

Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047
2012
Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 07-01-2012, 2012, and ending 06-30-2013

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Liberty Counsel Inc Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite PO Box 540774 City or town, state or country, and ZIP + 4 Orlando, FL 328540774 F Name and address of principal officer Anita L Staver PO Box 540774 Orlando, FL 328540774	D Employer identification number 59-2986294 E Telephone number (800) 671-1776 G Gross receipts \$ 3,931,621 H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: www.lc.org		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation 1989 M State of legal domicile FL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities (See Schedule O for description) The Organization advances religious freedom, the sanctity of human life, and the family by providing pro bono litigation and education on these and related topics <hr/> <hr/> <hr/>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	3
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	46
	6 Total number of volunteers (estimate if necessary)	6	7
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	-7,564
	b Net unrelated business taxable income from Form 990-T, line 34	7b	-7,564
Revenue		Prior Year	Current Year
	8 Contributions and grants (Part VIII, line 1h)	4,227,273	3,510,221
	9 Program service revenue (Part VIII, line 2g)	483,702	216,347
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	8,049
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	39,515	134,986
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,750,490	3,869,603
Expenses			
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	5,507	1,489
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	1,298,945	1,283,597
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) <u>219,203</u>		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	2,847,450	2,786,923
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	4,151,902	4,072,009
	19 Revenue less expenses Subtract line 18 from line 12	598,588	-202,406
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	1,447,918	1,825,625
	21 Total liabilities (Part X, line 26)	452,381	1,032,494
	22 Net assets or fund balances Subtract line 21 from line 20	995,537	793,131

Part II Signature Block

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

Sign Here	***** Signature of officer	2013-11-05 Date	
	Anita L Staver President Type or print name and title		
Paid Preparer Use Only	Prnt/Type preparer's name Michele M Wales	Preparer's signature Date 2013-11-05	Check <input type="checkbox"/> if self-employed PTIN P00428093
	Firm's name Batts Morrison Wales & Lee PA	Firm's EIN 20-4193611	
	Firm's address 801 North Orange Avenue Suite 800 Orlando, FL 32801	Phone no (407) 770-6000	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission

(See Schedule O for description)Liberty Counsel (LC) is an international nonprofit litigation, education, and policy organization founded in 1989 With offices in Florida, Virginia, Washington, D C , and an outreach in Israel, this ministry has hundreds of advocates around the world LC's mission of advancing religious freedom, the sanctity of human life, and the family is accomplished by providing pro bono litigation, education and policy on these and related topics

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

Table with 4 columns: (Code), (Expenses \$), including grants of \$, (Revenue \$). Row 4a: EDUCATION (See Schedule O for description)LC advances its educational mission through publications, radio, television, the internet and other media, public speaking, conferences, internships, and other programs Events Organized The Awakening 2013 in Florida, with over 60 prominent speakers Participated in the 6th Annual TeenPact Judicial Program, a one-week instruction on the rule of law and Christian worldview Cosponsored the Values Voter Summit in D C , with a crowd of over 3,000 Cosponsored the American Association of Christian Counselors World Conference with 6,500 attendees Participated in and provide speakers for dozens of other events and conferences Conducted many events to help teachers and public school administrators integrate Christian values and history into curricula The 10th annual Day of Purity project is an event that has involved 37 nations and nearly 1,000 schools supporting sexual purity The 11th annual Friend or Foe Graduation Prayer Campaign ensures that prayer and religious viewpoints are not censored from graduation The 10th annual Friend or Foe Christmas Campaign to keep Christmas from being censored and expanded the "Naughty & Nice" list of retailers recognizing or censoring Christmas Hosted a training/touring event in Israel as part of our Liberty Ambassador Counsel program with the goal of strengthening participants' Christian faith and equipping them to be goodwill ambassadors for Israel through education and advocacy about Israel, tours of biblical sites and briefings by leading Israeli political, military, and academic leaders Cosponsored Israel Solidarity event at the Israeli Embassy in D C where Founder gave keynote address to attendees, including Israeli Ambassador to the United States Founder served on national panel of legal experts on The Commission on Accountability and Policy for Religious Organizations relating to issues affecting churches and nonprofit organizations, including the current law regarding political campaign intervention by churches and other nonprofits Founder received the "Defender of Liberty" award from Bott Radio Network at the National Religious Broadcasters Convention to recognize LC's tireless defense of religious liberty, and was awarded the "Faith Community Leader of the Year Award" from the 15-member Paul Weyrich Group awards committee given to recognize LC's contribution to the cause of liberty and truth Women Impacting the Nation is a project to educate and equip women with the knowledge of God's truth about issues that impact faith, families, and freedom (WomenImpactingTheNation.org) Hosted many WIN Talk groups, WIN Chapter meetings and an annual conference in Orlando Speakers and attendees said this was the best women's conference Pastors and Patriots, a network of 600 Florida pastors, has become a project to mobilize pastors and concerned citizens Hosted thousands of attendees in several states at Awake events to integrate faith and social change Entered into a strategic partnership with the National Hispanic Christian Leadership Conference, the largest Hispanic organization in America, with 40,118 evangelical churches Sponsored one of NHCLC's seven major directives, the Life Directive Continued partnership with Christian Educators Association International, an association for educational professionals, to provide legal information for its members Publications Distributed 736,000+ pieces of printed materials Provided free copies of many materials on LC.org, where countless downloads are completed for free Published and mailed a monthly update to more than 28,000 subscribers Sent materials to more than 640,000 individuals through periodic email delivery In all, LC sent more than 132 million educational email messaging units Distributed thousands of Voter Guides, Congressional Scorecards, and Party Platform Analyses to educate the public Placed tens of thousands of Take Back America Silence Is Not an Option Action Packs in churches and nonprofit organizations nationwide Distributed tens of thousands of a "Silence is Not an Option" DVD and materials to educate pastors and church leaders about biblical values and voter registration Distributed over 240,000 of the Patriot's Handbook series reaching every public school in America, tens of thousands of churches and pastors, and well over 100,000 households in virtually every community in the nation The Organization supports the American Prayer Initiative website that contains daily prayer topics and corresponding scriptures LC's Founder has authored eleven books LC offers educational material upon request, for a suggested donation, and retains all of the money received LC memoranda and research papers have been relied upon by legislators, and prepared testimony has been entered into the Congressional Record The Organization continued promoting its Day of Purity Project, designed to empower youth to choose sexual purity DayOfPurity.org and Facebook/DayOfPurity provide free information, including flyers for students to distribute to their friends on variety of topics, including statistics on sexually-transmitted diseases and teen pregnancy, how to combat anti-purity messages, information on pornography addiction, and keys to developing proper relationships Radio, Television and Other Media LC attorneys responded to more than 575 media inquiries and gave interviews LC has appeared in thousands of news stories in America, as well as Europe, Asia, the Middle East, Canada, and elsewhere More than 400 radio stations broadcast a 60-second weekday program, Freedom's Call, and 15-minute weekday program, Faith & Freedom, also videotaped and posted online Launched Llamada de Libertad, a Spanish version of Freedom's Call, which airs on 10 radio stations The programs are placed online and via satellite for rebroadcast by interested stations at no cost to the media LC attorneys wrote commentaries that were published in various online periodicals LC is active in traditional and new media including Facebook, Twitter, and YouTube, and sends Liberty Alert email updates and News Releases to more than 27,000 subscribers several times per week The Freedom Federation Social 2.0 Internet platform support events, blogging, and social networking The FF Mobile smart phone application with GPS capability helps the user locate and create events Sent over 75 million educational emails to urging civic involvement, with one million voter contacts in a nonpartisan Get-Out-The-Vote campaign LifeUnited.org is a project of LC bringing together other pro-life organizations to create a comprehensive pro-life website with educational resources Jim Bob and Michelle Duggar of the TV reality show 19 Kids and Counting are part of this initiative LC's annual Friend or Foe Christmas Campaign has grown in success each year In addition to education and litigation activities, it involves partnering with churches to educate the public regarding legally celebrating the religious aspects of Christmas Designed a newspaper advertisement for use by churches and fielded the resulting telephone inquiries Embarked on the film, Uncommon - to be released in 2014 starring Erik Estrada - to educate on religious liberty in the public schools Internship and Training Programs In 2011, LC's Founder and President met with Israeli Prime Minister Benjamin Netanyahu and launched the Liberty Ambassador Counsel, taking people to Israel with the goal of strengthening their Christian faith and equipping them to be goodwill ambassadors for Israel LAC educates and connects thousands of Americans with Israel LAC completed two dynamic trips with visits to Biblical sites and special briefings by leading Israeli political, military, and academic leaders LC continued its successful legal training program at its 6,000+ square-foot litigation and training office adjacent to Liberty University School of Law in Lynchburg, Virginia The Organization continued its year-round Legal Internship/Clerkship Program to train law students During the past fiscal year LC trained 27 law clerks and law student interns, which are either paid or participate for course credit Legal interns and law clerks have the opportunity to assist with litigated cases LC hosted law student interns at the U S Supreme Court, as part of a ten-week summer internship and constitutional litigation program which includes components for law students and undergraduate students Some students intern in the Organization's Washington, D C , office where they learn about national and state legislative and policy matters LC also provided internships for 17 college students interested in the intersection of law and media

Table with 4 columns: (Code), (Expenses \$), including grants of \$, (Revenue \$). Row 4b: LITIGATION (See Schedule O for description)LC staff includes attorneys who assist individuals, organizations, and churches on a pro bono basis with legal issues regarding religious liberty, the sanctity of human life, and the family LC is committed to representing clients without regard to their ability to pay Without assistance, most clients could not afford to assert their constitutional rights in court LC handled more than 800 telephone calls for legal assistance during the past fiscal year A total of 138 cases are currently in active litigation or pre-suit status under LC management Although the vast majority of legal situations brought to LC are resolved without litigation, others are filed in federal and state courts across the United States Litigation that is publicized through our media outreach also serves an educational purpose by informing the public regarding constitutional law Quality in litigation is of paramount importance to LC, especially since most of the cases falling within its mission are likely to create important legal precedent for future cases In a well-documented doctoral dissertation, Professor Hans Hacker concluded that LC accomplishes more with its resources than any other similar legal organization The following brief synopsis of the hundreds of cases and other legal actions LC undertook for the fiscal year ending 2013 is just a sampling of the actual activities The highlights of LC's activities listed below illustrate its motto Restoring the Culture by Advancing Religious Freedom, the Sanctity of Human Life, and the Family Advancing Religious Freedom Obtained a favorable ruling from the U S Supreme Court on our "ObamaCare" (Affordable Care Act) lawsuit (Liberty University v Lew), in which the Court ordered the court of appeals to rehear outstanding issues that have not yet been ruled upon Our case is the only one that challenges the employer insurance mandate, the abortion mandate for employers and individuals, as well as the entire bill as a violation of the Constitution, which requires that tax bills originate in the House The case was argued at the court of appeals in May 2013 Won a 3-0 precedent-setting victory at the federal court of appeals for Child Evangelism Fellowship Good News Clubs after a Minnesota school district restricted the Christian club from meeting because it did not want its Christian message Resolved many cases involving Child Evangelism Fellowship in multiple states where school districts formerly discriminated against the Good News Clubs in terms of use of the facilities, time of use, fees, and announcements or advertisements Obtained court-awarded sanctions amounting to more than \$100,000 at both the trial and appellate court levels against a Florida attorney who repeatedly filed frivolous and hostile pleadings against Jews for Jesus Won a major victory defending the Giles County School Board in Virginia after the ACLU sued a high school regarding the posting of the Ten Commandments The school district now has displays depicting the Foundations of American Law and Government showing the Ten Commandments as the root of American law and Western Civilization One document entitled "Roots of Democracy" contains a graphic of the Ten Commandments with Mount Sinai in the background, followed by the language, "The values found in the Bible, including the Ten Commandments and the teachings of Jesus, inspired American ideas about government and morality " Successfully defended Dixie County, Florida, at the court of appeals in a Ten Commandments case brought by the ACLU against a privately placed Ten Commandments monument on public property in an open forum The ACLU was forced to dismiss its lawsuit Won a federal lawsuit against the Public Library of Seaside, Oregon, after the library denied LC the right to meet in a community room because the meeting included religious content Successfully defended a Florida pastor against the Miami-Dade School District Superintendent, who threatened to rescind a facility usage lease for his church that meets on campus for Sunday service The Superintendent tried to silence the pastor from preaching the biblical doctrine on homosexuality Filed a federal lawsuit against the Illinois Village of Plainfield for denying access to LC to conduct a meeting that included religious speech and prayer, thus forcing the local government to repeal the discriminatory policies Successfully defended a Romanian evangelist in Arizona who was arrested for sharing Jesus with people in a public forum After reviewing LC's constitutional defenses and learning ten witnesses were prepared to offer testimony on the pastor's behalf, the prosecutor dismissed the charges Advancing the Sanctity of Human Life Filed the Nation's first private lawsuit against ObamaCare in 2010, became the first to argue the case at a federal court of appeals, and filed two briefs before the United States Supreme Court Reargued the case at the federal court of appeals in May 2013 challenging the ObamaCare law Defended the Oklahoma Personhood Amendment against Planned Parenthood Filed a major amicus brief at the federal court of appeals in San Francisco in support of Arizona's law that bans abortion after 20 weeks Announced a national partnership agreement with KnockTV, LLC to jointly support the one-of-a-kind, groundbreaking reality TV series "Surrender the Secret " Entered into a strategic partnership with other pro-life organizations, including Jim Bob and Michelle Duggar of the TV reality show 19 Kids and Counting, to launch LifeUnited.org, a website that provides a wide range of resources in order to end abortion and help women and families Joined Personhood Mississippi in filing a Life at Conception Citizens' Initiative, a proposed amendment to the Mississippi Constitution, which states, "The right to life begins at conception All human beings, at every stage of development, are unique, created in God's image, and shall enjoy the inalienable right to life as persons under the law " Provided counsel on the Human Heartbeat Protection Act, which prohibits abortion performed at or after the 12th week Filed suit on behalf of a crisis pregnancy center in Arkansas to intervene and defend the Human Heartbeat Protection Act Partnered with Personhood North Dakota to successfully advance pro-life bills, which were signed into law, including a personhood initiative that will be on the ballot in 2014 Testified at the House Judiciary Committee hearing on "Mismanagement at the Civil Rights Division of the Department of Justice" ("DOJ") regarding the DOJ's politically motivated lawsuit against an innocent pro-life woman The court chastised the DOJ for conspiring with the abortion clinic and filing the case without any evidence The DOJ was ordered to pay \$120,000 Advancing Family Values Here are a few cases and situations involving family issues that required LC involvement during the past fiscal year Continued to defend a Massachusetts pastor against the first-ever lawsuit by the foreign group Sexual Minorities of Uganda (SMUG), represented by a law firm partially financed by liberal billionaire George Soros SMUG is attempting to use international law in the United States to silence pastors and people of faith and moral conviction who speak out against promiscuity and pornography Filed suit and argued at the federal court of appeals on behalf of minors and their parents, counselors, and counseling organizations challenging a new California law (SB 1172) that bans any counsel to change same-sex sexual attractions, behavior, or identity in minors Obtained an injunction blocking the law Then argued the case at the federal court of appeals Filed two amicus briefs with the U S Supreme Court on two cases dealing with the definition of marriage, one involving the federal Defense of Marriage Act (DOMA) and the other California's Proposition 8 marriage amendment Won a major victory when the Alabama Supreme Court held that the word "child" in the state's chemical endowment statute applies to the preborn LC's brief contained a thorough historical review of legal protection for preborn children, dating from ancient Greece to the present day Delivered tens of thousands of petitions to the Boy Scouts of America urging the Scouts to not change its policy regarding homosexual Scouts and Scout leaders

Table with 4 columns: (Code), (Expenses \$), including grants of \$, (Revenue \$). Row 4c: (Code), (Expenses \$), including grants of \$, (Revenue \$)

4d Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 3,522,238

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> <input checked="" type="checkbox"/>	Yes	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? <input checked="" type="checkbox"/>	Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> <input checked="" type="checkbox"/>		No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> <input checked="" type="checkbox"/>		No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> <input checked="" type="checkbox"/>		No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> <input checked="" type="checkbox"/>		No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> <input checked="" type="checkbox"/>		No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> <input checked="" type="checkbox"/>	Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> <input checked="" type="checkbox"/>		No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> <input checked="" type="checkbox"/>		No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> <input checked="" type="checkbox"/>		No
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> <input checked="" type="checkbox"/>		No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> <input checked="" type="checkbox"/>	Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> <input checked="" type="checkbox"/>		No
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> <input checked="" type="checkbox"/>	Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		No
14a Did the organization maintain an office, employees, or agents outside of the United States?	Yes	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> <input checked="" type="checkbox"/>	Yes	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i> <input checked="" type="checkbox"/>		No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i> <input checked="" type="checkbox"/>		No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 1a 24		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 1b 0		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 46		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	Yes	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	Yes	
4a	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)?		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year. 7d		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12. 10a		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10b		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders. 11a		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them). 11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year. 12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O. 13a		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. 13b		
13c	Enter the amount of reserves on hand. 13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (7), 1b (3), 2 (Yes), 3 (No), 4 (No), 5 (No), 6 (No), 7a (No), 7b (No), 8a (Yes), 8b (Yes), 9 (No).

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a (No), 10b, 11a (Yes), 12a (Yes), 12b (Yes), 12c (Yes), 13 (Yes), 14 (Yes), 15a (Yes), 15b (Yes), 16a (No), 16b.

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed VA
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [] Own website [] Another's website [X] Upon request [] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization Anita Staver 1053 Maitland Center Commons Suite Maitland, FL (800) 671-1776

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

• List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

• List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Anita Staver President/Attorney (See Sch O)	65 00 10	X		X				125,138	0	10,648
(2) Mathew Staver Founder/Chairman (See Sch O)	60 00 10	X		X				130,258	0	10,648
(3) Candice McGuire Secretary/Director	45 00 10	X		X				56,000	0	1,370
(4) Robert Miller Treasurer/Director	2 00 10	X		X				0	0	0
(5) Art Ally Director	1 00 10	X						0	0	0
(6) Scott Dixon Director	50 10	X						0	0	0
(7) Dan Pennell Director	50 10	X						0	0	0
(8) Harry Mihet Sr Litigation Counsel	50 00 0 00					X		119,500	0	7,001
(9) Steve Crampton VP of Legal Affairs	50 00 0 00					X		105,000	0	14,546
(10) Matt Brock VP for Advancement	40 00 0 00					X		105,746	0	12,618

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . . 1a _____					
	b Membership dues 1b _____					
	c Fundraising events 1c _____					
	d Related organizations 1d _____					
	e Government grants (contributions) 1e _____					
	f All other contributions, gifts, grants, and similar amounts not included above 1f 3,510,221					
	g Noncash contributions included in lines 1a-1f \$ _____					
	h Total. Add lines 1a-1f ▶		3,510,221			
Program Service Revenue	2a Court awarded revenues _____					
		Business Code				
	b _____	541100	216,347	216,347		
	c _____					
	d _____					
	e _____					
	f All other program service revenue _____					
g Total. Add lines 2a-2f ▶		216,347				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		8,049		8,049	
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
	6a Gross rents	(i) Real				
		(ii) Personal				
		51,216				
		b Less rental expenses	62,018			
	c Rental income or (loss)	-10,802				
	d Net rental income or (loss) ▶		-10,802	-7,564	-3,238	
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss) ▶					
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a					
b Less direct expenses b						
c Net income or (loss) from fundraising events ▶						
9a Gross income from gaming activities See Part IV, line 19 a						
	b Less direct expenses b					
	c Net income or (loss) from gaming activities ▶					
10a Gross sales of inventory, less returns and allowances a						
	b Less cost of goods sold b					
	c Net income or (loss) from sales of inventory ▶					
Miscellaneous Revenue	Business Code					
11a List rental income	533110	127,540		127,540		
b Other revenue	900099	18,248	18,248			
c _____						
d All other revenue						
e Total. Add lines 11a-11d ▶		145,788				
12 Total revenue. See Instructions ▶		3,869,603	234,595	-7,564	132,351	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	1,489	1,489		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	341,966	278,104	49,604	14,258
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	635,773	530,252	78,755	26,766
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9	Other employee benefits	182,408	151,773	22,678	7,957
10	Payroll taxes	123,450	99,686	17,592	6,172
11	Fees for services (non-employees)				
a	Management				
b	Legal				
c	Accounting	19,401	9,700	9,701	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	530,568	406,517	51,152	72,899
12	Advertising and promotion	18,891	16,821	1,135	935
13	Office expenses	673,849	601,796	33,981	38,072
14	Information technology	134,945	126,236	8,709	
15	Royalties				
16	Occupancy	125,240	90,989	28,746	5,505
17	Travel	243,005	239,742	3,263	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	159,885	157,331		2,554
20	Interest	15,474	11,606	3,094	774
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	24,340	17,485	5,690	1,165
23	Insurance	12,901	9,852	3,049	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a	Educ email production	603,223	561,601		41,622
b	Educ media distribution	115,511	115,511		
c	Case costs	57,734	57,734		
d	Miscellaneous	51,956	38,013	13,419	524
e	All other expenses				
25	Total functional expenses. Add lines 1 through 24e	4,072,009	3,522,238	330,568	219,203
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720)	1,412,070	1,315,352	0	96,718

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	1,210,183	1	594,605
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	31,750	4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	29,156	8	59,658
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,183,978		
	b Less accumulated depreciation	10b 154,057	34,045	10c 1,029,921
	11 Investments—publicly traded securities	102,640	11	109,988
	12 Investments—other securities See Part IV, line 11		12	
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	40,144	15	31,453
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,447,918	16	1,825,625	
Liabilities	17 Accounts payable and accrued expenses	452,381	17	417,581
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	614,913
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	452,381	26	1,032,494
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	950,138	27	787,936
	28 Temporarily restricted net assets	45,399	28	5,195
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	995,537	33	793,131	
34 Total liabilities and net assets/fund balances	1,447,918	34	1,825,625	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,869,603
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,072,009
3	Revenue less expenses Subtract line 2 from line 1	3	-202,406
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	995,537
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	793,131

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2012

Open to Public Inspection

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization
Liberty Counsel Inc

Employer identification number
59-2986294

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 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 exempt 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)**. (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
 - a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	
15 Public support percentage for 2011 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support test—2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
17a 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶		
b 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	2,316,242	4,476,894	4,069,711	4,227,273	3,510,221	18,600,341
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	203,375	55,499	105,104	483,702	216,347	1,064,027
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	2,519,617	4,532,393	4,174,815	4,710,975	3,726,568	19,664,368
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	566,267	742,488	1,054,468	795,000	51,000	3,209,223
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b	566,267	742,488	1,054,468	795,000	51,000	3,209,223
8 Public support. (Subtract line 7c from line 6.)						16,455,145

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6	2,519,617	4,532,393	4,174,815	4,710,975	3,726,568	19,664,368
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources			18,474	32,978	186,805	238,257
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b			18,474	32,978	186,805	238,257
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)			9,510	6,537	18,248	34,295
13 Total support. (Add lines 9, 10c, 11, and 12.)	2,519,617	4,532,393	4,202,799	4,750,490	3,931,621	19,936,920
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	82.540 %
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	79.350 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	1.200 %
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	0.280 %

- 19a 33 1/3% support tests—2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization.
- b 33 1/3% support tests—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization.
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2012

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization Liberty Counsel Inc

Employer identification number

59-2986294

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors...?, 6 Did the organization inform all grantees...?

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form with multiple sections: 1 Purpose(s) of conservation easements, 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution..., 3 Number of conservation easements modified..., 4 Number of states where property subject to conservation easement is located..., 5 Does the organization have a written policy..., 6 Staff and volunteer hours..., 7 Amount of expenses..., 8 Does each conservation easement..., 9 In Part XIII, describe how the organization reports...

Table with 2 columns: Held at the End of the Year, 2a, 2b, 2c, 2d

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form with multiple sections: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report..., 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report..., 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange programs
- e** Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a** Board designated or quasi-endowment
 - b** Permanent endowment
 - c** Temporarily restricted endowment
- The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		163,482		163,482
b Buildings		853,990	18,108	835,882
c Leasehold improvements				
d Equipment		166,506	135,949	30,557
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,029,921

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12.)		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) must equal Form 990, Part X, col (B) line 13.)		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.)	

2. Fin 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)		5	

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
Description of Uncertain Tax Positions Under FIN 48	Part X, Line 2	The Organization is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to Florida law The Organization is further classified as a public charity and not a private foundation for federal tax purposes The Organization is voluntarily filing Form 990, as it has been recognized by the IRS as an organization described in Treasury Regulation Section 1.6033-2(h) and is not required to file Form 990 The Organization engages in a certain "unrelated business activity," the net income from which is subject to federal and state income taxes The Organization has not taken any material uncertain tax positions for which the associated tax benefits may not be recognized under accounting principles generally accepted in the United States of America Federal and state tax authorities may generally examine the Organization's income tax positions or (if applicable) returns for periods of approximately three to six years

SCHEDULE F (Form 990)

Statement of Activities Outside the United States

OMB No 1545-0047

2012

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization Liberty Counsel Inc

Employer identification number

59-2986294

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

Table with 6 columns: (a) Region, (b) Number of offices in the region, (c) Number of employees, agents, and independent contractors in region, (d) Activities conducted in region (by type), (e) If activity listed in (d) is a program service, describe specific type of service(s) in region, (f) Total expenditures for and investments in region. Includes sub-totals and totals for 3a, 3b, and 3c.

Part IV Foreign Forms

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* Yes No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)* Yes No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* Yes No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)* Yes No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).* Yes No

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2012

Open to Public Inspection

Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b. Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization Liberty Counsel Inc

Employer identification number 59-2986294

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 \$
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MCCM LLC	Bd Ownshp - Two of the Orgn's board members are each 1/3 owners of the LLC	66,660	Prop lease - The Organization leased office space from MCCM, LLC during the year ended June 30, 2013 Independent members of the Board of Directors approved the transaction after considering terms of comparable transactions in the immediate area which showed that the proposed lease rate was below market rate The provisions of the Organization's conflict of interest policy were followed in approving the transaction		No
(2) Liberty Counsel Action	More than 35% controlled by the Organization's board members	62,400	List rental - The Organization received payments from Liberty Counsel Action for renting a mailing list from the Organization during the tax year The amount paid for the list rental represents the fair value of the list		No
(3) Liberty Action PAC Inc	More than 35% controlled by the Organization's board members	51,719	List rental - The Organization received payments from Liberty Action PAC, Inc for renting a mailing list from the Organization during the tax year The amount paid for the list rental represents the fair value of the list		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Liberty Counsel Inc

Employer identification number

59-2986294

Identifier	Return Reference	Explanation
	Form 990, Part V, Line 2a The Organization was enrolled in an employee	leasing program during the year ended June 30, 2013 for some of its employees The Organization did not directly process payroll for these employees, rather, the employees were paid by the Organization's professional employer organization Therefore, a Form W-3 was not submitted by the Organization, but by ADP TOTALSOURCE MI VI, LLC (EIN 65-0945794) for the Organization's 2 leased employees In addition, the Organization reimbursed another not-for-profit organization for a portion of the cost of services provided by 44 attorneys and administrative personnel A Form W-3 was submitted by the other nonprofit organization to report the compensation paid to these individuals The number of employees reported on this Form 990 reflects the employees reported under the arrangements described above, which comprise the Organization's entire staff

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 2	Anita Staver and Mathew Staver have a family relationship Anita Staver and Art Ally have a business relationship

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	The Organization's top management official and top financial official each review the Form 990 prior to its filing with the IRS. A copy of the final Form 990 is also provided to the voting members of the Organization's governing body prior to its filing with the IRS.

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	The Organization's conflict of interest policy is distributed to each member of the Organization's governing body, its officers, and its key employees on an annual basis. Each such individual provides an annual disclosure statement indicating that they have received, read, understood and agreed to comply with the policy, and certifying that (1) they have no relationships or interests that present a conflict of interest, (2) they have one or more conflicts of interest that have been fully disclosed as required by the policy and have been properly administered in conformity with the policy, or (3) they have previously undisclosed conflicts of interest and disclosing the details of such conflicts. Any disclosure statement with previously undisclosed conflicts of interest are forwarded to appropriate Organization officials to take appropriate actions as required by the policy.

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	<p>The Organization has adopted an executive compensation setting policy applicable to its key leaders, including the Organization's CEO, officers and other top leadership personnel. Under the policy, an independent committee of the Board of Directors annually reviews and approves the compensation levels of all individuals subject to the policy. The deliberations and decisions of the committee are documented in the minutes of the committee meeting. In its deliberations, the committee utilizes appropriate information regarding compensation amounts paid for comparable positions in comparable organizations. These procedures are followed to ensure that compensation arrangements for the Organization's key leaders are reasonable and appropriate. Mathew Staver and Anita Staver are both attorneys who actively lead and manage the Organization. A committee of independent members of the Board of Directors without a conflict of interest set the salaries for the Organization's leadership after evaluating comparative data regarding compensation for similar positions, including a review of salary information from the IRS Form 990s of other nonprofit legal organizations, and concluded that Mathew and Anita Staver have been consistently paid less than attorneys of other nonprofit legal groups. Their salaries were raised effective July 2013, based on a review indicating a total compensation range of \$151,000 to more than \$369,000 for attorneys who lead legal organizations, and a range of \$200,363 to \$311,674 for attorneys who manage litigation. Individual leaders of groups with much smaller budgets than Liberty Counsel (under \$2.5 million) are compensated between \$151,000 to \$270,500. In addition, some Form 990s show that their nonprofit legal organization leaders are compensated by several separately incorporated entities, while other salaries are unverifiable because the groups compensate their leaders with multi-million dollar payments to their own for-profit law firms. Even with the new salaries, their compensation remains lower than similar organizations, and in addition, the Stavers donated \$30,000 (more than 10% of their combined income) back to the Organization.</p>

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	The Organization provides, upon request, copies of its Articles of Incorporation, bylaws, conflict of interest policy, and its financial statements

Identifier	Return Reference	Explanation
Other Fees	Form 990, Part IX, line 11g	<p>Phone bank services Program service expenses 166,270 Management and general expenses 0 Fundraising expenses 55,423 Total expenses 221,693</p> <p>Printing and mailing services Program service expenses 233,131 Management and general expenses 0 Fundraising expenses 17,010 Total expenses 250,141</p> <p>Other fees for services Program service expenses 7,116 Management and general expenses 51,152 Fundraising expenses 466 Total expenses 58,734</p>

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization
Liberty Counsel Inc

Employer identification number

59-2986294

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Luke 1827 Foundation Inc PO Box 540774 Orlando, FL 32854 27-4110360	Support and furtherance of the activities of Liberty Counsel, Inc	FL	501(c)(3)	Line 11a, I	Liberty Counsel Inc	Yes	
(2) Liberty Counsel Action Inc PO Box 540629 Orlando, FL 32854 27-4110735	A social welfare organization organized for education	FL	501(c)(4)		Liberty Counsel Inc	Yes	
(3) Liberty Counsel Action PO Box 190 Forest, VA 24551 54-1364971	A social welfare organization organized for education	VA	501(c)(4)		Liberty Action Mission Trust	Yes	
(4) Freedom Federation Inc PO Box 540629 Orlando, FL 32854 27-4110831	A social welfare organization organized for education	FL	501(c)(4)		Liberty Counsel Inc	Yes	
(5) Liberty Action PAC Inc PO Box 540629 Orlando, FL 32854 46-1216352	Political activities related to U S elections	FL	527		Liberty Action Mission Trust	Yes	

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) Liberty Mission Trust PO Box 540774 Orlando, FL 32854	Sole member of Liberty Counsel, Inc and appoints majority of board	FL	Liberty Counsel Inc	T				Yes	
(2) Liberty Action Mission Trust PO Box 540774 Orlando, FL 32854	Sole member of Liberty Counsel Action, Inc and Liberty Counsel Action	FL	Liberty Counsel Inc	T				Yes	
(3) Freedom Mission Trust PO Box 540774 Orlando, FL 32854	Sole member of Freedom Federation, Inc and appoints board members	FL	Liberty Counsel Inc	T				Yes	

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a	Yes	
1b	Yes	
1c		No
1d	Yes	
1e	Yes	
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n		No
1o		No
1p		No
1q		No
1r		No
1s		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Liberty Counsel Action	A	62,400	Actual cash paid
(2) Liberty Action PAC Inc	A	51,719	Actual cash paid

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
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Software ID:

Software Version:

EIN: 59-2986294

Name: Liberty Counsel Inc

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