

Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

1998

This Form is Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 1998 calendar year, OR tax year period beginning , 1998, and ending , 19

B Check if:

Change of address

Initial return

Final return

Amended return (required also for State reporting)

Please use IRS label or print or type. See Specific Instructions.

C Name of organization N. CAL.
COUNCIL ON AMERICAN-ISLAMIC RELATIONS,

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
3000 SCOTT BLVD STE 104

City or town, state or country, and ZIP+4
SANTA CLARA, CA 95054-3321

D Employer identification number
77-0411194

E Telephone number
(408) 986-9874

F Check if exemption application is pending

G Type of organization — Exempt under section 501(c) (3) (insert number) OR section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H(a) Is this a group return filed for affiliates? Yes No

I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) _____

(b) If "Yes," enter the number of affiliates for which this return is filed: _____

J Accounting method: Cash Accrual

(c) Is this a separate return filed by an organization covered by a group ruling? Yes No Other (specify) _____

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 13.)

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support	1a	292,465	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 292,465 noncash \$)	1d	292,465	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4		
	5	Dividends and interest from securities	5		
	6a	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 North American Islamic Trust)	7	10,731		
8a	Gross amount from sale of assets other than inventory	(A) Securities	8a		
		(B) Other	8b		
			8c		
		d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	
9	Special events and activities (attach schedule)	a	Gross revenue (not including \$ 119,359 of contributions reported on line 1a)	9a	18,000
		b	Less: direct expenses other than fundraising expenses	9b	34,431
		c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	(16,431)
10a	Gross sales of inventory, less returns and allowances	10a			
		b	Less: cost of goods sold	10b	
		c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	
11	Other revenue (from Part VII, line 103)	11			
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	286,765		
Expenses	13	Program services (from line 44, column (B))	13	103,560	
	14	Management and general (from line 44, column (C))	14	26,172	
	15	Fundraising (from line 44, column (D))	15	0	
	16	Payments to affiliates (attach schedule)	16	0	
	17	Total expenses (add lines 13 and 14, column (A))	17	129,732	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	157,033	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	114,006	
	20	Other changes in net assets or fund balances (attach explanation)	20	(35)	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	271,004	

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Form 990 (1998)

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. (See Specific Instructions on page 17.)

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
22	Grants and allocations (attach schedule) (cash \$ 300 noncash \$)	22 300	300		
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25 52,861	42,289	10,572	0
26	Other salaries and wages	26			
27	Pension plan contributions	27			
28	Other employee benefits	28 2,466	1,973	493	
29	Payroll taxes	29 12,523	10,018	2,505	
30	Professional fundraising fees	30			
31	Accounting fees	31 1,724		1,724	
32	Legal fees	32			
33	Supplies	33 7,867	6,294	1,573	
34	Telephone	34 3,395	2,716	679	
35	Postage and shipping	35 205	164	41	
36	Occupancy	36 32,163	25,730	6,433	
37	Equipment rental and maintenance	37			
38	Printing and publications	38 3,191	3,191		
39	Travel	39 3,052	3,052		
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42 940	753	187	
43	Other expenses (itemize): a Miscellaneous	43a 127		127	
	b Administrative assistance	43b 7,925	6,340	1,585	
	c Bank charges	43c 68		68	
	d Insurance	43d 925	740	185	
	e	43e			
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44 129,732	103,560	26,172	0

Reporting of Joint Costs. — Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ 3,052; (ii) the amount allocated to Program services \$ 3,052; (iii) the amount allocated to Management and general \$ 0; and (iv) the amount allocated to Fundraising \$ 0

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 20.)

What is the organization's primary exempt purpose? <u>Combating discrimination against Islam</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a Media Interaction: Released 40 statements to the press, staged 5 press conferences, and conducted 50 interviews to educate the media and the public regarding Islam and discrimination against practicing Muslims (Grants and allocations \$)	46,602
b Conducted 4 educational seminars for Muslims regarding their workplace religious rights (Muslim employees had been fired for wearing religious garb, or were not allowed to pray, etc.) (Grants and allocations \$)	36,246
c Conducted 12 educational seminars for non-Muslims in schools, universities, etc. educating the general public about Muslims and Islam (Grants and allocations \$)	20,712
d	
e Other program services (attach schedule) (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	103,560

Part IV Balance Sheets (See Specific Instructions on page 20.)

		(A) Beginning of year		(B) End of year	
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
Assets	45	Cash — non-interest-bearing	112,582	45	85,625
	46	Savings and temporary cash investments		46	
	47a	Accounts receivable		47a	
	b	Less: allowance for doubtful accounts		47b	47c
	48a	Pledges receivable		48a	
	b	Less: allowance for doubtful accounts		48b	48c
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule)		51a	
	b	Less: allowance for doubtful accounts		51b	51c
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges		53	
	54	Investments — securities (attach schedule)		54	
	55a	Investments — land, buildings, and equipment: basis		55a	
b	Less: accumulated depreciation (attach schedule)		55b	55c	
56	Investments — other (attach schedule)		56	181,709	
57a	Land, buildings, and equipment: basis	6,206	57a		
b	Less: accumulated depreciation (attach schedule)	2,536	57b	57c	
58	Other assets (describe ►	1,824	58	3,670	
59	Total assets (add lines 45 through 58) (must equal line 74)	114,406	59	271,004	
Liabilities	60	Accounts payable and accrued expenses		60	
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	b	Mortgages and other notes payable (attach schedule)	400	64b	0
65	Other liabilities (describe ►		65		
66	Total liabilities (add lines 60 through 65)	400	66	0	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted		67	
	68	Temporarily restricted		68	
	69	Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input checked="" 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 ..	114,006	72	271,004
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)	114,006	73	271,004	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	114,406	74	271,004	

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.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 22.)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements ▶ a N/A</p> <p>b Amounts included on line a but not on line 12, Form 990:</p> <p>(1) Net unrealized gains on investments . . . \$ _____</p> <p>(2) Donated services and use of facilities \$ _____</p> <p>(3) Recoveries of prior year grants \$ _____</p> <p>(4) Other (specify): _____</p> <p style="text-align: right;">\$ _____</p> <p>Add amounts on lines (1) through (4) ▶ b</p> <p>c Line a minus line b ▶ c 0</p> <p>d Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify): _____</p> <p style="text-align: right;">\$ _____</p> <p>Add amounts on lines (1) and (2) . ▶ d</p> <p>e Total revenue per line 12, Form 990 (line c plus line d) ▶ e 0</p>	<p>a Total expenses and losses per audited financial statements ▶ a N/A</p> <p>b Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$ _____</p> <p>(3) Losses reported on line 20, Form 990 . \$ _____</p> <p>(4) Other (specify): _____</p> <p style="text-align: right;">\$ _____</p> <p>Add amounts on lines (1) through (4) ▶ b</p> <p>c Line a minus line b ▶ c 0</p> <p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify): _____</p> <p style="text-align: right;">\$ _____</p> <p>Add amounts on lines (1) and (2) ▶ d</p> <p>e Total expenses per line 17, Form 990 (line c plus line d) ▶ e 0</p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 22.)

(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	(E) Expense account and other allowances
Fouad Q. Khatib 1235 Wildwood #91, Sunnyvale CA	President 2	0	0	0
Haseeb Rizvi 119 Corte Madera Portola Val CA	Vice-Pres 2	0	0	0
Mahmud Musbah 4142 Davis St, Santa Clara CA	Sec-Treasurer 2	0	0	0
Omar Ahmad 2713 Gentry Ct, Santa Clara CA	Director 2	0	0	0
Athar Siddiquee 1049 Payette, Sunnyvale CA	Director 2	0	0	0
Chad Carson 900 Pepper Tree#714, Sta Clar CA	Director 2	0	0	0
Abdussalam Chouia 1255 Lincoln #3, Sta Clara CA	Exec Director 40	25,652	0	400
Hussam Ayloush 1758 W Glenoaks Ave, Anaheim CA	Exec Director/ So Cal Office 40	27,209	2,466	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? ▶ Yes No
If "Yes," attach schedule — see Specific Instructions on page 22.

Part VI Other Information (See Specific Instructions on page 23.)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	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
78a	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?	78b	N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80a	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 <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81 81a 00		
b	Did the organization file Form 1120-POL for this year?	81b	X
82a	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 for reporting in Part III.) 82b		
83a	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
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations. — a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	N/A
c	Dues, assessments, and similar amounts from members 85c		
d	Section 162(e) lobbying and political expenditures 85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations. — Enter: a Initiation fees and capital contributions included on line 12 86a		
b	Gross receipts, included on line 12, for public use of club facilities 86b		
87	501(c)(12) organizations. — Enter: a Gross income from members or shareholders 87a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX	88	X
89a	501(c)(3) organizations. — Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 00; section 4912 <input type="checkbox"/> 00; section 4955 <input type="checkbox"/> 00		
b	501(c)(3) and 501(c)(4) organizations. — Did the organization engage in any section 4958 excess benefit transaction during the 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. <input type="checkbox"/> 00		
d	Enter: Amount of tax in 89c, above, reimbursed by the organization <input type="checkbox"/> 00		
90a	List the states with which a copy of this return is filed <input type="checkbox"/> CALIFORNIA		
b	Number of employees employed in the pay period that includes March 12, 1998 (See instructions.) 90b 2		
91	The books are in care of <input type="checkbox"/> Khaja Husain Telephone no. <input type="checkbox"/> 408/272-0692 Located at <input type="checkbox"/> 3000 Scott Blvd, Ste 104, Santa Clara CA ZIP + 4 <input type="checkbox"/> 95054-3321		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 — Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <input type="checkbox"/> 92		

Form 990 (1998)

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 27.)

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) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments ..					
96 Dividends and interest from securities					
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 ...			14	10,731	
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					(16,431)
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)) ...				10,731	(16,431)
105 Total (add line 104, columns (B), (D), and (E))					(5,700)

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 28.)

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).
101	Special fundraising events included educational speakers and voluntary donations from those attending.

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on line 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
N/A	%			
	%			
	%			
	%			

including accompanying schedules and statements, and to the best of my knowledge (other than officer) is based on all information of which preparer has any knowledge. (See
 Fouad Q. Khatib
 12/7/99

**SCHEDULE A
(Form 990)**

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information
See separate instructions.

1998

Department of the Treasury
Internal Revenue Service

▶ Must be completed by the above organizations and attached to their Form 990 or 990-EZ.

Name of the organization: **COUNCIL ON AMERICAN-ISLAMIC RELATIONS, N. CAL.**
Employer identification number: **77-0411194**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions on page 1. 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
<u>NONE</u> -----				

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

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions on page 1. 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
<u>NONE</u> -----		

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

Part III Statements About Activities		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?	1		X
If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____			
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 of its 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:			
a Sale, exchange, or leasing of property?	2a		X
b Lending of money or other extension of credit?	2b		X
c Furnishing of goods, services, or facilities?	2c		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X	
<i>SEE PART V FORM 990</i>			
e Transfer of any part of its income or assets?	2e		X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.			
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?	3		X
4a Do you have a section 403(b) annuity plan for your employees?	4a		X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions on page 2.)			

Part IV Reason for Non-Private Foundation Status (See instructions on pages 2 through 4.)

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, page 4.)

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 supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions on page 4.)

(a) Name(s) of supported organization(s)	(b) Line number from above

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

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) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	134,015	127,439	31,270		292,724
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	10,000	1,500	2,005	NEW ORGANIZATION	13,505
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
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					
23 Total of lines 15 through 22	144,015	128,939	33,275		306,229
24 Line 23 minus line 17	134,015	127,439	31,270		292,724
25 Enter 1% of line 23	1,440	1,289	333		
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 5,854
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1994 through 1997 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts					26b 0
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 292,724
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ 0					26d 0
e Public support (line 26c minus line 26d total)					26e 292,724
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 100.00 %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1997) _____ (1996) _____ (1995) _____ (1994) _____					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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 11, as well as individuals.) 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: (1997) _____ (1996) _____ (1995) _____ (1994) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c _____
d Add: Line 27a total ... _____ and line 27b total _____					27d _____
e Public support (line 27c total minus line 27d total)					27e _____
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f \$ _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h _____ %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1994 through 1997, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions on page 4.)					

Part V Private School Questionnaire (See instructions on page 4.) **NOT APPLICABLE**
 (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.)			
.....			
.....			
.....			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement.			
.....			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions on page 6.) **NOT APPLICABLE**
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
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	} 41
	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	
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 7.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See instructions on page 8.)

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	N/A		
b Paid staff or management (Include compensation in expenses reported on lines c through h.)	N/A		
c Media advertisements	N/A		
d Mailings to members, legislators, or the public	N/A		
e Publications, or published or broadcast statements	N/A		
f Grants to other organizations for lobbying purposes	N/A		
g Direct contact with legislators, their staffs, government officials, or a legislative body	N/A		
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	N/A		
i Total lobbying expenditures (add lines c through h)			

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

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 of assets to a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities or equipment

(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:

Table with 3 columns: Question, Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c.

Main table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

52a 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:

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

COUNCIL ON AMERICAN-ISLAMIC RELATIONS, N. CAL.

EIN: 77-0411194

Form 990 - Part I - Revenue, Expenses, etc.

Line 9 - Schedule of Special Events

The organization's special events consisted of two evenings of dinner and educational speakers, one each in Northern and Southern California (Note: Gross revenue calculated as follows: 900 total guests @ estimated \$20 "retail value" of each event).*

Gross Receipts \$137,359

Less Contributions \$119,359

Gross Revenue *\$18,000

Less Direct Expenses \$34,431

Net Income or (Loss) (\$16,431)

Line 20 - Changes in Net Assets or Fund Balances

The amount of (\$35) on Line 20 is due to account reconciliation.

Line 22 - Grants and Allocations

The organization donated \$300 to Quds, an Islamic nonprofit organization.

Form 990 - Part II - Statement of Functional Expenses

Line 42 - Depreciation

ASSET	TOTAL	PROGRAM	MANAGE.	FUND.
Computer 1995	\$430	\$344	\$86	\$0
Fax Machine 1995	\$90	\$72	\$18	\$0
Printer 1995	\$84	\$67	\$17	\$0
Refrigerator 1996	\$57	\$46	\$11	\$0
Copiers (2) 1998	\$152	\$122	\$30	\$0
Computer/printer 1998	\$127	\$102	\$25	\$0
TOTAL	\$940	\$753	\$187	\$0

Form 990 - Part IV - Balance Sheets
 Line 56 - Other Investments

The organization invested funds with the North American Islamic Trust, an investment fund that makes conservative investments on behalf of Islamic organizations.

Line 57b - Schedule of Accumulated Depreciation

ASSET	COST/BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
Computer 1995	\$2,150	\$1,505	\$645
Fax Machine 1995	\$450	\$315	\$135
Printer 1995	\$420	\$294	\$126
Refrigerator 1996	\$400	\$143	\$257
Copiers (2) 1998	\$1,516	\$152	\$1,364
Computer/printer 1998	\$1,270	\$127	\$1,143
TOTALS	\$6,206	\$2,536	\$3,670

Line 64b - Notes Payable

The amount in question for the beginning of the year (\$400) consisted of an interest-free loan made in 1996 by a well-wisher to help purchase office equipment. The loan remained unpaid as of 12/31/97, and was forgiven in 1998. The amount of the loan (\$400) was then booked as a gift and added to Line 1a of this year's return.

Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

OMB No. 1545-0148

► **File a separate application for each return.**

Please type or print. File the original and one copy by the due date for filing your return. See instructions.

Name COUNCIL ON AMERICAN-ISLAMIC RELATIONS, N. CAL.	Employer identification number 77-0411194
Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) 3000 SCOTT BLVD STE 104	
City, town or post office, state, and ZIP code. For a foreign address, see instructions. SANTA CLARA CA 95054-3321	

Note: Corporate income tax return filers must use **Form 7004** to request an extension of time to file. Partnerships, REMICs, and trusts must use **Form 8736** to request an extension of time to file **Form 1065, 1066, or 1041.**

1 I request an extension of time until 11/15, 99, to file (check only one):

<input type="checkbox"/> Form 706-GS(D)	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 1120-ND (sec. 4951 taxes)	<input type="checkbox"/> Form 8612
<input type="checkbox"/> Form 706-GS(T)	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 3520-A	<input type="checkbox"/> Form 8613
<input checked="" type="checkbox"/> Form 990 or 990-EZ	<input type="checkbox"/> Form 1041 (estate) (see instructions)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8725
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8804
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1042	<input type="checkbox"/> Form 6069	<input type="checkbox"/> Form 8831

If the organization does not have an office or place of business in the United States, check this box

2a For calendar year 1998, or other tax year beginning _____ and ending _____

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

3 Has an extension of time to file been previously granted for this tax year? Yes No

4 State in detail why you need the extension
Additional time is needed to complete and reconcile the accounts.


5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____

c **Balance due.** Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature  Title Tax Preparer Date 8/11/99

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant — To Be Completed by the IRS

- We **HAVE** approved your application. Please attach this form to your return.
- We **HAVE NOT** approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- We **HAVE NOT** approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: _____

EXTENSION APPROVED

By: _____ Date **AUG 26 1999**

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name PlanRight
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) 203 Northrop Place
	City, town, or post office, state, and ZIP code. For a foreign address, see instructions. Santa Cruz, CA 95060-3129