

Return of Organization Exempt from Income Tax

2003

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Form 990 header section including: A For the 2003 calendar year, or tax year beginning, 2003, and ending; B Check if applicable; C Creation Research Society; D Employer Identification Number 38-1856803; E Telephone number 210-967-4736; F Accounting method; G Web site: N/A; J Organization type; K Check here; L Gross receipts 466,310.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with 21 rows detailing revenue and expenses. Includes sub-rows for contributions (1a-1c), program service revenue (2-5), rental income (6a-6c), other investment income (7), gross amount from sales of assets (8a-8c), special events (9a-9c), gross sales of inventory (10a-10c), and total revenue (12). Expenses include program services (13-15), payments to affiliates (16), and total expenses (17). Net assets at beginning (19) and end (21) of year are also shown.

SCANNED DEC 15 2004

EXPENSES

NET ASSETS

Handwritten signature/initials: JB-16

Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	38,042.	38,042.		
26 Other salaries and wages	26	81,065.	23,053.	58,012.	
27 Pension plan contributions	27				
28 Other employee benefits	28	6,250.	5,000.	625.	625.
29 Payroll taxes	29	10,430.	5,346.	5,084.	
30 Professional fundraising fees	30				
31 Accounting fees	31	9,407.		9,407.	
32 Legal fees	32				
33 Supplies	33	3,096.	3,096.		
34 Telephone	34	3,401.	1,837.	1,122.	442.
35 Postage and shipping	35	11,531.	11,300.	65.	166.
36 Occupancy	36				
37 Equipment rental and maintenance	37	849.	458.	281.	110.
38 Printing and publications	38	9,808.	9,808.		
39 Travel	39	8,657.	4,675.	2,857.	1,125.
40 Conferences, conventions, and meetings	40	10,011.	250.	9,761.	
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	11,970.	6,464.	3,950.	1,556.
43 Other expenses not covered above (itemize)					
a See Statement 4	43a	96,072.	35,701.	51,778.	8,593.
b	43b				
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	300,589.	145,030.	142,942.	12,617.

Joint Costs. Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <u>EDUCATION & SCIENTIFIC RESEARCH</u>	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a See Statement 5	
(Grants and allocations \$ _____)	145,030.
b	
(Grants and allocations \$ _____)	
c	
(Grants and allocations \$ _____)	
d	
(Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	145,030.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing	124,507.	45	40,481.
	46 Savings and temporary cash investments	20,874.	46	15,305.
	47a Accounts receivable	47a		
	b Less allowance for doubtful accounts	47b	47c	
	48a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)	51a		
	b Less allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use	213,966.	52	258,332.
	53 Prepaid expenses and deferred charges		53	
	54 Investments — securities (attach schedule) See St 6 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	554,654.	54	558,023.
	55a Investments — land, buildings, & equipment basis	55a		
	b Less accumulated depreciation (attach schedule)	55b	55c	
56 Investments — other (attach schedule)		56		
57a Land, buildings, and equipment basis	57a 402,140.			
b Less accumulated depreciation (attach schedule) Statement 7	57b 159,573.	253,047.	57c 242,567.	
58 Other assets (describe <input type="checkbox"/> See Statement 8)		270.	58 271.	
59 Total assets (add lines 45 through 58) (must equal line 74)		1,167,318.	59 1,114,979.	
LIABILITIES	60 Accounts payable and accrued expenses	2,854.	60	5,237.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe <input type="checkbox"/>)		65	
	66 Total liabilities (add lines 60 through 65)		2,854.	66 5,237.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	675,249.	67	1,109,742.
	68 Temporarily restricted	148,359.	68	
	69 Permanently restricted	340,856.	69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	1,164,464.	73	1,109,742.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	1,167,318.	74	1,114,979.

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

BAA

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

a	Total revenue, gains, and other support per audited financial statements	a	N/A
b	Amounts included on line a but not on line 12, Form 990.		
	(1) Net unrealized gains on investments \$		
	(2) Donated services and use of facilities \$		
	(3) Recoveries of prior year grants \$		
	(4) Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 12, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 \$		
	(2) Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	

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

a	Total expenses and losses per audited financial statements	a	N/A
b	Amounts included on line a but not on line 17, Form 990.		
	(1) Donated services and use of facilities \$		
	(2) Prior year adjustments reported on line 20, Form 990 \$		
	(3) Losses reported on line 20, Form 990 \$		
	(4) Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 17, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 \$		
	(2) Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 9		38,042.	5,000.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No

If 'Yes,' attach schedule - see instructions.

Part VI Other Information (See instructions.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?		X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization? b If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		X
81a	Enter direct and indirect political expenditures. See line 81 instructions	81a	0.
81b	Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible? b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		X
84b		N/A	
85a	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		N/A
85b	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		N/A
	c Dues, assessments, and similar amounts from members	85c	N/A
	d Section 162(e) lobbying and political expenditures	85d	N/A
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85g	N/A
		85h	N/A
86	501(c)(7) organizations. Enter a Initiation fees and capital contributions included on line 12	86a	N/A
	b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations. Enter. a Gross income from members or shareholders	87a	N/A
	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
89a	501(c)(3) organizations. Enter. Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> , section 4912 <u>0.</u> , section 4955 <u>0.</u>		
89b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
	c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
	d Enter. Amount of tax on line 89c, above, reimbursed by the organization		0.
90a	List the states with which a copy of this return is filed <u>None</u>		
90b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions)		0
91	The books are in care of _____ Telephone number _____ Located at _____ ZIP + 4 _____		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Part VII Analysis of Income-Producing Activities (See instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue.					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments		44,590.			
95 Interest on savings & temporary cash invmnts		14,279.			
96 Dividends & interest from securities		16,041.			
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income		578.			
100 Gain or (loss) from sales of assets other than inventory					-10,202.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					27,225.
103 Other revenue. a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		75,488.			17,023.
105 Total (add line 104, columns (B), (D), and (E))					92,511.

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
N/A	

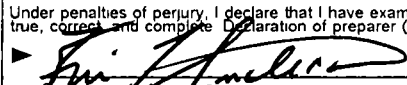
Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

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

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

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

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign:  Date: 11-15-04

f VACRC

Date: _____ Check if self: Preparer's SSN or PTIN (see General Instruction W)

SCHEDULE A
(Form 990 or 990-EZ)

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

OMB No 1545 0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information — (See separate instructions.)

2003

Department of the Treasury
Internal Revenue Service

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

Name of the organization

CREATION RESEARCH SOCIETY

Employer identification number

38-1856803

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				

Total number of other employees paid over \$50,000 ▶ 0				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of others receiving over \$50,000 for professional services ▶ 0		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2003

Part III Statements About Activities (See instructions)

	Yes	No
<p>1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u></p> <p>(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)</p> <p>Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.</p>		X
2a Sale, exchange, or leasing of property?		X
2b Lending of money or other extension of credit?		X
2c Furnishing of goods, services, or facilities?		X
2d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
2e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments)		X
3b Do you have a section 403(b) annuity plan for your employees?		X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

See Form 990, Part V

Part IV Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is. (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i)
- 6** A school. Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii)
- 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(v) (Also complete the **Support Schedule** in Part IV-A)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** A community trust. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 12** An organization that normally receives: **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc. functions – subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A.)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3))

Provide the following information about the supported organizations (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety. Section 509(a)(4) (See instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	166,104.	150,321.	124,497.	145,793.	586,715.
16 Membership fees received	44,524.	43,187.	38,169.	53,139.	179,019.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc, purpose	52,890.	22,916.	25,534.	16,840.	118,180.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	33,962.	35,521.	34,314.	38,451.	142,248.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	297,480.	251,945.	222,514.	254,223.	1,026,162.
24 Line 23 minus line 17	244,590.	229,029.	196,980.	237,383.	907,982.
25 Enter 1% of line 23	2,975.	2,519.	2,225.	2,542.	

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

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.	▶	26a
c Total support for section 509(a)(1) test. Enter line 24, column (e)	▶	26c
d Add. Amounts from column (e) for lines. 18 _____ 19 _____		26d
22 _____ 26b _____		26d
e Public support (line 26c minus line 26d total)	▶	26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	▶	26f %

27 Organizations described on line 12:

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

(2002) _____ 0. (2001) _____ 0. (2000) _____ 0. (1999) _____ 0.

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

(2002) _____ 0. (2001) _____ 0. (2000) _____ 0. (1999) _____ 0.

c Add. Amounts from column (e) for lines	15 586,715.	16 179,019.	
	17 118,180.	20 _____	21 _____
d Add Line 27a total	0.	and line 27b total	0.
e Public support (line 27c total minus line 27d total)	▶ 27e 883,914.		
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)	▶ 27f 1,026,162.		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	▶ 27g 86.14 %		
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	▶ 27h 13.86 %		

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions.)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement) ----- -----		
33	Does the organization discriminate by race in any way with respect to.		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B. 587, covering racial nondiscrimination? If 'No,' attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table –		
	If the amount on line 40 is –		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is –		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.			

4 -Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (add lines c through h.)

Yes	No	Amount

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See instructions)

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

a Transfers from the reporting organization to a noncharitable exempt organization of

	Yes	No
51 a (i)		X
a (ii)		X
b (i)		X
b (ii)		X
b (iii)		X
b (iv)		X
b (v)		X
b (vi)		X
c		X

- (i) Cash
- (ii) Other assets
- b Other transactions
 - (i) Sales or exchanges of assets with a noncharitable exempt organization
 - (ii) Purchases of assets from a noncharitable exempt organization
 - (iii) Rental of facilities, equipment, or other assets
 - (iv) Reimbursement arrangements
 - (v) Loans or loan guarantees
 - (vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

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

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

b If 'Yes,' complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

CREATION RESEARCH SOCIETY

38-1856803

Statement 1
Form 990, Part I, Line 7
Other Investment Income

GAIN ON INVESTMENTS

Total \$ 578.
 Total \$ 578.

Statement 2
Form 990, Part I, Line 8
Net Gain (Loss) from Noninventory Sales

Publicly Traded Securities

Gross Sales Price: 204,535.
 Cost or Other Basis: 214,737.

Total Gain (Loss) Publicly Traded Securities \$ -10,202.

Total Net Gain (Loss) From Noninventory Sales \$ -10,202.

Statement 3
Form 990, Part I, Line 10
Gross Profit (Loss) From Sales Of Inventory

BOOK SALES	\$ 32,931.
Gross Sales	\$ 32,931.
Less Returns & Allowances	0.
Net Sales	\$ 32,931.
Less Cost Of Goods Sold	5,706.
Gross Profit From Sales Of Inventory	\$ <u>27,225.</u>

Statement 4
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
AUTO AND TRUCK	777.	420.	256.	101.
BANK CHARGES	825.	446.	272.	107.
CONTRACT LABOR	6,277.	3,390.	2,071.	816.
CONTRIBUTIONS	783.	423.	258.	102.
CREATION MATTERS	7,110.	3,839.	2,347.	924.
DEVELOPMENT MEETING	727.	393.	240.	94.
DEVELOPMENT/FUND	62.	33.	21.	8.
EDUCATION & SEMMINARS	1,064.	575.	351.	138.
HOSPITALITY	525.	284.	173.	68.
INSURANCE	19,357.	10,453.	6,388.	2,516.
INTERNET FEES	1,202.	649.	397.	156.
LICENSES & PERMITS	24.	13.	8.	3.
MEALS	583.	315.	192.	76.
MISCELLANEOUS EXPENSES	4,567.	2,466.	1,507.	594.

CREATION RESEARCH SOCIETY

38-1856803

Statement 4 (continued)
Form 990, Part II, Line 43
Other Expenses

	(A)	(B)	(C)	(D)
	Total	Program Services	Management & General	Fundraising
MNGMT MEETING EXPENSES	13,947.		13,947.	
OFFICE SUPPLIES	16,016.		16,016.	
PROFESSIONAL DUES/SUBS	744.	402.	245.	97.
PROMOTIONALS	1,710.	923.	565.	222.
RATE EXPENDITURES	3,943.	2,129.	1,301.	513.
RESEARCH COSTS	12,354.	6,671.	4,077.	1,606.
UTILITIES	3,475.	1,877.	1,146.	452.
Total	\$ 96,072.	\$ 35,701.	\$ 51,778.	\$ 8,593.

Statement 5
Form 990, Part III, Line a
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
The Society publishes a quarterly scientific journal which is sent to each member. The Society publishes various books which it sells to the public and to members.		80,416.
The Research Director for the Society speaks to churches & religious organizations about the research the Society has done & the findings of this research. It conducts seminars & tours of its facilities.		37,258.
The Society devotes time & resources to researching the theory of creation and the evidences of this theory in scientific & applied disciplines. Results are published in its peer-reviewed journals.		27,356.
	\$ 0.	\$ 145,030.

Statement 6
Form 990, Part IV, Line 54
Investments - Securities

Other Publicly Traded Securities	Valuation Method	Amount
RAYMOND JAMES INVESTMENTS	Market Value	\$ 558,023.
	Total	\$ 558,023.
Total Investments - Securities		\$ 558,023.

CREATION RESEARCH SOCIETY

38-1856803

Statement 7
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Automobiles / Transportation Equipment	\$ 2,000.	\$ 2,000.	\$ 0.
Furniture and Fixtures	25,421.	23,590.	1,831.
Machinery and Equipment	84,284.	79,122.	5,162.
Buildings	257,560.	54,861.	202,699.
Land	32,875.		32,875.
Total	\$ 402,140.	\$ 159,573.	\$ 242,567.

Statement 8
Form 990, Part IV, Line 58
Other Assets

DEPOSITS	\$ 270.
Rounding	1.
Total	\$ 271.

Statement 9
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
DON DEYOUNG 204 HUNTERS RIDGE WARSAW, IN 46582	President 5	\$ 0.	\$ 0.	\$ 0.
EUGENE CHAFFIN 405 TEBBLEWOOD SIMPSONVILLE, SC 29680-3030	Vice President 5	0.	0.	0.
ROBERT GENTET 305 CLODMONT DR SAN ANTONIO, TX 78239	Treasurer 5	0.	0.	0.
DAVID KAUFMANN 3745 NW 7TH AVE GAINESVILLE, FL 32607-2421	Secretary 5	0.	0.	0.
TED AUFDEMBERGE 9020 GROSS ROAD DEXTER, MI 48130	Financial Sec. 5	0.	0.	0.
GLEN WOLFROM 3110 N 39TH TERRACE ST. JOSEPH, MO 64506	Membership 5	0.	0.	0.

CREATION RESEARCH SOCIETY

38-1856803

Statement 9 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
JOHN MEYER 2185 N VAL VISTA DR CHINO VALLEY, AZ 86323	LAB DIRECTOR 40	\$ 38,042.	\$ 5,000.	\$ 0.
GEORGE HOWE 24635 APPLE ST SANTA CLARA, CA 91321-2614	Director 0	0.	0.	0.
RUSS HUMPHREYS 9301 GUTIERREZ NE ALBUQUERGUE, NM 87111	Director 0	0.	0.	0.
LANE LESTER 691 MARTIN GRIFFETH RD HULL, GA 30646	Director 0	0.	0.	0.
GARY LOCKLAIR 10042 TOWER AVE MILWAUKEE, WI 53224	Director 0	0.	0.	0.
MICHAEL OARD 118 SANDERS AVE BOZEMAN, MT 59718	Director 0	0.	0.	0.
JOHN REED 915 HUNTING HORN WAY EVANS, GA 30809	Director 0	0.	0.	0.
RON SAMEC 29 SHORE DR GREENVILLE, SC 29611-3060	Director 0	0.	0.	0.
EMMETT WILLIAMS P.O. BOX 2006 ALPHARETTA, GA 30023	Director 5	0.	0.	0.
Total		<u>\$ 38,042.</u>	<u>\$ 5,000.</u>	<u>\$ 0.</u>

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

Note: ~~Do not complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.~~

If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time – Must File Original and One Copy.

Type or print <small>File by the extended due date for filing the return. See instructions</small>	Name of Exempt Organization CREATION RESEARCH SOCIETY	Employer identification number 38-1856803
	Number, street, and room or suite number. If a P.O. box, see instructions. 305 CLOUDMONT DRIVE	For IRS Use Only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SAN ANTONIO, TX 78239-2402	

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

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

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

If the organization does **not** have an office or place of business in the United States, check this box

If this is for a **Group Return**, enter the organizations four digit Group Exemption Number (GEN) _____ . If this is for the **whole group**, check this box . If it is **part** of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until 11/15, 2004
- 5 For calendar year 2003, or other tax year beginning _____, 20____ and ending _____, 20____
- 6 If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period
- 7 State in detail why you need the extension Taxpayer respectfully requests additional time to gather information necessary to file a complete and accurate tax return.


8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____

c Balance due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title Acct Date 8-16-04

Notice to Applicant – To be Completed by the IRS

- We **have** approved this application. Please attach this form to the organization's return.
- We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely filed return. Please attach this form to the organization's return.
- We **have not** approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We **cannot consider** this application because it was filed after the due date of the return for which an extension was requested.
- Other _____

EXTENSION APPROVED
AUG 31 2004

Director _____ By _____ Date _____ **FIELD DIRECTOR, REGION PROCESSING, OGDEN**

Alternate Mailing Address – Enter the address if you want the copy of this application for an additional 3-month extension address different than the one entered above.

Type or print	Name DeBono Financial Services, Inc
	Number and street (include suite, room, or apartment number) or a P.O. box number 678 S Hwy 89
	City or town, province or state, and country (including postal or ZIP code) Chino Valley, AZ 86323