

**Return of Organization Exempt From Income Tax**

**2004**

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

**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** , 2004, and ending , 20

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

**C Name of organization**  
**Participant, Inc.**

Number and street (or P O box if mail is not delivered to street address) Room/suite  
**95 Rivington Street**

City or town, state or country, and ZIP + 4  
**New York, NY 10002-2201**

**D Employer identification number**  
**26 : 0017746**

**E Telephone number**  
**( 212 ) 254-4334**

**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," attach a list. See instructions.)
- H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No
- I** Group Exemption Number ▶
- M** Check  if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

**G Website:** ▶

**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.**

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

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

Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Direct public support . . . . .	Statement 1	<b>1a</b>	63,794	
	<b>b</b> Indirect public support . . . . .		<b>1b</b>	12,500	
	Government contributions (grants)		<b>1c</b>		
	<b>d</b> Total (add lines 1a through 1c) (cash \$ <u>76,294</u> noncash \$ _____ ) . . . . .		<b>1d</b>	76,294	
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)		<b>2</b>		
	<b>3</b> Membership dues and assessments . . . . .		<b>3</b>		
	<b>4</b> Interest on savings and temporary cash investments . . . . .		<b>4</b>		
	<b>5</b> Dividends and interest from securities . . . . .		<b>5</b>		
	<b>6a</b> Gross rents . . . . .		<b>6a</b>		
	<b>6b</b> Less: rental expenses . . . . .		<b>6b</b>		
	<b>6c</b> Net rental income or (loss) (subtract line 6b from line 6a) . . . . .		<b>6c</b>		
	<b>7</b> Other investment income (describe ▶) . . . . .		<b>7</b>		
Revenue	<b>8a</b> Gross amount from sales of assets other than inventory . . . . .	(A) Securities		(B) Other	
	<b>b</b> Less: cost or other basis and sales expenses . . . . .	<b>8a</b>	48,314		
	<b>c</b> Gain or (loss) (attach schedule) . . . . .	<b>8b</b>	1,288		
	<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B)) . . . . .	<b>8c</b>	47,026		
<b>8d</b> Total (add lines 8a, 8b, and 8c) . . . . .		<b>8d</b>	47,026		
Revenue	<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a) . . . . .	<b>9a</b>			
	<b>b</b> Less: direct expenses other than fundraising expenses . . . . .	<b>9b</b>			
	<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a) . . . . .	<b>9c</b>			
	<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>10a</b>			
Revenue	<b>b</b> Less: cost of goods sold . . . . .	<b>10b</b>			
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a). . . . .	<b>10c</b>			
Revenue	<b>11</b> Other revenue (from Part VII, line 103) . . . . .	<b>11</b>	650		
	<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) . . . . .	<b>12</b>	123,670		
	Expenses	<b>13</b> Program services (from line 44, column (B)) . . . . .	<b>13</b>	103,546	
		<b>14</b> Management and general (from line 44, column (C)) . . . . .	<b>14</b>	17,742	
		<b>15</b> Fundraising (from line 44, column (D)) . . . . .	<b>15</b>	11,700	
<b>16</b> Payments to affiliates (attach schedule) . . . . .		<b>16</b>	0		
<b>17</b> Total expenses (add lines 16 and 44, column (A)) . . . . .		<b>17</b>	132,667		
Net Assets	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12) . . . . .	<b>18</b>	(8,698)		
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A)) . . . . .	<b>19</b>	28,638		
	<b>20</b> Other changes in net assets or fund balances (attach explanation) . . . . .	<b>20</b>	3,429		
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20) . . . . .	<b>21</b>	23,368		

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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 \$ _____ noncash \$ _____)					
23	Specific assistance to individuals (attach schedule)					
24	Benefits paid to or for members (attach schedule)					
25	Compensation of officers, directors, etc. . . . .					
26	Other salaries and wages . . . . .					
27	Pension plan contributions . . . . .					
28	Other employee benefits . . . . .					
29	Payroll taxes . . . . .					
30	Professional fundraising fees . . . . .					
31	Accounting fees . . . . .					
32	Legal fees . . . . .					
33	Supplies . . . . .	3,087	1,543	15,44		
34	Telephone . . . . .	7,303	5,843	730	730	
35	Postage and shipping . . . . .	1,872	1,497	374		
36	Occupancy . . . . .	69,426	55,541	6,943	6,942	
37	Equipment rental and maintenance . . . . .					
38	Printing and publications . . . . .	8,270	4,135	4,135		
39	Travel . . . . .	4,599	4,094	455		
40	Conferences, conventions, and meetings . . . . .					
41	Interest . . . . . Statement 3 . . . . .	831		831		
42	Depreciation, depletion, etc. (attach schedule)	4,444	3,555	444	444	
43	Other expenses not covered above (itemize): a . . . . .	43a				
	b Statement 4 . . . . .	43b	32,885	27,337	2,796	
	c . . . . .	43c				
	d . . . . .	43d				
	e . . . . .	43e				
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15 .	44	132,667	103,546	17,742	11,700

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? <b>Statement 5</b>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)
a The Participant, Inc. worked with more than 20 artists and mounted several ambitious exhibitions and programs in the unique two level space in Lower East Side of New York City. The public attendance is steadily growing. It also won good critical reviews. (Grants and allocations \$ not ascertainable)	103,546
b . . . . . (Grants and allocations \$ )	
c . . . . . (Grants and allocations \$ )	
d . . . . . (Grants and allocations \$ )	
e Other program services (attach schedule) (Grants and allocations \$ )	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services).	<b>103,546</b>

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

		(A) Beginning of year		(B) End of year	
<i>Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.</i>					
<b>Assets</b>	45	Cash—non-interest-bearing . . . . .	(47)	45	1,447
	46	Savings and temporary cash investments . . . . .		46	
	47a	Accounts receivable . . . . .		47a	
	b	Less: allowance for doubtful accounts . . . . .	5,985	47b	
	47c			47c	
	48a	Pledges receivable . . . . .		48a	
	b	Less: allowance for doubtful accounts . . . . .		48b	
	48c			48c	
	49	Grants receivable . . . . .	40,000	49	20,000
	50	Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .		50	
	51a	Other notes and loans receivable (attach schedule) . . . . .		51a	
	b	Less: allowance for doubtful accounts . . . . .		51b	
	51c			51c	
	52	Inventories for sale or use . . . . .		52	
	53	Prepaid expenses and deferred charges . . . . .		53	
54	Investments—securities (attach schedule) . . . . . <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54		
55a	Investments—land, buildings, and equipment: basis . . . . .		55a		
b	Less: accumulated depreciation (attach schedule) . . . . .		55b		
55c			55c		
56	Investments—other (attach schedule) . . . . .		56		
57a	Land, buildings, and equipment: basis . . . . .	27,202	57a		
b	Less: accumulated depreciation (attach schedule) . . . . .	4,444	57b		
57c		16,247	57c	22,758	
58	Other assets (describe <input type="checkbox"/> Security Deposit ) . . . . .	8,000	58	8,560	
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74) . . . . .	70,185	59	52,766	
<b>Liabilities</b>	60	Accounts payable and accrued expenses . . . . .	1,500	60	1,551
	61	Grants payable . . . . .		61	
	62	Deferred revenue . . . . .		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .	40,047	63	5,782
	64a	Tax-exempt bond liabilities (attach schedule) . . . . .		64a	
	b	Mortgages and other notes payable (attach schedule) . . . . .		64b	
	65	Other liabilities (describe <input type="checkbox"/> Long-term payable to individuals ) . . . . .		65	22,065
66	<b>Total liabilities</b> (add lines 60 through 65) . . . . .	41,547	66	29,398	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted . . . . .	(11,362)	67	3,368
	68	Temporarily restricted . . . . .	40,000	68	20,000
	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	<b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) . . . . .	28,638	73	23,368
	74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73) . . . . .	70,185	74	52,766

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 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.		✓
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.		✓
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		✓
78b	b If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .		✓
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		✓
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? . . . . .		✓
	b If "Yes," enter the name of the organization ▶ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions	81a	
81b	b Did the organization file Form 1120-POL for this year? . . . . .	81b	✓
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	✓
	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	✓
83b	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? . . . . .	83b	✓
84a	Did the organization solicit any contributions or gifts that were not tax deductible? . . . . .	84a	✓
	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	84b	✓
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? . . . . .	85a	✓
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . . If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	✓
	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? . . . . .	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? . . . . .	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	✓
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____		
	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	✓
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . . ▶ _____		
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization . . . . . ▶ _____		
90a	List the states with which a copy of this return is filed ▶ <u>New York State</u>		
	b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	1
91	The books are in care of ▶ <u>Lia Gangitano</u> Telephone no. ▶ ( <u>212</u> ) <u>254-4334</u> Located at ▶ <u>95 Rivington Street, New York, NY</u> ZIP + 4 ▶ <u>10002-2201</u>		
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		



**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Organization Exempt Under Section 501(c)(3)**

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

**Supplementary Information—(See separate instructions.)**

OMB No. 1545-0047

**2004**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

**Participant, Inc.**

Employer identification number

**26 : 0017746**

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
N/A				
.....				
.....				
.....				
.....				
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
N/A		
.....		
.....		
.....		
.....		
Total number of others receiving over \$50,000 for professional services . . . . . ▶		



**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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	174,725	120,280			295,005
<b>16</b> Membership fees received . . . . .					
<b>17</b> 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 . . . . .					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 . . . . .					
<b>19</b> Net income from unrelated business activities not included in line 18. . . . .					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .					
<b>21</b> 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. . . . .					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
<b>23</b> Total of lines 15 through 22 . . . . .	174,725	120,280			295,005
<b>24</b> Line 23 minus line 17 . . . . .	174,725	120,280			295,005
<b>25</b> Enter 1% of line 23 . . . . .	1,747	1,203			
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24 . . . . ▶				26a	5,900
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 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶				26b	159,155
c Total support for section 509(a)(1) test: Enter line 24, column (e) . . . . . ▶				26c	295,005
d Add: Amounts from column (e) for lines: 18 <u>0</u> 19 <u>0</u> . . . . . ▶					
22 <u>0</u> 26b <u>159,155</u> . . . . . ▶				26d	159,155
e Public support (line 26c minus line 26d total) . . . . . ▶				26e	135,850
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) . . . . ▶				26f	46 %
<b>27 Organizations described on line 12:</b> 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: (2003) ..... (2002) ..... (2001) ..... (2000) .....					
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: (2003) ..... (2002) ..... (2001) ..... (2000) .....					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ . . . . . ▶				27c	
d Add: Line 27a total _____ and line 27b total _____ . . . . . ▶				27d	
e Public support (line 27c total minus line 27d total). . . . . ▶				27e	
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . ▶	27f				
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) . . . . ▶				27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)). ▶				27h	%
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, 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)

	Yes	No
<b>29</b> 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? . . . . .	<b>29</b>	
<b>30</b> 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? . . . . .	<b>30</b>	
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? . . . . . If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) ..... ..... .....	<b>31</b>	
<b>32</b> Does the organization maintain the following:	<b>32a</b>	
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff? . . . . .	<b>32a</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .	<b>32b</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .	<b>32c</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? . . . . .	<b>32d</b>	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ..... .....		
<b>33</b> Does the organization discriminate by race in any way with respect to:	<b>33a</b>	
<b>a</b> Students' rights or privileges? . . . . .	<b>33a</b>	
<b>b</b> Admissions policies? . . . . .	<b>33b</b>	
<b>c</b> Employment of faculty or administrative staff? . . . . .	<b>33c</b>	
<b>d</b> Scholarships or other financial assistance? . . . . .	<b>33d</b>	
<b>e</b> Educational policies? . . . . .	<b>33e</b>	
<b>f</b> Use of facilities? . . . . .	<b>33f</b>	
<b>g</b> Athletic programs? . . . . .	<b>33g</b>	
<b>h</b> Other extracurricular activities? . . . . .	<b>33h</b>	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ..... .....		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency? . . . . .	<b>34a</b>	
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? . . . . . If you answered "Yes" to either 34a or b, please explain using an attached statement.	<b>34b</b>	
<b>35</b> 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 . . . . .	<b>35</b>	

**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)

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 Over \$1,500,000 but not over \$17,000,000. \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 . . . . . \$1,000,000 . . . . .	41	
42	Grassroots nontaxable amount (enter 25% of line 41). . . . .	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36. . . . .	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38. . . . .	44	

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
 See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(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 11 of the instructions.)

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.



Statement 1: Line 1, Contributions, gifts, grants exceeding \$5,000.

17,776  
20,000  
14,374  
15,000  
7,500  
12,500  

---

87,150

Statement 2: Line 11, Other Revenue

Events Income 500  
Space Rentals 

---

150

Statement 3: Line 42 and 57a, Depreciation  
150% DD, HY

	Total	Year 2004	
		Dep Exp	Accum Dep
Furniture and Fixtures, Year 2003	18,175	3,477	5,424
Furniture and Fixtures, Year 2004	9,027	967	967
	<hr/> 27,202	<hr/> 4,444	<hr/> 6,391

Statement 4: Line 43, Other expenses

	Total	Program Mgt and general		Fundraising
Installation - Crew	2,132	1,706	426	
Artist & Curatorial Fees	12,468	12,468		
Catering	192	96	96	
Contract Labor	1,000	800	200	
Documentation	1,600	1,280	320	
Dues and Subscriptions	1,358			1,358
Materials	10,177	9,159	1,018	
Meals	619	124	309	186
Shipping	2,131	1,705	426	
Bank Service Charges	1,209			1,209
Total	<hr/> 32,885	<hr/> 27,337	<hr/> 2,796	<hr/> 2,753

Statement 7: Line 8a-c, sales of assets other than inventory

Art Sales 48,314  
Artist commissions and other fabrication costs 

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1,288  
47,026

Statement 8: Line 20, Other changes in net assets or fund balances

\$3,429, adjustment in depreciation for prior year.

Statement 9: Line 63 and Line 65

Loans from officers, directors and trustees:

Lia Gangitano 5,782

Other liabilities:

J & J Gangitano 18,000

Lovett/Codagnone 2,300

Johanna Fateman 1,765

Participant Inc.  
Form 990  
Year 2004

26-0017746

Statement 5: Part III, Exempt purpose

To benefit, support and promote the exhibition of artworks and the presentation of cultural, literary, and musical events to the general public; and to provide lectures, readings and benefits that generally promote literature, music and the arts.

Statement 6: Part V

**Board of Trustees**

**Adam Ames, President**

Artist, represented by Sara Meltzer Gallery  
Adjunct Professor, Parsons School of Design; New School University; School of  
Visual Arts  
Board Member, Artists Space  
Studio:  
601 West 26th Street, Rm. 1128  
New York, NY 10001  
212 337 9911  
fax 212 924 1791  
Cell 646 229 2632  
[jrlom@earthlink.net](mailto:jrlom@earthlink.net)

**Sandra Antelo-Suarez**

Director, TRANS>area, TRANS>arts.cultures.media  
511 West 25th Street, #502  
New York, NY 10001  
646 486 0252  
Fax 646 486 0241  
<http://www.transmag.org>  
[sandra@transmag.org](mailto:sandra@transmag.org)

**Julie Ault**

Artist  
Independent Curator  
with Martin Beck, Exhibition Designer  
Professor, Ecole Superieure des Beaux-Art, Geneva  
88 Bleecker Street., #4G  
New York, NY 10012  
212 982 4383  
[julie2000@earthlink.net](mailto:julie2000@earthlink.net)

**Martin Beck**

Artist  
Writer  
with Julie Ault, Exhibition Designer  
88 Bleecker Street., #4G  
New York, NY 10012  
212 982 4383  
[mb543@earthlink.net](mailto:mb543@earthlink.net)

**Elizabeth Dee**

Founder/Owner, Elizabeth Dee Gallery  
545 West 20th Street  
New York, NY 10011  
212 924 7545  
[edee@elizabethdeegallery.com](mailto:edee@elizabethdeegallery.com)  
Inner Space, a committee of Artists Space  
Friend, New Museum of Contemporary Art  
Admissions Representative, Mt. Holyoke College

**Thalia Feilen**, Secretary  
Attorney  
The Law Office of Thalia Feilen  
928 Broadway, Suite 1000  
New York, NY 10010  
[thaliafeilenesq@yahoo.com](mailto:thaliafeilenesq@yahoo.com)  
Tel 212 228 7626  
Fax 212 631 0205

**Natalie Fein**  
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Work 212 390 5675  
[nfein8@yahoo.com](mailto:nfein8@yahoo.com)

**Yihua "Rika" Feng**  
Interim Associate Vice President for Student Financial Services  
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**Timothy Fichtner**  
1009 Western Avenue, #1209  
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**Rachel Greene**  
Executive Director, Rhizome.org  
c/o New Museum of Contemporary Art  
[rfsgreene@mac.com](mailto:rfsgreene@mac.com)  
Home 212-929 4989  
Cell 917 653 3708  
261 West 22nd Street, Apt. 26  
New York, NY 10011

**Jacqueline Humphries**  
Artist  
313 Henry Street  
New York NY 10002  
Cell 917 584 1036  
Studio 212 233 1923

**Ramsey McPhillips**  
Hortivangelist  
SW McPhillips Road

McMinnville, OR 97128  
1 800 370 5221  
[hortivangelist@hotmail.com](mailto:hortivangelist@hotmail.com)

**Timothy U. Nye**

Founder, Foundation 2021  
Adjunct Professor, New York University, Interactive Telecommunications Program  
Board Member, Delia's; Brooklyn Academy of Music; Merce Cunningham Dance  
Company; Bomb Magazine  
New Technology Committee, Whitney Museum of American Art  
Foundation 20 21  
740 Broadway, 11th floor  
New York NY 10003  
Work 212-995 2222  
Cell 917 837 5004  
[Tnye@alltrue.com](mailto:Tnye@alltrue.com)

**Tony Oursler**

Artist  
313 Henry Street  
New York NY 10002  
Cell 917 375 4190  
[Toursler@aol.com](mailto:Toursler@aol.com)

**Ellen F. Salpeter**

Director, Heart of Brooklyn, A Cultural Partnership  
Adjunct Professor, New York University  
Trustee, Elizabeth Streb Ringside; The Builders Association; Sadie Nash  
Leadership Project  
Advisory Board Member, Momenta Arts; Lower East Side Print Shop; Arts Benefit  
All Coalition  
Member of Brooklyn Marketing and Tourism Council (Steering Committee)  
Membership Committee, Arttable  
Office:  
Heart of Brooklyn  
789 Washington Ave  
Brooklyn NY 11238  
718-638-7700  
Fax 718 638 7740

**Joseph R. Wolin**

Director, Elizabeth Dee Gallery  
545 West 20th Street  
New York, NY 10011  
Work 212 924 7545  
Home 212 662 0456  
[Jrwoln@yahoo.com](mailto:Jrwoln@yahoo.com)

**Participant, Inc.**  
**STATEMENT OF ACTIVITIES**  
January through December 2004

	Jan - Dec 04
Contributions	
Foundation	56,150
Government	12,500
Individuals	7,644
Total Contributions Income	76,294
Revenue	
Art Sales	48,314
Events Income	500
Space Rentals	150
Fabrication Costs	(1,288)
Total Revenue	47,676
Total Income and Contributions	123,970
Expense	
Occupancy/Building	
Building Fees	1,945
Insurance	2,041
Licenses and Permits	10
Rent	60,905
Repairs	98
Security	430
Telephone	7,303
Utilities	3,996
Total Occupancy/Building	76,729
Depreciation expenses	4,444
Installation - Crew	2,132
Artist & Curatorial Fees	12,468
Catering	192
Contract Labor	1,000
Documentation	1,600
Dues and Subscriptions	1,358
Materials	10,177
Meals	619
Postage and Delivery	1,872
Printing and Reproduction	8,270
Shipping	2,131
Supplies	3,087
Travel & Ent	-
Transportation	4,549
Bank Service Charges	1,209
Finance Charge	331
Interest Expense	500
Total Expense	132,667
Net Ordinary Income	(8,698)

**Participant, Inc.**  
**BALANCE SHEET**  
**AS OF DECEMBER 31, 2004**

<b>ASSETS</b>	
Current Assets	
Cash	1,448
Grants receivable	20,000
Fixed Assets and other long-term assets	
Furniture & Fixtures	27,202
Less: Accumulated Depreciation	(4,444)
Security Deposit	<u>8,560</u>
<b>LIABILITIES &amp; EQUITY</b>	<u><b>52,766</b></u>
Liabilities	
Current Liabilities	
Accounts Payable	1,551
Loan Payable - Director	5,782
Loan Payable - Individuals	<u>22,065</u>
Total Long Term Liabilities	<u>29,398</u>
Equity	
Opening balance adjustment	3,429
Retained Earnings	28,637
Net Income	<u>(8,698)</u>
Total Equity	<u>23,368</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>52,766</b></u>

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	Name of Exempt Organization <b>Participant Inc.</b>	Employer identification number <b>26 : 0017746</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>95 Rivington Street</b>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>New York, NY 10002-2201958</b>	

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 **Lia Gangitano, Participant Inc., 95 Rivington Street, NYC 10002**  
 Telephone No. **( 212 ) 254-4334** FAX No. **( 212 ) 254-4141**

• 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 **November 15**, 20**05**.
- 5 For calendar year **2004**, or other tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_\_.
- 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 **Not all supporting documents are ready for the filing.**

- 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, 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 **Lia Gangitano** Title **Director** Date **6 AUG 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	<b>EXTENSION APPROVED</b>  <b>SEP 13 2005</b>
	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)	

FIELD DIRECTOR  
SUBMISSION PROCESSING, OGDEN