

Return of Organization Exempt From Income Tax

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

1999

This Form is Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 1999 calendar year, OR tax year period beginning 10/01, 1999, and ending 9/30, 2000

- B Check if:
- Change of address
 - Initial return
 - Final return
 - Amended return (required also for State reporting)

Please use IRS label or print or type. See Specific Instructions.

C
INDEPENDENT TELEVISION SERVICES, INC.
51 FEDERAL STREET #401
SAN FRANCISCO, CA 94107

D Employer identification number
52-1654276
E Telephone number
(415) 356-8383
F Check If exemption application is pending

G Type of organization 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 No
 (b) If "Yes," enter the number of affiliates for which this return is filed:
 (c) Is this a separate return filed by an organization covered by a group ruling? Yes No
 I If either box in H is checked "Yes," enter four-digit group exemption number (GEN)
 J Accounting method: Cash Accrual
 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 Specific Instructions on page 15.)

		REVENUE		
		(A) Securities	(B) Other	
1	Contributions, gifts, grants, and similar amounts received:			
a	Direct public support	1a	7,699,386	
b	Indirect public support	1b		
c	Government contributions (grants)	1c		
d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 7,699,386 noncash \$)	1d		7,699,386
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		53,141
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4		97,620
5	Dividends and interest from securities	5		132,752
6a	Gross rents	6a		
b	Less: rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe)	7		
8a	Gross amount from sale of assets other than inventory	8a		
b	Less: cost or other basis and sales expenses	8b		
c	Gain or (loss) (attach schedule)	8c		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		
9	Special events and activities (attach schedule)			
a	Gross revenue (not including \$ of contributions reported on line 1a)	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
10a	Gross sales of inventory, less returns and allowances	10a		
b	Less: cost of goods sold	10b		
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11	Other revenue (from Part VII, line 103)	11		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		7,982,899
		13		8,704,609
		14		1,627,695
		15		
		16		
		17		10,332,304
		18		-2,349,405
		19		14,003,857
		20		-17,539
		21		11,636,913

Part I Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 19.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations, 23 Specific assistance to individuals, 24 Benefits paid to or for members, 25 Compensation of officers, directors, etc., 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation, depletion, etc. (attach schedule), 43 Other expenses (itemize): a Statement 2, b, c, d, e, 44 Total functional expenses (add lines 22 thru 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15.

Reporting of Joint Costs. Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ... [] Yes [X] No
If "Yes," enter (i) the aggregate amount of these joint costs \$... ; (ii) the amount allocated to Program services \$... ; (iii) the amount allocated to Management and general \$... ; and (iv) the amount allocated to Fundraising \$...

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 22.)

Table with 2 columns: Description of program service accomplishments, Program Service Expenses. Row a: Continues to operate in the public interest, to enhance the diversity & innovativeness of TV programming available addressing the needs of unserved/under-served audiences. (Grants and allocations \$ 0) 8,704,609
Row b: (Grants and allocations \$)
Row c: (Grants and allocations \$)
Row d: (Grants and allocations \$)
Row e: Other program services (attach schedule) (Grants and allocations \$)
Row f: Total of Program Service Expenses (should equal line 44, column (B), Program services) 8,704,609

Part IV Balance Sheets (See Specific Instructions on page 22.)

		(A) Beginning of year		(B) End of year		
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.						
ASSETS	45	Cash - non-interest-bearing.....	1,409,196	45	300	
	46	Savings and temporary cash investments.....		46	4,765,857	
	47 a	Accounts receivable.....	3,023			
		b Less: allowance for doubtful accounts.....		8,534	47c	3,023
	48 a	Pledges receivable.....				
		b Less: allowance for doubtful accounts.....		15,611	48c	
	49	Grants receivable.....	13,895,758	49	10,959,939	
	50	Receivables from officers, directors, trustees, and key employees (attach sch).....		50		
	51 a	Other notes and loans receivable (attach schedule) Stmt... 3.	110,072			
		b Less: allowance for doubtful accounts.....		157,307	51c	110,072
	52	Inventories for sale or use.....		52		
	53	Prepaid expenses and deferred charges.....	28,051	53	1,945	
	54	Investments - securities (attach schedule)..... See Statement... 4.	1,655,769	54	395,331	
	55 a	Investments - land, buildings, and equipment: basis.....				
		b Less: accumulated depreciation (attach schedule).....			55c	
56	Investments - other (attach schedule).....			56		
57 a	Land, buildings, and equipment: basis.....	297,130				
	b Less: accumulated depreciation (attach schedule) Stmt.... 5.	222,985	62,953	57c	74,145	
58	Other assets (describe ▶ See Statement 6)			58	163,907	
59 Total assets (add lines 45 through 58) (must equal line 74).....		17,233,179	59	16,474,519		
LIABILITIES	60	Accounts payable and accrued expenses.....	192,235	60	189,788	
	61	Grants payable.....	3,037,087	61	4,647,818	
	62	Deferred revenue.....		62		
	63	Loans from officers, directors, trustees, and key employees (attach schedule).....		63		
	64 a	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).....		3,229,322	66	4,837,606		
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.....	2,114,871	67	11,636,913	
	68	Temporarily restricted.....	11,888,986	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).....	14,003,857	73	11,636,913		
74 Total liabilities and net assets/fund balances (add lines 66 and 73).....		17,233,179	74	16,474,519		

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

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 24.)

a	Total revenue, gains, and other support per audited financial statements	a	7,965,360
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments		\$ -17,539
(2)	Donated services and use of facilities		\$
(3)	Recoveries of prior year grants		\$
(4)	Other (specify):		\$
	Add amounts on lines (1) through (4)	b	-17,539
c	Line a minus line b	c	7,982,899
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	7,982,899

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

a	Total expenses and losses per audited financial statements	a	10,332,304
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	10,332,304
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	10,332,304

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 24.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Mark Lloyd 818 18th St., NW, #505 Washington, DC 20006	President 2	0	0	0
Cynthia Gehrig 125 Park Square Saint Paul, MN 55101	Vice Pres. 2	0	0	0
Juanita Anderson 20 Thwing St. House Roxbury, MA 02119	Secretary 2	0	0	0
David Rosen 1601 Randolph Rd., SE, #210 Albuquerque, NM 87106	Treasurer 2	0	0	0
James Yee 51 Federal St., #100 San Francisco, CA 94107	Executive Dir 50	105,000	5,309	0
Judy Tam 51 Federal St., #100 San Francisco, CA 94107	Act. Exec. Dir. 45	86,863	4,535	0
Nondas Voll 51 Federal St., #100 San Francisco, CA 94107	Dir. Prod. 45	81,188	3,567	0
Lois Vossen 51 Federal St., #100 San Francisco, CA 94107	Dir. Broadcast 45	71,346	3,705	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 Specific Instructions on page 25.

Part VI Other Information (See Specific Instructions on page 25.)

		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
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.		X
80 a	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>N/A</u> and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81 a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81 <u>81a</u> 29,000		
b	Did the organization file Form 1120-POL for this year?		X
82 a	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.) <u>82b</u> N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	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?	N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	N/A	
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 in 85f?	85g	N/A
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	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? If "Yes," complete Part IX	88	X
89 a	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>		
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 imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		0
d	Enter: Amount of tax in 89c, above, reimbursed by the organization.		0
90 a	List the states with which a copy of this return is filed <u>California</u>		
b	Number of employees employed in the pay period that includes March 12, 1999 (See instructions.)	90b	29
91	The books are in care of <u>Independent Television Service</u> Telephone no. <u>(415) 356-8383</u> Located at <u>51 Federal St., #401 S.F., CA</u> ZIP + 4 <u>94107</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <u>N/A</u> <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year. <u>92</u> N/A		

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 29.)

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 ITVS Handbook Admin. Income					7,310
b Ancillary Income					45,831
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash investments			14	97,620	
96 Dividends and interest from securities			14	132,752	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain/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), and (E))				230,372	53,141
105 Total (add line 104, columns (B), (D), and (E))					283,513

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 Specific Instructions on page 30.)

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	ITVS Handbook Admin. Income is a nominal fee charged to potential producers of programs requesting funding for broadcasts. The book provides procedures and the standards that should be met in accord with Corporation for Public Broadcasting (CPB).
93b	Ancillary Income is derived from the sale of programming rights in accordance with funding/donors requirements, thus enabling an extensive audience to view these specialized programs.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instruction on page 30)

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

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge. (Important: See General Instruction U, on page 14.)

Signature of officer: Judy Tam Date: _____
 Type or print name and title: Act. Exec. Dir.

Paid Preparer's Use Only

Preparer's signature: Charlene R. Smith Date: 6/06/01
 Check if self-employed: Preparer's SSN or PTIN: 548-96-2103
 Firm's name (or yours if self-employed) and address: Grant & Smith, LLP / Grant & Smith, LLP
505 Fourteenth St., Suite 950
Oakland, CA EIN: 94-3169649
 ZIP+4: 94612

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. ▶ \$ <u>29,000</u> 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.	1	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?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Form 990, Part VII.	2d	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.	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?	3	X
4a Do you have a section 403(b) annuity plan for your employees?	4a	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 on page 2.)		

Part IV Reason for Non-Private Foundation Status (See pages 2 through 4 of the instructions.)

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

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, 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)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions--subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 4 of the instructions.)

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

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

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

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

Calendar year (or fiscal year beginning in) ▶	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	7,683,980	7,328,980	7,714,042	8,092,773	30,819,775
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	70,300				70,300
18 Gross income from interest, dividends, amounts received from payments on securities (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	121,812	154,956	309,776	478,864	1,065,408
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 sch. Do not include gain or (loss) from sale of capital assets. See <i>Stm.</i>	975	123,972	36,811	31,989	193,747
23 Total of lines 15 through 22	7,877,067	7,607,908	8,060,629	8,603,626	32,149,230
24 Line 23 minus line 17	7,806,767	7,607,908	8,060,629	8,603,626	32,078,930
25 Enter 1% of line 23	78,771	76,079	80,606	86,036	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶					26a 641,579
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a government unit or publicly supported organization) whose total gifts for 1995 through 1998 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 32,078,930
d Add: Amounts from column (e) for lines: 18 <u>1,065,408</u> 19 _____ 22 <u>193,747</u> 26b _____ ▶					26d 1,259,155
e Public support (line 26c minus line 26d total) ▶					26e 30,819,775
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f 96.07%
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: N/A (1998) _____ (1997) _____ (1996) _____ (1995) _____					
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 all these differences (the excess amounts) for each year: (1998) _____ (1997) _____ (1996) _____ (1995) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶					27c
d Add: Line 27a total and line 27b total ▶					27d
e Public support (line 27c total minus line 27d total) ▶					27e
f Total support for section 509(a)(2) test: Enter amount 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 1995 through 1998, 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 page 4 of the instructions.)

Part V Private School Questionnaire (See page 4 of the 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?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			

34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
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.	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 6 of the instructions.)
 (To be completed ONLY by an eligible organization that filed Form 5768)

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

(The term "expenditures" means amounts paid or incurred.)

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

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 7 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 8 of the instructions.)

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

	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body	X		29,000
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines c through h)			29,000

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

See Statement 8

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Statement 1
 Form 990, Part I, Line 20
 Other Changes in Net Assets or Fund Balances

Unrealized Loss on Investments	\$	-17,539
Total	\$	<u>-17,539</u>

Statement 2
 Form 990, Part II, Line 43
 Other Expenses

Other Expenses	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Ads, Promotion & Sampler Reel	\$ 12,829	12,829		
Awards & Entry Fees	8,577	8,144	433	
Bank Charges	402		402	
Board Expenses	77,225		77,225	
Clipping & on-Line Services	9,712	8,954	758	
Dubbing Services	56,659	56,659		
Memberships & Entry Fees	9,531	6,768	2,763	
Outreach	125,241	125,241		
Panelists	101,678	101,678		
Producer Licensing Fees	7,248,706	7,248,706		
Producer Orientation	74,278	74,278		
Professional Services	547,550	505,740	41,810	
Satellite Time	2,940	2,940		
Search & Hiring	9,143	8,533	610	
Website	100,531	100,531		
Total	<u>\$8,385,002</u>	<u>8,261,001</u>	<u>124,001</u>	<u>0</u>

Statement 3
 Form 990, Part IV, Line 51
 Other Notes and Loans Receivable

Notes and Loans Reported Separately	Balance Due	Allowance for Dbtful Accounts
Borrower's Name : Link Media		
Borrower's Title : Producer		
Repayment Terms: 45 days		
Purpose of Loan: Broadcast Production		
Rel. of Borrower: none		
Balance Due:	\$ 100,000	

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Statement 3 (Continued)
Form 990, Part IV, Line 51
Other Notes and Loans Receivable

Other Notes and Loans

Other Notes Receivable	\$ 10,072	
	<u>\$ 110,072</u>	
Total	\$	<u>110,072</u>

Statement 4
Form 990, Part IV, Line 54
Investments - Securities

Corporate Stocks	Valuation Method	Amount	Total
Marketable Equity Securities	Market Value	\$ 24,625	\$ 24,625
Corporate Bonds	Valuation Method	Amount	Total
Corporate Bonds & Notes	Market Value	\$ 370,706	\$ 370,706
	Total		<u>\$ 395,331</u>

Statement 5
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Asset	Basis	Accum. Deprec.	Book Value
Miscellaneous	\$ 297,130	222,985	74,145
Total	<u>\$ 297,130</u>	<u>222,985</u>	<u>74,145</u>

Statement 6
Form 990, Part IV, Line 58
Other Assets

	Ending
Security Deposit	\$ 23,167
Producer Advances	140,740
Total	<u>\$ 163,907</u>

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Statement 7
 Schedule A, Part IV-A, Line 22
 Other Income

Description	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
Misc. Income	\$ 975	123,972	36,811	31,989	193,747
	\$ 975	123,972	36,811	31,989	193,747

Statement 8
 Schedule A, Part VI-B, Line i
 Descriptions of the Lobbying Activities

A public relations firm, Chernikoff & Chernikoff, was hired as lobbyists for political issues that have an impact on public broadcasting.

RECEIVED

MAY 29 2001

GRANT & SMITH, LLP

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

Note: Only 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.

Name of Exempt Organization: INDEPENDENT TELEVISION SERVICES, INC.
Employer Identification Number: 52-1654276
Address: 51 FEDERAL STREET #401, SAN FRANCISCO, CA 94107

Check type of return to be filed (file a separate application for each return):
Form 990, Form 990-EZ, Form 990-T, Form 1041-A, Form 5227, Form 8870, Form 990-BL, Form 990-PF, Form 990-T (trust other than above), Form 4720, 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).

4 I request an additional 3-month extension of time until 8/15, 2001.
5 For calendar year, or other tax year beginning 10/01, 2000 and ending 9/30, 2000.
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: WAITING ON ADDITIONAL INFORMATION FROM THIRD PARTIES.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made.
8c 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.

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: Charles Smith Title: CPA Date: 5/4/01

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.
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:

RECEIVED
MAY 06 2001
OGDEN, UT
IRS-OSU

Director By: Date

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

Name: Grant & Smith, LLP
Number and Street (include suite, room, or apartment number) or a P.O. Box Number: 505 Fourteenth St., Suite 950
City or Town, Province or State, and Country (including postal or ZIP code): Oakland, CA 94612

EXTENSION APPROVED
MAY 21 2001
LINDA WEISBAUFF, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN