N/A	7 0000	715	0	0	102	102
59		2 Reception Chairs	1/6/2006	SL / N/A	7 0000	1,309	0	0	187	187
60		7 Work Chairs	1/6/2006	SL / N/A	7 0000	3,162	0	0	452	452
61		8 Conference Rm Chairs	1/6/2006	SL / N/A	7 0000	3,613	0	0	516	516
62		Office Furniture	1/6/2006	SL / N/A	7 0000	21,115	0	0	3,016	3,016
69		3 FLST SCREEN MONITORS	2/27/2006	SL / N/A	5 0000	1,174	0	0	196	196
70		3 HANDHELD PDA'S	2/27/2006	SL / N/A	5 0000	1,112	0	0	185	185
71		MONITOR	2/27/2006	SL / N/A	5 0000	294	0	0	49	49
78		NUMARK VM-03 - 3 SCREEN	2/27/2006	SL / N/A	5 0000	678	0	0	113	113
79		BOGEN 503-351MVB2 TIPOI	2/27/2006	SL / N/A	5 0000	563	0	0	94	94
80		BOGEN 30463433 TIPOD W	2/27/2006	SL / N/A	5.0000	407	0	0	68	68
81		VARIZOON VZPROL LENS C	2/27/2006	SL / N/A	5 0000	354	0	0	59	59
82		VARIZOOM VZPROL LENS (	2/27/2006	SL / N/A	5 0000	348	0	0	58	58
83		SANYO LC13SH4U LCD TV	2/27/2006	SL / N/A	5 0000	311	0	0	52	52
85		PELICAN 1660 FLIGHT CAS	2/27/2006	SL / N/A	5 0000	290	0	0	48	48
72		SERVER	4/30/2006	SL / N/A	5 0000	1,129	0	0	151	151
76		PANASONIC DVD/VHS REC	6/6/2006	SL / N/A	5 0000	290	0	0	34	34
77		SONY DVD RECORDER	6/6/2006	SL / N/A	5 0000	200	0	0	23	23
84		PELICAN 1660 FLIGHT CAS	7/2/2006	SL / N/A	5 0000	290	0	0	29	29
86		Computer upgrade software	9/25/2006	SL / N/A	3 0000	1,150	0	0	96	96
73		SOFTWARE	12/31/2006	SL / N/A	3 0000	2,822	0	0	0	0
74		SOFTWARE	12/31/2006	SL / N/A	3 0000	203	0	0	0	0
75		ENTIRE OFFICE CNP SERVE	12/31/2006	SL / N/A	5 0000	3,650	0	0	0	0
Subtotal 20 Furniture and Fixtures						191,655	0	59,311	35,590	94,901
Less dispositions and exchanges						29,590	0	27,046	0	28,711
Net for: 20 Furniture and Fixtures						162,065	0	32,265	35,590	66,190

Council for National Policy [60925]

Depreciation Expense

Federal

01/01/2006 - 12/31/2006

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Sec. 179/ Bonus/ (Cur. Yr. Only)	Beg. Accum. Depreciation/ (Sec. 179)	Current Depreciation	Total Depreciation/ (Sec. 179)
Subtotal						191,655	0	59,311	35,590	94,901
Less dispositions and exchanges						29,590	0	27,046	0	28,711
Grand Totals						162,065	0	32,265	35,590	66,190

Form **8868**
(Rev December 2006)
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)

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)

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T) However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868 For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

Type or print	Name of Exempt Organization	**Employer identification number**
File by the due date for filing your return See instructions	COUNCIL FOR NATIONAL POLICY	72-0921017
	Number, street, and room or suite no If a P O box, see instructions. 1411 K STREET NW, SUITE 601	
	City, town or post office, state, and ZIP code For a foreign address, see instructions WASHINGTON, DC 20005	

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

[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

- The books are in the care of ▶ THE ORGANIZATION
  Telephone No ▶ 202-207-0165 FAX No. ▶
- 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-months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until AUGUST 15, 2007 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2006 or
▶ [ ] tax year beginning ______, and ending ______.

2 If this tax year is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$
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	3b	$
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	3c	$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

LHA **For Privacy Act and Paperwork Reduction Act Notice, see instructions.** Form **8868** (Rev 12-2006)

623831
02-07-07