

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: **COUNCIL FOR NATIONAL POLICY**

D Employer identification number: **72-0921017**

E Telephone number: **202-207-0165**

F Accounting method: Cash Accrual

G Website: **N/A**

J Organization type: 501(c)(3) 4947(a)(1) 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: **1,805,951.**

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

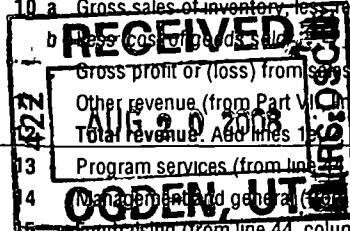
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number: **N/A**

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances			
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	1,403,591.
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 \$ 1,403,591. noncash \$)	1e	1,403,591.
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	340,021.
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	
5	Dividends and interest from securities	5	62,339.
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	
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	
	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	10c	
	Other revenue (from Part VI, line 103)	11	
	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	1,805,951.
13	Program services (from line 2, column (B))	13	1,217,335.
14	Membership and general (from line 44, column (C))	14	331,380.
15	Fundraising (from line 44, column (D))	15	93,139.
16	Payments to affiliates (attach schedule)	16	
17	Total expenses. Add lines 16 and 44, column (A)	17	1,641,854.
18	Excess or (deficit) for the year Subtract line 17 from line 12	18	164,097.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	313,279.
20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 2	20	<5,553.>
21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21	471,823.

SCANNED SEP 16 2008



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 \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>				
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	238,093.	154,761.	35,714.	47,618.
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	280,291.	153,208.	103,166.	23,917.
27 Pension plan contributions not included on lines 25a, b, and c	29,330.	14,736.	12,030.	2,564.
28 Employee benefits not included on lines 25a - 27	34,784.	22,610.	5,217.	6,957.
29 Payroll taxes	31,330.	20,045.	4,627.	6,658.
30 Professional fundraising fees				
31 Accounting fees	17,284.		17,284.	
32 Legal fees	4,338.		4,338.	
33 Supplies	53,863.	36,711.	17,152.	
34 Telephone	24,432.	15,881.	8,551.	
35 Postage and shipping	22,790.	15,159.	8,127.	<496.>
36 Occupancy	55,311.	36,320.	18,991.	
37 Equipment rental and maintenance	9,574.		9,574.	
38 Printing and publications	501.		501.	
39 Travel	40,694.	40,694.		
40 Conferences, conventions, and meetings	643,352.	637,431.		5,921.
41 Interest	10,413.		10,413.	
42 Depreciation, depletion, etc. (attach schedule)	38,380.	24,947.	13,433.	
43 Other expenses not covered above (itemize):				
a CONSULTING	42,059.	42,059.		
b AUTOMOBILE	11,223.		11,223.	
c INSURANCE	12,199.		12,199.	
d PRODUCTION COST	1,273.	1,273.		
e MISCELLANEOUS EXPENSE	30,213.	1,500.	28,713.	
f DATABASE MAINTENANCE	9,942.		9,942.	
g PROPERTY TAX	185.		185.	
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,641,854.	1,217,335.	331,380.	93,139.

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 3	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 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 ► <input type="checkbox"/>	1,175,909.
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 ► <input type="checkbox"/>	41,426.
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
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)	1,217,335.

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	222,874.	45	39,181.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	17,700.		
	b Less: allowance for doubtful accounts		47c	17,700.
	48 a Pledges receivable			
	b Less: allowance for doubtful accounts		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			
	b Less: allowance for doubtful accounts		51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	21,400.	53	16,679.
	54 a Investments - publicly-traded securities STMT 6 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	114,518.	54a	453,531.
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
55 a Investments - land, buildings, and equipment: basis				
b Less: accumulated depreciation		55c		
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	178,629.			
b Less: accumulated depreciation	104,570.	57c	74,059.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> SEE STATEMENT 4)	19,402.	58	19,337.	
59 Total assets (must equal line 74). Add lines 45 through 58	477,444.	59	620,487.	
Liabilities	60 Accounts payable and accrued expenses	101,332.	60	143,775.
	61 Grants payable		61	
	62 Deferred revenue	58,525.	62	1,625.
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable STMT 5	4,308.	64b	3,264.
	65 Other liabilities (describe <input type="checkbox"/>)		65	
66 Total liabilities. Add lines 60 through 65	164,165.	66	148,664.	
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	298,399.	67	420,788.
	68 Temporarily restricted	14,880.	68	51,035.
	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)	313,279.	73	471,823.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	477,444.	74	620,487.

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

Table with 5 main rows (a-e) and sub-rows (1-4, d1-d2). Total revenue (e) is 1,805,951.

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

Table with 5 main rows (a-e) and sub-rows (1-4, d1-d2). Total expenses (e) is 1,641,854.

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.)

Table with 5 columns: (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. Includes entry for STEVE BALDWIN.

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 7 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 ▶ <u>CNP ACTION, INC.</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? 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? N/A 84a
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A 84b
85 a 501(c)(4), (5), or (6). 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, 2007 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
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.

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 N/A

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 CONFERENCE FEES					340,021.
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	62,339.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		62,339.	340,021.
105 Total (add line 104, columns (B), (D), and (E))					402,360.

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.

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.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
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.

Yes	No

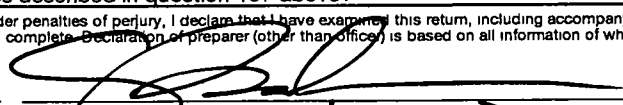
	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- ----- -----			
b	----- ----- -----			
c	----- ----- -----			
Totals				

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?

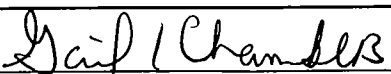
Yes	No

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: 8/11/08
 Executive Director Steve Baldwin
 Type or print name and title

Paid Preparer's Use Only

Preparer's signature:  Date: 8/7/08 Check if self-employed:
 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

2007

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 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
JENNIFER A. RUTLEDGE 4214 KINCAID CT., CHANTILLY, VA 20151	FINANCE DIR. 40.00	116,843.	26,624.	
DAVID T. FENNER 4230 WILLOW WOODS DRIVE, ANNANDALE, V	DIRECTOR IT 35.00	68,565.	16,082.	
AMY GREENE 4207 35TH STREET SOUTH, ARLINGTON, VA	DIRECTOR OF PROGRAMS 40.00	50,766.	4,916.	
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)		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?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e	Transfer of any part of its income or assets?		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)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		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		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		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		X
b	Did the organization make any taxable distributions under section 4966?	N/A	
c	Did the organization make a distribution to a donor, donor advisor, or related person?	N/A	
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 8 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 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 8 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?		(e) Amount of support
			Yes	No	
Total					▶

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 8 of the instructions.)

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

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	1,311,554.	1,184,476.	1,098,583.	986,203.	4,580,816.
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	333,475.	266,790.	456,915.	354,737.	1,411,917.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	9,277.	4,129.	1,521.	888.	15,815.
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.	2,148.	7,219.	SEE STATEMENT 9 4,464.	26,280.	40,111.
23 Total of lines 15 through 22	1,656,454.	1,462,614.	1,561,483.	1,368,108.	6,048,659.
24 Line 23 minus line 17	1,322,979.	1,195,824.	1,104,568.	1,013,371.	4,636,742.
25 Enter 1% of line 23	16,565.	14,626.	15,615.	13,681.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 92,735.
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 2003 through 2006 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 4,636,742.
d Add Amounts from column (e) for lines: 18 15,815. 19 _____ 22 40,111. 26b _____					26d 55,926.
e Public support (line 26c minus line 26d total)					26e 4,580,816.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 98.7939%
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					
(2006) (2005) (2004) (2003)					
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					
(2006) (2005) (2004) (2003)					
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 2003 through 2006, 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

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)

N/A

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is - Not over \$500,000 20% of the amount on line 40 Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 \$1,000,000	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	

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.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A (e) Total
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	
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 14 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 14 of the instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

- a Transfers from the reporting organization to a noncharitable exempt organization of
 - (i) Cash
 - (ii) Other assets
- b Other transactions
 - (i) Sales or exchanges of assets with a noncharitable exempt organization
 - (ii) Purchases of assets from a noncharitable exempt organization
 - (iii) Rental of facilities, equipment, or other assets
 - (iv) Reimbursement arrangements
 - (v) Loans or loan guarantees
 - (vi) Performance of services or membership or fundraising solicitations
- c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- 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.

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)	X	
b(iv)	X	
b(v)		X
b(vi)	X	
c	X	

(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 10
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? 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 11

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). \$5,585 OF HIS TOTAL SALARY FOR 2007 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 2007 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 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 2

DESCRIPTION	AMOUNT
UNREALIZED GAIN (LOSS) ON INVESTMENTS	<5,553.>
TOTAL TO FORM 990, PART I, LINE 20	<5,553.>

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III STATEMENT 3

EXPLANATION

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

FORM 990 OTHER ASSETS STATEMENT 4

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
DEPOSITS	4,584.	11,834.
DUE FROM CNP ACTION, INC.	14,818.	7,503.
TOTAL TO FORM 990, PART IV, LINE 58	19,402.	19,337.

FORM 990 OTHER NOTES AND LOANS PAYABLE STATEMENT 5

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	3,264.	3,264.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B		3,264.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 6

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
MUTUAL FUND	FMV	453,531.			453,531.
TO FORM 990, LINE 54A, COL B		453,531.			453,531.

FORM 990

PART V-A OFFICER COMPENSATION FROM
RELATED ORGANIZATIONS

STATEMENT 7

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
STEVE BALDWIN	5,585.		

<u>NAME OF RELATED ORGANIZATION</u>	<u>EMPLOYER ID NUMBER</u>
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.

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

<u>NAME OF RELATED ORGANIZATION</u>	<u>EMPLOYER ID NUMBER</u>
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.

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 9
DESCRIPTION	2006 AMOUNT	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT
MISCELLANEOUS	2,148.	7,219.	4,464.	26,280.
TOTAL TO SCHEDULE A, LINE 22	2,148.	7,219.	4,464.	26,280.

SCHEDULE A INVOLVEMENT WITH NONCHARITABLE ORGANIZATIONS STATEMENT 10
 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 11
	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

4562

Form Department of the Treasury Internal Revenue Service Name(s) shown on return

Depreciation and Amortization (Including Information on Listed Property) 990

See separate instructions. Attach to your tax return.

OMB No 1545-0172

2007

Attachment Sequence No 67

COUNCIL FOR NATIONAL POLICY

FORM 990 PAGE 2

Identifying number 72-0921017

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I

Table with 13 rows for Section 179 election. Line 1: 125,000. Line 3: 500,000. Line 7: 7. Line 13: 13.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

Table with 3 rows for Special Depreciation Allowance. Line 14, 15, 16.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

Table with 2 rows for MACRS deductions. Line 17, 18.

Section B - Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 19a-i.

Section C - Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 20a-c.

Part IV Summary (see instructions)

Table with 3 rows for Summary. Line 21, 22: 38,380. Line 23.

716251 11-03-07 LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2007)

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 10 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with 6 main columns: (a) Vehicle, (b) Vehicle, (c) Vehicle, (d) Vehicle, (e) Vehicle, (f) Vehicle. Includes rows 30-36 with sub-columns for Yes/No.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table with 2 columns: Yes, No. Includes rows 37-41.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

COUNCIL FOR NATIONAL POLICY

OFFICERS 2007:

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The Honorable Becky Norton Dunlop
Vice President
214 Massachusetts Ave, NE
Washington, DC 20002

Vice President

Mr. Stuart W. Epperson
Chairman
Salem Communications Corporation
3780 Will Scarlet Rd.
Winston-Salem, NC 27104

Secretary/Treasurer

Mr. Paul M. Weyrich
Secretary/Treasurer
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Council for National Policy [60925]
Depreciation Expense

Federal

01/01/2007 - 12/31/2007

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus / Inv. %	Sec. 179 / Bonus	Salvage / Basis Adj.	Beg. Accum. Depreciation	Current Depreciation	Total Depreciation
890-EZ, Pg 1 #1 - Indirect Depreciation												
13		TELEPHONE SY:	8/19/1999	SL / N/A	5.0000	6,219	100.0000		0	6,219	0	6,219
24		CAMERA	11/5/1999	SL / N/A	5.0000	592	100.0000		0	592	0	592
26		COMPUTER	6/30/2000	SL / N/A	5.0000	3,135	100.0000		0	3,135	0	3,135
27		DELL COMPUTE	10/31/2000	SL / N/A	5.0000	3,982	100.0000		0	3,982	0	3,982
28		PRINTER	11/16/2001	SL / N/A	3.0000	640	100.0000		0	569	0	569
29		Server	6/25/2002	SL / N/A	5.0000	4,055	100.0000		0	4,055	0	4,055
31		Flat Screen	9/23/2002	SL / N/A	5.0000	200	100.0000		0	200	0	200
32		Printer	9/23/2002	SL / N/A	5.0000	299	100.0000		0	299	0	299
34		DELL LAPTOP C	1/30/2003	SL / N/A	5.0000	3,300	100.0000		0	2,585	660	3,245
35		WALKIE TALKIE	2/20/2003	SL / N/A	5.0000	555	100.0000		0	426	111	537
38		WALKIE TALKIE	10/1/2003	SL / N/A	5.0000	502	100.0000		0	325	100	425
39		DELL BACKUP S	10/2/2003	SL / N/A	3.0000	836	100.0000		0	836	0	836
40		LASER PRINTER	9/24/2003	SL / N/A	5.0000	606	100.0000		0	393	121	514
43		2 COMPUTER M	11/25/2003	SL / N/A	5.0000	718	100.0000		0	444	144	588
44		IMAGER ONE PF	1/14/2004	SL / N/A	5.0000	5,021	100.0000		0	3,012	1,004	4,016
45		CDR Power Tow	1/27/2004	SL / N/A	5.0000	1,259	100.0000		0	735	252	987
46		WJ135 Mailing M	6/29/2004	SL / N/A	5.0000	5,795	100.0000		0	2,898	1,159	4,057
47		3 MARANTZ POF	2/27/2004	SL / N/A	5.0000	2,007	100.0000		0	1,137	401	1,538
48		BACK-UP SERVE	4/26/2004	SL / N/A	5.0000	1,088	100.0000		0	581	218	799
49		RIM HANDHELD	4/26/2004	SL / N/A	5.0000	402	100.0000		0	214	80	294
50		RECORDING DU	10/5/2004	SL / N/A	5.0000	4,000	100.0000		0	1,800	800	2,600
51		Toshiba M2V Cot	1/12/2005	SL / N/A	3.0000	2,169	100.0000		0	1,446	723	2,169
52		Toshiba S810 Cc	3/25/2005	SL / N/A	3.0000	1,600	100.0000		0	933	533	1,466
53		Brother Multi-fun	4/10/2005	SL / N/A	3.0000	567	100.0000		0	331	189	520
54		Toshiba S810 Cc	3/25/2005	SL / N/A	3.0000	1,522	100.0000		0	888	507	1,395
55		Ediral V-4 Video f	4/20/2005	SL / N/A	5.0000	1,337	100.0000		0	446	267	713
56		Canon XL-1s Vidk	9/20/2005	SL / N/A	5.0000	2,000	100.0000		0	500	400	900
57		Reception Table	1/6/2006	SL / N/A	7.0000	312	100.0000		0	45	45	90
58		Conference Room	1/6/2006	SL / N/A	7.0000	715	100.0000		0	102	102	204
59		2 Reception Chai	1/6/2006	SL / N/A	7.0000	1,309	100.0000		0	187	187	374
60		7 Work Chairs	1/6/2006	SL / N/A	7.0000	3,162	100.0000		0	452	452	904
61		8 Conference Rtr	1/6/2006	SL / N/A	7.0000	3,613	100.0000		0	516	516	1,032
62		Office Furniture	1/6/2006	SL / N/A	7.0000	21,115	100.0000		0	3,016	3,016	6,032
63		Blackbaud The R	11/29/2005	SL / N/A	3.0000	32,000	100.0000		0	11,556	10,667	22,223
64		Flat Panel Monitc	12/1/2005	SL / N/A	3.0000	402	100.0000		0	145	134	279
65		Richard - HD & M	12/28/2005	SL / N/A	3.0000	576	100.0000		0	208	192	400
66		Phone System	11/1/2005	SL / N/A	5.0000	1,864	100.0000		0	373	373	746
67		IBM Thinkpad T4	11/1/2005	SL / N/A	3.0000	2,207	100.0000		0	858	736	1,594
68		IBM Thinkpad T4	11/1/2005	SL / N/A	3.0000	2,207	100.0000		0	858	736	1,594
69		3 FLST SCREEN	2/27/2006	SL / N/A	5.0000	1,174	100.0000		0	196	235	431
70		3 HANDHELD PI	2/27/2006	SL / N/A	5.0000	1,112	100.0000		0	185	222	407
71		MONITOR	2/27/2006	SL / N/A	5.0000	294	100.0000		0	49	59	108
72		SERVER	4/30/2006	SL / N/A	5.0000	1,129	100.0000		0	151	226	377
73		SOFTWARE	12/31/2006	SL / N/A	3.0000	2,822	100.0000		0	0	941	941
74		SOFTWARE	12/31/2006	SL / N/A	3.0000	203	100.0000		0	0	68	68
75		ENTIRE OFFICE I	12/31/2006	SL / N/A	5.0000	3,650	100.0000		0	0	730	730

**Council for National Policy [60925]
Depreciation Expense**

Federal
01/01/2007 - 12/31/2007

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus. / Inv. %	Sec. 179 / Bonus	Salvage / Basis Adj.	Depreciation	Current Depreciation	Total Depreciation
990-EZ, Pg 1 #1 - Indirect Depreciation												
76		PANASONIC DVI	6/6/2006 SL / N/A		5.0000	290	100.0000		0	34	58	92
77		SONY DVD REC	6/6/2006 SL / N/A		5.0000	200	100.0000		0	23	40	63
78		NUMARK VM-03	2/27/2006 SL / N/A		5.0000	678	100.0000		0	113	136	249
79		BOGEN 503-3511	2/27/2006 SL / N/A		5.0000	563	100.0000		0	94	113	207
80		BOGEN 3046342	2/27/2006 SL / N/A		5.0000	407	100.0000		0	68	81	149
81		VARIZOOM VZPF	2/27/2006 SL / N/A		5.0000	354	100.0000		0	59	71	130
82		VARIZOOM VZPI	2/27/2006 SL / N/A		5.0000	348	100.0000		0	58	70	128
83		SANYO LC13SH	2/27/2006 SL / N/A		5.0000	311	100.0000		0	52	62	114
84		PELICAN 1660 F	7/2/2006 SL / N/A		5.0000	290	100.0000		0	29	58	87
85		PELICAN 1660 F	2/27/2006 SL / N/A		5.0000	290	100.0000		0	48	58	106
86		Computer upgrac	9/25/2006 SL / N/A		3.0000	1,150	100.0000		0	96	383	479
87		Software implem	1/1/2006 SL / N/A		3.0000	22,912	100.0000		0	7,637	7,637	15,274
88		Mini DV Camcocr	1/1/2007 SL / N/A		5.0000	225	100.0000		0	0	45	45
89		Computer Produ	3/24/2007 SL / N/A		5.0000	616	100.0000		0	0	92	92
90		Richard Comput	3/19/2007 SL / N/A		5.0000	2,132	100.0000		0	0	320	320
91		Verizon - SB Balc	5/17/2007 SL / N/A		5.0000	481	100.0000		0	0	56	56
92		Lenovo - Fenner	5/22/2007 SL / N/A		5.0000	2,339	100.0000		0	0	273	273
93		Verizon - Motorol	5/23/2007 SL / N/A		5.0000	349	100.0000		0	0	41	41
94		Verizon - Motorol	6/5/2007 SL / N/A		5.0000	243	100.0000		0	0	28	28
95		Printer	6/28/2007 SL / N/A		5.0000	583	100.0000		0	0	58	58
97		Micro Center - Cx	9/23/2007 SL / N/A		5.0000	309	100.0000		0	0	15	15
98		Dell Marketing Cx	9/13/2007 SL / N/A		5.0000	608	100.0000		0	0	41	41
99		Microboards DVI	1/7/2007 SL / N/A		5.0000	2,350	100.0000		0	0	470	470
100		PreSonus Compr	2/2/2007 SL / N/A		5.0000	957	100.0000		0	0	175	175
101		Mac Book Pro Lx	4/1/2007 SL / N/A		5.0000	4,017	100.0000		0	0	603	603
102		Five Sony VRD-M	9/2/2007 SL / N/A		5.0000	1,355	100.0000		0	0	90	90
Subtotal: 990-EZ, Pg 1 #1 - Indirect Depreciation						178,629			0	66,189	38,380	104,569
Less dispositions and exchanges:												
Net for: 990-EZ, Pg 1 #1 - Indirect Depreciation						178,629			0	66,189	38,380	104,569
Subtotal:						178,629			0	66,189	38,380	104,569
Less dispositions and exchanges:						0			0	0	0	0
Grand Totals:						178,629			0	66,189	38,380	104,569

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Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ▶
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- 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).

A corporation 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 a corporation 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 COUNCIL FOR NATIONAL POLICY	Employer identification number 72-0921017
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 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):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- 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 corporation required to file Form 990-T) extension of time until **AUGUST 15, 2008**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2007** 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.