

Return of Organization Exempt from Income Tax

1998

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

Department of the Treasury Internal Revenue Service

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

This Form is Open to Public Inspection

A For the 1998 calendar year, Or tax year period beginning, 1998, and ending, 19

B Check if: [X] Change of address, [] Initial return, [] Final return, [] Amended return. C Name of organization: INTERNATIONAL COUNCIL OF AIRSHOWS FOUNDATION, INC. D Employer Identification Number: 38-2885409. E Telephone number. F Check [] if exemption application is pending.

G Type of organization: [X] Exempt under section 501(c) 3 (insert number) or [] section 4947(a)(1) nonexempt charitable trust

Note Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts Must attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? [] Yes [X] No. I If either box in H is checked 'Yes,' enter four digit group exemption number (GEN). J Accounting method: [] Cash [X] Accrual. (c) Is this a separate return filed by an organization covered by a group ruling? [] Yes [X] No. Other (specify).

K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if it received a Form 990 package in the mail, it should file a return without financial data. Some states require a complete return.

Note, Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see instructions)

Table with 21 rows and 3 columns: Description, (A) Securities, (B) Other. Includes revenue from contributions, program services, membership dues, interest, dividends, rents, investment income, sales of assets, special events, and inventory. Total revenue: 100,851. Total expenses: 134,161. Net assets at end of year: 81,948.

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash \$ _____) (non cash \$ _____)	22			
23 Specific assistance to individuals (attach sch)	23 1,000	1,000		
24 Benefits paid to or for members (attach sch)	24			
25 Compensation of officers, directors, etc	25 3,500	3,500	0	0
26 Other salaries and wages	26			
27 Pension plan contributions	27			
28 Other employee benefits	28			
29 Payroll taxes	29			
30 Professional fundraising fees	30			
31 Accounting fees	31 1,625	0	1,625	0
32 Legal fees	32			
33 Supplies	33 11,125	11,125	0	0
34 Telephone	34 3,060	3,060	0	0
35 Postage and shipping	35 3,285	3,285	0	0
36 Occupancy	36			
37 Equipment rental and maintenance	37 20,494	20,494	0	0
38 Printing and publications	38 1,185	1,185	0	0
39 Travel	39 7,281	7,281	0	0
40 Conferences, conventions, and meetings	40 65,606	65,606	0	0
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42 666	0	666	0
43 Other expenses (itemize) a _____	43a			
b BANK FEES _____	43b 892	0	892	0
c TEMP LABOR _____	43c 3,072	3,072	0	0
d TAX-INTANGIBLE _____	43d 33	0	33	0
e See Other Expenses Stmt	43e 11,337	9,600	1,737	0
44 Total functional expenses (add lines 22-43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44 134,161	129,208	4,953	0

Reporting of Joint Costs - Did you report in column (B) (program services) any joint costs from a combined educational campaign and fundraising solicitation? 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? <input type="checkbox"/> SCHOLARSHIP PROGRAMS FOR AERONAUTICAL STUDENTS	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others)
a PRODUCTION OF THE AIRSHOW OF THE STARS TO PROMOTE PROGRAMS THAT EDUCATE AND ENHANCE THE KNOWLEDGE OF THE AIRSHOW INDUSTRY AND SUPPORT PILOTS AND PERFORMERS OF THE FUTURE THROUGH SCHOLARSHIP PROGRAMS (Grants and allocations \$ 0)	126,230
b PROGRAMS AND AWARDS TO COMMEMORATE THOSE WHO HAVE CONTRIBUTED TO THE AIRSHOW INDUSTRY (Grants and allocations \$ 0)	2,978
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)	129,208

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		17,623	45	5,060	
	46	Savings and temporary cash investments		78,465	46	54,046	
	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 schedule)	51a				
		b Less allowance for doubtful accounts	51b		51c		
	52	Inventories for sale or use			52		
	53	Prepaid expenses and deferred charges			53		
	54	Investments – securities (attach schedule)			54		
	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	2,081			
		b Less accumulated depreciation (attach schedule) L-57 Stmt.	57b	1,082	1,665	57c	999
	58	Other assets (describe ► INVENTORY AND RECEIVABLES)		23,043	58	23,043	
59	Total assets (add lines 45 through 58) (must equal line 74)		120,796	59	83,148		
LIABILITIES	60	Accounts payable and accrued expenses		5,538	60	1,200	
	61	Grants payable			61		
	62	Deferred revenue			62		
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax-exempt bond liabilities (attach schedule)			64a		
		b Mortgages and other notes payable (attach schedule)			64b		
	65	Other liabilities (describe ►)			65		
66	Total liabilities (add lines 60 through 65)		5,538	66	1,200		
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		115,258	67	81,948	
	68	Temporarily restricted			68		
	69	Permanently restricted			69		
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74						
	70	Capital stock, trust principal, or current funds			70		
	71	Paid-in or capital surplus, or land, building, and equipment fund			71		
	72	Retained earnings, endowment, accumulated income, or other funds			72		
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19 and column (B) must equal line 21)		115,258	73	81,948	
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)		120,796	74	83,148	

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)

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

a	Total revenue, gains, and other support per audited financial statements	a	100,851
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	100,851
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	100,851

a	Total expenses and losses per audited financial statements	a	134,161
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	134,161
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	134,161

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
RICK GRISSOM-GM PRODUCTIONS 1615 LYNDELL DR KISSIMEE, FL 34741	CHAIRMAN 1-2	3,500	0	0
KAREN GELDNER C/O SHANNON & LUCHS 5335 WISCONSIN AVE WASHINGTON, DC 20015	DIRECTOR 1-2	0	0	0
CHARLES K NEWCOMB-BURKE LAKEFRONT AIRPORT, CLEVELAND, OH 44114	DIRECTOR 1-2	0	0	0
STEVE OLIVER-PEPSI AERIAL ENT 20173 GOINS DR MORRISON, CO 80465	DIRECTOR 1-2	0	0	0
SEAN TUCKER-AVIATION SPEC 265 SAN BENANCIO BLVD SALINAS, CA 93908	DIRECTOR 1-2	0	0	0
GARY MCMAHON 5151 TIMBERLEA BLVD MISSISSAUGA, ON	DIRECTOR 1-2	0	0	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 specific 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	b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		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?	X	
b If 'Yes,' enter the name of the organization <u>INTERNATIONAL COUNCIL OF AIR SHOWS, INC</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions 81a 0		
81b	b 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?		X
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 for reporting in Part III) 82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	b 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?		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			
85	501(c)(4), (5), or (6) organizations – a Were substantially all dues nondeductible by members?		
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			
c Dues, assessments, and similar amounts from members 85c			
d Section 162(e) lobbying and political expenditures 85d			
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g Does the organization elect to pay the section 6033(e) tax on the amount in 85f? 85g			
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h			
86	501(c)(7) organizations – Enter a Initiation fees and capital contributions included on line 12 86a		
b Gross receipts, included on line 12, for public use of club facilities. 86b			
87	501(c)(12) organizations – Enter a Gross income from members or shareholders 87a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If 'Yes,' complete Part IX 88		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	b 501(c)(3) and 501(c)(4) organizations – Did the organization engage in any section 4958 excess benefit transaction during the year? If 'Yes,' attach a statement explaining each transaction 89b		X
c Enter Amount of tax paid by the organization managers or disqualified persons during the year under section 4912, 4955, and 4958 <u>0</u>			
d Enter Amount of tax on line 89c, above, reimbursed by the organization <u>0</u>			
90a	List the states with which a copy of this return is filed <u>NONE</u>		
90b	b Number of employees employed in the pay period that includes March 12, 1998 (see instructions) 90b 0		
91	The books are in care of <u>THE FOUNDATION</u> Telephone number <u>(703) 779-8510</u> Located at <u>LEESBURG</u> VA ZIP + 4 <u>20175</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 – Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

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

	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 AIRSHOW					98,971
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Int on savings & temporary cash invmnts			14	1,880	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt financed property					
b not debt financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), & (E))				1,880	98,971
105 Total (add line 104, columns (B), (D), and (E))					100,851

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)
93a	THE AIRSHOW OF THE STARS IS HELD AS A FUNDRAISING EVENT TO LEVERAGE MONIES INTO AN AMOUNT THAT WOULD ENABLE THE FOUNDATION TO PROCURE OR BUILD SPACE AS A MUSEUM TO COMMEMORATE THOSE WHO HAVE CONTRIBUTED TO THE AIR SHOW INDUSTRY AND TO EDUCATE AND ENHANCE THE KNOWLEDGE OF THE PUBLIC ABOUT THE AIR SHOW INDUSTRY

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on line 88 is checked)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End of year assets
	%			
	%			
	%			

I have prepared this return and accompanying schedules and statements and to the best of my knowledge and belief, it is based on all information of which preparer has any knowledge (See instructions)

14/5/02 SEP 12/02

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

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

Name of the Organization INTERNATIONAL COUNCIL OF AIRSHOWS FOUNDATION, INC	Employer Identification Number 38-2885409
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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 & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶		NONE		

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 ▶		NONE

Part III Statements About Activities

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ 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.		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary?		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets? If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc?	X	
4a Do you have a section 403(b) annuity plan for your employees?		X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions.)		

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, page 4)
- 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)
- 11 a 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)
- 11 b 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) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	41,288	10,497	18,806	633	71,224
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc, purpose	11,981	35,976	15,957	545	64,459
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	1,436	1,797	969	1,173	5,375
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	54,705	48,270	35,732	2,351	141,058
24 Line 23 minus line 17	42,724	12,294	19,775	1,806	76,599
25 Enter 1% of line 23	547	483	357	24	
26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24				26a 1,532
	b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1994 through 1997 exceeded the amount shown in line 26a Enter the sum of all these excess amounts				26b
	c Total support for Section 509(a)(1) test Enter line 24, column (e)				26c 76,599
	d Add Amounts from column (e) for lines	18 5,375	19	26d 5,375	
		22	26b	26e 71,224	
	e Public support (line 26c minus line 26d total)				26e 71,224
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 92.98%
27 Organizations described on line 12:					
	a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person' attach a list to show the name of, and total amounts received in each year from, each 'disqualified person' Enter the sum of such amounts for each year				
	(1997)	(1996)	(1995)	(1994)	
	b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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) 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				
	(1997)	(1996)	(1995)	(1994)	
	c Add Amounts from column (e) for lines				
	15	16	17	20	21
	17	20	21	27c	
	d Add Line 27a total and line 27b total				27d
	e Public support (line 27c total minus line 27d total)				27e
	f Total support for Section 509(a)(2) test Enter amount on line 23, column (e)				27f
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g %
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h %

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1994 through 1997, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not include these grants in line 15 (See instructions)

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 here a if the organization belongs to an affiliated group
 Check here b if you checked 'a' above 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) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

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

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 of assets to a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities or equipment

(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
b(1v)	1,192	INTERNATIONAL COUNCIL OF AIRSHOW, INC	REIMBURSEMENT OF EXPENSES PAID ON BEHALF OF THE FOUNDATION

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
INTERNATIONAL COUNCIL OF AIRSHOWS, INC	501(c)(6)	THE CORPORATION HAS PROVIDED SIGNIFICANT FUNDING TO START UP THE FOUNDATION, WHICH IS NOW PUBLICLY SUPPORTED THE TWO ORGANIZATIONS ALSO SHARE TWO BOARD MEMBERS

Depreciation and Amortization
(Including Information on Listed Property)

1998
67

Department of the Treasury
Internal Revenue Service (99)

▶ See instructions
▶ Attach this form to your return

Name(s) Shown on Return

Business or Activity to Which This Form Relates

Identifying Number

INTERNATIONAL COUNCIL OF AIRSHOWS FOUNDATION, INC

Form 990, page 2

38-2885409

Part I Election to Expense Certain Tangible Property (Section 179)
(Note If you have any 'listed property,' complete Part V before you complete Part I)

1	Maximum dollar limitation If an enterprise zone business, see instructions	1	\$18,500
2	Total cost of Section 179 property placed in service See instructions	2	
3	Threshold cost of Section 179 property before reduction in limitation	3	\$200,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter 0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter 0 If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter amount from line 27	7	
8	Total elected cost of Section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1997 See instructions	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 1999 Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement) Instead, use Part V for listed property

Part II MACRS Depreciation for Assets Placed in Service Only During Your 1998 Tax Year
(Do Not Include Listed Property)

Section A - General Asset Account Election

14 If you are making the election under Section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box See instructions

Section B - General Depreciation System (GDS) (See instructions)

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

Section C - Alternative Depreciation System (ADS) (See instructions)

16a Class life					S/L	
b 12 year			12 yrs		S/L	
c 40 year			40 yrs	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property) (See instructions)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 1998	17	666
18 Property subject to Section 168(f)(1) election	18	
19 ACRS and other depreciation	19	

Part IV Summary (See instructions)

20 Listed property Enter amount from line 26	20	
21 Total Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions.	21	666
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to Section 263A costs	22	

Part V Listed Property – Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete *only* 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A – Depreciation and Other Information (Caution See instructions for limits for passenger automobiles)

23a Do you have evidence to support the business/investment use claimed?				Yes	No	23b If 'Yes,' is the evidence written?			Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected Section 179 cost		
24 Property used more than 50% in a qualified business use (see instructions)										
25 Property used 50% or less in a qualified business use (see instructions)										
26 Add amounts in column (h) Enter the total here and on line 20, page 1								26		
27 Add amounts in column (i) Enter the total here and on line 7, page 1									27	

Section B – Information on Use of Vehicles

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

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
28 Total business/investment miles driven during the year (Do not include commuting miles)												
29 Total commuting miles driven during the year												
30 Total other personal (noncommuting) miles driven												
31 Total miles driven during the year Add lines 28 through 30												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 Is another vehicle available for personal use?												

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

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

35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
37 Do you treat all use of vehicles by employees as personal use?		
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
39 Do you meet the requirements concerning qualified automobile demonstration use? See instructions.		
Note If your answer to 35, 36, 37, 38, or 39 is 'Yes,' you need not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code Section	(e) Amortization period or percentage	(f) Amortization for this year
40 Amortization of costs that begins during your 1998 tax year					
41 Amortization of costs that began before 1998					41
42 Total Enter here and on 'Other Deductions' or 'Other Expenses' line of your return.					42

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Other expenses (itemize)				
CONTRACT LABOR	9,600	9,600	0	0
LICENSES AND FEES	405	0	405	0
INSURANCE	975	0	975	0
STORAGE	357	0	357	0
Total	<u>11,337</u>	<u>9,600</u>	<u>1,737</u>	<u>0</u>

Form 990, Page 3, Part IV, Lines 57a & 57b

Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Office Equipment	2,081	1,082	999
Total	<u>2,081</u>	<u>1,082</u>	<u>999</u>

Supporting Statement of:

Form 990 p 2/Line 23(B)

Description	Amount
BETTY HALEZ AND RON WEAVER	1,000
Total	<u>1,000</u>