

Form **990**

OMB No. 1545-0047

Return of Organization Exempt From Income Tax**2008**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection**For the 2008 calendar year, or tax year beginning , 2008, and ending ,**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See specific instructions.	Americans For Effective Law Enforc., Inc 841 W. Touhy Ave. Park Ridge, IL 60068-3351	D Employer Identification Number 36-6140171 E Telephone number 847-685-0700 G Gross receipts \$ 1,603,533.
F Name and address of principal officer: WAYNE W. SCHMIDT Same As C Above		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If 'No,' attach a list. (see instructions)	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) ▶ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶	
J Website: ▶ www.aele.org		K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	
L Year of Formation: 1966		M State of legal domicile: IL	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>AMERICANS FOR EFFECTIVE LAW ENFORCEMENT, INC. IS A RESEARCH DRIVEN EDUCATIONAL ORGANIZATION THAT PRODUCES AND DISSEMINATES LEGAL INFORMATION THROUGH TRADITIONAL SEMINARS, VIA ELECTRONIC MEDIA AND DIRECT CONTACT.</u>			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.			
	3 Number of voting members of the governing body (Part VI, line 1a)	3		5
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4		0
	5 Total number of employees (Part V, line 2a)	5		3
	6 Total number of volunteers (estimate if necessary)	6		11
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a		325.
	b Net unrelated business taxable income from Form 990-T, line 34	7b		0.
Revenue		Prior Year	Current Year	
	8 Contributions and grants (Part VIII, line 1h)	400.		
	9 Program service revenue (Part VIII, line 2g)	572,987.	397,430.	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	45,992.	-5,239.	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	196,624.	-623,982.	
	12 Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	816,003.	-231,791.	
Expenses				
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)			
	14 Benefits paid to or for members (Part IX, column (A), line 4)			
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	252,716.	270,627.	
	16a Professional fundraising fees (Part IX, column (A), line 11e)			
	b Total fundraising expenses (Part IX, column (D), line 25) ▶			
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	590,133.	566,834.	
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	842,849.	837,461.	
	19 Revenue less expenses. Subtract line 18 from line 12	-26,846.	-1,069,252.	
Net Assets or Fund Balances		Beginning of Year	End of Year	
	20 Total assets (Part X, line 16)	2,437,369.	1,367,863.	
	21 Total liabilities (Part X, line 26)	280,125.	279,872.	
	22 Net assets or fund balances. Subtract line 21 from line 20	2,157,244.	1,087,991.	

Part II Signature Block

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 _____	
	Type or print name and title. _____			
Paid Preparer's Use Only	Preparer's signature ▶ Peter A. Sweeney	Date 9/03/09	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) N/A
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Lerman Sweeney & Co LLP 5215 Old Orchard Road, Ste 525 Skokie, IL 60077-1035	EIN ▶ N/A	Phone no. ▶ (847) 966-6696	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No**BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.**

TEEA0112L 12/22/08

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Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

AMERICANS FOR EFFECTIVE LAW ENFORCEMENT, INC. IS A RESEARCH DRIVEN EDUCATIONAL ORGANIZATION THAT PRODUCES AND DISSEMINATES LEGAL INFORMATION THROUGH TRADITIONAL SEMINARS, VIA ELECTRONIC MEDIA AND DIRECT CONTACT.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 654,497. including grants of \$) (Revenue \$)

THE ORGANIZATION MAINTAINS A LAW ENFORCEMENT LEGAL DEFENSE CENTER TO ASSIST LAW ENFORCEMENT AGENCIES THAT HAVE BEEN SUED, TO OPERATE A NATIONAL LEGAL RESEARCH CENTER TO ASSIST IN DEFENSE OF SUCH SUITS, AND TO PROVIDE PUBLICATIONS DEALING WITH THE INCIDENCE OF AND DEFENSE OF SUCH SUITS. IT ALSO FILES AMICUS CURIAE BRIEFS IN THE US SUPREME COURT AND OTHER MAJOR COURTS IN SUPPORT OF THE LAW ENFORCEMENT ISSUES AS WELL AS PROVIDING PUBLIC INFORMATION SERVICES ON CRIMINAL JUSTICE ISSUES.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ \$ 654,497. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If 'Yes,' complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If 'Yes,' complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III		X
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? If 'Yes,' complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,' go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If 'Yes,' complete Schedule L, Part I		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If 'Yes,' complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28b	X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I.</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI.</i>	37	X

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As Filed

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	1a	12
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	3
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	3b	X
4a	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)?	4a	X
b	If 'Yes,' enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	X
b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If 'Yes,' indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	X
h	For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	X
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make any distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from other members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) nonexempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.	12b	

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Part VI Governance, Management and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

		Yes	No
For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	5	
1b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?		X
9a	Does the organization have local chapters, branches, or affiliates?		X
9b	If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990. See Schedule O.	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O.		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If 'No,' go to line 13.	X	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done. See Schedule O.	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a	The organization's CEO, Executive Director, or top management official?	X	
b	Other officers of key employees of the organization? See Schedule O. Describe the process in Schedule O. (see instructions)	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
16b	If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	X	

Section C. Disclosures

17 List the states with which a copy of this Form 990 is required to be filed ► IL

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☒ Own website ☐ Another's website ☐ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

► HELEN FINKEL 841 W. TOUHY PARK RIDGE IL 60068-3351 847-685-0700

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f				
	g Noncash contribns included in lns 1a-1f: . . . \$					
h Total. Add lines 1a-1f. ▶						
PROGRAM SERVICE REVENUE	2 a PUBLICATIONS	Business Code	384.	384.		
	b WORKSHOPS		397,046.	397,046.		
	c					
	d					
	e					
	f All other program service revenue . . .					
	g Total. Add lines 2a-2f. ▶		397,430.			
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts) ▶		38,288.		325.	37,963.
	4 Income from investment of tax-exempt bond proceeds . . . ▶					
	5 Royalties ▶					
	6 a Gross Rents	(i) Real (ii) Personal				
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss) ▶					
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less: cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss) ▶		-43,527.	-43,527.		
	8 a Gross income from fundraising events (not including: \$ of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events ▶					
	9 a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities ▶					
10 a Gross sales of inventory, less returns and allowances a						
b Less: cost of goods sold b						
c Net income or (loss) from sales of inventory ▶						
Miscellaneous Revenue		Business Code				
11 a UNREALIZED GAIN (LOSS)			-623,982.	-623,982.		
b						
c						
d All other revenue						
e Total. Add lines 11a-11d. ▶			-623,982.			
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶			-231,791.	-270,079.	325.	37,963.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21.				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22.				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	170,625.	136,500.	34,125.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	84,809.	67,847.	16,962.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions).				
9 Other employee benefits.				
10 Payroll taxes.	15,193.	12,154.	3,039.	
11 Fees for services (non-employees).				
a Management.				
b Legal.				
c Accounting.				
d Lobbying.				
e Prof fundraising svcs. See Part IV, ln 17.				
f Investment management fees.				
g Other.				
12 Advertising and promotion.				
13 Office expenses.				
14 Information technology.				
15 Royalties.				
16 Occupancy.	7,353.	5,882.	1,471.	
17 Travel.	8,252.	8,252.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	214,823.	171,858.	42,965.	
20 Interest.				
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	16,528.	13,222.	3,306.	
23 Insurance.				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a INSURANCE	99,593.	79,674.	19,919.	
b PROFESSIONAL FEES	74,923.	57,363.	17,560.	
c OUTSIDE SERVICES	37,824.	37,824.		
d TAXES AND SERVICE CHARGES	32,429.		32,429.	
e Printing and Publications	18,324.	18,324.		
f All other expenses.	56,785.	45,597.	11,188.	
25 Total functional expenses. Add lines 1 through 24f.	837,461.	654,497.	182,964.	0.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash — non-interest-bearing	35,298.	1	27,097.
	2 Savings and temporary cash investments	115,233.	2	96,819.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	13,695.	4	6,650.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	33,125.	9	33,884.
	10a Land, buildings, and equipment: cost basis	10a 670,493.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 266,870.		
	11 Investments — publicly-traded securities	420,151.	10c	403,623.
	12 Investments — other securities. See Part IV, line 11	1,974,141.	11	953,739.
	13 Investments — program-related. See Part IV, line 11		12	
	14 Intangible assets		13	
	15 Other assets. See Part IV, line 11		14	
16 Total assets. Add lines 1 through 15 (must equal line 34)	-154,274.	15	-153,949.	
17 Accounts payable and accrued expenses	2,437,369.	16	1,367,863.	
LIABILITIES	18 Grants payable	216,985.	17	213,624.
	19 Deferred revenue		18	
	20 Tax-exempt bond liabilities		19	
	21 Escrow account liability. Complete Part IV of Schedule D		20	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		21	
	23 Secured mortgages and notes payable to unrelated third parties		22	
	24 Unsecured notes and loans payable		23	
	25 Other liabilities. Complete Part X of Schedule D		24	
	26 Total liabilities. Add lines 17 through 25	63,140.	25	66,248.
	27 Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.	280,125.	26	279,872.
NET ASSETS OR FUND BALANCES	27 Unrestricted net assets			
	28 Temporarily restricted net assets	2,157,244.	27	1,087,991.
	29 Permanently restricted net assets		28	
	30 Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.		29	
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances.	2,157,244.	33	1,087,991.
34 Total liabilities and net assets/fund balances.	2,437,369.	34	1,367,863.	

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b Were the organization's financial statements audited by an independent accountant?	2b	X
c If 'Yes' to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b If 'Yes,' did the organization undergo the required audit or audits?	3b	

BAA

Form 990 (2008)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501 (c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

Americans For Effective Law Enforc., Inc

Employer identification number

36-6140171

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**. (Attach Schedule H.)
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☒ 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 exempt 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)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**. (see instructions)
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III — Functionally integrated d ☐ Type III — Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) a family member of a person described in (i) above?
- (iii) a 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the organizations the organization supports.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of Support
			Yes	No	Yes	No	Yes	No	
Total									

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.')						
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 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						
4 Total. Add lines 1-3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f.	15	%
16a 33-1/3 support test – 2008. If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
b 33-1/3 support test – 2007. If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
17a 10%-facts-and-circumstances test – 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
b 10%-facts-and-circumstances test – 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

BAA

Schedule A (Form 990 or 990-EZ) 2008

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include "unusual grants.")	1,644.		900.	400.		2,944.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose	653,873.	604,231.	642,688.	572,987.	397,430.	2,871,209.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0.
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0.
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
6 Total. Add lines 1-5	655,517.	604,231.	643,588.	573,387.	397,430.	2,874,153.
7a Amounts included on lines 1, 2, 3 received from disqualified persons	0.	0.	0.	0.	0.	0.
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000	0.	0.	0.	0.	0.	0.
c Add lines 7a and 7b	0.	0.	0.	0.	0.	0.
8 Public support (Subtract line 7c from line 6.)						2,874,153.

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	655,517.	604,231.	643,588.	573,387.	397,430.	2,874,153.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	31,985.	33,613.	44,907.	41,298.	37,963.	189,766.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0.
c Add lines 10a and 10b	31,985.	33,613.	44,907.	41,298.	37,963.	189,766.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0.
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0.
13 Total support. (add lines 9, 10c, 11, and 12.)						3,063,919.

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)).	15	93.8 %
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	94.6 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)).	17	6.2 %
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	5.4 %

19a **33-1/3 support tests – 2008.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☒

b **33-1/3 support tests – 2007.** If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization. ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

As Filed

**SCHEDULE D
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements****Attach to Form 990. To be completed by organizations that
answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.**

OMB No. 1545-0047

2008**Open to Public
Inspection**

Name of the organization

Americans For Effective Law Enforc., Inc

Employer identification number

36-6140171

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts Complete if
the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year.		
2 Aggregate contributions to (during year).		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year.		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit??. <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements.	2a
b Total acreage restricted by conservation easements.	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06.	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easement it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets
Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1. ▶ \$ _____

(ii) Assets included in Form 990, Part X. ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1. ▶ \$ _____

b Assets included in Form 990, Part X. ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV.

Part V Endowment Funds Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ☐ _____ %

b Permanent endowment ☐ _____ %

c Term endowment ☐ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations ☐

3a(i)	Yes	No
-------	-----	----

(ii) related organizations ☐

3a(ii)	Yes	No
--------	-----	----

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R? ☐

3b	Yes	No
----	-----	----

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
1a Land				
b Buildings		565,634.	162,011.	403,623.
c Leasehold improvements				
d Equipment		104,859.	104,859.	0.
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				403,623.

BAA

Schedule D (Form 990) 2008

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	-231,791.
2	Total expenses (Form 990, Part IX, column (A), line 25)	837,461.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	-1,069,252.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV) See Part XIV	-623,982.
9	Total adjustments (net). Add lines 4-8	-623,982.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	-1,693,234.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	-231,791.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	-231,791.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	-231,791.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	837,461.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	837,461.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	837,461.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

Schedule D, Part XI, Line 8

Other Changes In Net Assets Or Fund Balances

UNREALIZED LOSS ON INVESTMENTS.....	\$	-623,982.
Total	\$	<u>-623,982.</u>

As Filed

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

**For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees**

**Attach to Form 990. To be completed by organizations that
answered 'Yes' to Form 990, Part IV, line 23.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

Americans For Effective Law Enforc., Inc

Employer identification number

36-6140171

Part I Questions Regarding Compensation

1 a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input checked="" type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input checked="" type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain

	Yes	No
1 b	X	

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

2	X	
---	---	--

3 Indicate which, if any, of the following organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

--	--	--

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

a Receive a severance payment or change of control payment?

4a		X
----	--	---

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4b		X
----	--	---

c Participate in, or receive payment from, an equity-based compensation arrangement?

4c		X
----	--	---

If 'Yes' to any of 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

5a		X
----	--	---

b Any related organization?

5b		X
----	--	---

If 'Yes' to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

6a		X
----	--	---

b Any related organization?

6b		X
----	--	---

If 'Yes' to line 6a or 6b, describe in Part III.

7 For person listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III.

7		X
---	--	---

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If 'Yes,' describe in Part III.

8		X
---	--	---

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part II	Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.
----------------	---

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

[illegible]

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

Americans For Effective Law Enforc., Inc

Employer identification number

36-6140171

Form 990, Part VI, Line 10 - Form 990 Review Process

A copy of Form 990 and 990-T is provided to Wayne Schmidt - Executive Director, who reads thru the document before signing. If any questions or concerns are noted, they are discussed with preparer and appropriate changes are made and then re-submitted to Wayne for approval.

After all necessary changes are agreed upon, Wayne Schmidt signs and files the returns.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

For each interest disclosed, the Board will determine whether to: (a) take no action; (b) assure full disclosure to AELE's accountants; (c) ask the person to recuse from participation in related discussions or decisions; or (d) ask the person to resign from his or her position.

AELE's executive director and business manager will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the Board of Directors in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

The compensation of the person is reviewed and approved by the board of directors, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

All governing documents, policies and financial statements are available on American For Effective Law Enforcement, Inc.'s website.

Form **990-T****Exempt Organization Business Income Tax Return**
(and proxy tax under section 6033(e))

OMB No. 1545-0687

2008Department of the Treasury
Internal Revenue ServiceFor calendar year 2008 or other tax year beginning _____, 2008,
and ending _____, _____
▶ See separate instructions.Open to Public Inspection for
501(c)(3) Organizations Only

A <input type="checkbox"/> Check box if address changed	Print or Type	Americans For Effective Law Enforc., Inc 841 W. Touhy Ave. Park Ridge, IL 60068-3351	D Employer identification number (Employees' trust, see instructions for Block D.) 36-6140171
B Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)			E Unrelated business activity codes (See instructions for Block E.) 531120
C Book value of all assets at end of year 1,367,863.			F Group exemption number (See instructions for Block F.) ▶
G Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust			

H Describe the organization's primary unrelated business activity.▶ **UNRELATED DEBT-FINANCED INCOME****I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☐ Yes ☒ No
If 'Yes,' enter the name and identifying number of the parent corporation . . . ▶**J** The books are in care of ▶ **HELEN FINKEL** Telephone number ▶ **847-685-0700**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales				
b Less returns and allowances c Balance ▶	1 c			
2 Cost of goods sold (Schedule A, line 7)	2			
3 Gross profit. Subtract line 2 from line 1c	3			
4 a Capital gain net income (attach Schedule D)	4 a			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4 b			
c Capital loss deduction for trusts	4 c			
5 Income (loss) from partnerships and S corporations (attach statement)	5			
6 Rent income (Schedule C)	6			
7 Unrelated debt-financed income (Schedule E)	7	71,042.	70,831.	211.
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Sch G)	9			
10 Exploited exempt activity income (Schedule I)	10			
11 Advertising income (Schedule J)	11			
12 Other income (See instructions; attach schedule.)	12			
13 Total. Combine lines 3 through 12	13	71,042.	70,831.	211.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules.)	20	
21 Depreciation (attach Form 4562)	21	18,031.
22 Less depreciation claimed on Schedule A and elsewhere on return	22 a	18,031.
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions. Add lines 14 through 28	29	
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	211.
31 Net operating loss deduction (limited to the amount on line 30)	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	211.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	0.

Part III Tax Computation**35 Organizations Taxable as Corporations.** See instructions for tax computation.Controlled group members (sections 1561 and 1563) check here. ☐ See instructions and:

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ (2) \$ (3) \$

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34 **35c** 0.**36 Trusts Taxable at Trust Rates.** See instructions for tax computation. Income tax on the amounton line 34 from: ☐ Tax rate schedule or ☐ Schedule D (Form 1041) **36****37 Proxy tax.** See instructions **37****38 Alternative minimum tax.** **38****39 Total.** Add lines 37 and 38 to line 35c or 36, whichever applies **39** 0.**Part IV Tax and Payments****40a Foreign tax credit** (corporations attach Form 1118; trusts attach Form 1116) **40a**b Other credits (see instructions) **40b**

c General business credit. Check here and indicate which forms are attached:

☐ Form 3800 ☐ Form(s) (specify) **40c**d Credit for prior year minimum tax (attach Form 8801 or 8827) **40d**e **Total credits.** Add lines 40a through 40d **40e** 0.**41 Subtract line 40e from line 39.** **41** 0.**42 Other taxes.** Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866☐ Other (attach schedule) **42****43 Total tax.** Add lines 41 and 42 **43** 0.**44a Payments:** A 2007 overpayment credited to 2008 **44a** 864.b 2008 estimated tax payments **44b**c Tax deposited with Form 8868 **44c**d Foreign organizations: Tax paid or withheld at source (see instructions) **44d**e Backup withholding (see instructions) **44e**f Other credits and payments: ☐ Form 2439 **44f**☐ Form 4136 ☐ Other Total **44f****45 Total payments.** Add lines 44a through 44f **45** 864.**46 Estimated tax penalty** (see instructions). Check if Form 2220 is attached ☐ **46****47 Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed **47****48 Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** 864.**49 Enter the amount of line 48 you want: Credited to 2009 estimated tax 864. Refunded 49** 0.**Part V Statements Regarding Certain Activities and Other Information** (see instructions.)1 At any time during the 2008 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here. **Yes No**2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? ... If YES, see the instructions for other forms the organization may have to file. **Yes No**3 Enter the amount of tax-exempt interest received or accrued during the tax year ☐ \$ 0. **Yes No****Schedule A – Cost of Goods Sold.** Enter method of inventory valuation1 Inventory at beginning of year **1**2 Purchases **2**3 Cost of labor **3**4a Additional section 263A costs (attach schedule) **4a**b Other costs (attach sch) **4b**5 **Total.** Add lines 1 through 4b **5**6 Inventory at end of year **6**7 **Cost of goods sold.** Subtract line 6 from line 5. Enter here and in Part I, line 2 **7**8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? **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 taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer Date Title May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer's Use Only Preparer's signature Peter A. Sweeney Date 9/03/09 Check if self-employed Preparer's SSN or PTIN P00116142 Firm's name (or yours if self-employed), address, and ZIP code Lerman Sweeney & Co LLP 5215 Old Orchard Road, Ste 525 Skokie, IL 60077-1035 EIN 36-2169848 Phone no. (847) 966-6696

Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1 Description of property		
(1)		
(2)		
(3)		
(4)		
2 Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)		
(2)		
(3)		
(4)		
Total	Total	
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶		(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B). ▶

Schedule E – Unrelated Debt-Financed Income (see instructions)

1 Description of debt-financed property		2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property See St 1	
			(a) Straight line depreciation (attach sch)	(b) Other deductions (attach schedule)
(1) SPECTRUM L.L.C.		109,708.	18,031.	91,352.
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1) 1,049,659.	1,620,964.	64.7552 %	71,042.	70,831.
(2)		%		
(3)		%		
(4)		%		
Totals ▶			Enter here and on page 1, Part I, line 7, column (A). 71,042.	Enter here and on page 1, Part I, line 7, column (B). 70,831.
Total dividends-received deductions included in column 8 ▶				

Schedule F – Interest, Annuities, Royalties, and Rents from Controlled Organizations (see instructions)

1 Name of Controlled Organization		2 Employer Identification Number				Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)		4 Total of specified payments made		5 Part of column 4 that is included in the controlling organization's gross income		6 Deductions directly connected with income in column 5	
(1)									
(2)									
(3)									
(4)									
7 Taxable Income		8 Net unrelated income (loss) (see instructions)		9 Total of specified payments made		10 Part of column 9 that is included in the controlling organization's gross income		11 Deductions directly connected with income in column 10	
(1)									
(2)									
(3)									
(4)									
				Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).		Add columns 6 and 11. Enter here and on page 1, part I, line 8, column (B).			
Totals ▶									

Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (column 3 plus column 4)
(1)				
(2)				
(3)				
(4)				
Totals	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).

Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	Enter here and on page 1, Part I, line 10, column (A).	Enter here and on page 1, Part I, line 10, column (B).				Enter here and on page 1, Part II, line 26.

Schedule J – Advertising Income (See instructions.)**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))						

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I						
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, line 11, column (A).	Enter here and on page 1, Part I, line 11, column (B).				Enter here and on page 1, Part II, line 27.

Schedule K – Compensation of Officers, Directors, and Trustees (see instructions)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
Total. Enter here and on page 1, Part II, line 14.			

Statement 1
Form 990-T, Schedule E, Line 3b
Other Deductions Allocable to Debt-Financed Property

SPECTRUM L.L.C.	
SEE ATTACHED SCHED.....	
Total	\$ 91,352.
	<u>\$ 91,352.</u>

As Filed

Form 990T - Investment in Spectrum L.L.C.

PAGE 3 - SCHEDULE E - UNRELATED DEBT-FINANCED INCOME

LINE 2 - GROSS INCOME

GROSS RENTS	789,383
PARTNER'S PERCENT	13.898%

	109,708
	=====

LINE 3(A) STRAIGHT-LINE DEPRECIATION

	(1)
PROPERTY AND EQUIPMENT COST AT 12/31/08	3,472,612
2008 STRAIGHT-LINE DEPRECIATION	129,740
PARTNER'S PERCENT	13.898%

	18,031
	=====

LINE 3(B) OTHER DEDUCTIONS

LEGAL AND PROFESSIONAL	4,265
INSURANCE	8,522
MAINTENANCE AND REPAIRS	51,257
UTILITIES	83,884
OTHER ADMINISTRATIVE	338,306
INTEREST EXPENSE	125,434
TAXES	45,634

TOTAL:	657,302
PARTNER'S PERCENT	13.898%

	91,352
	=====

LINE 4 - ACQUISITION DEBT

DEBT AT 1/1/08	1,069,126
DEBT AT 12/31/08	1,030,192

AVERAGE:	1,049,659
	=====

LINE 5 - AVERAGE BASIS

NET PROPERTY AT 1/1/08	1,659,312
NET PROPERTY AT 12/31/08	1,582,615

AVERAGE:	1,620,964
	=====



Illinois Department of Revenue

2008 Form IL-990-T**Exempt Organization Income and Replacement Tax Return**

Due on or before the 15th day of the 5th month (4th month for employee trusts) following the close of the tax year.

If this return is not for calendar year 2008, enter your fiscal tax year here.

Tax year beginning 1/01, 2008, ending 12/31 / 20 08

Enter the amount you are paying.

\$ 0.

Step 1: Identify your exempt organization**A** Enter your exempt organization name and mailing address.If you have an address change, check this box. ☐

Americans For Effective Law Enforc., Inc

Name

HELEN FINKEL

C/O or name of trust's fiduciary

841 W. Touhy Ave.

Mailing address

Park Ridge, IL 60068-3351

City

State

ZIP

B Check the box if one of the following apply.☐ first return ☐ final return, enter the final date**C** Enter your federal employer identification no. (FEIN).

36-6140171

D Check if you are taxed as a corporation. ☒**E** Check if you are taxed as a trust. ☐**F** Provide the nature of your unrelated trade or business**G** Check the box if you attached Illinois Schedule 1299-D, Income Tax Credits. ☐**Step 2: Figure your base income or loss****1** Unrelated business taxable income or loss from U.S. Form 990-T, Line 34.**Attach** a copy of Page 1 of your U.S. Form 990-T**1****2** Illinois income and replacement tax deducted in arriving at Line 1.**2****3 Base income or loss.** Add Lines 1 and 2**3**

0.

STOP If the amount on Line 3 is derived only from inside Illinois or if you are an Illinois resident trust, skip Step 3 and go to Step 4; otherwise complete Step 3.**Step 3: Figure your income allocable to Illinois****4** Trust, estate, or non-unitary partnership business income or loss included in Line 3**4****5** Business income or loss. Subtract Line 4 from Line 3.**5****6** Total sales everywhere. This amount cannot be negative.**6****7** Total sales inside Illinois. This amount cannot be negative.**7****8** Apportionment factor. Divide Line 7 by Line 6 (carry to six decimal places).**8****9** Business income or loss apportionable to Illinois. Multiply Line 5 by Line 8.**9****10** Trust, estate, or non-unitary partnership business income or loss apportionable to Illinois.**10****11 Base income or net loss allocable to Illinois.** Add Lines 9 and 10**11****Step 4: Figure your net replacement tax****12** Base income or net loss from Line 3 or Line 11**12**

0.

13 Replacement tax. Corporations multiply Line 12 by 2.5% (.025); trusts multiply by 1.5% (.015)**13**

0.

14 Recapture of investment credits. **Attach** Schedule 4255.**14****15** Replacement tax before investment credits. Add Lines 13 and 14**15**

0.

16 Investment credits. **Attach** Form IL-477. **(Fiscal-year filers only. See instructions.)****16****17 Net replacement tax.** Subtract Line 16 from Line 15. Enter '0' if this is a negative amount**17**

0.

NS DR

Step 5: Figure your net income tax

18	Base income or net loss from Line 12.	18	0.
19	Income tax. Corporations multiply Line 18 by 4.8% (.048); trusts multiply by 3% (.03).	19	
20	Recapture of investment credits. Attach Schedule 4255.	20	
21	Income tax before credits. Add Lines 19 and 20.	21	
22	Income tax credits. Attach Schedule 1299-D.	22	
23	Net income tax. Subtract Line 22 from Line 21. If the amount is negative, enter '0'.	23	0.

Step 6: Figure your refund or balance due

24	Net replacement tax from Line 17.	24	0.
25	Net income tax from Line 23.	25	0.
26	Total net income and replacement taxes. Add Lines 24 and 25.	26	0.
27	Payments		
	a Credit from 2007 overpayment	27a	
	b Total estimated payments	27b	
	c Form IL-505-B (extension) payment	27c	200.
28	Total payments. Add Lines 27a through 27c	28	200.
29	Overpayment. If Line 28 is greater than Line 26, subtract Line 26 from Line 28.	29	200.
30	Amount to be credited to 2009 .	30	200.
31	Refund. Subtract Line 30 from Line 29. This is the amount to be refunded.	31	0.
32	Tax Due. If Line 26 is greater than Line 28, subtract Line 28 from Line 26. This is the amount you owe.	32	0.

► **Make your check payable to 'Illinois Department of Revenue.'** ◀

Special Note ► **Enter the amount of your payment on the top of Page 1 in the space provided.**

Step 7: Sign here

Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

Signature of authorized officer	Date	Title	Phone
Peter A. Sweeney	9/03/09	P00116142	
Signature of preparer	Date	Preparer's Social Security number or firm's FEIN	
Preparer firm's name (or yours, if self-employed) and Address	Lerman Sweeney & Co LLP 5215 Old Orchard Road, Ste 525 Skokie, IL 60077-1035		(847) 966-6696 Phone

► **Mail this return to: Illinois Department of Revenue, P.O. Box 19009, Springfield, IL 62794-9009** ◀