

# Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

# 2007

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury  
Internal Revenue Service (77)

For calendar year 2007 or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

<p><b>A</b> <input type="checkbox"/> Check box if address changed</p> <p><b>B</b> Exempt under section  <input checked="" type="checkbox"/> 501(c)(03)  <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)  <input type="checkbox"/> 408A <input type="checkbox"/> 530(a)  <input type="checkbox"/> 529(a)</p>	<p>Print or Type</p>	<p>Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.)  <b>THE AMERICAN ACADEMY OF NEUROLOGY</b></p> <p>Number, street, and room or suite no. If a P.O. box, see page 9 of instructions.  <b>1080 MONTREAL AVENUE</b></p> <p>City or town, state, and ZIP code  <b>ST. PAUL, MN 55116-2325</b></p>	<p><b>D</b> Employer identification number (Employees' trust, see instructions for Block D on page 9.)  <b>41-0726167</b></p> <p><b>E</b> Unrelated business activity codes (See instructions for Block E on page 9.)  <b>541800 541900</b></p>
<p><b>C</b> Book value of all assets at end of year  <b>39,181,780.</b></p>	<p><b>F</b> Group exemption number (see instructions for Block F.) ▶</p> <p><b>G</b> Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p>		

**H** Describe the organization's primary unrelated business activity. ▶ **SEE STATEMENT 16**

**I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? .....  Yes  No  
 If "Yes," enter the name and identifying number of the parent corporation. ▶

**J** The books are in care of ▶ **TIMOTHY ENGEL** Telephone number ▶ **651-695-1940**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales <u>804,479.</u>			
b	Less returns and allowances <u>804,479.</u> c Balance ▶	1c		
2	Cost of goods sold (Schedule A, line 7) .....	2		
3	Gross profit. Subtract line 2 from line 1c .....	3		
4 a	Capital gain net income (attach Schedule D) .....	4a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) .....	4b		
c	Capital loss deduction for trusts .....	4c		
5	Income (loss) from partnerships and S corporations (attach statement) .....	5		
6	Rent income (Schedule C) .....	6		
7	Unrelated debt-financed income (Schedule E) .....	7		
8	Interest, annuities, royalties, and rents from controlled organizations (Sch. F) .....	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) .....	9		
10	Exploited exempt activity income (Schedule I) .....	10		
11	Advertising income (Schedule J) .....	11		
12	Other income (See instructions; attach schedule.) .....	12		
13	<b>Total.</b> Combine lines 3 through 12 .....	13	0.	

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions.)  
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K) .....	14	
15	Salaries and wages .....	15	
16	Repairs and maintenance .....	16	
17	Bad debts .....	17	
18	Interest (attach schedule) .....	18	
19	Taxes and licenses .....	19	
20	Charitable contributions (See instructions for limitation rules.) .....	20	
21	Depreciation (attach Form 4562) .....	21	
22	Less depreciation claimed on Schedule A and elsewhere on return .....	22a	22b
23	Depletion .....	23	
24	Contributions to deferred compensation plans .....	24	
25	Employee benefit programs .....	25	
26	Excess exempt expenses (Schedule I) .....	26	
27	Excess readership costs (Schedule J) .....	27	
28	Other deductions (attach schedule) .....	28	
29	<b>Total deductions.</b> Add lines 14 through 28 .....	29	0.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 .....	30	0.
31	Net operating loss deduction (limited to the amount on line 30) .....	31	
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 .....	32	0.
33	Specific deduction (Generally \$1,000, but see instructions for exceptions) .....	33	1,000.
34	<b>Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 .....	34	0.

# Application for Extension of Time To File an Exempt Organization Return

▶ 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).

A corporation 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 a corporation 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](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

<b>Type or print</b>	Name of Exempt Organization <b>THE AMERICAN ACADEMY OF NEUROLOGY</b>	Employer identification number <b>41-0726167</b>
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. <b>1080 MONTREAL AVENUE</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ST. PAUL, MN 55116-2325</b>	

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

- |                                      |   |                                    |
|--------------------------------------|---|------------------------------------|
| <input type="checkbox"/> Form 990    | <input checked="" type="checkbox"/> Form 990-T (corporation)      | <input 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 ▶ **THE ORGANIZATION**  
 Telephone No. ▶ **651-695-1940** 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 corporation required to file Form 990-T) extension of time until **NOVEMBER 15, 2008**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year **2007** 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

<b>3a</b> 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.	<b>3a</b>	\$	0.
<b>b</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.	<b>3b</b>	\$	0.
<b>c Balance Due.</b> 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.	<b>3c</b>	\$	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.

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

5/7/08 P/B

**Part III Tax Computation**

<b>35 Organizations Taxable as Corporations.</b> See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> See instructions and: <b>a</b> Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ _____ (2) \$ _____ (3) \$ _____ <b>b</b> Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____ (2) Additional 3% tax (not more than \$100,000) \$ _____ <b>c</b> Income tax on the amount on line 34	35c	0.
<b>36 Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	36	
<b>37 Proxy tax.</b> See instructions	37	
<b>38 Alternative minimum tax</b>	38	
<b>39 Total.</b> Add lines 37 and 38 to line 35c or 36, whichever applies	39	0.

**Part IV Tax and Payments**

<b>40a</b> Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	40a	
<b>b</b> Other credits (see instructions)	40b	
<b>c</b> General business credit. Check here and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) _____	40c	
<b>d</b> Credit for prior year minimum tax (attach Form 8801 or 8827)	40d	
<b>e</b> Total credits. Add lines 40a through 40d	40e	
<b>41</b> Subtract line 40e from line 39	41	0.
<b>42</b> Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	42	
<b>43</b> Total tax. Add lines 41 and 42	43	0.
<b>44a</b> Payments: A 2006 overpayment credited to 2007	44a	
<b>b</b> 2007 estimated tax payments	44b	
<b>c</b> Tax deposited with Form 8868	44c	
<b>d</b> Foreign organizations: Tax paid or withheld at source (see instructions)	44d	
<b>e</b> Backup withholding (see instructions)	44e	
<b>f</b> Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other _____ Total	44f	
<b>45</b> Total payments. Add lines 44a through 44f	45	
<b>46</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	46	
<b>47</b> Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed	47	0.
<b>48</b> Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid	48	0.
<b>49</b> Enter the amount of line 48 you want: Credited to 2008 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	49	

**Part V Statements Regarding Certain Activities and Other Information** (See instructions on page 18)

<b>1</b> At any time during the 2007 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1. If YES, enter the name of the foreign country here	Yes	No
<b>2</b> During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file.		X
<b>3</b> Enter the amount of tax-exempt interest received or accrued during the tax year \$		

**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation  N/A

<b>1</b> Inventory at beginning of year	1		<b>6</b> Inventory at end of year	6	
<b>2</b> Purchases	2		<b>7</b> Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	
<b>3</b> Cost of labor	3		<b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
<b>4a</b> Additional section 263A costs	4a				X
<b>b</b> Other costs (attach schedule)	4b				
<b>5</b> Total. Add lines 1 through 4b	5				

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 taxpayer) is based on all information of which preparer has any knowledge.

**Sign Here**  
 Signature of officer: *Robert M. Rydell* Date: 11/13/08 Title: CEO  
 May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**Paid Preparer's Use Only**  
 Preparer's signature: *[Signature]* Date: 11/13/08  
 Firm's name (or yours if self-employed), address, and ZIP code: RSM MCGLADREY, INC. 801 NICOLLET AVENUE, SUITE 1100 MINNEAPOLIS, MN 55402  
 Check if self-employed  Preparer's SSN or PTIN: P00092679  
 EIN: 41-1944416 Phone no.: 612-573-8750

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instr. on pg 20)

1 Description of property

Table with 4 rows for property descriptions (1-4).

Table with 3 columns: (a) From personal property, (b) From real and personal property, and 3 Deductions directly connected with the income.

Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0. Total deductions. Enter here and on page 1, Part I, line 6, column (B) 0.

Schedule E - Unrelated Debt-Financed Income (See instructions on page 20)

Table with 4 columns: 1 Description of debt-financed property, 2 Gross income from or allocable to debt-financed property, 3(a) Straight line depreciation, 3(b) Other deductions.

Table with 5 columns: 4 Amount of average acquisition debt, 5 Average adjusted basis, 6 Column 4 divided by column 5, 7 Gross income reportable, 8 Allocable deductions.

Totals. Total dividends-received deductions included in column 8. Enter here and on page 1, Part I, line 7, column (A) 0. Enter here and on page 1, Part I, line 7, column (B) 0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (See instructions on page 21)

Table for Exempt Controlled Organizations with 6 columns: 1 Name of Controlled Organization, 2 Employer Identification Number, 3 Net unrelated income, 4 Total of specified payments made, 5 Part of column 4 that is included in the controlling organization's gross income, 6 Deductions directly connected with income.

Table for Nonexempt Controlled Organizations with 5 columns: 7 Taxable income, 8 Net unrelated income, 9 Total of specified payments made, 10 Part of column 9 that is included in the controlling organization's gross income, 11 Deductions directly connected with income.

Totals. Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A) 0. Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B) 0.

**Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization**  
(see instructions on page 22)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
<b>Totals</b>	0.			0.

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income**  
(see instructions on page 22)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b>	0.	0.				0.

**Schedule J - Advertising Income** (see instructions on page 22)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals (carry to Part II, line (5))</b>	0.	0.				0.

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

(1)						
(2)						
(3)						
(4)						
(5) <b>Totals from Part I</b>	0.	0.				0.
<b>Totals, Part II (lines 1-5)</b>	0.	0.				0.

**Schedule K - Compensation of Officers, Directors, and Trustees** (see instructions on page 23)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
<b>Total. Enter here and on page 1, Part II, line 14</b>			0.

