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SCANNED AUG 17 2005

Form 990-PF

Department of the Treasury Internal Revenue Service

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

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

OMB No 1545-0052

1998

For calendar year 1998, or tax year beginning

7/ 1 , 1998, and ending

6/30 , 19 99

Form header section containing organization name (JOHN WILLIAM POPE FOUNDATION), address (3401 GRESHAM LAKE ROAD, RALEIGH, NC 27615), and identification numbers (Employer ID: 58-1691765, Telephone: (919) 876-6000).

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Revenue (Total: 1,938,533) and Operating and Administrative Expenses (Total: 1,700,000), resulting in a net investment income of 1,891,364.

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LHA For Paperwork Reduction Act Notice, see the instructions.

RCVD IN BATHING AUG 10 2005 Form 990-PF (1998)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing	45,601.	11,640.	11,641.
	2 Savings and temporary cash investments	1,371.	325,685.	325,685.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 6	312,026.	268,037.	15,312,717.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	358,998.	605,362.	15,650,043.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	358,998.	605,362.	
30 Total net assets or fund balances	358,998.	605,362.		
31 Total liabilities and net assets/fund balances	358,998.	605,362.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	358,998.
2 Enter amount from Part I, line 27a	2	246,364.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	605,362.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	605,362.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a CDI SHARES	D	VARIOUS	VARIOUS
b CDI SHARES	P	VARIOUS	VARIOUS
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 987,015.		21,995.	965,020.
b 987,015.		21,994.	965,021.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			965,020.
b			965,021.
c			
d			
e			

2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	1,930,041.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
1997	1,079,241.	19,319,246.	.0558635
1996	1,025,220.	8,914,944.	.1150002
1995	865,711.	4,884,455.	.1772380
1994	687,221.	1,904,453.	.3608495
1993	594,241.	958,362.	.6200590

2 Total of line 1, column (d)	2	1.3290102
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.2658020
4 Enter the net value of noncharitable-use assets for 1998 from Part X, line 5	4	11,114,900.
5 Multiply line 4 by line 3	5	2,954,363.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	18,914.
7 Add lines 5 and 6	7	2,973,277.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	1,700,000.

Part VI Excise Tax on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, domestic organizations, tax under section 511, add lines 1 and 2, subtitle A tax, tax based on investment income, credits/payments, total credits, penalty, tax due, overpayment, and refunded amount.

Part VII-A Statements Regarding Activities

Table with 11 rows for activity statements. Includes questions about political campaigns, political purposes, Form 1120-POL, tax on political expenditures, reimbursement, IRS reporting, changes in governing instruments, unrelated business income, liquidation, section 508(e) requirements, assets, states of registration, Form 990-PF distribution, private operating foundation status, substantial contributors, and annual return requests.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

- 1 Self-dealing (section 4941):
a During the year did the organization (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception: Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

Table with columns Yes and No. Row 1b has 'X' in the No column.

b If the answer is "Yes" to 1a(1)-(6), did ANY of the acts fail to qualify under the exemptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 18 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here

Table with columns Yes and No. Row 1b has 'X' in the No column.

c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 1998?

Table with columns Yes and No. Row 1c has 'X' in the No column.

2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 1998, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1998? If "Yes," list the years

Table with columns Yes and No. Row 2a has 'X' in the No column.

b Are there any years listed in 2a for which the organization is NOT applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to ALL years listed, answer "No" and attach statement - see instructions.)

Table with columns Yes and No. Row 2b has 'N/A' in the Yes column.

c If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in 2a, list the years here.

3 Taxes on excess business holdings (section 4943):
a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 1998 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 1998.)

Table with columns Yes and No. Row 3b has 'N/A' in the Yes column.

4 Taxes on investments that jeopardize charitable purposes (section 4944):
a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 1998?

Table with columns Yes and No. Row 4a has 'X' in the No column. Row 4b has 'X' in the No column.

5 Taxes on taxable expenditures (section 4945) and political expenditures (section 4955):
a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization, other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

Table with columns Yes and No. Row 5a(1) has 'X' in the No column. Row 5a(2) has 'X' in the No column. Row 5a(3) has 'X' in the No column. Row 5a(4) has 'X' in the No column. Row 5a(5) has 'X' in the No column.

b If any answer is "Yes" to 5a(1)-(5), did ANY of the transactions fail to qualify under the exceptions described in Regulations section 53.4945, or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here

Table with columns Yes and No. Row 5b has 'N/A' in the Yes column.

c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945-5(d).

Table with columns Yes and No. Row 5c has 'N/A' in the Yes column.

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation:

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JOYCE W. POPE 3401 GRESHAM LAKE ROAD RALEIGH, NC 27615	CHAIRMAN/DIRECTOR 0	0.	0.	0.
JAMES ARTHUR POPE 3401 GRESHAM LAKE ROAD RALEIGH, NC 27615	PRESIDENT/DIRECTOR 8	22,306.	0.	0.
JOHN W. POPE 3401 GRESHAM LAKE ROAD RALEIGH, NC 27615	VICE PRES/DIRECTOR 0	0.	0.	0.
AMANDA J. POPE 3401 GRESHAM LAKE ROAD RALEIGH, NC 27615	DIRECTOR 0	0.	0.	0.

2 Compensation of five highest- paid employees (other than those included on line 1). If none, enter "NONE."

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

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

3 Five highest- paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person 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 IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe any program-related investments made by the foundation during the tax year.	Amount
1 N/A	
2	
3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	11,025,911.
b Average of monthly cash balances	1b	258,251.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	11,284,162.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	11,284,162.
4 Cash deemed held for charitable activities - Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	169,262.
5 Net value of noncharitable-use assets - Subtract line 4 from line 3. Enter here and on Part V, line 4	5	11,114,900.
6 Minimum investment return. (Enter 5% of line 5.)	6	555,745.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	555,745.
2a Tax on investment income for 1998 from Part VI, line 5	2a	37,827.
b Income tax for 1998. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	37,827.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	517,918.
4a Recoveries of amounts treated as qualifying distributions	4a	0.
b Income distributions from section 4947(a)(2) trusts	4b	0.
c Add lines 4a and 4b	4c	0.
5 Add lines 3 and 4c	5	517,918.
6 Deduction from distributable amount	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	517,918.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,700,000.
b Program-related investments - total of lines 1-3 of Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	1,700,000.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,700,000.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 1997	(c) 1997	(d) 1998
1 Distributable amount for 1998 from Part XI, line 7				517,918.
2 Undistributed income, if any, as of the end of 1997				
a Enter amount for 1997 only			0.	
b Total for prior years 19 __, 19 __, 19 __		0.		
3 Excess distributions carryover, if any, to 1998				
a From 1993	496,938.			
b From 1994	454,316.			
c From 1995	582,546.			
d From 1996	596,051.			
e From 1997	129,417.			
f Total of lines 3a through e	2,259,268.			
4 Qualifying distributions for 1998 from Part XII, line 4: ► \$ 1,700,000.				
a Applied to 1997, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 1998 distributable amount				517,918.
e Remaining amount distributed out of corpus	1,182,082.			
5 Excess distributions carryover applied to 1998 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	3,441,350.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 1997. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 1998. Subtract lines 4d and 5 from line 1. This amount must be distributed in 1999				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 1993 not applied on line 5 or line 7	496,938.			
9 Excess distributions carryover to 1999. Subtract lines 7 and 8 from line 6a	2,944,412.			
10 Analysis of line 9:				
a Excess from 1994	454,316.			
b Excess from 1995	582,546.			
c Excess from 1996	596,051.			
d Excess from 1997	129,417.			
e Excess from 1998	1,182,082.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1998, enter the date of the ruling

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

**JAMES ARTHUR POPE (919) 876-6000
3401 GRESHAM LAKE ROAD, RALEIGH, NC 27615**

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

NO FORMAL RESTRICTIONS

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p>a Paid during the year</p> <p>SEE ATTACHED</p>				
<p>Total</p>			▶ 3a	0.
<p>b Approved for future payment</p> <p>NONE</p>				
<p>Total</p>			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include: 1 Program service revenue, 2 Membership dues and assessments, 3 Interest on savings and temporary cash investments (8,492), 4 Dividends and interest from securities, 5 Net rental income or (loss) from real estate, 6 Net rental income or (loss) from personal property, 7 Other investment income, 8 Gain or (loss) from sales of assets other than inventory (1,930,041), 9 Net income or (loss) from special events, 10 Gross profit or (loss) from sales of inventory, 11 Other revenue, 12 Subtotal (0), 13 TOTAL (1,938,533).

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No., Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other Transactions:			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities or equipment	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

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

2a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule.

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

Part XVIII Public Inspection

- 1 Enter the date the notice of availability of the annual return appeared in a newspaper
- 2 Enter the name of the newspaper
- 3 Check here to indicate that you have attached a copy of the newspaper (will be considered incomplete.)

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, this return and all information furnished hereon is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information furnished to him.

Signature of Officer or trustee: *James A Pope*

Preparer's signature: *David J. Sureda*

Firm's name (or yours if self-employed) and address: GOSPODAREK, CPA, PA, 4101 LAKE BOONE TRAIL, RALEIGH, NC

**JOHN WILLIAM POPE FOUNDATION
REQUEST FOR PENALTY ABATEMENT
58-1691765**

The taxpayer hereby requests an abatement of all tax penalties for reasonable cause.

For the period from 1996 to early 1999 the taxpayer employed only one part time officer, the President of the Foundation. For the rest of 1999 to present, the taxpayer has had no employees, but relied on volunteer officers, including the President serving as a volunteer without compensation.

The initial delay in filing a timely return for the Fiscal Year Ending June 30, 1996, was due to the interruption caused by Hurricane Fran, which interrupted the major business of the President and kept him from performing the tax filing duties for this Foundation on a timely basis. Furthermore, the President of the Foundation was experiencing personal problems, including a separation from his wife in June, 1996; divorce in 1997; and on going custody issues, that later resulted in his daughter residing solely with him.

Due to the initial failure to file the 6/30/96 return on a timely basis, subsequent returns could not be filed on a timely basis.

Upon beginning the preparation of the returns, errors were discovered in the accounting of the cost basis for donated marketable securities (the donor's original transfer basis rather than the fair market value on the date of donation), and additional time was required to trace the donor's original cost basis for several substantial donations of marketable securities.

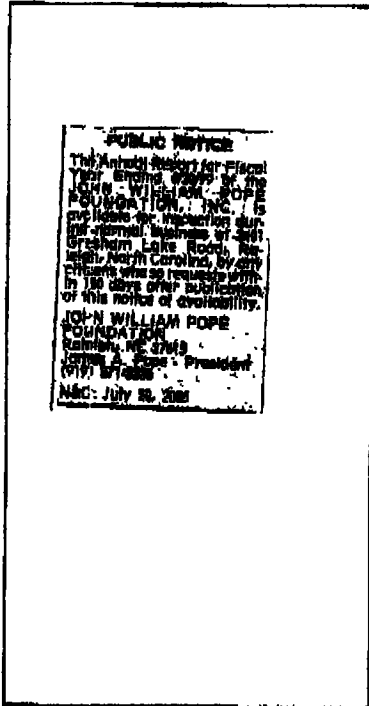
While this return was not filed on a timely basis, the return has now been filed with the proper cost basis of the donated marketable securities and reporting of any resulting capital gain, and the return shows that the taxpayer greatly exceeded the primary requirement of making qualified grants of greater than five percent of its corpus.

For these reasons, a waiver of the penalties for reasonable cause is respectfully requested.

6/49

AFFIDAVIT OF PUBLICATION

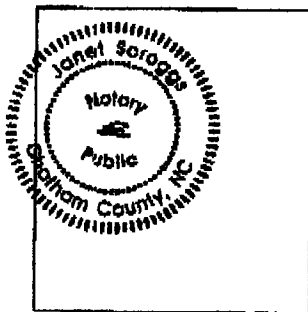
NORTH CAROLINA.
Wake County.) Sa.



Before the undersigned, a Notary Public of Chatham County North Carolina, duly commissioned and authorized to administer oaths, affirmations, etc., personally appeared Donna Clayton, who, being duly sworn or affirmed, according to law, doth depose and say that she is Billing Manager-Legal Advertising of The News and Observer a corporation organized and doing business under the Laws of the State of North Carolina, and publishing a newspaper known as The News and Observer, in the City of Raleigh, Wake County and State aforesaid, the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina, and that as such she makes this affidavit; that she is familiar with the books, files and business of said corporation and by reference to the files of said publication the attached advertisement for JOHN POPE FOUNDATION was inserted in the aforesaid newspaper on dates as follows: 07/20/05

Account Number: 87133040

The above is correctly copied from the books and files of the aforesaid Corporation and publication.



Donna Clayton
 Billing Manager-Legal Advertising

Sworn or affirmed to, and subscribed before me, this
 21 day of JULY, 2005 AD
 In Testimony Whereof, I have hereunto set my hand
 and affixed my official seal, the day and year aforesaid.

Janet Scroggs
 Notary Public

My commission expires 14th of March 2009.

JOHN WILLIAM POPE FOUNDATION
E.I.N. 58-1691765
1998 FORM PF-990
PART XV, LINE 3A, GRANTS CONTRIBUTIONS

<u>Recipient</u>			<u>Relation</u>	<u>Status</u>	<u>Purpose</u>	<u>Amount</u>
Alexis De Tocqueville Institute	10 Benning Street #151	West Lebanon, NH 03784	None	Public	Grant	\$5,000 00
Alzheimers Association	222 N Michigan Avenue, Floor 17	Chicago, IL 60601-7633	None	Public	Grant	\$1,500.00
American Academy for Liberal Education	1050 17th Street, NW - Ste 400	Washington, DC 20036	None	Public	Grant	\$5,000 00
American Civil Rights Institute	PO Box 188350	Sacramento, CA 95818	None	Public	Grant	\$25,000 00
American Conservative Union Foundation	1007 Cameron Street	Alexandria, VA 22314	None	Public	Grant	\$10,000.00
Americans for Tax Reform Foundation	1920 L Street, NW, Ste 200	Washington, DC 20036	None	Public	Grant	\$5,000 00
Atlas Economic Research Foundation	4084 University Drive, Ste 103	Fairfax, VA 22030-6812	None	Public	Grant	\$35,000 00
Big Brothers/Big Sistes Of Gainesville	1155 NW 13th Street	Gainesville, FL 32601	None	Public	Grant	\$1,000 00
Capitol Research Center	1513 16th Street, NW	Washington, NC 20036-1480	None	Public	Grant	\$10,000 00
Carolina Ballet	3401-131 Atlantic Avenue	Raleigh, NC 27604	None	Public	Grant	\$25,000 00
Center For Education Reform	1001 Connecticut Avenue, NW, Ste 204	Washington, DC 20036	None	Public	Grant	\$5,000 00
Center For Equal Opportunity	14 Pidgeon Hill Drive, Ste 500	Sterling, VA 20165	None	Public	Grant	\$2,500 00
Center For Individual Rights	1233 20th Street NW, Ste 300	Washington, DC 20036	None	Public	Grant	\$2,500 00
Center For Individual Rights	1233 20th Street NW, Ste 300	Washington, DC 20036	None	Public	Grant	\$10,000 00
Center for Popular Culture	4401 Wilshire Blvd, 4th Floor	Los Angeles, CA 90010	None	Public	Grant	\$50,000.00
Chi Phi Fraternity	850 Indian Train Road NW, Ste 100	Lilburn, GA 30047-6866	None	Public	Grant	\$500.00
Citizens for a Sound Economy	1900 M Street NW, Ste 500	Washington, DC 20036	None	Public	Grant	\$25,000 00
Citizens for a Sound Economy	1900 M Street NW, Ste 500	Washington, DC 20036	None	Public	Grant	\$25,000 00
Citizens for a Sound Economy	1900 M Street NW, Ste 500	Washington, DC 20036	None	Public	Grant	\$50,000 00
Communities In Schools	871 Harp Street	Raleigh, NC 27604	None	Public	Grant	\$1,000 00
Competitive Enterprise Institute	1001 Connecticut Avenue NW, Ste 1250	Washington, DC 20036	None	Public	Grant	\$5,000 00
Council for National Policy	3030 Clarendon Blvd, Ste 340	Arlington, VA 22201	None	Public	Grant	\$10,000 00
Daniels Middle School	2816 Oberlin Road	Raleigh, NC 27608	None	Public	Grant	\$2,500 00
Defenders Of Property Rights	1350 Connecticut Avenue NE, Ste 410	Washington, DC 20036	None	Public	Grant	\$5,000 00
Eagle Forum Education Center	PO Box 618	Alton, IL 60102	None	Public	Grant	\$5,000 00
Frankie Lemmon School & Development Center	1800 Glenwood Avenue	Raleigh, NC 27608	None	Public	Grant	\$1,000 00
Free Congress Foundation	717 Second Street, NE	Washington, DC 20002	None	Public	Grant	\$25,000 00
Hudson Institute	1015 18th Street NW, Ste 300	Washington, DC 20036	None	Public	Grant	\$1,000 00
Institute For a Civil Society	800 West El Camino Road, Ste 180	Mountain View, CA 94040	None	Public	Grant	\$10,000.00
Institute For Children	18 Brattle Street	Cambridge, MA 02138	None	Public	Grant	\$2,500 00
Institute For Health Freedom	1825 Eye Street NW, Ste 400	Washington, DC 20006	None	Public	Grant	\$5,000 00
Institute for Justice	1717 Pennsylvania Avenue NW, Ste 200	Washington, DC 20006	None	Public	Grant	\$50,000 00
Institute for Policy Innovations	1660 S Stemmons Freeway, Ste 475	Lewisville, TX 75067	None	Public	Grant	\$1,000 00
Intercollegiate Studies Institute, Inc.	PO Box 4431	Wilmington, DE 19807-0431	None	Public	Grant	\$10,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$20,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$10,000 00

JOHN WILLIAM POPE FOUNDATION
E.I.N. 58-1691765
1998 FORM PF-990
PART XV, LINE 3A, GRANTS CONTRIBUTIONS

John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$10,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$40,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$47,500.00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$52,500 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$87,500 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$30,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$25,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$5,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$15,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$5,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$10,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$5,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$10,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$5,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$15,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$10,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$12,500 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$22,500 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$47,500 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$20,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$10,000 00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$50,000.00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$25,000.00
John Locke Foundation	200 West Morgan Street, Ste 200	Raleigh, NC 27601	None	Public	Grant	\$12,500 00
Kinder Mourn	1320 Harding Place	Charlotte, NC 28204	None	Public	Grant	\$1,500.00
Lacy Elementary School PTA	2012 Nakoma Place	Raleigh, NC 27607	None	Public	Grant	\$2,500 00
Lexington Institute	1600 Wilson Blvd, Ste 900	Arlington, VA 22209	None	Public	Grant	\$2,500 00
Manhattan Institute For Policy Research	52 Vanderbilt Avenue	New York, NY 10017	None	Public	Grant	\$5,000.00
Mercatus Center	3301 North Fairfax Drive, Ste 450	Arlington, VA 22201	None	Public	Grant	\$5,000.00
National Center For Policy Analysis	12770 Coit Road, Ste. 800	Dallas, TX 75251	None	Public	Grant	\$10,000 00
National Journalism Center - Education and Research Institute	110 Elden Street	Herndon, VA 20170	None	Public	Grant	\$5,000.00
National Right To Work Legal Defense Foundation	8001 Braddock Road	Springfield, VA 22160	None	Public	Grant	\$5,000 00
NC Depressive & Manic Depressive Association	3900 Arrow Drive	Raleigh, NC 27612	None	Public	Grant	\$1,000.00
North Carolina Civil War Tourism	PO Box 31522	Raleigh, NC 27622	None	Public	Grant	\$1,000 00
North Carolina Council On Economic Education	PO Box 12489	Raleigh, NC 27605	None	Public	Grant	\$5,000.00
North Carolina Education Reform Foundation	501 N. Wilmington Street	Raleigh, NC 27604	None	Public	Grant	\$5,000 00
North Carolina Family Policy Council	PO Box 20607	Raleigh, NC 27619	None	Public	Grant	\$10,000 00
North Carolina Symphony	2 East South Street	Raleigh, NC 27601	None	Public	Grant	\$25,000 00

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E.I.N. 58-1691765
1998 FORM PF-990
PART XV, LINE 3A, GRANTS CONTRIBUTIONS

North Carolina Taxpayers United Educational Foundation	3901 Barrett Drive, Ste 100	Raleigh, NC 27609	None	Public	Grant	\$5,000 00
North Carolina Theatre	One East South Street	Raleigh, NC 27601	None	Public	Grant	\$10,000 00
Occoneechee Council Boy Scouts Of America	PO Box 41229	Raleigh, NC 27629-1229	None	Public	Grant	\$10,000 00
Pacific Research Institute	755 Sansoma Street, Ste 450	San Francisco, CA 94111	None	Public	Grant	\$5,000 00
Pennsylvania Institute of Technology	800 Manchester Avenue	Media, PA 19063	None	Public	Grant	\$100,000 00
Political Economy Research Institute	9211 N Tryon Street, #4-187	Charlotte, NC 28262	None	Public	Grant	\$5,000 00
Social Philosophy & Policy Center	Bowling Green State University 225 Troup Street	Bowling Green, OH 43403	None	Public	Grant	\$5,000 00
South Carolina Policy Council	1323 Pendleton Street	Columbia, SC 29201	None	Public	Grant	\$20,000 00
Southeastern Legal Foundation	3340 Peachtree Road NE, Ste 2515	Atlanta, GA 30326	None	Public	Grant	\$5,000 00
The Acton Institute for the Study of Religion & Liberty	161 Ottawa Avenue, NW, Ste 301	Grand Rapids, MI 49503	None	Public	Grant	\$5,000 00
The Asheville School	360 Asheville School Road	Asheville, NC 28806	None	Public	Grant	\$25,000 00
The Cato Institute	1000 Massachusetts Avenue, NW	Washington, DC 20001-5430	None	Public	Grant	\$50,000 00
The Center Foundation	220 North Jackson Street, 2nd Floor	Media, PA 19063	None	Public	Grant	\$5,000 00
The Federalist Society	1015 18th Street NW, Ste 425	Washington, DC 20036	None	Public	Grant	\$5,000 00
The Federalist Society	1015 18th Street NW, Ste 425	Washington, DC 20036	None	Public	Grant	\$50,000 00
The Foundation Endowment	611 Cameron Street	Alexandria, VA 22314	None	Public	Grant	\$2,000 00
The Foundation for Economic Education, Inc.	30 South Broadway	Irvington-on-Hudson, NY 10533	None	Public	Grant	\$5,000 00
The Fraser Institute	1770 Burrard Street, 4th Floor	Vancouver BC Canada V6J 3G7	None	Public	Grant	\$1,000 00
The Fund for American Studies	1706 New Hampshire Avenue, NW	Washington, DC 20009	None	Public	Grant	\$10,000 00
The Heritage Foundation	214 Massachusetts Avenue, NE	Washington, DC 20002-4999	None	Public	Grant	\$50,000 00
The Institute for Humane Studies	3301 N Fairfax Drive, Ste 440	Arlington, VA 22201	None	Public	Grant	\$15,000 00
The Institute for Humane Studies	3301 N Fairfax Drive, Ste 440	Arlington, VA 22201	None	Public	Grant	\$25,000 00
The Jesse Helms Center Foundation	PO Box 247	Wingate, NC 28174-0247	None	Public	Grant	\$25,000 00
The Leadership Institute	1101 North Highland Street	Arlington, VA 22201	None	Public	Grant	\$1,000 00
The Lundy Chair Of The Philosophy Of Business Campbell University	PO Box 218	Buies Creek, NC 27506	None	Public	Grant	\$10,000 00
The Philanthropy Roundtable	1150 17th Street NW, Ste 530	Washington, DC 20036	None	Public	Grant	\$5,000 00
The Progress & Freedom Foundation	1401 H Street NW, Ste 1075	Washington, DC 20005	None	Public	Grant	\$5,000 00
The Reason Foundation	3415 S. Sepulveda Blvd, Ste 400	Los Angeles, CA 90034	None	Public	Grant	\$15,000 00
The Tax Foundation	1900 M Street NW, Ste. 550	Washington, DC 20036-3508	None	Public	Grant	\$10,000 00
UNC Lineberger Cancer Research	CB# 7295, UNC	Chapel Hill, NC 27599-7295	None	Public	Grant	\$1,000 00
United Way Of Vance County	PO Box 37	Henderson, NC 27536	None	Public	Grant	\$5,000 00
US Term Limits	1125 15th Street NW, Ste 501	Washington, DC 20005	None	Public	Grant	\$10,000 00
Virginia Episcopal School	PO Box 408	Lynchburg, VA 24505	None	Public	Grant	\$25,000 00
Wake County Education Partnership	706 Hillsborough Street, Ste A	Raleigh, NC 27603	None	Public	Grant	\$12,000 00
Washington Legal Foundation	2009 Massachusetts Avenue, NW	Washington, DC 20036	None	Public	Grant	\$25,000 00
White Memorial Presbyertian Church	1704 Oberlin Road	Raleigh, NC 27608	None	Public	Grant	\$25,000 00

Totals

\$1,700,000.00

FORM 990-PF CASH CONTRIBUTIONS OF \$5000 OR MORE STATEMENT 1
 INCLUDED ON PART I, LINE 1

CONTRIBUTOR'S NAME	CONTRIBUTOR'S ADDRESS	DATE OF GIFT	AMOUNT
JAMES ARTHUR POPE	3401 GRESHAM LAKE ROAD - RALEIGH, NC 27608	01/04/99	18,500.
AMANDA J POPE	3401 GRESHAM LAKE ROAD - RALEIGH, NC 27608	01/04/99	18,000.
JOHN W. POPE	3401 GRESHAM LAKE ROAD - RALEIGH, NC 27608	01/04/99	18,500.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
VARIOUS	8,492.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	8,492.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	7,707.	7,707.		0.
TO FORM 990-PF, PG 1, LN 16B	7,707.	7,707.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	12,037.	12,037.		0.
TO FORM 990-PF, PG 1, LN 18	12,037.	12,037.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK SERVICE CHARGE	674.	674.		0.
MISCELLANEOUS	4,445.	4,445.		0.
TO FORM 990-PF, PG 1, LN 23	5,119.	5,119.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CDI CORPORATION	244,622.	14,741,837.
NCNB SHARES	23,415.	570,880.
TOTAL TO FORM 990-PF, PART II, LINE 10B	268,037.	15,312,717.