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Form **1023**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0056

Note: If exempt status is approved, this application will be open for public inspection.

Read the instructions for each Part carefully.
A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.
Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Council on American Islamic Relations-Chicago Chapter	2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions.) 36 : 4469855
1b c/o Name (if applicable)	3 Name and telephone number of person to be contacted if additional information is needed
1c Address (number and street) 7667 West 95th Street — Room/Suite 304	(312) 922-4720 Omar Haydar
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Hickory Hills, Illinois 60457-2271	4 Month the annual accounting period ends December 5 Date incorporated or formed January 31, 2003
1e Web site address www.cairchicago.org	6 Check here if applying under section: a ☐ 501(e) b ☐ 501(f) c ☐ 501(k) d ☐ 501(n)

7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? . . . ☐ Yes ☑ No
If "Yes," attach an explanation.

8 Is the organization required to file Form 990 (or Form 990-EZ)? . . . ☐ N/A ☑ Yes ☐ No
If "No," attach an explanation (see page 3 of the Specific Instructions).

9 Has the organization filed Federal income tax returns or exempt organization information returns? . . ☐ Yes ☑ No
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions** for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

a ☑ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.

b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.

c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here ▶ ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here ▶ [signature] (Signature) — Omar Haydar, Executive Director (Type or print name and title or authority of signer) — 2/28/03 (Date)

For Paperwork Reduction Act Notice, see page 7 of the instructions. Cat. No. 17133K

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Part II **Activities and Operational Information**

1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. **Do not merely refer to or repeat the language in the organizational document.** List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: **(a)** a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; **(b)** when the activity was or will be initiated; and **(c)** where and by whom the activity will be conducted.

The Council on American Islamic Relations-Chicago Chapter (CAIR-Chicago) is organized as a grass roots civil rights organization for the purpose of advocating on behalf of and for the civil rights of the Muslim American community. In order to implement its purpose, CAIR-Chicago engages in the following activities:

- Advocacy - in matters involving civil rights, religious discrimination, racial and ethnic profiling, and government action affecting the Muslim community. CAIR-Chicago gets involved on many levels, from serving to do publicity such as fliers, emails and newsletters to the community, for pending cases to building strategy with the individuals involved in the cases and their attorneys. This is done on a case by case basis and is an ongoing endeavour.

- Media watch - CAIR-Chicago also serves as a media watchdog for the American Muslim community. If the faith or community is maligned by members of the press or political leaders, CAIR-Chicago will, at the very least, launch letter writing campaigns, to seeking meetings with editorial boards and administrations, to at most, organizing protests. This, as well, is an ongoing endeavour.

- Community outreach - In order to build stronger ties between American Muslim and non-Muslim communities in Chicago, CAIR-Chicago will be involved in various community outreach initiatives. These will include organizing interfaith meetings, partnering with other community organizations and civil rights groups on initiatives that further the mission and where we share common ground, etc.

- Empowerment - CAIR-Chicago hopes to empower Chicago's Muslim citizens and will hold regular educational classes regarding their rights as citizens, voter registration drives, seminars, etc.

All activities will be undertaken by the staff of CAIR Chicago and volunteers.

2 What are or will be the organization's sources of financial support? List in order of size.

- Donations
- Grants

3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

To date, funds have only been raised at local mosques and through personal contacts. An annual fund raising dinner is planned for the second quarter of this year. A fund raising committee has been organized headed up by members of the Board of Directors.

Part II Activities and Operational Information *(Continued)*

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
See Attached Sheet.	**Not compensated**

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? . . . . . ☐ Yes ☑ No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See **Specific Instructions** for Part II, Line 4d, on page 3.) . . . . . ☐ Yes ☑ No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? . . . . . ☑ Yes ☐ No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? . . . . ☑ Yes ☐ No
If either of these questions is answered "Yes," explain.

CAIR-Chicago is a local chapter of the Council on American Islamic Relations, located at 453 New Jersey Ave SE, Washington, DC 20003. The chapter operates independently, making its own decisions, including the hiring of staff, appointment of board members, etc. The chapter does coordinate with the national organization and other chapters.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): **(a)** grants; **(b)** purchases or sales of assets; **(c)** rental of facilities or equipment; **(d)** loans or loan guarantees; **(e)** reimbursement arrangements; **(f)** performance of services, membership, or fundraising solicitations; or **(g)** sharing of facilities, equipment, mailing lists or other assets, or paid employees? . . . . . ☐ Yes ☑ No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? . . . . . ☐ Yes ☑ No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Susan Janaan Hashim , 1507 W. Harrison St., Chicago, Illinois 60607, Director
Hesham Hassaballa, 1114 Coventry Circle, Glendale Hts, Illinois 60139, Director, Treasurer
Omar Haydar, 7050 Mather Ave #3e, Chicago Ridge, Illinois 60415, Director
Mohammed Kaiseruddin, Thelin Ct, Wilmette, Illinois 60091, Director
Alim Elliott Khan, 1140 E. 46th St, Chicago, Illinois 60653, Director, Secretary
Aminah McCloud, 1640 N. Mobile Avenue, Chicago 60639, Director
Kamran Memon, 4530 S. Woodlawn Unit 602, Chicago, Illinois 60653, Director
Abdullah Salah, 9331 S. Thomas, Bridgeview, Illinois 60455, Director, Vice President
Ahmad Sulaiman, 17091 Bonnie Trail East, Oak Forest, Illinois 60452, Director
Safaa Zarzour, 9154 Southfield Dr, Bridgeview, Illinois 60455, Director, Chairman

Part II **Activities and Operational Information** *(Continued)*

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

N/A

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? . . . ☐ Yes ☑ No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? . . . . . ☐ Yes ☑ No

b Is the organization a party to any leases? . . . . . ☐ Yes ☑ No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization? . . . . . ☐ Yes ☑ No

If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) the members receive in exchange for their payment of dues?

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? . . . . . ☐ N/A ☐ Yes ☑ No

If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? . . . . . ☐ N/A ☐ Yes ☑ No

If "Yes," explain how the recipients or beneficiaries are or will be selected.

13 Does or will the organization attempt to influence legislation? . . . . . ☑ Yes ☐ No

If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

CAIR Chicago will advocate for the change of any legislation that results in a disproportionately adverse impact on the civil rights of Muslims. Less than 5% of the available resources will be spent to address legislation.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? . . . . . ☑ Yes ☐ No

If "Yes," explain fully.

CAIR Chicago intends to sponsor or co-sponsor political forums including candidate forums. Participation in these activities will be open to all candidates.

Part II **Technical Requirements**

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? . . . . . ☑ Yes ☐ No

If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

☐ **a** Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions,** Line 2a, on page 4;

☐ **b** Is not a private foundation and normally has gross receipts of not more than $5,000 in each tax year; or

☐ **c** Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? . . . . . ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? . . . . . ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions,** Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? . ☐ Yes ☐ No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here ▶ ☐ and attach a completed page 1 of Form 1024 to this application.

Part III **Technical Requirements** *(Continued)*

7 Is the organization a private foundation?
☐ **Yes** (Answer question 8.)
☑ **No** (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?
☐ **Yes** (Complete Schedule E.)
☐ **No**

After answering question 8 on this line, go to line 14 on page 7.

9 If you answer "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

a	☐	As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.)	Sections 509(a)(1) and 170(b)(1)(A)(i)
b	☐	As a school (MUST COMPLETE SCHEDULE B.)	Sections 509(a)(1) and 170(b)(1)(A)(ii)
c	☐	As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.)	Sections 509(a)(1) and 170(b)(1)(A)(iii)
d	☐	As a governmental unit described in section 170(c)(1).	Sections 509(a)(1) and 170(b)(1)(A)(v)
e	☐	As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.)	Section 509(a)(3)
f	☐	As being organized and operated exclusively for testing for public safety.	Section 509(a)(4)
g	☐	As being operated for the benefit of a college or university that is owned or operated by a governmental unit.	Sections 509(a)(1) and 170(b)(1)(A)(iv)
h	☑	As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.	Sections 509(a)(1) and 170(b)(1)(A)(vi)
i	☐	As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).	Section 509(a)(2)
j	☐	The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification.	Sections 509(a)(1) and 170(b)(1)(A)(vi) or Section 509(a)(2)

If you checked one of the boxes a through f in question 9, go to question 14. If you checked box g in question 9, go to questions 11 and 12. If you checked box h, i, or j, in question 9, go to question 10.

Part III Technical Requirements *(Continued)*

10 If you checked box h, i, or j in question 9, has the organization completed a tax year of at least 8 months?

☑ **Yes**—Indicate whether you are requesting:

☐ A definitive ruling. (Answer questions 11 through 14.)

☑ An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)

☐ **No—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.**

11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses,** attach a list for each year showing the name of the contributor, the date and the amount of the grant; and a brief description of the nature of the grant.

N/A

12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here ▶ ☐ and:

a Enter 2% of line 8, column (e), Total, of Part IV-A **$15,500**

b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line **12a** above. NA

13 If you are requesting a definitive ruling under section 509(a)(2), check here ▶ ☐ and:

a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions,** Part II, Line 4d, on page 3.)

b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than $5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. **Do not submit blank schedules.**)	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		✓	A
Is the organization, or any part of it, a school?		✓	B
Is the organization, or any part of it, a hospital or medical research organization?		✓	C
Is the organization a section 509(a)(3) supporting organization?		✓	D
Is the organization a private operating foundation?		✓	E
Is the organization, or any part of it, a home for the aged or handicapped?		✓	F
Is the organization, or any part of it, a child care organization?		✓	G
Does the organization provide or administer any scholarship benefits, student aid, etc ?		✓	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		✓	I

Part V Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in ex... ce less than 4 years, complete the statements for each year in existence. **If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.**

A. Statement of Revenue and Expenses

		Current tax year	3 prior tax years or proposed budget for 2 years			
		(a) From Jan to Dec 2003	(b) Jan-Dec 2004	(c) Jan-Dec 2005	(d)	(e) TOTAL
Revenue	1 Gifts, grants, and contributions received (not including unusual grants—see page 6 of the instructions)	200,000	250,000	300,000		750,000
	2 Membership fees received	0	0	0		0
	3 Gross investment income (see instructions for definition)	0	10,000	15,000		25,000
	4 Net income from organization's unrelated business activities not included on line 3	0	0	0		0
	5 Tax revenues levied for and either paid to or spent on behalf of the organization	0	0	0		0
	6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)	0	0	0		0
	7 Other income (not including gain or loss from sale of capital assets) (attach schedule)	0	0	0		0
	8 Total (add lines 1 through 7)	200,000	260,000	315,000		775,000
	9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22	0	0	0		0
	10 Total (add lines 8 and 9)	200,000	260,000	315,000		775,000
	11 Gain or loss from sale of capital assets (attach schedule)	0	0	0		0
	12 Unusual grants	0	0	0		0
	13 Total revenue (add lines 10 through 12)	200,000	260,000	315,000		775,000
Expenses	14 Fundraising expenses	40,000	50,000	60,000		
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	0	0	0		
	16 Disbursements to or for benefit of members (attach schedule)	0	0	0		
	17 Compensation of officers, directors, and trustees (attach schedule)	0	0	0		
	18 Other salaries and wages	100,000	125,000	150,000		
	19 Interest	0	0	0		
	20 Occupancy (rent, utilities, etc.)	20,000	30,000	35,000		
	21 Depreciation and depletion	0	5,000	5,000		
	22 Other (attach schedule)	0	0	0		
	23 Total expenses (add lines 14 through 22)	160,000	210,000	250,000		
	24 Excess of revenue over expenses (line 13 minus line 23)	40,000	50,000	65,000		

Part IV **Financial Data** *(Continued)*

B. Balance Sheet (at the end of the period shown)		Current tax year Date 01/31/2003
Assets		
1 Cash	1	21,942.43
2 Accounts receivable, net	2	0
3 Inventories	3	0
4 Bonds and notes receivable (attach schedule)	4	0
5 Corporate stocks (attach schedule)	5	0
6 Mortgage loans (attach schedule)	6	0
7 Other investments (attach schedule)	7	0
8 Depreciable and depletable assets (attach schedule)	8	0
9 Land	9	0
10 Other assets (attach schedule)	10	0
11 **Total assets** (add lines 1 through 10)	11	21,942.43
Liabilities		
12 Accounts payable	12	7000
13 Contributions, gifts, grants, etc., payable	13	0
14 Mortgages and notes payable (attach schedule)	14	0
15 Other liabilities (attach schedule)	15	14,000
16 **Total liabilities** (add lines 12 through 15)	16	21,000
Fund Balances or Net Assets		
17 Total fund balances or net assets	17	942.43
18 **Total liabilities and fund balances or net assets** (add line 16 and line 17)	18	21,942.23

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation ▶ ☐