

Return of Organization Exempt From Income Tax

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

2006

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning, and ending

- B Check if applicable: X Address change, Name change, Initial return, Final return, Amended return, Application pending

C Name of organization: NATIONAL EMPLOYMENT LAW PROJECT, INC. Address: 80 MAIDEN LANE, NEW YORK, NY 10038

D Employer identification number: 13-2758558. E Telephone number: 212-285-3025 x307. F Accounting method: Accrual

G Website: www.nelp.org

J Organization type: 501(c)(3)

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? No. H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? No. H(d) Is this a separate return filed by an organization covered by a group ruling? No. I Group Exemption Number

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12: 1,731,307

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.)

Table with 21 rows for Revenue, Expenses, and Net Assets. Includes sub-rows for contributions, program revenue, rental income, investment income, and special events. Total revenue is 1,731,307 and total expenses is 1,431,515.

SCANNED JUL 10 2007

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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 a	Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22a	0	0	
22 b	Other grants and allocations (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22b	0	0	
23	Specific assistance to individuals (attach schedule)	23	0	0	
24	Benefits paid to or for members (attach schedule)	24	0		
25 a	Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule)	25a	103,500	79,500	14,000
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)	25b	0	0	0
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c	633,602	495,407	126,045
26	Salaries and wages of employees not included on lines 25a, b, and c	26	0		
27	Pension plan contributions not included on lines 25a, b, and c	27	36,136	28,186	6,866
28	Employee benefits not included on lines 25a - 27	28	168,550	131,469	32,024
29	Payroll taxes	29	59,175	46,157	11,243
30	Professional fundraising fees	30	0		
31	Accounting fees	31	0		
32	Legal fees	32	0		
33	Supplies	33	13,539	11,509	1,354
34	Telephone	34	24,418	21,488	1,953
35	Postage and shipping	35	0		
36	Occupancy	36	27,755	24,703	2,220
37	Equipment rental and maintenance	37	13,721	10,938	2,333
38	Printing and publications	38	18,387	13,239	2,758
39	Travel	39	75,599	61,909	8,430
40	Conferences, conventions, and meetings	40	25,466	25,466	
41	Interest	41	200		200
42	Depreciation, depletion, etc. (attach schedule)	42	38,269	34,029	4,240
43	Other expenses not covered above (itemize):				
a	Consultants	43a	121,520	96,001	25,519
b	Library	43b	25,217	25,217	0
c	Insurance	43c	6,893	4,550	2,068
d	Other	43d	39,568	36,996	1,385
e		43e	0	0	0
f		43f	0	0	0
g		43g	0	0	0
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	1,431,515	1,146,764	242,638

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>1,146,764</p>
<p>b</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>(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>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>e Other program services (attach schedule) (Grants and allocations \$ 0) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p>0</p>
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►</p>	<p>1,146,764</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		679,792	45	923,285
	46 Savings and temporary cash investments			46	
	47 a Accounts receivable	47a	0		
	b Less: allowance for doubtful accounts	47b	0	0	47c 0
	48 a Pledges receivable	48a	0		
	b Less: allowance for doubtful accounts	48b	0	0	48c 0
	49 Grants receivable		275,000	49	418,434
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		0	50a	0
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b	
	51 a Other notes and loans receivable (attach schedule)	51a	0		
	b Less: allowance for doubtful accounts	51b	0	0	51c 0
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges		31,418	53	26,714
	54 a Investments—publicly-traded securities.	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	0	54a	0
	b Investments—other securities (attach schedule).	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	0	54b	0
	55 a Investments—land, buildings, and equipment: basis	55a	232,266		
	b Less: accumulated depreciation (attach schedule)	55b	147,120	90,697	55c 85,146
	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	0	57c 0
58 Other assets, including program-related investments (describe <input type="checkbox"/> DEPOSITS)		36,225	58	19,545	
59 Total assets (must equal line 74). Add lines 45 through 58		1,113,132	59	1,473,124	
Liabilities	60 Accounts payable and accrued expenses		7,249	60	25,932
	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 <input type="checkbox"/> See attached statement)		116,124	65	157,641
	66 Total liabilities. Add lines 60 through 65		123,373	66	183,573
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		524,759	67	878,051
	68 Temporarily restricted		465,000	68	411,500
	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)		989,759	73	1,289,551
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73.		1,113,132	74	1,473,124

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	1,731,307
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	Recoveries of prior year grants	b3		
4	Other (specify):	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	1,731,307
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	1,731,307

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

a	Total expenses and losses per audited financial statements		a	1,431,515
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
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	0
c	Subtract line b from line a		c	1,431,515
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	1,431,515

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 80 MAIDEN LANE City NEW YORK ST NY ZIP 10038	Title EXECUTIVE DIR Hr/WK 35	103,500	6,210	0
Name JAMES HAUGHTC Str 133-35 DUANE ST City NEW YORK ST NY ZIP 10013	Title BOARD MEMBE Hr/WK 2	0	0	0
Name JONATHAN HIAT Str 815 16 ST NW City WASHINGTON ST DC ZIP 20006	Title BOARD MEMBE Hr/WK 2	0	0	0
Name PAUL IGASAKI Str 2120 L ST NW City WASAHINTON ST DC ZIP 20037	Title BOARD MEMBE Hr/WK 2	0	0	0
Name LUCILLE LOGAN Str 524 N LAIRD City OKLAHOMA CITY ST OK ZIP 73104	Title BOARD MEMBE Hr/WK 2	0	0	0
Name WALTER M. MEGI Str 817 BROADWAY City NEW YORK ST NY ZIP 10003	Title BOARD MEMBE Hr/WK 2	0	0	0
Name MICHAEL SHEN Str 225 BROADWAY City NEW YORK ST NY ZIP 10007	Title BOARD MEMBE Hr/WK 2	0	0	0
Name BETH SHULMAN Str 5721 CHEVY CHAS City WASHINGTON ST DC ZIP 20015	Title CHAIRPERSON Hr/WK 4	0	0	0
Name WILLIAM E. SPRI Str 2400 SIXTH ST City WASHINGTON ST DC ZIP 20059	Title BOARD MEMBE Hr/WK 2	0	0	0
Name THOMAS WEEKS Str 555 BUTTLES AVE City COLUMBUS ST OH ZIP 43215	Title BOARD MEMBE Hr/WK 2	0	0	0

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

Table with 3 columns: Question, Yes, No. Rows include questions 75a, 75b, 75c, and 75d regarding officers, directors, and trustees.

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans, (E) Expense account and other allowances.

Part VI Other Information (See the instructions.)

Table with 3 columns: Question, Yes, No. Rows include questions 76, 77, 78a, 78b, 79, 80a, 80b, 81a, and 81b regarding organizational changes and expenditures.

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	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 <i>quid pro quo</i> 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?		
	84b	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.		
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	0
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
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?	85h	
86	501(c)(7) orgs. 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) orgs. 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 a	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	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 \blacktriangleright 0 ; section 4912 \blacktriangleright 0 ; section 4955 \blacktriangleright 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	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 \blacktriangleright 0		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization \blacktriangleright 0		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	
90 a	List the states with which a copy of this return is filed \blacktriangleright NY		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)	90b	
91 a	The books are in care of \blacktriangleright Name BRUCE HERMAN Telephone no. \blacktriangleright (212)285-3025 Located at \blacktriangleright AS ADDRESSED City ST ZIP + 4 \blacktriangleright		
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 \blacktriangleright See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b	X

Part VI Other Information (continued)

Yes No

- c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No
If "Yes," enter the name of the foreign country ▶
- 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					55,000
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	35,853	
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		0		0	0
b		0		0	0
c		0		0	0
d		0		0	0
e		0		0	0
104 Subtotal (add columns (B), (D), and (E))		0		35,853	55,000
105 Total (add line 104, columns (B), (D), and (E))					90,853

Note: Line 105 plus line 1e, 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	(C)	(D)	(E) End of year
N/A				

Part X Information Regarding Transfers Associated

- (a) Did the organization, during the year, receive any funds, directly or indirectly
 - (b) Did the organization, during the year, pay premiums, directly or
- Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	----- -----					
b	----- -----					
c	----- -----					
Totals						0

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	----- -----					
b	----- -----					
c	----- -----					
Totals						0

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

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: 5/14/07

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

Paid Preparer's Use Only

Preparer's signature: [Signature] Date: 5/6/2007 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: BARRY POPICK EIN: 13-2936880

2048 WILLIAMSBRIDGE ROAD, BRONX, NY 10461 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

OMB No 1545-0047

2006

Department of the Treasury
Internal Revenue Service

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

NATIONAL EMPLOYMENT LAW PROJECT, INC

Employer identification number

13-2758558

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 2 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	Policy Director 40	53,500	3,210	
Richard McHugh, C/O NELP 550 John St New York, NY 10038 USA	Attorney 40	74,191	4,451	
Rebecca Smith, C/O NELP 550 John St New York, NY 10038 USA	Attorney 40	71,603	4,296	
Maurice Emsellem, C/O NELP 55 John St New York, NY 10038 USA	Attorney 40	70,052	4,203	
Catherine Ruckelshaus, C/O NELP 55 John St New York, NY 10038 USA	Attorney 40	54,302	3,258	
Total number of other employees paid over \$50,000 ▶	2			

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
NONE		
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
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

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

Schedule A (Form 990 or 990-EZ) 2006

Part III Statements About Activities (See page 2 of the instructions.)

	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>7,076</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1	X
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.		
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.)		
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 Part V, Form 99	2d	X
e Transfer of any part of its income or assets?	2e	X
3 a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b Did the organization make any taxable distributions under section 4966?	4b	X
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	X
d Enter the total number of donor advised funds owned at the end of the tax year ► _____		
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ► _____		
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ► _____		
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ► _____		

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					0

- 14 An organization organized and operated to test for public safety Section 509(a)(4). (See page 7 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28)	1,316,602	1,022,597	815,532	1,753,204	4,907,935
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	257,315	450,050	683	473	708,521
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	10,720	696	749	1,731	13,896
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	5,516	65			5,581
23 Total of lines 15 through 22	1,590,153	1,473,408	816,964	1,755,408	5,635,933
24 Line 23 minus line 17	1,332,838	1,023,358	816,281	1,754,935	4,927,412
25 Enter 1% of line 23	15,902	14,734	8,170	17,554	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	98,548
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 2002 through 2005 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	4,927,412
d Add: Amounts from column (e) for lines:	18 <u>13,896</u> 19 _____	26d	19,477
	22 <u>5,581</u> 26b _____	26e	4,907,935
e Public support (line 26c minus line 26d total)		26f	99.60%
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

(2005) _____ (2004) _____ (2003) _____ (2002) _____

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:

(2005) _____ (2004) _____ (2003) _____ (2002) _____

c Add Amounts from column (e) for lines:	15 _____ 16 _____	27c	0
	17 _____ 20 _____ 21 _____	27d	0
d Add Line 27a total _____ and line 27b total _____		27e	0
e Public support (line 27c total minus line 27d total)		27f	
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 2002 through 2005, 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 9 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 10 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.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)		6,615
37	Total lobbying expenditures to influence a legislative body (direct lobbying)		461
38	Total lobbying expenditures (add lines 36 and 37)	0	7,076
39	Other exempt purpose expenditures		1,424,439
40	Total exempt purpose expenditures (add lines 38 and 39)	0	1,431,515
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		
41			218,152
42	Grassroots nontaxable amount (enter 25% of line 41)	0	54,538
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	0	0
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	0	0

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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45	Lobbying nontaxable amount	7,136		7,434	14,570
46	Lobbying ceiling amount (150% of line 45(e))				21,855
47	Total lobbying expenditures	7,136		7,434	14,570
48	Grassroots nontaxable amount	461		2,192	2,653
49	Grassroots ceiling amount (150% of line 48(e))				3,980
50	Grassroots lobbying expenditures	461		2,192	2,653

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 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.)

Yes	No	Amount
		0

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 - Contributions to Donor Advised Funds		
Line 1b - Direct public support		
1 Contributions	1,640,454	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	1,640,454	10 0
Line 1c - Indirect public support		
Line 1d - 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	88,523	121,241	64,441	80,505
8 Library	111,025	111,025	44,410	66,615
9 _____				
10 _____				
11 _____				
12 _____				
13 _____				
14 _____				
15 _____				
16 _____				
17 Total buildings and equipment	199,548	232,266	108,851	147,120
18 Buildings and equipment (less accumulated depreciation)			90,697	85,146
19 Total land, buildings and equipment			90,697	85,146

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

Line 58 (990) - Other Assets

36,225

19,545

		Beginning	End
1	DEPOSITS	36,225	19,545
2			
3			
4			
5			
6			
7			
8			
9			
10			

Line 65 (990) - Other Liabilities

116,124

157,641

		Beginning	End
1	ACCRUED VACATION	58,286	63,404
2	ANNUALIZED RENT OBLIGATION	57,838	30,082
3	DEFERRED INCOME		64,155
4			
5			
6			
7			
8			
9			
10			

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

Description		(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
1	Miscellaneous	5,516	65			5,581
2	.....					0
3	.....					0
4	.....					0
5	.....					0
6	.....					0
7	.....					0
8	.....					0
9	.....					0
10	.....					0
Total of Other Income		5,516	65	0	0	5,581

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box.
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only.

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization NATIONAL EMPLOYMENT LAW PROJECT, INC	Employer identification number 13-2758558
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. 80MAIDEN LANE, Room No. 509	
	City, town or post office, state, and ZIP code For a foreign address, see instructions. NEW YORK, NY 10038	

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

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

- The books are in the care of ▶ See attached worksheet

Telephone No. ▶ (212)285-3025 FAX No. ▶ _____

- 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 organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box. . If it is for part of the group, check this box. and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until 8/15/2007, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year 2006 or
- ▶ tax year beginning _____, and ending _____

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3 a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.