

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Header section A-M containing organization details: Pulmonary Fibrosis Foundation, 1332 N. Halsted #201 Chicago, IL 60622. Includes fields for EIN (84-1558631), phone (312-587-9272), and organizational type (501(c)3).

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

Main table with 21 rows. Columns include description, sub-rows (a, b, c), and totals. Revenue total: 902,240. Expenses total: 411,421. Net assets at end of year: 1,308,055.

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.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) See Stm 2 (cash \$ 52,694. non-cash \$ _____)					
If this amount includes foreign grants, check here... G <input type="checkbox"/>	22	52,694.	52,694.		
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	101,219.	96,158.	2,531.	2,530.
26 Other salaries and wages	26	83,417.	83,122.	295.	
27 Pension plan contributions	27				
28 Other employee benefits	28				
29 Payroll taxes	29	13,997.	13,591.	214.	192.
30 Professional fundraising fees	30				
31 Accounting fees	31	17,711.		17,711.	
32 Legal fees	32	2,608.		2,608.	
33 Supplies	33	4,531.	4,078.	453.	
34 Telephone	34	1,722.	1,550.	172.	
35 Postage and shipping	35	12,082.	12,082.		
36 Occupancy	36	14,527.		14,527.	
37 Equipment rental and maintenance	37				
38 Printing and publications	38	13,110.	13,110.		
39 Travel	39	8,333.	8,333.		
40 Conferences, conventions, and meetings	40	43,646.	39,292.		4,354.
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	5,604.	2,802.	2,802.	
43 Other expenses not covered above (itemize):					
a See Statement 3	43a	36,220.	24,981.	11,239.	
b _____	43b				
c _____	43c				
d _____	43d				
e _____	43e				
f _____	43f				
g _____	43g				
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	411,421.	351,793.	52,552.	7,076.

Joint Costs. Check G if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?..... G Yes No

If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

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.

What is the organization's primary exempt purpose? G <u>FUND RESEARCH AND PHYSICIAN EDUCATION</u> 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.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a <u>See Statement 4</u> ----- ----- ----- ----- ----- (Grants and allocations \$ <u>52,694.</u>) If this amount includes foreign grants, check here G <input type="checkbox"/>	351,793.
b ----- ----- ----- ----- ----- (Grants and allocations \$) If this amount includes foreign grants, check here G <input type="checkbox"/>	
c ----- ----- ----- ----- ----- (Grants and allocations \$) If this amount includes foreign grants, check here G <input type="checkbox"/>	
d ----- ----- ----- ----- ----- (Grants and allocations \$) If this amount includes foreign grants, check here G <input type="checkbox"/>	
e Other program services (Grants and allocations \$) If this amount includes foreign grants, check here G <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) G	351,793.

BAA

Part IV Balance Sheets (See Instructions)

Note:		(A)		(B)	
Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		Beginning of year		End of year	
ASSETS	45 Cash - non-interest-bearing	47,489.	45	212,967.	
	46 Savings and temporary cash investments		46		
	47 a Accounts receivable	47 a			
	b Less: allowance for doubtful accounts	47 b		47 c	
	48 a Pledges receivable	48 a	175,179.		
	b Less: allowance for doubtful accounts	48 b		48 c	
	49 Grants receivable			49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51 a Other notes & loans receivable (attach sch)	51 a			
	b Less: allowance for doubtful accounts	51 b		51 c	
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges			53	
	54 Investments - securities (attach schedule)	G <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	755,834.	54	885,152.
	55 a Investments - land, buildings, & equipment: basis	55 a			
	b Less: accumulated depreciation (attach schedule)	55 b		55 c	
56 Investments - other (attach schedule)			56		
57 a Land, buildings, and equipment: basis	57 a	25,412.			
b Less: accumulated depreciation (attach schedule)	57 b	24,185.	57 c		
58 Other assets (describe G <u>See Statement 6</u>)		6,830.	58	102,720.	
59 Total assets (must equal line 74). Add lines 45 through 58		810,153.	59	1,377,245.	
LIABILITIES	60 Accounts payable and accrued expenses	1,066.	60	19,190.	
	61 Grants payable		61	50,000.	
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64 a Tax-exempt bond liabilities (attach schedule)		64 a		
	b Mortgages and other notes payable (attach schedule)		64 b		
	65 Other liabilities (describe G _____)		65		
66 Total liabilities. Add lines 60 through 65		1,066.	66	69,190.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here G <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	792,057.	67	868,196.	
	68 Temporarily restricted	17,030.	68	439,859.	
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here G <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	809,087.	73	1,308,055.	
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	810,153.	74	1,377,245.	

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

a	Total revenue, gains, and other support per audited financial statements	a	902,240.
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	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	902,240.
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	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12). Add lines c and d	G e	902,240.

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

a	Total expenses and losses per audited financial statements	a	411,421.
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	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	411,421.
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	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17). Add lines c and d	G e	411,421.

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 and deferred compensation plans	(E) Expense account and other allowances
Daniel Rose, MD 1332 N. Halsted St., Suite 201 Chicago, IL 60622	Chairman 0	0.	0.	0.
I. M. Rosenzweig, PhD 1332 N. Halsted St., Suite 201 Chicago, IL 60622	President & CEO 60	101,220.	0.	0.
Joseph Borus 1332 N. Halsted St., Suite 201 Chicago, IL 60622	Secretary 0	0.	0.	0.

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.)	82 b	N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84 b	N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85 a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85 b	N/A
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	85 c	N/A
d	Section 162(e) lobbying and political expenditures	85 d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85 e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85 f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85 g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85 h	N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86 a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86 b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87 a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87 b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX.	88	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 G 0 ; section 4912 G 0 ; section 4955 G 0.		
b	501(c)(3) and 501(c)(4) organizations. 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.	89 b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.	G	0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	G	0.
90 a	List the states with which a copy of this return is filed G IL		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90 b	0
91 a	The books are in care of G Pulmonary Fibrosis Foundation Telephone number G 312-587-9272 Located at G 1332 N. Halsted, Suite 201, Chicago IL ZIP + 4 G 60622		
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 G	91 b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements			
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If 'Yes,' enter the name of the foreign country G	91 c	X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 Check here and enter the amount of tax-exempt interest received or accrued during the tax year. G 92	N/A	G <input type="checkbox"/> N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

	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	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	19,966.	
96 Dividends & interest from securities			14	418.	
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 pers prop					
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 _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				20,384.	
105 Total (add line 104, columns (B), (D), and (E))				G 20,384.	

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
F	
N/A	

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

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

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

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

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

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

Please Sign Here

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

G _____
Signature of officer

_____ Date

G I. M. ROSENZWEIG, President & CEO
Type or print name and title.

Paid Preparer's Use Only

Preparer's signature: G Mitchell S. Lerman

Date: _____

Check if self-employed: G

Preparer's SSN or PTIN (See General Instruction W): N/A

Firm's name (or yours if self-employed), address, and ZIP + 4: G Viadem Lerman Sweeney & Co LLP
5215 Old Orchard Road, Ste 525
Skokie, IL 60077-1035

EIN: G N/A

Phone no.: G (847) 966-6696

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under
Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information (See separate instructions.)

G MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.

OMB No. 1545-0047

2005

Name of the organization

Pulmonary Fibrosis Foundation

Employer identification number

84-1558631

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See 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 and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$50,000	G	0		

Part II A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See 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	G	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 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	G	0

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) G	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	463, 979.	297, 168.	201, 396.	432, 034.	1, 394, 577.
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					0.
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	7, 050.	7, 946.	19, 587.	16, 301.	50, 884.
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					0.
23 Total of lines 15 through 22	471, 029.	305, 114.	220, 983.	448, 335.	1, 445, 461.
24 Line 23 minus line 17.	471, 029.	305, 114.	220, 983.	448, 335.	1, 445, 461.
25 Enter 1% of line 23	4, 710.	3, 051.	2, 210.	4, 483.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 G 26a					28, 909.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts G 26b					
c Total support for section 509(a)(1) test: Enter line 24, column (e) G 26c					1, 445, 461.
d Add: Amounts from column (e) for lines: 18 <u>50, 884.</u> 19 _____ 22 _____ 26b _____ 26d					50, 884.
e Public support (line 26c minus line 26d total) G 26e					1, 394, 577.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) G 26f					96. 48 %
27 Organizations described on line 12: N/A					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ 27c					
d Add: Line 27a total and line 27b total 27d					
e Public support (line 27c total minus line 27d total) G 27e					
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) G 27f					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) G 27g					%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) G 27h					%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

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

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
	If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following:		
	a Records indicating the racial composition of the student body, faculty, and administrative staff?		
	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?		
	If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
	a Students' rights or privileges?		
	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?		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
	b Has the organization's right to such aid ever been revoked or suspended?		
	If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation		

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

N/A

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

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations																						
(The term 'expenditures' means amounts paid or incurred.)																									
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36																							
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37																							
38	Total lobbying expenditures (add lines 36 and 37)	38																							
39	Other exempt purpose expenditures	39																							
40	Total exempt purpose expenditures (add lines 38 and 39)	40																							
41	Lobbying nontaxable amount. Enter the amount from the following table ' <table border="1" style="margin-left: 20px;"> <tr> <td>If the amount on line 40 is ' <table border="1" style="margin-left: 20px;"> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table> </td> <td>The lobbying nontaxable amount is ' <table border="1" style="margin-left: 20px;"> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table> </td> </tr> </table>	If the amount on line 40 is ' <table border="1" style="margin-left: 20px;"> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	The lobbying nontaxable amount is ' <table border="1" style="margin-left: 20px;"> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	
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42	Grassroots nontaxable amount (enter 25% of line 41)	42																							
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43																							
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44																							
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.																									

4 -Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) G	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots non-taxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
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.)			

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

Client PULMON

Pulmonary Fibrosis Foundation

84-1558631

11/01/06

02:07PM

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

Unrealized gains for 2005.....	\$	8,149.
Total	\$	<u>8,149.</u>

Statement 2
Form 990, Part II, Line 22
Grants and Allocations

Cash Grants and Allocations

Class of Activity:	MEDICAL RESEARCH	
Donee's Name:	THE CHEST FOUNDATION	
Donee's Address:	3300 DUNDEE ROAD NORTHBROOK, IL 60062	
Relationship of Donee:	NONE	
Amount Given:		\$ 10,000.

Class of Activity:	MEDICAL RESEARCH	
Donee's Name:	NYS PULMONARY FIBROSIS FOUNDAT	
Donee's Address:	450 OAKDALE AVE. UTICA, NY 13502	
Amount Given:		2,694.

Class of Activity:	MEDICAL RESEARCH	
Donee's Name:	Massachusetts General Hospital	
Donee's Address:	50 Sanford St., Suite 1001 Boston, MA 02114	
Amount Given:		40,000.

Total Grants and Allocations \$ 52,694.

Statement 3
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
BANK CHARGES	2,657.		2,657.	
COMPUTER	3,825.	3,825.		
DUES AND SUBSCRIPTIONS	130.		130.	
EDUCATION PROGRAMS	19,166.	19,166.		
INSURANCE	6,256.		6,256.	
INTERNET	1,195.	1,195.		
MAILING PROGRAMS	641.	641.		
OTHER TAXES	135.		135.	
OUTSIDE SERVICES	154.	154.		
UTILITIES	2,061.		2,061.	
Total	<u>\$ 36,220.</u>	<u>\$ 24,981.</u>	<u>\$ 11,239.</u>	<u>\$ 0.</u>

Client PULMON

Pulmonary Fibrosis Foundation

84-1558631

11/01/06

02:07PM

Statement 4
Form 990, Part III, Line a
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
THE ORGANIZATION HELPS IMPROVE THE LIVES OF INDIVIDUALS AFFLICTED WITH PULMONARY FIBROSIS BY PROVIDING EDUCATIONAL LECTURES, WORKSHOPS, AND FUNDING RESEARCH FOR THE TREATMENT AND DIAGNOSIS OF THE DISEASE. THE ORGANIZATION HAS ALSO SET UP A NATIONAL REGISTRY OF PATIENTS AND EDUCATES PHYSICIANS ON THE VARIOUS TREATMENTS AND DIAGNOSIS OF THE DISEASE. Includes Foreign Grants: No	52,694.	351,793.
	<u>\$ 52,694.</u>	<u>\$ 351,793.</u>

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

Category	Basis	Accum. Deprec.	Book Value
Automobiles / Transportation Equipment	\$ 23,412.	\$ 23,152.	\$ 260.
Machinery and Equipment	2,000.	1,033.	967.
Total	<u>\$ 25,412.</u>	<u>\$ 24,185.</u>	<u>\$ 1,227.</u>

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

Due from Affiliate.....	\$ 100,000.
Security Deposit.....	2,720.
Total	<u>\$ 102,720.</u>