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Form **990**

Department of the Treasury
Internal Revenue Service

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)

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

OMB No 1545-0047

2003

Open to Public Inspection

A For the 2003 calendar year, or tax year beginning , and ending

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Application pending

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

C Name of organization: PALMETTO PROJECT, INC.

Number and street (or P O box if mail is not delivered to street address): P.O. BOX 1327 | Room/suite

City or town, state or country, and ZIP + 4: SUMTER SC 29151-1327

D Employer ID number 57-0807801

E Telephone number 803-775-3000

F Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

●**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 ▶

H(c) Are all affiliates included? ☐ Yes ☐ No (If "No," att a list See instr)

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

I Group Exemption Number ▶

G Website: ▶ N/A

J Organization type (check only one) ▶ ☒ 501(c) (3) ◂ (insert no) ☐ 4947(a)(1) or ☐ 527

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 the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 779,147

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support	1a 371,197		
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c 183,996		
	d	**Total** (add lines 1a through 1c) (cash $ 555,193 noncash $)		1d	555,193
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	
	3	Membership dues and assessments SEE STMT 1		3	223,986
	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 ▶ SEE STMT 2)		7	-32
	8a	Gross amount from sales of assets other than inventory	(A) Securities: 8a; (B) Other:		
	b	Less: cost or other basis and sales expenses	8b		
	c	Gain or (loss) (attach schedule)	8c		
	d	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 ▶ ☐			
	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		
	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	779,147
Expenses	13	Program services (from line 44, column (B))		13	650,815
	14	Management and general (from line 44, column (C))		14	116,713
	15	Fundraising (from line 44, column (D))		15	10,907
	16	Payments to affiliates (attach schedule)		16	
	17	**Total expenses** (add lines 16 and 44, column (A))		17	778,435
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)		18	712
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	44,942
	20	Other changes in net assets or fund balances (attach explanation) SEE STMT 3		20	57
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	45,711

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Form **990** (2003)

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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 page 22 of the instructions)

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 $ non-cash $)	22				
23 Specific assistance to individuals	23				
24 Benefits paid to or for members	24				
25 Compensation of officers, directors, etc	25	88,800	72,652	15,122	1,026
26 Other salaries and wages	26	271,191	226,156	43,858	1,177
27 Pension plan contributions	27				
28 Other employee benefits	28	44,336	36,094	7,827	415
29 Payroll taxes	29	28,499	23,603	4,719	177
30 Professional fundraising fees	30				
31 Accounting fees	31	2,418	2,083	335	
32 Legal fees	32				
33 Supplies	33	43,327	38,755	3,726	846
34 Telephone	34	17,113	13,619	3,486	8
35 Postage and shipping	35	6,266	4,105	1,292	869
36 Occupancy	36	37,262	32,796	4,466	
37 Equipment rental and maintenance	37	12,084	10,144	1,824	116
38 Printing and publications	38	10,724	7,934	1,750	1,040
39 Travel	39	14,662	12,767	1,395	500
40 Conferences, conventions, and meetings	40				
41 Interest	41	4,925	139	4,786	
42 Depreciation, depletion, etc. (attach schedule)	42	26,655	25,389	1,266	
43 Other expenses not covered above (itemize) a	43a				
b SEE STATEMENT 4	43b	170,173	144,579	20,861	4,733
c	43c				
d	43d				
e	43e				
44 **Total functional expenses** (add lines 22 - 43) **Organizations completing columns (B)-(D), carry these totals to lines 13-15**	44	778,435	650,815	116,713	10,907

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$_____, **(ii)** the amount allocated to Program services $_____,

(iii) the amount allocated to Management and general$_____, and **(iv)** the amount allocated to Fundraising$_____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)

What is the organization's primary exempt purpose?

▶ SEE STATEMENT III ATTACHED

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)

	Program Service Expenses (Required for 501(c)(3) & (4) orgs , & 4947(a)(1) trusts, but optional for others)
a SEE STATEMENT III ATTACHED (Grants and allocations $)	650,815
b (Grants and allocations $)	
c (Grants and allocations $)	
d (Grants and allocations $)	
e Other program services (attach schedule) (Grants and allocations $)	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	650,815

Part IV Balance Sheets (See page 25 of 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			20,904	45	58,594
	46 Savings and temporary cash investments			1,020	46	1,093
	47a Accounts receivable	47a	25			
	b Less. allowance for doubtful accounts	47b			47c	25
	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) SEE WORKSHEET	51a				
	b Less· allowance for doubtful accounts	51b		237	51c	
	52 Inventories for sale or use				52	
	53 Prepaid expenses and deferred charges			9,838	53	12,575
	54 Investments-securities SEE STMT 5 ▶ ☐ Cost ☐ FMV			8,021	54	
	55a Investments-land, buildings, and equipment. basis	55a				
	b Less accumulated depreciation (attach schedule)	55b			55c	
	56 Investments-other (attach schedule)				56	
	57a Land, buildings, and equipment· basis	57a	130,044			
	b Less· accumulated depreciation (attach schedule) SEE STMT 6	57b	92,851	59,317	57c	37,193
	58 Other assets (describe ▶ _____)				58	
	59 **Total assets** (add lines 45 through 58) (must equal line 74)			99,337	59	109,480
Liabilities	60 Accounts payable and accrued expenses			4,564	60	16,818
	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) SEE WORKSHEET			49,831	64b	46,951
	65 Other liabilities (describe ▶ _____)				65	
	66 **Total liabilities** (add lines 60 through 65)			54,395	66	63,769
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here** ▶ [X] and complete lines 67 through 69 and lines 73 and 74.					
	67 Unrestricted			44,942	67	45,711
	68 Temporarily restricted				68	
	69 Permanently restricted				69	
	Organizations that do not follow SFAS 117, check here ▶ ☐ 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)			44,942	73	45,711
	74 **Total liabilities and net assets / fund balances** (add lines 66 and 73)			99,337	74	109,480

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.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)

a	Total revenue, gains, and other support per audited financial statements ▶	a	779,147
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments $		
(2)	Donated services and use of facilities $		
(3)	Recoveries of prior year grants $		
(4)	Other (specify): $		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	779,147
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify): $		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	779,147

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

a	Total expenses and losses per audited financial statements ▶	a	778,435
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities $		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify): $		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	778,435
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify): $		
	Add amounts on lines (1) and (2) ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	778,435

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contrib to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT V ATTACHED	40	88,800	11,023	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 page 28 of the instructions.

Part VI Other Information (See page 28 of 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
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		
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 ▶ and check whether it is ☐ exempt or ☐ nonexempt			
81a	Enter direct and indirect political expenditures. See line 81 instructions 81a			
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 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? N/A	83b		
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? N/A	84b		
85	501(c)(4), (5), or (6) organizations. **a** Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c			
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 on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	501(c)(7) orgs 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) orgs. 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, 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
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 , section 4955 ▶ 0			
b	501(c)(3) and 501(c)(4) orgs. 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			
90a	List the states with which a copy of this return is filed ▶ SC			
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.) 90b 13			
91	The books are in care of ▶ THE PALMETTO PROJECT, INC Telephone no. ▶ 843-577-4122 Located at ▶ 215 EAST BAY STREET, CHARLESTON, SC ZIP + 4 ▶ 29401			
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			

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated	Unrelated business income (A) Business code	(B) Amount	Excluded by sec 512, 513, or 514 (C) Exclusion code	(D) Amount	(E) Related or exempt function income
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					223,986
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					
99 Other investment income					-32
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue. a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		0	223,954
105 **Total** (add line 104, columns (B), (D), and (E))				▶	223,954

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 page 34 of 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)
94	ALL REVENUE IS APPLIED TO EXEMPT PURPOSE PROGRAMS
95	ALL REVENUE IS APPLIED TO EXEMPT PURPOSE PROGRAMS

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of 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 page 34 of 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)

Please

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

9/15/04

Date

Executive Director

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2003

Name of the organization

PALMETTO PROJECT, INC.

Employer identification number

57-0807801

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 ben plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over $50,000 ▶				

Part II **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 ▶		

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2003

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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)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)			
a	Sale, exchange, or leasing of property?	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 expiration if more than $1,000)? SEE STMT 7	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3a	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.)	3a		X
3b	Do you have a section 403(b) annuity plan for your employees?	3b		X
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4		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)** 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 page 5 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28)	581,358	505,750	624,316	557,496	2,268,920
16 Membership fees received	163,117	20,530	24,585	25,914	234,146
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	55,051	43,270			98,321
18 Gross income from interest, dividends, amounts received from payment 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	122	43	124	899	1,188
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefits and either paid to it or expended on its behalf					0
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					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets STMT 8	978				978
23 Total of lines 15 through 22	800,626	569,593	649,025	584,309	2,603,553
24 Line 23 minus line 17	745,575	526,323	649,025	584,309	2,505,232
25 Enter 1% of line 23	8,006	5,696	6,490	5,843	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a 0

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 1999 through 2002 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c

d Add Amounts from column (e) for lines. 18 _____ 19 _____ 22 _____ 26b _____ ▶ 26d

e Public support (line 26c minus line 26d total) ▶ 26e

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f %

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:

(2002) (2001) (2000) (1999)

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 11, 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:

(2002) (2001) (2000) (1999)

c Add: Amounts from column (e) for lines: 15 2,268,920 16 234,146 17 98,321 20 _____ 21 _____ ▶ 27c 2,601,387

d Add Line 27a total _____ and line 27b total _____ ▶ 27d

e Public support (line 27c total minus line 27d total) ▶ 27e 2,601,387

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f 2,603,553

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g 99.9168%

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h 0.0456%

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	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?	29		
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?	30		
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?	31		
	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 page 9 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

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

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

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(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 page 12 of the instructions.) **N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines **c** through **h.**)			

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?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	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:

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

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·

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Forms **990 / 990-PF**

Other Notes and Loans Receivable

For calendar year 2003, or tax year beginning , and ending

2003

Name: PALMETTO PROJECT, INC.

Employer Identification Number: 57-0807801

FORM 990, PART IV, LINE 51A - ADDITIONAL INFORMATION

	Name of borrower	Relationship to disqualified person
(1)	EMPLOYEE ADVANCES	
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

	Security provided by borrower	Purpose of loan
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value (990-PF only)
(1)		237		
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
Totals		237		

Forms
990 / 990-PF

Mortgages and Other Notes Payable

For calendar year 2003, or tax year beginning , and ending

2003

Name

PALMETTO PROJECT, INC.

Employer Identification Number

57-0807801

FORM 990, PART IV, LINE 64B - ADDITIONAL INFORMATION

	Name of lender	Relationship to disqualified person
(1)	WACHOVIA - L-O-C	
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

	Security provided by borrower	Purpose of loan
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)		49,831	46,951
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
Totals		49,831	46,951

Federal Statements

Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments

Description	Amount
MEMBERSHIP DUES	$ 85,231
MEMBERSHIP DUES	12,150
MEMBERSHIP DUES	2,060
MEMBERSHIP DUES	50,604
MEMBERSHIP DUES	30,472
MEMBERSHIP DUES	41,250
MEMBERSHIP DUES	25
MEMBERSHIP DUES	2,194
TOTAL	$ 223,986

Statement 2 - Form 990, Part I, Line 7 - Other Investment Income

Description	Amount
INVESTMENT GAINS (LOSSES)	$ -32
TOTAL	$ -32

Federal Statements

Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other

Desc	How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Deprec	Gain/ -Loss
COMPUTER EQUIPMENT	PURCHASE		12/07/97	1/01/03	$	$ 599	$ 599	$
TOTAL					$ 0	$ 599	$ 599	$ 0

Federal Statements

Statement 3 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

Description	Amount
PRIOR-PERIOD ADJUSTMENT TO CASH	$ 57
TOTAL	$ 57

Federal Statements

Statement 4 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	$	$	$	$
EXPENSES				
CONTRACT LABOR	9,394		9,394	
WORKER'S COMPENSATION INSUR.	99		99	
LIABILITY INSURANCE PREMIUMS	181		181	
INSURANCE-BOARD OF DIRECTORS	94		94	
DUES AND SUBSCRIPTIONS	355		355	
MEALS	115		115	
CONSULTING FEES	61		61	
BANK CHARGES	288		288	
OTHER TAXES	250		250	
BOARD ACTIVITY	145		145	
COMPUTER FEES	82		82	
REGISTRATION FEES	424		424	
CONTRACT LABOR	9,350		9,350	
MEALS	23		23	
CONTRACT LABOR	2,733			2,733
MEALS	2,000			2,000
MEALS	47	47		
CONTRACT LABOR	225	225		
INSURANCE-BOARD OF DIRECTORS	94	94		
CREDIT CARD DISCOUNTS	628	628		
CONTRACT LABOR	4,419	4,419		
WORKER'S COMPENSATION INSUR.	99	99		
LIABILITY INSURANCE PREMIUMS	181	181		
INSURANCE-BOARD OF DIRECTORS	94	94		
MEALS	734	734		
CONSULTING FEES	61	61		
BANK CHARGES	711	711		
COMPUTER FEES	82	82		
REGISTRATION FEES	21	21		
CREDIT CARD DISCOUNTS	29	29		
CONTRACT LABOR	5,742	5,742		
WORKER'S COMPENSATION INSUR.	99	99		
LIABILITY INSURANCE PREMIUMS	181	181		
INSURANCE-BOARD OF DIRECTORS	94	94		
MEALS	482	482		
CONSULTING FEES	61	61		
BANK CHARGES	3	3		
COMPUTER FEES	82	82		
REGISTRATION FEES	21	21		
CONTRACT LABOR	2,987	2,987		
WORKER'S COMPENSATION INSUR.	99	99		
LIABILITY INSURANCE PREMIUMS	181	181		
INSURANCE-BOARD OF DIRECTORS	94	94		
MEALS	13	13		
CONSULTING FEES	61	61		
COMPUTER FEES	82	82		
REGISTRATION FEES	21	21		
CONTRACT LABOR	150	150		
COMPUTER FEES	23	23		
REGISTRATION FEES	225	225		
CONTRACT LABOR	10,374	10,374		

Federal Statements

Statement 4 - Form 990, Part II, Line 43 - Other Functional Expenses (continued)

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
WORKER'S COMPENSATION INSUR.	$ 99	$ 99	$	$
LIABILITY INSURANCE PREMIUMS	181	181		
INSURANCE-BOARD OF DIRECTORS	94	94		
MEALS	520	520		
CONSULTING FEES	61	61		
BANK CHARGES	-31	-31		
COMPUTER FEES	82	82		
REGISTRATION FEES	21	21		
CONTRACT LABOR	59,639	59,639		
WORKER'S COMPENSATION INSUR.	99	99		
LIABILITY INSURANCE PREMIUMS	181	181		
INSURANCE-BOARD OF DIRECTORS	94	94		
DUES AND SUBSCRIPTIONS	160	160		
MEALS	4,380	4,380		
CONSULTING FEES	145	145		
ADVERTISING AND WEBSITE	587	587		
COMPUTER FEES	18	18		
REGISTRATION FEES	607	607		
CONTRACT LABOR	212	212		
WORKER'S COMPENSATION INSUR.	99	99		
LIABILITY INSURANCE PREMIUMS	181	181		
INSURANCE-BOARD OF DIRECTORS	94	94		
DUES AND SUBSCRIPTIONS	21	21		
MEALS	388	388		
CONSULTING FEES	61	61		
ADVERTISING AND WEBSITE	128	128		
COMPUTER FEES	82	82		
REGISTRATION FEES	21	21		
CONTRACT LABOR	38,531	38,531		
LIABILITY INSURANCE PREMIUMS	56	56		
INSURANCE-BOARD OF DIRECTORS	94	94		
DUES AND SUBSCRIPTIONS	30	30		
MEALS	52	52		
CONSULTING FEES	1,000	1,000		
COMPUTER FEES	23	23		
OTHER OVERHEAD	1,809	1,809		
CONTRACT LABOR	6,260	6,260		
TOTAL	$ 170,173	$ 144,579	$ 20,861	$ 4,733

Statement 5 - Form 990, Part IV, Line 54 - Investments in Securities

Description	Beginning of Year	End of Year	Basis of Valuation
CORPORATE STOCK			
ENDOWMENT FUND-INVESTMENTS	2,802		
CORPORATE BONDS			
ENDOWMENT FUND-BONDS	5,219		
	8,021		

Statement 6 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

Description	Beginning of Year	Accum Deprec	End of Year	Accum Deprec
DEPRECIABLE ASSETS - G&A	$ 16,891	$	$ 16,292	$
DEPRECIABLE ASSETS - C-I-C	6,438		6,438	
DEPRECIABLE ASSETS - FHF-CHAS	113		113	
DEPRECIABLE ASSETS - BLDG CUL	57		57	
DEPRECIABLE ASSETS - OMEGA	583		583	
DEPRECIABLE ASSETS - CIT SUM	57		57	
DEPRECIABLE ASSETS - RACE REL	639		639	
DEPRECIABLE ASSETS - HEART			4,531	
DEPRECIABLE ASSETS - IMMUN	57		57	
DEPRECIABLE ASSETS - FTC	101,277		101,277	
ACCUMULATED DEPRECIATION		66,795		92,851
TOTAL	$ 126,112	$ 66,795	$ 130,044	$ 92,851

Statement 7 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp

DIRECTORS SALARY

Federal Statements

Statement 8 - Schedule A, Part IV-A, Line 22 - Other Income

Description	2002	2001	2000	1999
INVESTMENT GAINS AND (LOSSES)	$ 978	$	$	$
TOTAL	$ 978	$ 0	$ 0	$ 0

Form **4562**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2003

Attachment Sequence No **67**

Name(s) shown on return: PALMETTO PROJECT, INC.

Identifying number: 57-0807801

Business or activity to which this form relates: INDIRECT DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount See page 2 of the instructions for a higher limit for certain businesses	1	100,000
2	Total cost of section 179 property placed in service (see page 2 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	400,000
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see page 2 of the instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			
7	Listed property Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2002 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2004 Add lines 9 and 10, less line 12 ▶	13	

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

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

14	Special depreciation allowance for qualified prop (other than listed prop) placed in service during the tax year (see pg 3 of the instr)	14	2,266
15	Property subject to section 168(f)(1) election (see page 4 of the instructions)	15	
16	Other depreciation (including ACRS) (see page 4 of the instructions)	16	

Part III MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2003	17	23,953
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B-Assets Placed in Service During 2003 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property		1,973	5.0	HY	200DB	395
c	7-year property		293	7.0	HY	200DB	42
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs.		S/L	
h	Residential rental			27.5 yrs.	MM	S/L	
	property			27.5 yrs.	MM	S/L	
i	Nonresidential real			39 yrs.	MM	S/L	
	property				MM	S/L	

Section C-Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs.		S/L	
c	40-year			40 yrs.	MM	S/L	

Part IV Summary (see page 6 of the instructions)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr	22	26,656
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

DAA

THERE ARE NO AMOUNTS FOR PAGE 2

PALMETTO PROJECT, INC. **57-0807801**

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

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

Section A-Depreciation and Other Information (Caution: See page 7 of the instructions for limits for passenger automobiles.)

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

(a) Type of prop (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 6 of the instructions)						**25**		
26 Property used more than 50% in a qualified business use (see page 6 of the instructions):								
		%						
		%						
27 Property used 50% or less in a qualified business use (see page 6 of the instructions):								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						**28**		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							**29**	

Section B-Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles- see page 2 of the instructions)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see page 8 of the instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 8 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See page 9 of the instructions.)		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2003 tax year (see page 9 of the instructions):					
43 Amortization of costs that began before your 2003 tax year				**43**	0
44 **Total.** Add amounts in column (f). See page 9 of the instructions for where to report				**44**	

STATEMENT III: PROGRAM SERVICE ACCOMPLISHMENTS

PRIMARY EXEMPT PURPOSE:

TO ENCOURAGE INNOVATIVE, COMMUNITY-BASED INITIATIVES; TO FOSTER PARTICIPATION IN THE CIVIC, CULTURAL, AND POLITICAL LIFE OF SOUTH CAROLINA; AND TO ACT AS A CATALYST IN THE FORMATION OF LOCAL AND STATEWIDE PARTNERSHIPS TO SOLVE SOCIAL AND ECONOMIC PROBLEMS.

	No. PERSONS HELPED	GRANTS and ALLOCATIONS	EXPENSES
LEARN AND SERVE			
Evaluation of Department of Education Program which provides thousands of yong South Carolinians the opportunity to learn about their community through school programs and off-campus volunteer programs	n/a	0	15,517
VOTER REGISTRATION AND PARTICIPATION			
Encouraged voter registration and participation state-wide	10,000	0	4,527
FAMILIES HELPING FAMILIES			
Held in Charleston and Columbia, South Carolina to help families get food, a present and an outfit of clothing for each child in the family.	6,000		
- Columbia		0	44,199
- Charleston		0	30,978
OMEGA			
Series of meetings, led by trained facilitators, to explore new ways to meet challenges of living together in multicultural South Carolin	1,000	0	79,433
KIDS VOTING			
Non-partisan initiative that fosters the values of citizenship among young people through the classroom and actual participation in the election process.	18,000	0	2,141
RACE RELATIONS AND YOUTH			
Youth caucus - pre-summit conference.		0	51,250
HEART & SOUL			
Hypertension screen and referral program.	22,000	0	281,268
IMMUNIZATION/IMMUNIZATION COALITION			
Public/private partnership for immunization awareness and referral program.	4,000	0	32,851
LOW COUNTRY AID TO AFRICA			
Regional coalition of churhes and community groups who raise funds to eleviate suffering in Africa	1,000	0	76

FAMILY TECHNOLOGY CENTERS			
Instruction for adults & youth in family literacy, job-related compute skills, GED, and English as a second language.	1,000		102,316
STUDENT HEALTH INITIATIVE			
School-based hea;th clinic that operates in Wando High School	5,000	0	6,260
TOTALS	68,000	0	650,815

STATEMENT V: OFFICERS, DIRECTORS AND TRUSTEES

(A) Name and address	(B) Title and avg. hours devoted to position	(C) Compen-sation	(D) Contri-butions to employee benefit plans	(E) Expense account and other allowances
MR STEPHEN L. SKARDON, JR. P.O. BOX 506 CHARLESTON, SC 29402	EXECUTIVE DIRECTOR 40 HRS/WK	$88,800	$11,023	0
MR CHARLES P AUSTIN, SR PO BOX 147 COLUMBIA, SC 29217	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR ROBERT A BARBER, JR 1883 BOWEN ISLAND RD CHARLESTON, SC 29412	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR LEE BUSSELL PO BOX 5806 COLUMBIA, SC 29250	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MS JUDY J CANNON 1301 COLUMBIA COLLEGE DR COLUMBIA, SC 29203	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR ELLIOTT SPRINGS CLOSE PO BOX 4200 ROCK HILL, SC 29732	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MS MIGNON L CLYBURN PO DRAWER 11649 COLUMBIA, SC 29211	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR CALVIN K HASTIE, SR 1426 MAIN ST, MAIL CODE 136 COLUMBIA, SC 29201	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR. HAYNE HIPP P.O. BOX 502 GREENVILLE, SC 29602-0502	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MS. M. RUSSELL HOLLIDAY 125 W. HIGHWAY 501 GALIVANTS FERRY, SC 29544	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR. EDWIN W. JOHNSON II P.O. BOX 11390 COLUMBIA, SC 29211	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR MILTON KIMPSON 2233 MANCE ST COLUMBIA, SC 29203	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0

EIN: 57-0807801
PALMETTO PROJECT, INC.

YEAR ENDED:
12-31-2003

STATEMENT V: OFFICERS, DIRECTORS AND TRUSTEES

(A) Name and address	(B) Title and avg. hours devoted to position	(C) Compen-sation	(D) Contri-butions to employee benefit plans	(E) Expense account and other allowances
MR MARION E KIMPSON PO BOX 1792 MT PLEASANT, SC 29465	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MRS. MARIE LAND 2 PINESTRAW LANE MANNING, SC 29102	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR JACK L LAWRENCE PO BOX 5722 SPARTANBURG, SC 29304	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
DR. JOAB LESESNA 541 TWIN DR SPARTANBURG, SC 29302	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR JAMES C LEVENTIS P.O. Box 100200 COLUMBIA, SC 29202-3200	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR. HARRY M. LIGHTSEY, III P.O. BOX 752 COLUMBIA, SC 29202	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR E ERWIN MADDREY, II 201 CRESCENT AVE GREENVILLE, SC 29605	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR CARL MANHEIM 112 HAMILTON PARK DR IRMO, SC 29063	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
RABBI SANFORD T MARCUS 6719 N TRENHOLM RD COLUMBIA, SC 29206-1710	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MS JUNE MURFF 137 CHERRY HILL DR AIKEN, SC 29803	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR WILLIAM A PRINCE PO DRAWER 2426 COLUMBIA, SC 29202	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MRS BRENDA W ROSEN 9005 KINGS RD MYRTLE BEACH, SC 29572	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0

EIN: 57-0807801
PALMETTO PROJECT, INC.

YEAR ENDED:
12-31-2003

STATEMENT V: OFFICERS, DIRECTORS AND TRUSTEES

(A) Name and address	(B) Title and avg. hours devoted to position	(C) Compen-sation	(D) Contri-butions to employee benefit plans	(E) Expense account and other allowances
MR M EDWARD SELLERS ALPINE RD AT I-20 COLUMBIA, SC 29219	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
THE RIGHT REV WILLIAM J SKILTON PO BOX 20127 CHARLESTON, SC 29413-0127	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR HILTON C SMITH, JR PO BOX 1298 CHARLESTON, SC 29402	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR ROBERT E STATON 2711 MIDDLEBURG DR, SUITE 305 COLUMBIA, SC 29204	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MRS S ANNE WALKER 3519 MEDICAL DR COLUMBIA, SC 29203	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
THE HON. MCKINLEY WASHINGTON, JI PO BOX 995 COLUMBIA, SC 29202	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
MR BARRY D. WYNN PO BOX 1724 SPARTANBURG, SC 29304	BOARD OF DIRECTORS PART-TIME (VOLUNTEER)	0	0	0
TOTALS		$88,800	$11,023	0

- If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time-Must File Original and One Copy.

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization PALMETTO PROJECT, INC.	Employer Identification number 57-0807801
	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 1327	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instr. SUMTER SC 29151-1327	

Check type of return to be filed (File a separate application for each return)

[X] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec. 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [ ] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- If the organization does **not** have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a **Group Return,** enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole** group, check this box ▶ [ ] . If it is for **part** of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until 11/15/04 .

5 For calendar year 2003 , or other tax year beginning _____ and ending _____ .

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

7 State in detail why you need the extension
ADDITIONAL TIME IS REQUESTED TO GATHER INFORMATION TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions $ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 $ _____

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, it required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). 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 [signature] Title CPA Date ▶ 8/16/04

Notice to Applicant-To Be Completed by the IRS

[ ] We **have** approved this application. Please attach this form to the organization's return.

[ ] We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's 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 the organization's return.

[ ] We **have not** approved this application After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.

[ ] We **cannot consider** this application because it was filed after the due date of the return for which an extension was requested.

[ ] Other _____

_____ By _____ _____
Director Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above

Type or print	
	Name VAN BULCK AND COMPANY, CPAS
	Number and street (include suite, room, or apt no) Or a P.O. box number PO BOX 1327
	City or town, province or state, and country (including postal or ZIP code) SUMTER SC 29151-1327