

Return of Organization Exempt From Income Tax

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

A For the 2005 calendar year, or tax year beginning _____, **and ending** _____

B Check if applicable

- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

Please use IRS label or print or type. See Specific Instructions.	C Name of organization NATIONAL EMPLOYMENT LAW PROJECT, INC		D Employer identification number 13-2758558	
	Number and street (or P O box if mail is not delivered to street address) Room/suite 55 JOHN STREET		E Telephone number 212-285-3025	
	City or town NEW YORK	State or country NY	ZIP + 4 10038	
	F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____			

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

- H(a) Is this a group return for affiliates? Yes No
- H(b) If "Yes," enter number of affiliates _____
- H(c) Are all affiliates included? Yes No
(If "No," attach a list See instructions)
- H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Website: _____

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

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 the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

I Group Exemption Number _____

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **1,590,153**

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

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

	Description	Code	Amount
Revenue	1 Contributions, gifts, grants, and similar amounts received:		
	a Direct public support	1a	1,316,602
	b Indirect public support	1b	0
	c Government contributions (grants)	1c	0
	d Total (add lines 1a through 1c) (cash \$ 1,316,602 noncash \$ 0)	1d	1,316,602
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	257,315
	3 Membership dues and assessments	3	0
	4 Interest on savings and temporary cash investments	4	10,720
	5 Dividends and interest from securities	5	0
	6 a Gross rents	6a	
	b Less: rental expenses	6b	
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c	0
7 Other investment income (describe _____)	7	0	
8 a Gross amount from sales of assets other than inventory	(A) Securities		
	(B) Other		
	8a	0	
	8b	0	
c Gain or (loss) (attach schedule)	8c	0	
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	0	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
a Gross revenue (not including \$ 0 of contributions reported on line 1a)	9a	0	
b Less: direct expenses other than fundraising expenses	9b	0	
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	0	
10 a Gross sales of inventory, less returns and allowances	10a	0	
	b Less: cost of goods sold	10b	0
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	0
11 Other revenue (from Part VII, line 103)	11	5,516	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	1,590,153	
Expenses	13 Program services (from line 44, column (B))	13	932,464
	14 Management and general (from line 44, column (C))	14	192,906
	15 Fundraising (from line 44, column (D))	15	34,930
	16 Payments to affiliates (attach schedule)	16	0
	17 Total expenses (add lines 16 and 44, column (A))	17	1,160,300
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	429,853
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	559,906
	20 Other changes in net assets or fund balances (attach explanation)	20	0
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	989,759

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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. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc.	100,000	78,000	12,000	10,000
26	Other salaries and wages	524,991	408,994	107,250	8,747
27	Pension plan contributions	25,937	19,737	5,200	1,000
28	Other employee benefits	123,330	96,688	23,162	3,480
29	Payroll taxes	49,849	38,883	9,470	1,496
30	Professional fundraising fees	0			
31	Accounting fees	0			
32	Legal fees	0			
33	Supplies	6,706	5,693	695	318
34	Telephone	19,084	16,722	1,610	752
35	Postage and shipping	0			
36	Occupancy	55,820	49,675	4,470	1,675
37	Equipment rental and maintenance	13,065	10,400	2,215	450
38	Printing and publications	12,245	8,620	1,850	1,775
39	Travel	37,719	28,529	5,078	4,112
40	Conferences, conventions, and meetings	38,117	38,117		
41	Interest	201		201	
42	Depreciation, depletion, etc (attach schedule)	32,632	27,647	4,985	
43	Other expenses not covered above (itemize):				
a	Consultants	58,613	45,903	12,710	0
b	Library	25,360	25,360	0	0
c	Insurance	2,962	1,887	895	180
d	Other	33,669	31,609	1,115	945
e		0	0	0	0
f		0	0	0	0
g		0	0	0	0
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,160,300	932,464	192,906	34,930

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 \$ 0 ; (ii) the amount allocated to Program services \$, (iii) the amount allocated to Management and general \$, and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments (See the instructions.)

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

<p>What is the organization's primary exempt purpose? ► <u>FREE LEGAL SERVICE N EMPLOYMENT LAW</u></p> <p>All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)</p>	<p>Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)</p>
<p>a <u>PROVIDING FREE LEGAL SERVICES TO ATTORNEYS AND THEIR CLIENTS IN THE AREA OF EMPLOYME</u></p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p>932,464</p>
<p>b</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>c</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>d</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>e Other program services (attach schedule)</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►</p>	<p>932,464</p>

Part IV Balance Sheets (See the instructions.)

				(A)		(B)
				Beginning of year		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		252,601	45	679,792
	46	Savings and temporary cash investments			46	
	47 a	Accounts receivable	47a	0		
	b	Less: allowance for doubtful accounts	47b	0	47c	0
	48 a	Pledges receivable	48a	0		
	b	Less: allowance for doubtful accounts	48b	0	48c	0
	49	Grants receivable		282,950	49	275,000
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	0
	51 a	Other notes and loans receivable (attach schedule)	51a	0		
	b	Less: allowance for doubtful accounts	51b	0	51c	0
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges		22,973	53	31,418
	54	Investments—securities (attach schedule)		0	54	0
	55 a	Investments—land, buildings, and equipment: basis	55a	199,548		
b	Less: accumulated depreciation (attach schedule)	55b	108,851	118,110	55c	90,697
56	Investments—other (attach schedule)		0	56	0	
57 a	Land, buildings, and equipment: basis	57a	0			
b	Less: accumulated depreciation (attach schedule)	57b	0	57c	0	
58	Other assets (describe ► DEPOSITS)		36,225	58	36,225	
59	Total assets (must equal line 74). Add lines 45 through 58		712,859	59	1,113,132	
Liabilities	60	Accounts payable and accrued expenses		20,058	60	7,249
	61	Grants payable			61	
	62	Deferred revenue			62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64 a	Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b	Mortgages and other notes payable (attach schedule)		0	64b	0
	65	Other liabilities (describe ► See attached statement)		132,895	65	116,124
66	Total liabilities. Add lines 60 through 65		152,953	66	123,373	
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		284,906	67	524,759
	68	Temporarily restricted		275,000	68	465,000
	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; column (B) must equal line 21)		559,906	73	989,759
	74	Total liabilities and net assets/fund balances. Add lines 66 and 73.		712,859	74	1,113,132

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

a	Total revenue, gains, and other support per audited financial statements		a	1,593,153
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2	3,000	
3	Recoveries of prior year grants	b3		
4	Other (specify):	b4	0	
	Add lines b1 through b4		b	3,000
c	Subtract line b from line a		c	1,590,153
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2	0	
	Add lines d1 and d2		d	0
e	Total revenue (Part I, line 12). Add lines c and d		e	1,590,153

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

a	Total expenses and losses per audited financial statements		a	1,163,300
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1	3,000	
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify):	b4	0	
	Add lines b1 through b4		b	3,000
c	Subtract line b from line a		c	1,160,300
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2	0	
	Add lines d1 and d2		d	0
e	Total expenses (Part I, line 17). Add lines c and d		e	1,160,300

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Name BRUCE HERMAN Str 55 JOHN ST City NEW YORK ST NY ZIP 10038	Title EXEC DIRECT Hr/WK 40	100,000	5,000	0
Name WALTER MEGINN Str 817 BROADWAY City NEW YORK ST NY ZIP 10003	Title TREASURER Hr/WK AS NEEDED	0	0	0
Name MARTIE THOMP Str 275 MADISON AVE City NEW YORK ST NY ZIP 10036	Title CHAIRMAN Hr/WK AS NEEDED	0	0	0
Name CATHY WILKERS Str 2412 HESS AVE City WHEELING ST WV ZIP 26003	Title MEMBER Hr/WK AS NEEDED	0	0	0
Name JIM SESSIONS Str 3117 FOSTER LANE City KNOXVILLE ST TN ZIP 37920	Title MEMBER Hr/WK AS NEEDED	0	0	0
Name LUCILLE LOGAN Str 524 N. LAIRD City OKLAHOMA CITY ST OK ZIP 73104	Title MEMBER Hr/WK AS NEEDED	0	0	0
Name MICHAEL SHEN Str 2109 BROADWAY City NEW YORK ST NY ZIP 10023	Title CHAIRPERSON Hr/WK AS NEEDED	0	0	0
Name TOM WEEKS Str 555 BUTTLES City COLUMBUS ST OH ZIP 43215	Title MEMBER Hr/WK AS NEEDED	0	0	0
Name JONATHAN HIATT Str 815 16 ST NW RM 8 City WASHINGTON ST DC ZIP 20006	Title MEMBER Hr/WK AS NEEDED	0	0	0
Name JAMES HAUGHTON Str 133-35 DUANE STR City NEW YORK ST NY ZIP 10013	Title MEMBER Hr/WK AS NEEDED	0	0	0

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 10
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?
Note. Related organizations include section 509(a)(3) supporting organizations.
If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.
d Does the organization have a written conflict of interest policy?

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

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. The first row shows 'None' for all categories.

Part VI Other Information (See the instructions.)

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.
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.
78 a Did the organization have unrelated business gross income of this return?
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 a statement.
80 a Is the organization related (other than by association with a sta common membership, governing bodies, trustees, officers, etc. organization?
b If "Yes," enter the name of the organization and check w
81 a Enter direct and indirect political expenditures. (See line 81 inst
b Did the organization file Form 1120-POL for this year?

Part VI Other Information (continued)

		Yes	No
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 in Part III.)		
	82b 3,000		
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?		
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.	X	
c	Dues, assessments, and similar amounts from members	N/A	
d	Section 162(e) lobbying and political expenditures	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
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?	N/A	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
b	Gross receipts, included on line 12, for public use of club facilities		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
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
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
90 a	List the states with which a copy of this return is filed		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90b	12
91 a	The books are in care of ▶ Name BRUCE HERMAN Telephone no. ▶ (212)285-3025 Located at ▶ AS ADDRESSED City ST ZIP + 4 ▶		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b	X
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c	X
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 the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a LEGAL FEES					257,315
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	10,720	
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 personal property					
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 MISCELLANEOUS					5,516
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		10,720	262,831
105 Total (add line 104, columns (B), (D), and (E))					273,551

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 the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
103	SUPPORT
93A	FEES DERIVED FROM LITIGATION IN SUPPORT OF CLIENTS COMPLAINTS

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

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%		0	0
	%		0	0
	%		0	0
	%		0	0

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

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

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

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.

Please Sign Here

Signature of officer: *[Signature]* Date: 5/5/06

Type or print name and title: Bruce G. Aermen, Executive Director

Paid Preparer's Use Only

Preparer's signature: *[Signature]* Date: 5/1/2006

Check if self-employed:

Preparer's SSN or PTIN (See Gen Inst W): 064-34-6143

Firm's name (or yours if self-employed), address, and ZIP + 4: BARRY PORISK, CPA, 2048 WILLIAMSBRIDGE RD, BRONX, NY 10461

EIN: 13-2936880

Phone no:

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)
(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information—(See separate instructions.)

OMB No 1545-0047

2005

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 NATIONAL EMPLOYMENT LAW PROJECT, INC	Employer identification number 13-2758558
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Andrew Stettner, C/O NELP 55 John St New York, NY 10038 USA	Project analyst 40+	50,000	0	0
Richard McHugh, C/O NELP 550 John St New York, NY 10038 USA	Attorney 40+	73,182	0	0
Rebecca Smith, C/O NELP 550 John St New York, NY 10038 USA	Attorney 40+	70,682	0	0
Maurice Emsellem, C/O NELP 55 John St New York, NY 10038 USA	Attorney 40+	69,182	0	0
Catherine Ruckelshaus, C/O NELP 55 John St New York, NY 10038 USA	Attorney 40+	53,966	0	0
Total number of other employees paid over \$50,000 ▶		1		

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the 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
.....		0
.....		0
.....		0
.....		0
.....		0
Total number of others receiving over \$50,000 for professional services ▶		0

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
.....		0
.....		0
.....		0
.....		0
.....		0
Total number of other contractors receiving over \$50,000 for other services ▶		0

Part III Statements About Activities (See page 2 of the 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>0</u> (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>	1	X
<p>2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)</p>		
<p>a Sale, exchange, or leasing of property?</p>	2a	X
<p>b Lending of money or other extension of credit?</p>	2b	X
<p>c Furnishing of goods, services, or facilities?</p>	2c	X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See part IV of Form 990</p>	2d	X
<p>e Transfer of any part of its income or assets?</p>	2e	X
<p>3 a 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.)</p>	3a	
<p>b Do you have a section 403(b) annuity plan for your employees?</p>	3b	X
<p>c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?</p>	3c	X
<p>4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?</p>	4a	X
<p>b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?</p>	4b	X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 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)
- 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 ► _____ City _____ ST _____ Country _____
- 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.)
- 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) sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization: ► Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See page 6 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 6 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) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28)	1,022,597	815,532	1,753,204	1,156,818	4,748,151
16 Membership fees received					0
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	450,050	683	473	24,362	475,568
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	696	749	1,731	9,364	12,540
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	65	0	0	0	65
23 Total of lines 15 through 22	1,473,408	816,964	1,755,408	1,190,544	5,236,324
24 Line 23 minus line 17	1,023,358	816,281	1,754,935	1,166,182	4,760,756
25 Enter 1% of line 23	14,734	8,170	17,554	11,905	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 95,215
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 4,760,756
d Add: Amounts from column (e) for lines: 18 12,540 19 0					26d 12,605
22 65 26b 0					26e 4,748,151
e Public support (line 26c minus line 26d total)					26f 99.74%
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
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:	(2004)	(2003)	(2002)	(2001)	
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:	(2004)	(2003)	(2002)	(2001)	
c Add Amounts from column (e) for lines: 15 0 16 0					27c 0
17 0 20 0 21 0					27d 0
d Add: Line 27a total 0 and line 27b total 0					27e 0
e Public support (line 27c total minus line 27d total)					27f 0
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27g 0.00%
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27h 0.00%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15					

Part V Private School Questionnaire (See page 7 of the instructions.) (To be completed ONLY by schools that checked the box on line 6 in Part IV)

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?
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?
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?
34 a 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?
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 page 9 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures

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

Table with 3 columns: Line number, Description, (a) Affiliated group totals, (b) To be completed for ALL electing organizations. Rows include lines 36-44 for lobbying expenditures and nontaxable amounts.

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.)

See the instructions for lines 45 through 50 on page 11 of the instructions)

Table titled 'Lobbying Expenditures During 4-Year Averaging Period' with columns for years 2005, 2004, 2003, 2002, and Total. Rows include lines 45-50 for nontaxable amounts, ceilings, and total expenditures.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

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

- 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.)

Table with 3 columns: Yes, No, Amount. Rows correspond to items a-i from the list above.

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

Line 1 (990) - Public Support and Contributions

	Cash	Non Cash
Line 1a - Direct public support		
1 Contributions	1,316,602	1
2 Membership dues and assessments (contributions from the public)		2
3 Commercial co-venture		3
4 Special events contributions (Line 9 - Special Events)	0	4
5 _____		5
6 _____		6
7 _____		7
8 _____		8
9 _____		9
10 Total	1,316,602	10 0
Line 1b - Indirect public support		
Line 1c - Government contributions (grants)		

Line 55 (990) - Investments land, buildings, and equipment

	Land (net of any amortization)	
	Beginning	End
1 _____		
2 _____		
3 _____		
4 _____		
5 _____		
6 Total land (net of any amortization)	0	0

	Buildings and equipment		Accumulated depreciation	
	Beginning	End	Beginning	End
7 Equipment _____	83,304	88,523	54,014	64,441
8 Library _____	111,025	111,025	22,205	44,410
9 _____				
10 _____				
11 _____				
12 _____				
13 _____				
14 _____				
15 _____				
16 _____				
17 Total buildings and equipment	194,329	199,548	76,219	108,851
18 Buildings and equipment (less accumulated depreciation)			118,110	90,697
19 Total land, buildings and equipment			118,110	90,697

	Category or Item			
		Cost/Other Basis	Accumulated Depreciation	Book Value
1 _____				
2 _____				
3 _____				
4 _____				
5 _____				
6 _____				
7 _____				
8 _____				
9 _____				
10 _____				
11 Total		0	0	0

Line 58 (990) - Other assets

36,225

36,225

		Beginning	End
1	DEPOSITS	36,225	36,225
2			
3			
4			
5			
6			
7			
8			
9			
10			

Line 65 (990) - Other liabilities

132,895

116,124

		Beginning	End
1	ACCRUED VACATION	55,057	58,286
2	ANNUALIZED RENT OBLIGATION	77,838	57,838
3			
4			
5			
6			
7			
8			
9			
10			

Line 22 (Sch A (990/990-EZ)) - Other Income

Description		(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
1	Miscellaneous	65				65
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10						0
Total of Other Income		65	0	0	0	65