

Form

990**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 January 1, 2004, and ending December 31, 2004**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**Chili Appreciation Society International, Inc.**

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

4416 S Fannin

City or town, state or country, and ZIP + 4

Amarillo, Texas 79110**D** Employer identification number**74 : 2330479****E** Telephone number**(806) 679-1952****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 ▶**G** Website: ▶ **www.chili.org****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 ▶ **270,673.60****M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**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		57,000.00	
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 32,000.00 noncash \$ 25,000)				1d 57,000.00
	2 Program service revenue including government fees and contracts (from Part VII, line 93)				2 82,138.97
	3 Membership dues and assessments				3 25,983.22
	4 Interest on savings and temporary cash investments				4 3,358.82
	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 ▶)				7	
Revenue	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	b Less: cost or other basis and sales expenses	8a			
	c Gain or (loss) (attach schedule)	8b			
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
	8d Total (add lines 8a through 8c, columns (A) and (B))				8d
	9a Gross revenue (not including \$ of contributions reported on line 1a)	9a		87,593.34	
	b Less: direct expenses other than fundraising expenses	9b		94,621.12	
	c Net income or (loss) from special events (subtract line 9b from line 9a)				9c 7,027.78-
	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 14,599.25	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				12 176,052.48	
Expenses	13 Program services (from line 44, column (B))				13 88,640.95
	14 Management and general (from line 44, column (C))				14 13,110.99
	15 Fundraising (from line 44, column (D))				15 38,097.99
	16 Payments to affiliates (attach schedule)				16
	17 Total expenses (add lines 16 and 44, column (A))				17 139,849.93
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)				18 36,202.55
	19 Net assets or fund balances at beginning of year (from line 73, column (A))				19 296,585.15
	20 Other changes in net assets or fund balances (attach explanation)				20
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)				21 332,787.70

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2004)

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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 \$ _____)	22 28,400.00	28,400.00		
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule).	24			
25	Compensation of officers, directors, etc.	25			
26	Other salaries and wages	26			
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32 1,000.00		1,000.00	
33	Supplies	33 2,521.82	1,861.64	660.18	
34	Telephone	34 4,133.64	3,540.20		593.44
35	Postage and shipping	35 3,057.19	2,943.81	113.38	
36	Occupancy	36			
37	Equipment rental and maintenance	37 7,496.12	2,345.16	3,021.86	2,129.10
38	Printing and publications	38 26,807.97	24,020.97	2,787.00	
39	Travel	39			
40	Conferences, conventions, and meetings	40 10,684.80	8,500.00	2,184.80	
41	Interest	41 2,500.00			2,500.00
42	Depreciation, depletion, etc. (attach schedule)	42 3,122.00			3,122.00
43	Other expenses not covered above (itemize). a Misc	43a 4,602.77	393.17	3,343.77	865.83
b	Ranch Electric Bill	43b 1,682.38			1,682.38
c	Liability Insurance	43c 16,636.00	16,636.00		
d	Property Tax	43d 699.79			699.79
e	Sponsor Acquisition & Allowances	43e 26,505.45			26,505.45
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44 139,849.93	88,640.95	13,110.99	38,097.99

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? <input type="checkbox"/> _____	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts, but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of client publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a See Attachments (Grants and allocations \$ _____)	
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)	

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
45	Cash—non-interest-bearing	39,838.83	45	15,583.29
46	Savings and temporary cash investments	71,457.32	46	119,358.82
47a	Accounts receivable			
b	Less: allowance for doubtful accounts		47c	
48a	Pledges receivable			
b	Less: allowance for doubtful accounts		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)			
b	Less: allowance for doubtful accounts		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			
b	Less: accumulated depreciation (attach schedule)		55c	
56	Investments—other (attach schedule)		56	
57a	Land, buildings, and equipment: basis			
b	Less: accumulated depreciation (attach schedule)	181,419.00	57c	193,975.59
58	Other assets (describe ▶ Trademarks)	3,870.00	58	3,870.00
59	Total assets (add lines 45 through 58) (must equal line 74)	296,585.15	59	332,787.70
60	Accounts payable and accrued expenses		60	
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)		64b	
65	Other liabilities (describe ▶)		65	
66	Total liabilities (add lines 60 through 65)		66	
67	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.	202,764.63	67	219,253.98
68	Unrestricted		68	
69	Temporarily restricted	93,820.52	69	113,533.72
70	Permanently restricted			
71	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		70	
72	Capital stock, trust principal, or current funds		71	
73	Paid-in or capital surplus, or land, building, and equipment fund		72	
74	Retained earnings, endowment, accumulated income, or other funds			
75	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)	296,585.15	73	322,787.70
76	Total liabilities and net assets / fund balances (add lines 66 and 73)	296,585.15	74	322,787.70

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 N/A	a Total expenses and losses per audited financial statements ▶	a N/A
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 N/A	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 N/A
c Line a minus line b ▶	c N/A	c Line a minus line b ▶	c N/A
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 N/A	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 N/A
e Total revenue per line 12, Form 990 (line c plus line d)	e N/A	e Total expenses per line 17, Form 990 (line c plus line d)	e N/A

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
.....				
See Attachments				
.....				
.....				
.....				
.....				
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.....				
.....				

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	✓
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	✓
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	✓
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	✓
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	✓
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 _____	81a	
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	✓
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 _____		N/A
d Enter: Amount of tax on line 89c, above, reimbursed by the organization _____		N/A
90a List the states with which a copy of this return is filed _____		
b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) 90b _____		N/A
91 The books are in care of Garnier Albus Telephone no. (806) 679-1952 Located at 4416 S Fannin - Amarillo, Texas 79110 ZIP + 4 _____		
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		Excluded by section 512, 513, or 514		(E)
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	Related or exempt function income
93	Program service revenue:					
a	Program Services					82,138.97
b						
c						
d						
e						
f	Medicare/Medicaid payments					
g	Fees and contracts from government agencies					
94	Membership dues and assessments					25,983.22
95	Interest on savings and temporary cash investments					3,358.82
96	Dividends and interest from securities					
97	Net rental income or (loss) from real estate:					
a	debt-financed property					
b	not debt-financed property					
98	Net rental income or (loss) from personal property					
99	Other investment income					
100	Gain or (loss) from sales of assets other than inventory					
101	Net income or (loss) from special events					7,027.78-
102	Gross profit or (loss) from sales of inventory					
103	Other revenue: a					
b	Cell Tower & Dirt Sales					14,599.25
c	Corporate Sponsors					57,000.00
d						
e						
104	Subtotal (add columns (B), (D), and (E))					176,052.48
105	Total (add line 104, columns (B), (D), and (E))					176,052.48

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 Attachment

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
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

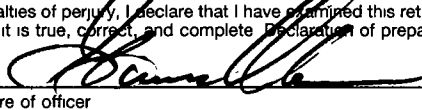
(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☐ No

(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 Here

Signature of officer:  Date: **5-15-05**

Garnier Albus - Treasurer

Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W)
EIN		

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

2004

Name of the organization

Chili Appreciation Society International, Inc.

Employer identification number

74 : 2330479

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
No Employees				
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
No Compensation		
Total number of others receiving over \$50,000 for professional services ▶		

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

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?
- b** Lending of money or other extension of credit?
- c** Furnishing of goods, services, or facilities?
- d** Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?
- e** Transfer of any part of its income or assets?

2a**2b****2c****2d****2e**

- 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

- b** Do you have a section 403(b) annuity plan for your employees?

3b

- 4a** Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

4a

- b** Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

4b**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 5 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28) .	50,500	60,380	16,320	36,110	163,310
16 Membership fees received .	18,287	17,751	17,449	15,757	69,244
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 .	93,410	90,323	98,919	88,670	371,322
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 .					
19 Net income from unrelated business activities not included in line 18 .					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge .					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets .					
23 Total of lines 15 through 22 .	162,197	168,454	132,688	140,537	603,876
24 Line 23 minus line 17 .	68,787	78,131	33,769	51,867	232,554
25 Enter 1% of line 23 .	1,622	1,685	1,327	1,405	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶	26a	N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 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	N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶	26c	N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ▶	26d	N/A
e Public support (line 26c minus line 26d total) ▶	26e	N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶	26f	N/A %

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " Do not file this list with your return. Enter the sum of such amounts for each year: (2003) _____ 0 (2002) _____ 0 (2001) _____ 0 (2000) _____ 0	
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) _____ 0 (2002) _____ 0 (2001) _____ 0 (2000) _____ 0	
c Add: Amounts from column (e) for lines: 15 _____ 0 16 _____ 0 17 _____ 0 20 _____ 0 21 _____ 0 ▶	27c 0
d Add: Line 27a total, _____ 0 and line 27b total . _____ 0 ▶	27d 0
e Public support (line 27c total minus line 27d total) ▶	27e 0
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . ▶ 27f 0	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶	27g 0 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶	27h 0 %

28 Unusual Grants: 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
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? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31	
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? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
(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— <div style="display: flex; justify-content: space-between;"> <div> If the amount on line 40 is— Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 </div> <div> The lobbying nontaxable amount is— 20% of the amount on line 40 \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000 </div> </div>	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:

- 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.

Yes	No	Amount

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 |
|--------|-----|----|
| 51a(i) | | ✓ |
| a(ii) | | ✓ |
| b(i) | | ✓ |
| b(ii) | | ✓ |
| b(iii) | | ✓ |
| b(iv) | | ✓ |
| b(v) | | ✓ |
| b(vi) | | ✓ |
| c | | ✓ |

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

- ☐ Yes ☐ No

Schedule A (Form 990 or 990-EZ) 2004

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Terlingua Area & National Contributions

<u>Organization</u>	<u>Year 2003</u>	<u>Last Six Years</u>
	\$ 2,000.00	\$20,400.00
	\$ 4,000.00	\$19,410.00
	\$ 1,076.50	\$ 6,076.50
		\$ 9,000.00
	\$ 4,000.00	\$35,000.00
	\$ 4,000.00	\$21,800.00
	\$ 2,000.00	\$12,500.00
	\$ 1,500.00	\$10,500.00
Others	\$ _____	\$ 4,250.00
Totals	\$18,576.50	\$138,936.50
National Scholarships	\$ 9,500.00	\$18,500.00
Grand Total	\$28,076.50	\$157,436.50

Other Points of Interest

- (1) CASI is a 501(c)(3) Corporation.
- (2) CASI has no paid employees or officers.
- (3) In 1997, CASI paid for the construction of the school's basketball court
- (4) In 2000, CASI wrote a check in the amount of \$5,000.00, to assist four Terlingua High School graduates who at the very last minute lost their federal grants, to attend trade school to become diesel mechanics.
- (5) CASI gives each Terlingua High School Valedictorian a four year, \$1,000.00 per year, scholarship.
- (6) The CASI National Scholarship Program was established in 2000. This program was set up to grant four year, \$1,000.00 per year scholarships, to students outside of the Terlingua area.
- (7) CASI now has nine active scholarships in progress, and will award five more in May of 2003.
- (8) All of CASI's profits go to charity.
- (9) We are making a difference through chili!

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Form 990, Part 1 Line 1a - Direct Public Support

The following contributors gave the organization at least \$1,000.00 in money or other property during the year:

\$15,000.00
\$10,000.00
\$ 5,000.00
\$ 1,000.00
\$ 1,000.00
\$ 5,000.00
\$ 5,000.00
\$ 1,000.00
\$ 1,000.00
\$ 8,000.00
\$ 1,500.00
\$ 2,500.00
\$ 1,000.00
=====
\$57,000.00

Form 990, Part 1 Line 2

The following is a list of revenues from programs

General Fund \$1.00 Cook Sanctioning Fees	\$16,237.00
GP Meeting Fund \$1.00 Cook Sanctioning Fees	\$16,211.00
Cookoff Liability Insurance Fund	\$16,258.00
CASI Cookoff Kits	\$12,790.00
Terlingua Trails Ads & Subsidy	\$ 3,893.00
TICC Memorial Board Donations	\$ 516.00
Ranch City Hall Contributions	\$ 6,779.47
Old 320 Sales	\$ 150.00-
CASI Scholarship Fund (Less Interest Earned)	\$ 9,604.50
	=====
	\$82,138.97

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Form 990, Part 1 Line 3

The following is a breakdown of membership dues

Annual Membership Dues	\$14,749.06
Corporate Annual Membership Dues	\$ 3,100.00
Life Membership Dues	\$ 1,380.00
Internet Dues Received	\$ 6,533.21
Other	\$ 220.95
	<hr/> <hr/>
	\$25,983.22

Form 990, Part 1 Line 4

The following is a list of Interest Income broken down by funds:

General Operations Fund	\$ 0.00
Great Pepper's Meeting Fund	\$ 0.00
Life Membership Reserve Fund	\$ 2,500.00
CASI Scholarship Fund	\$ 858.82
	<hr/> <hr/>
	\$ 3,358.82

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Form 990, Part 1 Line 9

Summary of the revenues and expenses of the three events generating the most gross receipts:

Fund Raising Event - 1

Gross Receipts	\$87,593.34
Less: Direct Expense	\$94,621.12
	=====
Net Income/(Loss)	\$ 7,018.78-

1. Annual Terlingua International Chili Championship held 1st weekend in November (2003) on land in Texas to raise money for charities.

Form 990: Part 1 Lines 10a thru 10c

The following is a breakdown of other sales and revenues:

Cellular Tower Revenues	\$ 6,000.00
Sale of Dirt	\$ 8,428.25
Other	\$ 171.00
	=====
	\$14,599.25

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Form 990: Part II Line 22

This is a list of grants made by CASI:

Sul Ross Rodeo Club	\$ 2,000.00
Brewster County Sheriff's Department	\$ 1,500.00
CASI Scholarships	\$16,900.00
Terlingua Medics	\$ 2,000.00
Terlingua Volunteer Fire Department	\$ 4,000.00
Terlingua School	\$ 2,000.00
	=====
	\$28,400.00

Form 990, Part III Statement of Program Service Accomplishments

(A) The society raises money for charity and in the reporting fiscal year contributed money to the following:

Sul Ross Rodeo Club	\$ 2,000.00
Brewster County Sheriff's Department	\$ 1,500.00
CASI Scholarships	\$16,900.00
Terlingua Medics	\$ 2,000.00
Terlingua Volunteer Fire Department	\$ 4,000.00
Terlingua School	\$ 2,000.00
	=====
	\$28,400.00

(B) CASI publishes and mails to it's members a monthly newspaper that informs our members of our upcoming cookoffs, cookoff results, and other happenings in the chili world.

Annual cost of the Terlingua Trails	\$18,069.85
-------------------------------------	-------------

(C) CASI publishes and mails to it's members an annual Rule Book and membership card.

Annual cost of Membership Related Expenses	\$ 3,494.19
--	-------------

Name: Chili Appreciation Society International
 Federal Identification Number: 74-2330479
 Fiscal Year: January 1, 2004 thru December 31, 2004

CASI Property Depreciation Schedules

Property Descrip.	Date of Service	Cost or oth bas	Prior Deprec	Depr Method	Years or %	Depr. Expense	Book Value
Land	12/1989	39,968	N/A	N/A	N/A	N/A	39,968
Develop Cost	var	14,102	N/A	N/A	N/A	N/A	14,102
	1994	11,878	N/A	N/A	N/A	N/A	11,878
	1995	3,900	N/A	N/A	N/A	N/A	3,900
	1997	11,500	N/A	N/A	N/A	N/A	11,500
	1998	11,175	N/A	N/A	N/A	N/A	11,175
	1999	3,527	N/A	N/A	N/A	N/A	3,527
	2000	10,000	N/A	N/A	N/A	N/A	10,000
Buildings	1990	36,860	15,406	S/L	31.5	1,170	20,284
	1997	11,500	2,190	S/L	31.5	365	8,945
	1998	10,000	1,585	S/L	31.5	317	8,098
	2000	40,000	3,810	S/L	31.5	1270	34,920
	2004	15,679		S/L	31.5		15,679
Equipment	1990-92	6,854	6,854	DDB	7	0	0
Van & Sign	1992	1,500	1,500	DDB	5	0	0
		-----	-----			-----	-----
		228,443	31,345			3,122	193,976

			197,098				

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Form 990, Part V

List of Officers/Directors

Mel FitzHenry - President
Rt 3 Box 677K-5
Whitney, Texas 76692

Jim Ezell – Vice President
106 Armada
Wichita Falls, Texas 76308

Renee Moore – Secretary
P O Box 5834
Gulf Shores, Alabama 36547

Garnier Albus - Treasurer
4416 S Fannin
Amarillo, Texas 79110

Alan Dean - Exec Director
1352 Southwell Lane
Bel Air, Maryland 21014

Doug Seelig – Terlingua Trails
3802 Manchaca Road
Austin, Texas 78744

Jimmy Taylor – Ranch Forman/VP
HC 3 Box 327
Johnson City, Texas 78636

Bill Pierson - Tallymaster
P O Box 727
Batavia, Illinois 60510

Ken Rodd – Chilicity
7009 S IH-35
Austin, Texas 78744

Dorathy Williams - Upcomings
PO Box 39
Terlingua, Texas 79852

Mikie McGarity - Director
2050 N. Shady Oaks Drive
Southlake, Texas 76092

Name: Chili Appreciation Society International

Federal Identification Number: 74-2330479

Fiscal Year: January 1, 2004 thru December 31, 2004

Form 990, Part VIII - The Relationship of Activities to the Accomplishment
of Exempt Purposes

Section 93 (a - f) - All of the money received through these sources of income allow CASI to operate a corporation with the primary objective of raising money through the promotion of chili. Chili cooks cook at cookoffs throughout the competition year (October 1 thru September 30) earning points which could result in qualifying to cook at our annual championship held the first weekend in November. CASI is responsible for the sanctioning of cookoffs, keeping track of cookoff results and qualifying points, publishing a monthly newspaper for our members, annually providing our members with rule books, providing for an annual convention of local area chili clubs (pods), paying for and maintaining the 320 acres of land that the annual championship is held on in November, putting on the our annual championship which usually attracts in excess of 15,000 people, and contributing money to worthy causes in the south Brewster County area.

Name: Chili Appreciation Society International

Federal Identification Number: 74-2330479

Fiscal Year: January 1, 2004 thru December 31, 2004

Schedule A, Part III - Statement 4

Donations to the Terlingua Medics, and Volunteer Fire Department are made at the determination of the Board of Directors. Since the major fund raising event is held in the desert in that area and those organizations rely upon this support, annual contributions are made for the benefit of the citizens in that area.

Donations to Sul Ross University and the Terlingua School are made at the discretion of the Board of Directors. The university and school are located in the immediate area of the annual fund raiser. The area and its occupants are economically depressed.

Donations to the Sul Ross Rodeo Club are made at the discretion of the Board of Directors. It is a non profit organization located in the immediate area of the annual fund raiser. The area and its occupants are economically depressed.

Donations to the Brewster County Sheriff's Department are made at discretion of the Board of Directors. The annual fund raiser is held in Brewster County.

Statement of Internal Financing

The Life Membership Reserve Fund was established to provide for the annual costs of our current 439 Life Members. It was determined that the fund needed to achieve total assets of \$60,000.00 to achieve this goal. As funds became available in this fund we decided to pay off our loan with Arrow Investment and simply owe the money to ourselves by allowing the Life Membership Reserve Fund to loan money to the General Fund, and this would be an ongoing loan that the General Fund would repay at the annual rate of 10%. The combination of the loan to the General Fund and cash on hand in the Life Membership Reserve Fund will remain at a combined total of \$60,000.00. The Life Membership Reserve Fund will claim the interest from this internal loan as revenue and the General Fund will show the interest paid as an expense.

Name: Chili Appreciation Society International

Federal Identification Number: 74-2330479

Fiscal Year: January 1, 2004 thru December 31, 2004

The CASI Scholarship Fund was established to provide college scholarships for deserving graduating high school students across the United States. Since we are a national organization, this is our first effort to contribute money outside of the Brewster County Texas area. All moneys received by this fund may only be spent on scholarships and can be disbursed in no other way or fashion. This fund is financed via internal money surpluses, a fund raising event held on the Friday of our annual championship, and by outside contributions.

In the fiscal year 2000 CASI borrowed \$40,000.00 from the Life Membership Reserve Fund to make some major improvements at the Rancho CASI de los Chisos. This note will be paid back and the General Fund will pay the Life Membership Reserve Fund 10% interest.

The CASI Cookoff Liability Insurance Fund was established in 2002 to provide liability insurance for all CASI sanctioned cookoffs. CASI has purchased a blanket insurance policy and the payment of associated premiums are funded by assessing each cook \$1.00, which is part of the cookoff entry fee. Surplus funds may be distributed at the discursion of the CASI Board of Directors. This fund was established by a vote of the Great Peppers at our 2002 convention.

At the Great Peppers meeting in 1994, the delegates approved the creation of the Great Pepper's Meeting Fund. This fund was established to help finance the annual Great Pepper's Meeting. The fund would be funded by a \$1.00 assessment from each chili cook entry fee. The fund would finance up to 75% of the total meeting budget, not to exceed \$8,500.00. In 2004, the delegates increased the maximum subsidy to \$10,000.00. The fund can accumulate a maximum balance of \$10,000.00, after which, all excess funds will be transferred to the General Fund. With the maximum increase approved in 2004, the maximum accumulation limit increased to \$11,500.00.

Name: Chili Appreciation Society International
Federal Identification Number: 74-2330479
Fiscal Year: January 1, 2004 thru December 31, 2004

Supporting Documents and Attachments

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