

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2005 calendar year, or tax year beginning **and ending**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization NATIONAL CENTER FOR HOMEOPATHY		D Employer identification number 54-0979010
		Number and street (or P O box if mail is not delivered to street address) 801 NORTH FAIRFAX ST		Room/suite 306
		City or town, state or country, and ZIP + 4 ALEXANDRIA, VA 22314		E Telephone number 703-548-7790

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates ▶ N/A

H(c) Are all affiliates included? (If "No," attach a list) N/A Yes No

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

I Group Exemption Number ▶ N/A

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

Website: ▶ WWW.HOMEOPATHIC.ORG

Organization type (check only one) ▶ 501(c) (3) ◀ (insert no) 4947(a)(1) or 527

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 the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **697,350.**

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

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	130,450.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ <u>130,450.</u> noncash \$ _____)	1d	130,450.		
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	202,338.		
	3	Membership dues and assessments	3	239,980.		
	4	Interest on savings and temporary cash investments	4	40,662.		
	5	Dividends and interest from securities	5			
	6a	Gross rents	6a			
	6b	Less rental expenses	6b			
	6c	Net rental income or loss (subtract line 6b from line 6a)	6c			
7	Other investment income (describe _____)	7				
Revenue	8a	Gross amount from sales of assets other than inventory (describe _____)	(A) Securities		(B) Other	
	b	Less cost or other basis and sales expenses	8a		8b	
	c	Gain or (loss) (attach Schedule _____)	8c			
8d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d				
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>					
a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a				
b	Less direct expenses other than fundraising expenses	9b				
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c				
10a	Gross sales of inventory, less returns and allowances	10a	15,270.			
b	Less cost of goods sold	10b	13,288.			
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	STMT 1	1,982.		
11	Other revenue (from Part VII, line 103)	11	68,650.			
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	684,062.			
Net Expenses	13	Program services (from line 44, column (B))	13	427,166.		
	14	Management and general (from line 44, column (C))	14	269,993.		
	15	Fundraising (from line 44, column (D))	15	30,642.		
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 16 and 44, column (A))	17	727,801.		
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	<43,739.>			
Net Assets	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	1,100,687.		
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 2	20	605.		
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	1,057,553.		

Part II Statement of Functional Expenses

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25 Compensation of officers, directors, etc. **	176,739.	144,541.	28,916.	3,282.
26 Other salaries and wages	134,077.	57,398.	74,727.	1,952.
27 Pension plan contributions				
28 Other employee benefits				
29 Payroll taxes	15,881.	9,439.	5,785.	657.
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees				
33 Supplies				
34 Telephone				
35 Postage and shipping				
36 Occupancy				
37 Equipment rental and maintenance				
38 Printing and publications	106,798.	83,114.	8,351.	15,333.
39 Travel	10,839.	6,226.	4,613.	
40 Conferences, conventions, and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)				
43 Other expenses not covered above (itemize):				
a ADVERTISING	2,025.	1,991.		34.
b OUTSIDE SERVICES	115,615.	54,119.	53,917.	7,579.
c PROGRAM				
d SUPPORT/OVERHEAD	158,277.	62,988.	93,484.	1,805.
e CONTRIBUTIONS	200.		200.	
f INSTRUCTORS	7,350.	7,350.		
g BAD DEBTS	0.			
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	727,801.	427,166.	269,993.	30,642.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A, (ii) the amount allocated to Program services \$ N/A,
 (iii) the amount allocated to Management and general \$ N/A, and (iv) the amount allocated to Fundraising \$ N/A

** SEE STATEMENT 3

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► HOMEOPATHIC EDUCATION	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a PUBLISH NEWSLETTER 11 TIMES/YEAR AND DISTRIBUTE TO APPROX 5303 MEMBERS PER MO AND TO THE PUBLIC WITH ARTICLES, EDITORIAL BOOK REVIEWS CONCERNING HOMEOPATHY.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	239,618.
b CLASSES FOR VARIOUS LEVELS AND INTERESTS HELD ANNUALLY TO EDUCATE ABOUT HOMEOPATHY INCLUDING SUMMER SCHOOL. ANNUAL CONFERENCE HELD FEATURING SPEAKERS AND WORKSHOPS ON HOMEOPATHIC TOPICS. OPEN TO PUBLIC.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	146,296.
c RESPONDING TO INQUIRIES WITH GENL INFO ABOUT HOMEOPATHY. TRACKS INFO IN MEDIA AND RESPONDS TO MEDIA AND INQUIRIES. APPROXIMATELY 30,000 PEOPLE ASSISTED IN 2005. MAINTAIN MEMBERSHIP RECORDS.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	41,252.
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	427,166.

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing		45
	46 Savings and temporary cash investments	194,725.	46 136,294.
	47 a Accounts receivable	47a 2,071.	
	b Less: allowance for doubtful accounts	47b	47c 2,071.
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use	7,319.	52 5,496.
	53 Prepaid expenses and deferred charges		53
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55 a Investments - land, buildings, and equipment: basis	55a	
b Less: accumulated depreciation	55b	55c	
56 Investments - other	SEE STATEMENT 4	894,897.	56 932,136.
57 a Land, buildings, and equipment: basis	57a 42,343.		
b Less: accumulated depreciation	57b 32,778.	12,649.	57c 9,565.
58 Other assets (describe <input type="checkbox"/> SEE STATEMENT 5)		122,090.	58 105,880.
59 Total assets (must equal line 74). Add lines 45 through 58		1,236,315.	59 1,191,442.
Liabilities	60 Accounts payable and accrued expenses	69,658.	60 64,760.
	61 Grants payable		61
	62 Deferred revenue	65,970.	62 69,129.
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe <input type="checkbox"/>)		65
66 Total liabilities. Add lines 60 through 65)		135,628.	66 133,889.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	820,166.	67 784,487.
	68 Temporarily restricted	257,866.	68 250,411.
	69 Permanently restricted	22,655.	69 22,655.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		1,100,687.	73 1,057,553.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		1,236,315.	74 1,191,442.

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

a	Total revenue, gains, and other support per audited financial statements		a	697,955.
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1	605.	
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify): COS-INVENTORY	b4	13,288.	
	Add lines b1 through b4			b
				13,893.
c	Subtract line b from line a			c
				684,062.
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2		
	Add lines d1 and d2			d
				0.
e	Total revenue (Part I, line 12). Add lines c and d			e
				684,062.

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

a	Total expenses and losses per audited financial statements		a	741,089.
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify): COC-INVENTORY	b4	13,288.	
	Add lines b1 through b4			b
				13,288.
c	Subtract line b from line a			c
				727,801.
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2		
	Add lines d1 and d2			d
				0.
e	Total expenses (Part I, line 17). Add lines c and d			e
				727,801.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 6		176,739.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)		Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 0		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b	X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations. If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization	75c	X
d	Does the organization have a written conflict of interest policy?	75d	X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)				
(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
NONE				

Part VI Other Information (See the instructions.)		Yes	No
76	Did the organization 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
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization ▶ N/A _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81 a	Enter direct or indirect political expenditures. (See line 81 instructions.) 81a 0		
b	Did the organization file Form 1120-POL for this year?	81b	X

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82b		N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
			N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		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.		N/A
c	Dues, assessments, and similar amounts from members		85c N/A
d	Section 162(e) lobbying and political expenditures		85d N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		85e N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		85f N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		85g N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		85h N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12		86a N/A
b	Gross receipts, included on line 12, for public use of club facilities		86b N/A
87	501(c)(12) organizations Enter: a Gross income from members or shareholders		87a N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		87b N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		88 X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> , section 4912 <u>0.</u> , section 4955 <u>0.</u>		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		89b X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
90 a	List the states with which a copy of this return is filed <u>NONE</u>		
b	Number of employees employed in the pay period that includes March 12, 2005	90b	8
91 a	The books are in care of <u>SHARON STEVENSON</u> Telephone no <u>703-548-7790</u> Located at <u>801 N FAIRFAX ST., STE 306 ALEX VA</u> ZIP + 4 <u>22314-0777</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country <u>N/A</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b	X
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country <u>N/A</u>	91c	X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a CONFERENCE					94,097.
b SUMMER SCHOOL/STUDY GRP					44,752.
c INFORMATION PACKS					630.
d DIRECTORY					62,859.
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					239,980.
95 Interest on savings and temporary cash investments			14	40,662.	
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					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					1,982.
103 Other revenue:					
a ADMIN SVC/MAIL LIST	561000	10,965.			
b CORPORATE SPONSOR	541800	12,900.			
c NEWSLETTER ADVERTISING	541800	44,785.			
d					
e					
104 Subtotal (add columns (B), (D), and (E))		68,650.		40,662.	444,300.
105 Total (add line 104, columns (B), (D), and (E))					553,612.

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 the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
7	SEE STATEMENT 7

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

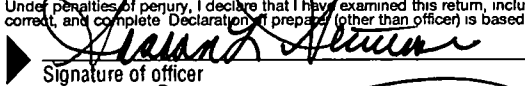
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)


(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Date: 5/6/06 Type or print name and title: Sharon L. Stevenson, Executive Director

Preparer's Use Only: Preparer's signature:  Date: 05/02/06 Check if self-employed: Preparer's SSN or PTIN: Firm's name (or yours if self-employed), address, and ZIP + 4: STONE AND SPRING, 112 ELDEN STREET, SUITE I, HERNDON, VA 20170 EIN: Phone no:

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

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

OMB No 1545-0047

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization: **NATIONAL CENTER FOR HOMEOPATHY**
Employer identification number: **54 0979010**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶	0			

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) 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		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE STATEMENT 9	X	
e Transfer of any part of its income or assets?		X
3 a Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments) SEE STATEMENT 8		X
b Do you have a section 403(b) annuity plan for your employees?		X
c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

- The organization is not a private foundation because it is (Please check only ONE applicable box)
- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
 - 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
 - 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii).
 - 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
 - 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ _____
 - 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
 - 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
 - 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ▶ Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions)

(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 page 6 of the instructions)

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

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	167,225.	111,749.	367,294.	102,102.	748,370.
16 Membership fees received	134,446.	250,454.	201,002.	173,642.	759,544.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	344,333.	289,490.	325,831.	396,307.	1,355,961.
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	41,772.	26,563.	<33,044.>	<29,277.>	6,014.
19 Net income from unrelated business activities not included in line 18	16,880.	17,717.	152,608.	80,899.	268,104.
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	704,656.	695,973.	1,013,691.	723,673.	3,137,993.
24 Line 23 minus line 17	360,323.	406,483.	687,860.	327,366.	1,782,032.
25 Enter 1% of line 23	7,047.	6,960.	10,137.	7,237.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b N/A
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c N/A
d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year	(2004) 20,850.	(2003) 11,640.	(2002) 1,665.	(2001) 2,004.	
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year	(2004) 0.	(2003) 0.	(2002) 0.	(2001) 0.	
c Add Amounts from column (e) for lines: 15 748,370. 16 759,544. 17 1,355,961. 20 _____ 21 _____					27c 2,863,875.
d Add Line 27a total 36,159. and line 27b total 0.					27d 36,159.
e Public support (line 27c total minus line 27d total)					27e 2,827,716.
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)					27f 3,137,993.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 90.1122%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h .1917%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)		

32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	32d	

33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	33h	

34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

N/A

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

Check a if the organization belongs to an affiliated group

Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations												
(The term "expenditures" means amounts paid or incurred)		N/A													
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36													
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37													
38	Total lobbying expenditures (add lines 36 and 37)	38													
39	Other exempt purpose expenditures	39													
40	Total exempt purpose expenditures (add lines 38 and 39)	40													
41	Lobbying nontaxable amount. Enter the amount from the following table -														
	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">If the amount on line 40 is -</td> <td style="width: 50%;">The lobbying nontaxable amount is -</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is -	The lobbying nontaxable amount is -	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	
If the amount on line 40 is -	The lobbying nontaxable amount is -														
Not over \$500,000	20% of the amount on line 40														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
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 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

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

Yes	No	Amount
		0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

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

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

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

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.

N/A

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

FORM 990

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 1

INCOME

1. GROSS RECEIPTS	15,270	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		15,270
4. COST OF GOODS SOLD (LINE 13)	13,288	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		1,982

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR		
7. MERCHANDISE PURCHASED	13,288	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		13,288
12. INVENTORY AT END OF YEAR		
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)		13,288

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 2

<u>DESCRIPTION</u>	<u>AMOUNT</u>
UNREALIZED GAINS ON INVESTMENTS	605.
TOTAL TO FORM 990, PART I, LINE 20	605.

FORM 990

OFFICER COMPENSATION ALLOCATION
PART II, LINE 25

STATEMENT 3

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS OF A, B & C
SHARON STEVENSON	79,369.			
A. PROGRAM SERVICES	47,177.			47,177.
B. MANAGEMENT AND GENERAL	28,914.			28,914.
C. FUNDRAISING	3,278.			3,278.

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS OF A, B & C
MITZI LEBENSORGER	95,570.			
A. PROGRAM SERVICES	95,570.			95,570.
B. MANAGEMENT AND GENERAL				
C. FUNDRAISING				

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS OF A, B & C
STEPHEN MESSER	1,800.			
A. PROGRAM SERVICES	1,800.			1,800.
B. MANAGEMENT AND GENERAL				
C. FUNDRAISING				

TOTAL PROGRAM SERVICES				144,547.
TOTAL MANAGEMENT AND GENERAL				28,914.
TOTAL FUNDRAISING				3,278.
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON LINE 25				<u>176,739.</u>

FORM 990 OTHER INVESTMENTS STATEMENT 4

DESCRIPTION	VALUATION METHOD	AMOUNT
SECURITY INVESTMENTS	MARKET VALUE	932,136.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		932,136.

FORM 990 OTHER ASSETS STATEMENT 5

DESCRIPTION	AMOUNT
PANOS LIBRARY	75,069.
PREPAID AND OTHER	30,811.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	105,880.

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 6

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN CONTRIB	PLAN EXPENSE	ACCOUNT
JOYCE FRYE 2131 ST JAMES PL PHILADELPHIA, PA 19103	DIRECTOR 1.00	0.	0.	0.	0.
STEPHEN MESSER 2140 E BROADWAY RD TEMPE, AZ 85282	DIRECTOR 1.00	1,800.	0.	0.	0.
JAY BORNEMAN 722 HARRITON RD BRYN MAWR, PA 19010	DIRECTOR EMERITUS 1.00	0.	0.	0.	0.
JEAN HOAGLAND 601 NO MCDONALD ST #108 MOUNT DORA, FL 32757	PRESIDENT 1.00	0.	0.	0.	0.
JOE LILLARD 124 FAIRFAX STREET BERKLEY SPRINGS, WV 25411	VP/TREASURER 1.00	0.	0.	0.	0.

NATIONAL CENTER FOR HOMEOPATHY

54-0979010

NANCY GAHLES 241 BEACH ST 137TH ST BELLE HARBOR, NY 11694	DIRECTOR 1.00	0.	0.	0.
SHARON STEVENSON 4719 UPLAND DR ALEXANDRIA, VA 22310	EXEC DIRECTOR 40.00	79,370.	0.	0.
JULIAN WINSTON 54A COLLINS AVE LINDEN, TAWA NEW ZEALAND	BOARD MEMBER EMERITUS 1.00	0.	0.	0.
ANN JEROME CROCE 320 W MINNESOTA AVE DELAND, FL 32720	DIRECTOR 1.00	0.	0.	0.
EDWARD SHALTS, MD 20 RODEN WAY CLOSTER, NJ 07624	VP 1.00	0.	0.	0.
NANCY BOYER 16 SOL VILLAGE TRAIL FAIRPORT NY 14450	DIRECTOR 1.00	0.	0.	0.
MOLLY PUNZO, MD 5628 BELLE AIRE RD EAST NEW MARKET, MD 21631	DIRECTOR 1.00	0.	0.	0.
AMY LANSKY 4119 ALPINE RD PORTOLA VALLEY, CA 94028	SECRETARY 1.00	0.	0.	0.
MITZI LEBENSORGER 10127 SOUTH CLIFTON PARK EVERGREEN, IL 60805	MANAGING EDITOR, HT 40.00	95,569.	0.	0.
STEVEN SUBOTNICK 13690 EAST 14TH ST SAN LEANDRO, CA 94578	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		<u>176,739.</u>	<u>0.</u>	<u>0.</u>

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 7

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	STUDENTS EDUCATED IN HOMEOPATHIC TOPICS
93B	INFORMATION PROVIDED TO THE PUBLIC ON HOMEOPATHY
93C	ANNUAL MEETING FEATURING SPEAKERS AND WORKSHOPS ON HOMEOPATHY
93D	DIRECTORY OF HOMEOPATHIC PRACTITIONERS
94	MEMBERS RECEIVE INFORMATION RELATED TO HOMEOPATHIC CARE AND TRAINING

102 SALE OF HOMEOPATHY PRODUCTS WHICH MAY NOT BE OTHERWISE AVAILABLE

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 8
PART III, LINE 3A

ORGANIZATION REVIEWS APPLICANT'S FINANCIAL STATUS AND TAX RETURN TO ESTABLISH NEED, EVALUATES APPLICANT'S RELATIONSHIPS WITH PRACTICING HOMEOPATHS AND REVIEWS COURSES TO BE PURSUED BY APPLICANT.

SCHEDULE A

EXPLANATION OF TRANSACTIONS
PART III, LINE 2D

STATEMENT 9

STEPHEN MESSER - PAYMENT FOR TWO-DAY WORKSHOP AT CONFERENCE \$1,800
MITZI LEBENSORGER - EDITOR OF HOMEOPATHY TODAY MAGAZINE \$95,569