

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)

OMB No 1545-0047

2004

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 2004 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 The Cosmetic, Toiletry and Fragrance Association, Inc.			D Employer identification number 13-1390920	
	Number and street (or P O box if mail is not delivered to street address) Room/suite			E Telephone number	
	1101 17th Street, NW 300			(202) 331-1770	
	City or town State or country ZIP + 4			F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	
Washington DC 20036-4702			<input type="checkbox"/> 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)

G Website: ▶ CTFA.org

J Organization type (check only one) ▶ 501(c)(6) ◀ (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.

- 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? Yes No
(If "No," attach a list. See instructions.) N/A
- 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)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 13,909,007

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

SCANNED NOV 30 2005

	Description	Sub-column	Amount	Total
Revenue	1 Contributions, gifts, grants, and similar amounts received			
	a Direct public support	1a	0	
	b Indirect public support	1b		
	c Government contributions (grants)	1c		
	d Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)	1d		0
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		4,286,043
	3 Membership dues and assessments	3		7,625,389
	4 Interest on savings and temporary cash investments	4		733,239
	5 Dividends and interest from securities	5		0
	6 a Gross rents	6a		
b Less: rental expenses	6b			
c Net rental income or (loss) (subtract line 6b from line 6a)	6c		0	
7 Other investment income (describe ▶ _____)	7		0	
Revenue	8 a Gross amount from sales of assets other than inventory	(A) Securities		
		(B) Other		
		46,091,069	8a	0
		45,976,835	8b	0
c Gain or (loss) (attach schedule)	8c		0	
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		114,234	
Revenue	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	0
		b Less: direct expenses other than fundraising expenses	9b	0
		c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	0
Revenue	10 a 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	0
11 Other revenue (from Part VII, line 10)	11		1,150,102	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		13,909,007	
Expenses	13 Program services (from line 44, column (B))	13		0
	14 Management and general (from line 44, column (C))	14		0
	15 Fundraising (from line 44, column (D))	15		0
	16 Payments to affiliates (attach schedule)	16		0
	17 Total expenses (add lines 16 and 44, column (A))	17		14,341,448
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		-432,441
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		12,503,556
	20 Other changes in net assets or fund balances (attach explanation) STMT 1	20		-179,414
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		11,891,701

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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 \$ 0 noncash \$ 0)	0	0		
23	Specific assistance to individuals (attach schedule)	0			
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc	1,229,401			
26	Other salaries and wages	3,703,796			
27	Pension plan contributions	2,107,631			
28	Other employee benefits	647,039			
29	Payroll taxes	253,020			
30	Professional fundraising fees	0			
31	Accounting fees	33,700			
32	Legal fees	266,735			
33	Supplies	132,931			
34	Telephone	34,571			
35	Postage and shipping	42,425			
36	Occupancy	705,865			
37	Equipment rental and maintenance	130,827			
38	Printing and publications	1,288,566			
39	Travel	298,230			
40	Conferences, conventions, and meetings	1,065,831			
41	Interest	0			
42	Depreciation, depletion, etc. (attach schedule STMT 2)	105,037			
43	Other expenses not covered above (itemize): a Research	1,541,636			
	b Regulatory & Legislative	519,343			
	c Miscellaneous (STMT 6)	234,864			
	d				
	e	0			
	f	0			
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	14,341,448	0	0	0

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

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

What is the organization's primary exempt purpose? Represent interest of cosmetic, toiletry & fragrance industry	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a RESEARCH: Conduct scientific studies on subjects & interests of the industry. (Grants and allocations \$)	
b MEETINGS & CONVENTIONS: Provide educational opportunities to learn of new or proposed developments & regulations affecting the industry. (Grants and allocations \$)	
c LEGISLATIVE: Represent the industry's position & practices to regulatory & legislative bodies. (Grants and allocations \$)	
d PUBLICATIONS: Publish reference books & materials regarding ingredients, resources, color & safety for the benefit of the industry. (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)	0

Part IV Balance Sheets (See page 25 of the instructions.)

		(A)		(B)	
		Beginning of year		End of year	
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only					
Assets	45	Cash—non-interest-bearing		45	
	46	Savings and temporary cash investments	3,377,338	46	3,828,205
	47 a	Accounts receivable	143,267		
	b	Less: allowance for doubtful accounts	0	47c	143,267
	48 a	Pledges receivable	0		
	b	Less: allowance for doubtful accounts	0	48c	0
	49	Grants receivable	154,550	49	0
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)	0	50	0
	51 a	Other notes and loans receivable (attach schedule)	0		
	b	Less: allowance for doubtful accounts	0	51c	0
	52	Inventories for sale or use	815,744	52	482,046
	53	Prepaid expenses and deferred charges	391,294	53	258,472
	54	Investments—securities (attach schedule) STMT 3 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	21,550,840	54	20,821,919
	55 a	Investments—land, buildings, and equipment: basis	0		
	b	Less: accumulated depreciation (attach schedule)	0	55c	0
56	Investments—other (attach schedule)	0	56	0	
57 a	Land, buildings, and equipment: basis	1,883,118			
b	Less: accumulated depreciation (attach schedule) STMT 3	1,597,626	57c	285,492	
58	Other assets (describe <input type="checkbox"/> STMT 5)	264,055	58	417,448	
59	Total assets (add lines 45 through 58) (must equal line 74)	27,138,766	59	26,236,849	
Liabilities	60	Accounts payable and accrued expenses	3,100,253	60	1,726,356
	61	Grants payable		61	
	62	Deferred revenue	3,534,894	62	3,616,890
	63	Loans from officers, directors, trustees, and key employees (attach schedule)	0	63	0
	64 a	Tax-exempt bond liabilities (attach schedule)	0	64a	0
	b	Mortgages and other notes payable (attach schedule)	0	64b	0
65	Other liabilities (describe <input type="checkbox"/> Supplemental Retirement Liability)	8,000,063	65	9,001,902	
66	Total liabilities (add lines 60 through 65)	14,635,210	66	14,345,148	
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	8,197,216	67	7,918,865
	68	Temporarily restricted	4,306,340	68	3,972,836
	69	Permanently restricted		69	
	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)	12,503,556	73	11,891,701	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	27,138,766	74	26,236,849	

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

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

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

a	Total revenue, gains, and other support per audited financial statements	a	13,909,007
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	0
c	Line a minus line b	c	13,909,007
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	0
e	Total revenue per line 12, Form 990 (line c plus line d)	e	13,909,007

a	Total expenses and losses per audited financial statements	a	14,341,448
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	0
c	Line a minus line b	c	14,341,448
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	0
e	Total expenses per line 17, Form 990 (line c plus line d)	e	14,341,448

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) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Name <u>E. E. Kavanaugh</u> Str <u>1101 17th St. NW</u> City <u>Washington</u> ST <u>DC</u> ZIP <u>20036</u>	Title <u>President</u> Hr/WK <u>50</u>	<u>1,229,401</u>	<u>737,705</u> *	<u>13,014</u>
Name <u>See Statement 7 for a listing of</u> City <u>noncompensated board members</u>	Title Hr/WK	<u>0</u>	<u>0</u>	<u>0</u>
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			
Name _____ Str _____ City _____ ST _____ ZIP _____	Title Hr/WK			

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

*In addition, Mr. Kavanaugh participates in a severance plan. He is eligible for three years' severance pay upon retirement.

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		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		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		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?	X	
b	If "Yes," enter the name of the organization CTFA Foundation Association, Inc. & CTFA Political Action Committee and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct and indirect political expenditures. See line 81 instructions 81a NONE		
b	Did the organization file Form 1120-POL for this year?		X
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?		
84 b		N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		X
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.		X
c	Dues, assessments, and similar amounts from members	85c	7,625,389
d	Section 162(e) lobbying and political expenditures	85d	361,157
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	305,016
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	56,141
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	X
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	X
86	501(c)(7) orgs. 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) orgs. 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 N/A ; section 4912 N/A ; section 4955 N/A		
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	N/A
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 N/A		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization N/A		
90 a	List the states with which a copy of this return is filed DC		
b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions 90b 58		
91	The books are in care of Name The Corporation Telephone no (202) 331-1770 Located at 1101 17th St, NW, Suite 300 City Washington ST DC ZIP + 4 20036-4702		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A		

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Meetings & Conferences					1,227,225
b Publications	541800	304,003			1,874,513
c Interested Parties Research Program					865,302
d Testing Alternatives					15,000
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					7,625,389
95 Interest on savings and temporary cash investments			14	733,239	
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			18	114,234	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a Miscellaneous					106,811
b Free Sale Certificates					994,590
c Interested Party - Admin.					38,083
d Work Your Image					10,618
e					
104 Subtotal (add columns (B), (D), and (E))		304,003		847,473	12,757,531
105 Total (add line 104, columns (B), (D), and (E))					13,909,007

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)
▼	See Attached STMT 4

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	%		0	0
	%		0	0
	%		0	0
	%		0	0

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).

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: *[Signature]* Date: 11/10/05 President

Date: 11/9/05 Check if self- Preparer's SSN or PTIN (See Gen Inst W)

The Cosmetic, Toiletry & Fragrance Association, Inc.

Employer Identification Number 13-1390920

2004 Form 990 Attachments

STMT 1 Revenue, Expenses, and Changes in Net Assets or Fund Balances

Line 20	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	
	Minimum pension liability	(204,521)
	Net unrealized gain on investments	25,107
	Total decrease in Net Assets	<u>(179,414)</u>

STMT 2 Statement of Functional Expenses

Line 42	DEPRECIATION (Calculated using the straight-line method over estimated useful life)	
	Furniture, fixtures and equipment	7,913
	Computers	53,279
	Electronic information system	43,845
	Total Depreciation	<u>105,037</u>

STMT 3 Balance Sheets

Line 54	INVESTMENTS at MARKET	
	U S. Government & Agencies' bonds & notes	14,564,852
	U S. Treasury Notes held under supplemental retirement agreement	6,257,067
	Total Investment	<u>20,821,919</u>

Line 57	PROPERTY AND EQUIPMENT	
	Furniture, fixtures and equipment	726,674
	Computers	628,714
	Electronic information system	527,730
		<u>1,883,118</u>
	Accumulated depreciation	<u>(1,597,626)</u>
	Total Fixed Assets, Net	<u>285,492</u>

STMT 4 Relationship of Activities to the Accomplishment of Exempt Purposes

Line 93a	Educates industry on new or proposed regulatory actions, practices scientific advances
Line 93b	Provides recognized source for technical / scientific data, regulatory requirements, etc
Line 93c	Represents research programs conducted on behalf of a specific member or group of members at such member's request
Line 93d	Explores the value of animal testing & possible alternatives
Line 94	Provides member benefits such as technical regulation notes, promotion of safe products, educational materials, scientific needs & interests, effects of international activities, etc
Line 103a	Provides source of materials, etc
Line 103b	Provides foreign regulatory assistance to the industry
Line 103c	Facilitates members to engage in initiatives that are of mutual interest to industry participants
Line 103d	Public awareness program on the importance of work and image

STMT 5 Other Assets

Line 58	Other Assets	
	Due from Affiliate	85,865
	Intangible Asset	181,517
	Interest Receivable	150,066
	Total Other Assets	<u>417,448</u>

STMT 6 Other Expenses

Line 43c	Miscellaneous	
	Bank Fees	44,037
	Credit Card Fees	60,145
	Free Sale Certificates	95,096
	Automatic Data Processing	10,045
	Miscellaneous	25,541
	Total Miscellaneous	<u>234,864</u>

STMT 7: CTFA Board of Directors Executive Committee

Scott Beattie
Chairman & CEO
ELIZABETH ARDEN CO.

Ms. Colleen Goggins
WW Chairman, Consumer & Personal Care
JOHNSON & JOHNSON

Ms. Andrea Jung
Chief Executive Officer and Chairman
AVON PRODUCTS, INC.

Mr. William J. Gentner
President and Chief Executive Officer
KAO BRANDS COMPANY

Mr. Eric Thoreux
President, Coty Beauty Americas
COTY INC.

Marc S. Pritchard
President, Global Cosmetics
PROCTER & GAMBLE COSMETICS

Ms. Linda R. Marshall
President
ELYSEE SCIENTIFIC COSMETICS

Mr. Jack Stahl
President & Chief Executive Officer
REVLON, INC.

Mr. Daniel J. Brestle
Chief Operating Officer
THE ESTEE LAUDER COMPANIES INC.

Mr. Stephen I. Sadove
Vice Chairman & Chief Operating Officer
SAKS INCORPORATED

NOTE: Board members use the CTFA mailing address: 1107 17th Street, NW, Suite 300, Washington DC 20036-4702

Form 8868 (Rev 12-2004)

Page 2

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box **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	Employer identification number
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions	

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

- | | | |
|--------------------------------------|---|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 4720 | |

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

- The books are in the care of ▶ _____
Telephone No ▶ (____) _____ FAX No. ▶ (____) _____
- 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.

- I request an additional 3-month extension of time until _____, 20_____.
- For calendar year _____, or other tax year beginning _____, 20_____, and ending _____, 20_____.
- If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- State in detail why you need the extension _____

- 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 \$ _____
- 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 \$ _____
- Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if 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 ▶ Richard L. Bauf Title ▶ President Date ▶ 5/10/05

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 extended due date of the return for which an extension was requested
- Other _____

Director _____ By: _____ 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
	Number and street (include suite, room, or apt. no.) or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)

8868 (Rev. 12-2004)

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

Form with fields: Name of Exempt Organization (The Cosmetic, Toiletry, & Fragrance Association, Inc.), Employer identification number (13-1390920), Address (1101 17th Street, N.W., Suite 300, Washington, DC 20036).

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

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

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

- The books are in the care of The Cosmetic, Toiletry, & Fragrance Association, Inc. Telephone No. (202) 331-1770 FAX No. (202) 833-8918. 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).

- 4 I request an additional 3-month extension of time until November 15, 2005. 5 For calendar year 04, or other tax year beginning 2004, and ending 2004. 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 needed to gather the information necessary in order to file 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. 8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. 8c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS.

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: [Handwritten Signature] Title: President Date: 7/19/05

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. 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 extended due date of the return for which an extension was requested. Other

Director By: 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.

Form with fields: Name, Number and street (include suite, room, or apt. no.) or a P.O. box number, City or town, province or state, and country (including postal or ZIP code). Includes stamp: EXTENSION APPROVED AUG 19 2005 FIELD DIRECTOR SUBMISSION PROC. SING, OGDEN

Form **8868**
(Rev. December 2004)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization The Cosmetic, Toiletry, & Fragrance Association, Inc.	Employer identification number 13 1390920
	Number, street, and room or suite no. If a P.O. box, see instructions. 1101 17th Street, N.W., Suite 300	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Washington, DC 20036	

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

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ The Cosmetic, Toiletry, & Fragrance Association, Inc.

Telephone No. ▶ (202) 331-1770 FAX No. ▶ (202) 833-8918

- 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 will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until August 15, 2005, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year 2004 or

▶ tax year beginning _____, 20____, and ending _____, 20____

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

3a 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 or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.