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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)

Department of the Treasury Internal Revenue Service

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

OMB No 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning 07-01-2007 and ending 06-30-2008

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
MANHATTAN SCHOOL OF MUSIC

Number and street (or P O box if mail is not delivered to street address) | Room/suite
120 CLAREMONT AVENUE No 115

City or town, state or country, and ZIP + 4
NEW YORK, NY 10027

D Employer identification number
13-1656667

E Telephone number
(917) 493-4563

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 Web site: ▶ MSMNYC EDU

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

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than 25,000 A return is not required, but if the organization chooses to file a return, be sure to file a complete return

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 48,641,055

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

Revenue	1	Contributions, gifts, grants, and similar amounts received			
	a	Contributions to donor advised funds	1a		
	b	Direct public support (not included on line 1a)	1b	6,937,932	
	c	Indirect public support (not included on line 1a)	1c		
	d	Government contributions (grants) (not included on line 1a)	1d	368,926	
	e	**Total** (add lines 1a through 1d) (cash $ 7,306,858 noncash $)		1e	7,306,858
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	20,096,173
	3	Membership dues and assessments		3	
	4	Interest on savings and temporary cash investments		4	59,538
	5	Dividends and interest from securities		5	597,411
	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	

		(A) Securities		(B) Other
8a	Gross amount from sales of assets other than inventory	13,959,033	8a	
b	Less cost or other basis and sales expenses	12,835,802	8b	
c	Gain or (loss) (attach schedule)	1,123,231	8c	

	d	Net gain or (loss) Combine line 8c, columns (A) and (B)		8d	1,123,231
	9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ ☐			
	a	Gross revenue (not including $ ____ of contributions reported on line 1b)	9a		
	b	Less direct expenses other than fundraising expenses	9b		
	c	Net income or (loss) from special events Subtract line 9b from line 9a		9c	
	10a	Gross sales of inventory, less returns and allowances	10a	169,154	
	b	Less cost of goods sold	10b	179,939	
	c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a		10c	-10,785
	11	Other revenue (from Part VII, line 103)		11	6,452,888
	12	**Total revenue** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11		12	35,625,314
Expenses	13	Program services (from line 44, column (B))		13	27,558,563
	14	Management and general (from line 44, column (C))		14	4,625,439
	15	Fundraising (from line 44, column (D))		15	1,266,018
	16	Payments to affiliates (attach schedule)		16	
	17	**Total expenses** Add lines 16 and 44, column (A)		17	33,450,020
Net Assets	18	Excess or (deficit) for the year Subtract line 17 from line 12		18	2,175,294
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	40,706,600
	20	Other changes in net assets or fund balances (attach explanation)		20	-3,242,223
	21	Net assets or fund balances at end of year Combine lines 18, 19, and 20		21	39,639,671

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 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
22a Grants paid from donor advised funds (attach Schedule) (cash $ ______ noncash $ ______) If this amount includes foreign grants, check here ▶ ☐	**22a**				
22b Other grants and allocations (attach schedule) (cash $ ______ noncash $ ______) If this amount includes foreign grants, check here ▶ ☐	**22b**				
23 Specific assistance to individuals (attach schedule)	**23**				
24 Benefits paid to or for members (attach schedule)	**24**				
25a Compensation of current officers, directors, key employees etc Listed in Part V-A (attach schedule)	**25a**	508,076		508,076	
b Compensation of former officers, directors, key employees etc listed in Part V-B (attach schedule)	**25b**				
c Compensation and other distributions not icluded above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	**25c**				
26 Salaries and wages of employees not included on lines 25a, b and c	**26**	16,173,501	13,878,780	1,669,745	624,976
27 Pension plan contributions not included on lines 25a, b and c	**27**	664,764	516,065	110,684	38,015
28 Employee benefits not included on lines 25a - 27	**28**	1,160,204	740,102	386,781	33,321
29 Payroll taxes	**29**	1,098,847	904,411	154,199	40,237
30 Professional fundraising fees	**30**	475,844			475,844
31 Accounting fees	**31**	111,750		111,750	
32 Legal fees	**32**	84,093		84,093	
33 Supplies	**33**	466,094	402,225	55,277	8,592
34 Telephone	**34**	149,673	136,430	12,592	651
35 Postage and shipping	**35**	139,625	69,889	62,152	7,584
36 Occupancy	**36**	1,411,180	1,324,562	82,362	4,256
37 Equipment rental and maintenance	**37**	365,155	279,434	83,259	2,462
38 Printing and publications	**38**	475,464	229,747	232,622	13,095
39 Travel	**39**	55,374	37,452	13,947	3,975
40 Conferences, conventions, and meetings	**40**				
41 Interest	**41**	4,053,378	3,942,216	111,162	
42 Depreciation, depletion, etc (attach schedule)	**42**	2,548,218	2,472,090	72,387	3,741
43 Other expenses not covered above (itemize)					
a INSURANCE	**43a**	308,889	297,597	10,737	555
b REPAIRS AND MAINTENANCE	**43b**	460,537	460,537		
c OTHER	**43c**	799,670	627,209	163,747	8,714
d CREDIT CARDPAYROLLSOFTWARESEARCH FEES	**43d**	312,377		312,377	
e ENTRECEPTIONSDUESADVERTISINGMISC	**43e**	387,490		387,490	
f MUSCIAL PRODUCTIONS	**43f**	1,239,817	1,239,817		
g	**43g**				
44 **Total functional expenses.** Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13—15)	**44**	33,450,020	27,558,563	4,625,439	1,266,018

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 the instructions.)*

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

	Program Service Expenses (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
What is the organization's primary exempt purpose? ▶ Most disbursements in furtherance of the School's exempt programs are made directly for salary and similar expenses incurred directly in the active conduct of the activities constituting the exempt purpose or functionin which the School is organized and operated Otherwise, disbursements are made in accordance with procedures or subject to conditions by the School's governing board designed to insure that individuals receiving disbursements from the organization are adequately investigated to determine that they are qualifying recipients Students receiving scholarships and fellowships are judged worthy by the School on the basis of performing talent, academic achievement, financial need, and other similar standards	
All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	
a MANHATTAN SCHOOL OF MUSC IS A COLLEGE CONSERVATORY PROVIDING EDUCATION TO APPROXIMATELY (794) COLLEGE STUDENTS AND (405) PRECOLLEGE STUDENTS (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	27,558,563
b (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) . . . . ▶	27,558,563

Part IV Balance Sheets *(See the instructions.)*

	Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*			(A) Beginning of year		(B) End of year
Assets						
45	Cash—non-interest-bearing			5,334,115	45	5,490,405
46	Savings and temporary cash investments				46	
47a	Accounts receivable	47a				
b	Less allowance for doubtful accounts	47b			47c	
48a	Pledges receivable	48a	1,825,041			
b	Less allowance for doubtful accounts	48b		2,046,944	48c	1,825,041
49	Grants receivable				49	
50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)				50a	
b	Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule)				50b	
51a	Other notes and loans receivable (attach schedule)	51a	745,448			
b	Less allowance for doubtful accounts	51b		743,708	51c	745,448
52	Inventories for sale or use				52	
53	Prepaid expenses and deferred charges			133,046	53	188,184
54a	Investments—publicly-traded securities ▶ ☐ Cost ☑ FMV			10,197,674	54a	8,497,084
b	Investments—other securities (attach schedule) ▶ ☐ Cost ☑ FMV			2,941,805	54b	5,981,308
55a	Investments—land, buildings, and equipment basis	55a	78,758,490			
b	Less accumulated depreciation (attach schedule)	55b	17,420,512	63,106,281	55c	61,337,978
56	Investments—other (attach schedule)				56	
57a	Land, buildings, and equipment basis	57a				
b	Less accumulated depreciation (attach schedule)	57b			57c	
58	Other assets, including program-related investments (describe ▶ ______)			5,534,017	58	5,658,115
59	**Total assets** (must equal line 74) Add lines 45 through 58			90,037,590	59	89,723,563
Liabilities						
60	Accounts payable and accrued expenses			535,025	60	1,395,561
61	Grants payable				61	
62	Deferred revenue			1,005,096	62	1,333,847
63	Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a	Tax-exempt bond liabilities (attach schedule)			44,760,000	64a	43,745,000
b	Mortgages and other notes payable (attach schedule)			1,589,415	64b	2,162,468
65	Other liabilities (describe ▶ ______)			1,441,454	65	1,447,016
66	**Total liabilities** Add lines 60 through 65			49,330,990	66	50,083,892
Net Assets or Fund Balances						
	Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 67 through 69 and lines 73 and 74					
67	Unrestricted			25,962,144	67	24,082,430
68	Temporarily restricted			632,925	68	1,330,771
69	Permanently restricted			14,111,531	69	14,226,470
	Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74					
70	Capital stock, trust principal, or current funds				70	
71	Paid-in or capital surplus, or land, building, and equipment fund				71	
72	Retained earnings, endowment, accumulated income, or other funds				72	
73	**Total net assets or fund balances** Add lines 67 through 69 **or** lines 70 through 72 (Column (A) **must** equal line 19 and column (B) **must** equal line 21)			40,706,600	73	39,639,671
74	**Total liabilities and net assets / fund balances** Add lines 66 and 73			90,037,590	74	89,723,563

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

a	Total revenue, gains, and other support per audited financial statements			a	33,024,919
b	Amounts included on line **a** but not on Part I, line 12				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify)	b4	176,500		
	Add lines **b1** through **b4**			b	176,500
c	Subtract line **b** from line **a**			c	32,848,419
d	Amounts included on Part I, line 12, but not on line **a**				
1	Investment expenses not included on Part I, line 6b	d1	111,162		
2	Other (specify)	d2	2,669,170		
	Add lines **d1** and **d2**			d	176,500
e	**Total revenue** (Part I, line 12) Add lines **c** and **d** ▶			e	35,628,751

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

a	Total expenses and losses per audited financial statements			a	33,518,795
b	Amounts included on line **a** but not on Part I, line 17				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify)	b4	176,500		
	Add lines **b1** through **b4**			b	176,500
c	Subtract line **b** from line **a**			c	33,342,295
d	Amounts included on Part I, line 17, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1	111,162		
2	Other (specify)	d2			
	Add lines **d1** and **d2**			d	111,162
e	**Total expenses** (Part I, line 17) Add lines **c** and **d** ▶			e	33,453,457

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

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
See Additional Data Table				

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . ▶ 15			
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) .	**75b**		No
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization" . . . ▶	**75c**		No
If "Yes," attach a statement that includes the information described in the instructions			
d Does the organization have a written conflict of interest policy? . . .	**75d**	Yes	

Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	**(B)** Loans and Advances	**(C)** Compensation (If not paid enter -0-)	**(D)** Contributions to employee benefit plans and deferred compensation plans	**(E)** Expense account and other allowances

Part VI Other Information *(See the instructions.)*		Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change . . .	**76**		No
77 Were any changes made in the organizing or governing documents but not reported to the IRS? . . .	**77**		No
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? . . .	**78a**	Yes	
b If "Yes," has it filed a tax return on **Form 990-T** for this year? . . .	**78b**	Yes	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . .	**79**		No
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**		No
b If "Yes," enter the name of the organization ▶ ______ and check whether it is ☐ exempt **or** ☐ nonexempt			
81a Enter direct or indirect political expenditures (See line 81 instructions) . . . **81a**			
b Did the organization file **Form 1120-POL** for this year? . . .	**81b**		No

Part VI Other Information *(continued)*

			Yes	No
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		No
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	Yes	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	Yes	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		No
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?	85b		
	If "Yes," was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed the prior year			
c	Dues assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	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			
88a	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	88a		No
b	At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)? If yes complete Part XI	88b		No
89a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0 , section 4912 ▶ 0 , section 4955 ▶ 0			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		No
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0			
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶			
e	*All organizations.* At any time during the tax year was the organization a party to a prohibited tax shelter transaction?	89e		No
f	*All organizations.* Did the organization acquire direct or indirect interest in any applicable insurance contract?	89f		No
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		No

90a List the states with which a copy of this return is filed ▶ NY

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions) **90b** 0

91a The books are in care of ▶ MANHATTAN SCHOOL OF MUSIC Telephone no ▶ (917) 493-4563

Located at ▶ 120 CLAREMONT AVE NEW YORK, NY ZIP + 4 ▶ 10027

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b		No
	If "Yes," enter the name of the foreign country ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**, Report of Foreign Bank and Financial Accounts			

Part VI Other Information *(continued)*		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States?	91c		No
If "Yes," enter the name of the foreign country ▶			
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 the instructions.)*

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a TUITION & FEES					20,096,173
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			03	59,538	
96 Dividends and interest from securities			14	597,411	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b non debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	1,123,231	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory			03	-10,785	
103 Other revenue a DORMITORY			03	5,997,321	
b INVESTMENT INCOME	525990	33,196	03	215,523	
c LIBRARY RECORDING STUDIO			03	206,848	
d					
e					
104 Subtotal (add columns (B), (D), and (E))		33,196		8,189,087	20,096,173

105 **Total** (add line 104, columns (B), (D), and (E)) ▶ 28,318,456

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93A	TUITION AND FEES FUNDING INSTITUTIONAL PROGRAMS

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

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

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

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

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

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

Part XI **Information Regarding Transfers To and From Controlled Entities** *Complete only if the organization is a controlling organization as defined in section 512(b)(13)*

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity		

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity		

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?		

Please Sign Here

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

****** 2009-05-15
Signature of officer Date

PAUL KELLEHER VICE PRESIDENT OF FINANCE
Type or print name and title

Paid Preparer's Use Only

Preparer's signature Mark Moskowitz	Date	Check if self-empolyed ☐	Preparer's SSN or PTIN (See Gen Inst W)
Firm's name (or yours if self-employed), address, and ZIP + 4 GOLDSTEIN LIEBERMAN & CO LLC 1 INTERNATIONAL BLVDSTE 700 MAHWAH, NJ 07495			EIN Phone no (201) 512-5700

SCHEDULE A (Form 990 or 990EZ)

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 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

2007

Name of the organization
MANHATTAN SCHOOL OF MUSIC

Employer identification number
13-1656667

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
RICHARD ADAMS 120 CLAREMONT AVE NEW YORK,NY 10027	TEACHER 35 00	135,931	17,500	0
PHILIP KAWIN 120 CLAREMONT AVE NEW YORK,NY 10027	TEACHER 35 00	119,989	14,579	0
DAVID GEBER 120 CLAREMONT AVE NEW YORK,NY 10027	TEACHER 35 00	127,767	10,522	0
MAITLAND PETERS 120 CLAREMONT AVE NEW YORK,NY 10027	TEACHER 35 00	133,357	17,951	0
JUSTIN DICIOCCIO 120 CLAREMONT AVE NEW YORK,NY 10027	TEACHER 35 00	121,341	15,877	0
Total number of other employees paid over $50,000 ▶	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individual 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
KPMG LLP 345 park ave NEW YORK,NY 10011	AUDITORS	98,000
MANATT PHELPS PHILLIPS 7 TIMES SQ NEW YORK,NY 10036	LEGAL	88,211
STROOCK STROOCK LAVEN 180 MAIDEN LANE NEW YORK,NY 10038	LEGAL	87,326
SUSAN ULIN ASSOC LTD 156-5TH SUITE 1100 NEW YORK,NY 10010	CONSULTANTS	66,020
COMPREHENSIVE PROSPECT 80 8TH AVE SUITE 1010 NEW YORK,NY 10004	CONSULTANTS	61,200
Total number of others receiving over $50,000 for professional services ▶		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individual or firms. If there are none, enter "None". See page 2 for instructions.)

(a) Name and address of each independent contractor paid more than $50,000	**(b)** Type of service	**(c)** Compensation
CONSOLIDATED EDISON JAF BLDG PO BOX 1701 NEW YORK,NY 10116	UTILITIES	1,016,628
AAA CLEANING PO BOX 255 NEW YORK,NY 10156	MAINTENANCE	395,296
PROTECTION PLUS SECURITY CONS 535 8TH AVE NEW YORK,NY 10018	SECURITY SERVICE	365,903
APPROVED OIL 6741 5TH AVE BROOKLYN,NY 11220	FUEL	329,073
IKON SOLUTIONS PO BOX 41564 PHILADELPHIA,PA 19101	COPY MACHINES	171,776
Total number of other contractors receiving over $50,000 for other 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, include 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		No
	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 property?	2a		No
b	Lending of money or other extension of credit?	2b		No
c	Furnishing of goods, services, or facilities?	2c		No
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d		No
e	Transfer of any part of its income or assets?	2e		No
3a	Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3a	Yes	
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	Yes	
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement	3c		No
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		No
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	4a	Yes	
b	Did the organization make any taxable distributions under section 4966?	4b		
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		
d	Enter the total number of donor advised funds owned at the end of the tax year	▶		
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	▶		
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	▶ 0		
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year	▶ 0		

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that 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 331/3%** 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 331/3%** 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization

☐ Type I ☐ Type II ☐ Type III - Functionally Integrated ☐ Type III - Other

Provide the following information about the supported organizations. (see page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents? Yes	No	(e) Amount of support?
Total ▶					

14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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)** 2006	**(b)** 2005	**(c)** 2004	**(d)** 2003	**(e)** Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)					
16 Membership fees received					
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					
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					
24 Line 23 minus line 17					
25 Enter 1% of line 23					

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

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 2002 through 2005 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ **26b** 0

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

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

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

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

27 **Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year

(2006) ______ (2005) ______ (2004) ______ (2003) ______

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year

(2006) ______ (2005) ______ (2004) ______ (2003) ______

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**

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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	Yes	
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	Yes	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31	Yes	
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) THE SCHOOL HAS PUBLICIZED ITS POLICY IN ALL OF ITS BROCHURES AND PAMPHLETS IN ADDITION, THEIR POLICY IS PRINTED IN ALL THEIR PRINT & OTHER MEDIA ADVERTISING			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	Yes	
b	Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	32b	Yes	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	Yes	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	Yes	
	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		No
b	Admissions policies?	33b		No
c	Employment of faculty or administrative staff?	33c		No
d	Scholarships or other financial assistance?	33d		No
e	Educational policies?	33e		No
f	Use of facilities?	33f		No
g	Athletic programs?	33g		No
h	Other extracurricular activities?	33h		No
	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	Yes	
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		No
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	Yes	

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—	**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**		

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

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

4-Year Averaging Period Under Section 501(h)

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

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2007	**(b)** 2006	**(c)** 2005	**(d)** 2004	**(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

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

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

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

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

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

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

b If "Yes," complete the following schedule

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

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93490135010419

Form **4562-FY**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization
(Including Information on Listed Property)

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

OMB No 1545-

2007

Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
MANHATTAN SCHOOL OF MUSIC	Form 990 Page 2	13-1656667

Part I **Election To Expense Certain Property Under Section 179**
Note: *If you have any listed property, complete Part V before you complete Part I.*

1 Maximum amount See the instructions for a higher limit for certain businesses	1	125,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	500,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

	(a) Description of property	**(b)** Cost (business use only)	**(c)** Elected cost
6			

7 Listed property Enter the amount from line 29	7			
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7			8	
9 Tentative deduction Enter the **smaller** of line 5 or line 8			9	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562FY			10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)			11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11			12	
13 Carryover of disallowed deduction to 2008 Add lines 9 and 10, less line 12 ▶	13			

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

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property **)** (See instructions)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not** include listed property.**)** (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	2,465,709
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	**(b)** Month and year placed in service	**(c)** Basis for depreciation (business/investment use only—see instructions)	**(d)** Recovery period	**(e)** Convention	**(f)** Method	**(g)** Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property		577,391	7	HY	200 DB	82,509
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

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

Part IV **Summary** (see instructions)

21 Listed property Enter amount from line 28			21	
22 **Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instr			22	2,548,218
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23			

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)
Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

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

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						**25**		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		

28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 . **28**

29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 . . . . **29**

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

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

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

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

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

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2007 tax year (see instructions)					

43 Amortization of costs that began before your 2007 tax year **43**

44 Total. Add amounts in column (f) See the instructions for where to report . . **44**

Additional Data

Software ID:
Software Version:
EIN: 13-1656667
Name: MANHATTAN SCHOOL OF MUSIC

Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
ALAN M ADES 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
MS BETTY ALLEN 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
MS CARLA BOSSI-COMELLI 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
NANCY TERNER-BEHRMAN 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
MRS MARTA ISTOMIN 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
EDWARD LOWENTHAL 120 CLAREMONT AVE NEW YORK, NY 10027	TREASURER 0 00	0	0	0
WILLIAM R MILLER 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
HON RICHARD OWEN 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
DAVID A RAHM ESQ 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
PETER G ROBBINS 120 CLAREMONT AVE NEW YORK, NY 10027	CHAIRMAN 0 00	0	0	0

Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
ROBERT G SIMON 120 CLAREMONT AVE NEW YORK, NY 10027	SECRETARY 0 00	0	0	0
LOREN R DOUGLASS 120 CLAREMONT AVE NEW YORK, NY 10027	VICE CHAIRMAN 0 00	0	0	0
ROBERT SIROTA 120 CLAREMONT AVE NEW YORK, NY 10027	PRESIDENT 35 00	477,176	30,900	0
SYLVIA MOSS 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
THOMAS HAMPSON 120 CLAREMONT AVE NEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
GLENN DICTEROW 120 CLAREMONT AVE nEW YORK, NY 10027	TRUSTEE 0 00	0	0	0
PATRICK NW TURNER 120 CLAREMONT AVE NEW YORK, NY 10027	TREASURER 0 00	0	0	0

TY 2007 Gain/Loss from Sale of Public Securities Schedule

Name:	MANHATTAN SCHOOL OF MUSIC
EIN:	13-1656667
Gross Sales Price:	13,959,033
Basis:	12,835,802
Sales Expenses:	0
Total (net):	1,123,231

TY 2007 Investments - Securities Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Book Value	Cost/FMV
ALTERNATIVE INVESTMENTS	5,981,308	F

TY 2007 Other Assets Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Beginning of Year Amount	End of Year Amount
CONSTRUCTION IN PROGRESS	157,640	80,921
DEPOSITS WITH TRUSTEES	3,747,761	3,996,480
NET INTANGIBLE ASSETS	1,628,616	1,580,714

TY 2007 Other Changes in Net Assets Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Amount
CHANGE IN SWAP INTEREST	-573,053
CHANGE IN UNREALIZED CAPITAL GAINS	-2,669,170

TY 2007 Other Expenses Included Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Amount
CAMPUS STORE - COGS	176,500

TY 2007 Other Liabilities Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Beginning of Year Amount	End of Year Amount
ASSET RETIREMENT	907,500	907,500
DUE PERKINS	533,954	539,516

TY 2007 Other Revenues Included Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Amount
CAMPUS STORE - COGS	176,500

TY 2007 Other Revenues Not Included Schedule

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Description	Amount
NET UNREALIZED LOSSES ON INVESTMENTS	2,669,170

TY 2007 Explanation of Receipt or Revocation of Government Financial Aid

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Statement: Government aid is limited to amount reported on Form 990 Part I, Line 1C

TY 2007 Scholarship Award Statement

Name: MANHATTAN SCHOOL OF MUSIC

EIN: 13-1656667

Statement: DISBURSEMENTS ARE MADE IN ACCORDANCE WITH PROCEDURES OR SUBJECT TO CONDITIONS BY THE SCHOOL'S GOVERNING BOARD DESIGNED TO ENSURE THAT INDIVIDUALS RECEIVING DISBURSEMENTS FROM THE ORGANIZATION ARE ADEQUATELY INVESTIGATED TO DETERMINE THAT THEY ARE QUALIFYING RECIPIENTS, STUDENTS