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FEC MAIL CENTER

Jan Witold Baran  
202.719.7330  
jbaran@wileyrein.com

October 1, 2012

**VIA HAND DELIVERY**

Mr. Jeff S. Jordan  
Supervisory Attorney  
Complaints Examination & Legal Administration  
Office of the General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington D.C. 20463

**Re: Supplemental Response in MUR 6589 (American Action Network, Inc.)**

Dear Mr. Jordan:

This letter supplements the July 20, 2012, submission on behalf of our client, the American Action Network (“AAN”), in the above-captioned matter. AAN recently amended its IRS Form 990 regarding the organization’s spending on political activities during the 2010 tax year (i.e., July 1, 2010, through June 30, 2011). Although the amount of AAN’s overall spending remained the same, AAN spent nearly 10% less on political expenditures for the 2010 tax year than the amount initially reported on the Form 990 which accompanied the complaint in this matter (“Complaint”). Accordingly, a copy of the amended Form 990 is enclosed. It further refutes the allegation that AAN is a political committee. AAN is not a political committee and the Complaint fails to demonstrate otherwise.

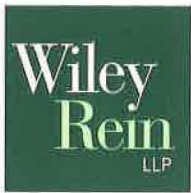
As originally explained in the July 20, 2012, submission, AAN’s Form 990 includes disclosures of expenditures made by AAN for “political campaign activities,” IRS, *Instructions for Schedule C (Form 990 or 990-EZ)* at 1 (Dec. 22, 2011),<sup>1</sup> a phrase that is broader in scope than the FEC’s express advocacy standard, see Judith Kindell and John Francis Reilly, *Election Year Issues*, at 349,<sup>2</sup> and requires the identification of spending for “[a]ll activities that support or oppose candidates for elective federal, state, or local public office,” IRS, *Instructions for Form 990; Return of Organization Exempt From Income Tax - Additional Material; Glossary* (emphasis added).<sup>3</sup> Compare Definition of Political Committee, 66 Fed. Reg. 13,681 (Advance Notice of Proposed Rulemaking, Mar. 7, 2001) (explaining

<sup>1</sup> Available at <http://www.irs.gov/pub/irs-pdf/i990sc.pdf>.

<sup>2</sup> Available at <http://www.irs.gov/pub/irs-tege/eotopici02.pdf>.

<sup>3</sup> Available at <http://www.irs.gov/instructions/i990/ar03.html>.

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OFFICE OF GENERAL COUNSEL



Mr. Jeff S. Jordan

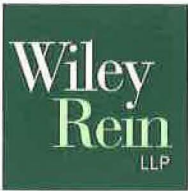
October 1, 2012

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that the IRS's definition of a "political organization" is "substantially broader than the [Federal Election Campaign Act] definition of a 'political committee'"). Because of the over-inclusive nature of the IRS disclosures when compared to the narrower FEC definitions, the amount disclosed on AAN's Form 990 is a useful tool to measure whether AAN's political expenditures might be so extensive that there is reason to believe that it is a political committee.

The July 20th submission was based on the Form 990 attached to the Complaint, which disclosed political campaign activity data covering the two-year period from July 2009 through June 2011. That Form 990 reported AAN's spending on campaign-related activities was \$185,108 and \$5,535,848 for the 2009 and 2010 tax years, respectively. Aggregated over the entire two-year period, AAN's total spending on political campaign activity totaled \$5,720,956. When compared to the \$27,139,009 in total spending identified in the Complaint and on the Form 990, AAN had spent 21% of its funds on campaign activities.

After completing its recent review, AAN determined that its campaign-related expenditures were \$499,895 less than initially reported to the IRS. AAN's total expenses remained unchanged. Accordingly, AAN filed an amended Form 990 reflecting that its 2010 tax year political expenditures were \$5,035,953 (rather than \$5,535,848). This change resulted in a corresponding decrease to AAN's aggregate spending on campaign-related expenditures over the two-year period, from \$5,720,956 to \$5,221,061. In comparison to the \$27,139,009 amount of total spending by AAN, this means that, at most, only 19% of AAN's spending was for political activities. AAN cannot be a political committee when the organization has spent less than one-fifth of its resources on political activities.



Mr. Jeff S. Jordan  
October 1, 2012  
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For the above reasons and the reasons stated in the July 20, 2012, submission, the FEC should find no reason to believe that AAN is a political committee and dismiss the Complaint.

Sincerely,

A handwritten signature in black ink, appearing to read "Jan Baran", written in a cursive style.

Jan Witold Baran  
Caleb P. Burns  
Andrew G. Woodson

Enclosure

Form **990**

**Return of Organization Exempt From Income Tax**

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

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

OMB No. 1545-0047

**2010**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**A** For the 2010 calendar year, or tax year beginning 7/1/2010, and ending 6/30/2011

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Terminated  
 Amended return  
 Application pending

**C** Name of organization American Action Network, Inc.  
 Doing Business As American Action Network, Inc.  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
555 13th Street NW 510 W  
 City or town, state or country, and ZIP + 4  
Washington DC DC 20004

**D** Employer identification number 27-0730508  
**E** Telephone number (202) 559-6420

**G** Gross receipts \$ 27,479,384

**F** Name and address of principal officer:  
Brian Walsh 555 13th St., NW #510W, Washington DC, 20004

**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** Are all affiliates included?  Yes  No  
 If "No," attach a list. (see instructions)

**I** Tax-exempt status:  501(c)(3)  501(c) ( 4 ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ www.americanactionnetwork.org **H(c)** Group exemption number ▶

**K** Form of organization:  Corporation  Trust  Association  Other ▶ **L** Year of formation: 2009 **M** State of legal domicile: DE

**Part I Summary**

Activities & Governance	<b>1</b>	Briefly describe the organization's mission or most significant activities: <u>The American Action Network is a 501 (c) (4) 'action tank' that will create, encourage and promote center-right policies based on the principles of freedom, limited government, American exceptionalism, and strong national security.</u>		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a) . . . . .	<b>3</b>	<b>11</b>
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	<b>4</b>	<b>10</b>
	<b>5</b>	Total number of individuals employed in calendar year 2010 (Part V, line 2a) . . . . .	<b>5</b>	<b>8</b>
	<b>6</b>	Total number of volunteers (estimate if necessary) . . . . .	<b>6</b>	<b>20</b>
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .	<b>7a</b>	<b>0</b>
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . .	<b>7b</b>	<b>0</b>	
Revenue	<b>8</b>	Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
	<b>9</b>	Program service revenue (Part VIII, line 2g) . . . . .	2,750,351	27,479,380
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	0	0
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .	21	4
	<b>12</b>	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	2,750,372	27,479,384
Expenses	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . . . .	0	1,285,140
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	0	0
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) . . . . .	400,011	713,658
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	0	5,000
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>245,662</u>		
	<b>17</b>	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .	1,046,664	23,688,536
	<b>18</b> Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) . . . . .	1,446,675	25,692,334	
	<b>19</b> Revenue less expenses. Subtract line 18 from line 12 . . . . .	1,303,697	1,787,050	
Net Assets or Fund Balances	<b>20</b>	Total assets (Part X, line 16) . . . . .	Beginning of Current Year	End of Year
	<b>21</b>	Total liabilities (Part X, line 26) . . . . .	1,351,678	3,165,233
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20 . . . . .	47,981	74,486
		1,303,697	3,090,747	

**Part II Signature Block**

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.

**Sign Here** ▶ Brian Walsh Signature of officer 8/23/12 Date  
 ▶ BRIAN D. WALSH, PRESIDENT Type or print name and title

**Paid Preparer's Use Only**

Print/Type preparer's name Jonathan Proch Preparer's signature Jonathan Proch, CPA Date 8/22/2012 Check  if self-employed PTIN

Firm's name ▶ Jonathan T Proch LLC CPA Firm's EIN ▶  
 Firm's address ▶ One Research Court, Suite 450, Rockville, MD 20850 Phone no. (301) 253-0056

May the IRS discuss this return with the preparer shown above? (see instructions) . . . . .  Yes  No

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III  X

1 Briefly describe the organization's mission:

The American Action Network is a 501 (c) (4) "action tank" that will create, encourage and promote center-right policies based on the principles of freedom, limited government, American exceptionalism, and strong national policy.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 25,255,343 including grants of \$ 1,285,140 ) (Revenue \$ 0.)  
SEE SCHEDULE O

4b (Code: ) (Expenses \$ 0 including grants of \$ 0 ) (Revenue \$ 0.)

4c (Code: ) (Expenses \$ 0 including grants of \$ 0 ) (Revenue \$ 0.)

4d Other program services. (Describe in Schedule O.)  
(Expenses \$ 0 including grants of \$ 0 ) (Revenue \$ 0 )

4e Total program service expenses ▶ 25,255,343

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A . . . . .</i>		X
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions) . . . . .	X	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I . . . . .</i>	X	
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II . . . . .</i>		
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III . . . . .</i>		X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I . . . . .</i>		X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II . . . . .</i>		X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III . . . . .</i>		X
<b>9</b> Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV . . . . .</i>		X
<b>10</b> Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V . . . . .</i>		X
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable . . . . .		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI . . . . .</i>	X	
<b>b</b> Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII . . . . .</i>		X
<b>c</b> Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII . . . . .</i>		X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX . . . . .</i>		X
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X . . . . .</i>		X
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X . . . . .</i>		X
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII . . . . .</i>		X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional . . . . .</i>		X
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E . . . . .</i>		X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV . . . . .</i>		X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV . . . . .</i>		X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV . . . . .</i>		X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions) . . . . .</i>		X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II . . . . .</i>		X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III . . . . .</i>		X
<b>20a</b> Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H . . . . .</i>		X
<b>b</b> If "Yes" to line 20a, did the organization attach its audited financial statements to this return? <b>Note.</b> Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions) . . . . .		

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . . . .</i>	X	
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . . . .</i>	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25 . . . . .</i>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		X
<b>25b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		X
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . . . .</i>		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III . . . . .</i>		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		X
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		X
<b>28c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . . . .</i>		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . . . .</i>		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . . . .</i>		X
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . . . .		X
<b>a</b> Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . . . .</i>		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O. . . . .	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V.

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a through 14b regarding Form 1096, Form W-2G, Form W-3, and various tax compliance issues.



**Part VI**

**Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI.  X

**Section A. Governing Body and Management**

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . .		
1b	Enter the number of voting members included in line 1a, above, who are independent . . . . .		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .		X
6	Does the organization have members or stockholders? . . . . .		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body? . . . . .	X	
8b	b Each committee with authority to act on behalf of the governing body? . . . . .	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a	Does the organization have local chapters, branches, or affiliates? . . . . .	X
10b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . .	X
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.	
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	X
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	X
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	X
13	Does the organization have a written whistleblower policy? . . . . .	X
14	Does the organization have a written document retention and destruction policy? . . . . .	X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?	
15a	a The organization's CEO, Executive Director, or top management official. . . . .	X
15b	b Other officers or key employees of the organization . . . . .	X
15c	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.) . . . . .	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	X
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed  \_\_\_\_\_
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website     Another's website     Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:  The organization (202) 559-6420  
 555 13th St., NW #510W, Washington DC, 20004

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Norm Coleman CEO, Dir	20	X		X				236,806	0	10,097
(2) Fred Malek Dir	1	X						0	0	0
(3) Isaac Applbaum Dir	1	X						0	0	0
(4) Maria Cino Dir	1	X						0	0	0
(5) Dylan Glenn Dir	1	X						0	0	0
(6) Boyden Gray Dir	1	X						0	0	0
(7) B. Wayne Hughes, Jr. Dir	1	X						0	0	0
(8) Ken Langone Dir	1	X						0	0	0
(9) Mel Martinez Dir	1	X						0	0	0
(10) Jim Nussle Dir	1	X						0	0	0
(11) Tom Reynolds Dir	1	X						0	0	0
(12) Gregory Slayton Dir	1	X						0	0	0
(13) Vin Weber Dir	1	X						0	0	0
(14) Richard Burke Dir	1	X						0	0	0
(15) George Allen Dir	1	X						0	0	0
(16) Rob Collins Pres	40			X				179,400	0	0

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) Brian Walsh Pres	40			X				0	0	0
(18)								0	0	0
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
<b>1b Sub-total</b>								416,206	0	10,097
<b>c Total from continuation sheets to Part VII, Section A</b>								0	0	0
<b>d Total (add lines 1b and 1c)</b>								416,206	0	10,097

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **2**

	Yes	No
<b>3</b> Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
Willis Felton PO Box 9295, Cincinnati, OH 45209	media placement services	15,250,000
Smart Media Group 814 King St # 400, Alexandria, VA 22314	media placement services	2,780,224
Targeted Victory 815 Slaters Lane, Alexandria, VA 22314	media placement services	1,760,319
National Media Public Affair 815 Slaters Lane, Alexandria, VA 22314	media placement services	865,302
Connection Strategy 7300 Hudson Blvd, Saint Paul, MN 55128	media placement services	550,000

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **5**

Part VIII Statement of Revenue			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . . .	1a 0				
	b	Membership dues . . . . .	1b 0				
	c	Fundraising events . . . . .	1c 0				
	d	Related organizations . . . . .	1d 0				
	e	Government grants (contributions) . . . . .	1e 0				
	f	All other contributions, gifts, grants, and similar amounts not included above . . . . .	1f 27,479,380				
	g	Noncash contributions included in lines 1a-1f: \$ . . . . .	0				
	h	<b>Total.</b> Add lines 1a-1f . . . . .	▶ 27,479,380				
Program Service Revenue			<b>Business Code</b>				
	2a	-----		0			
	b	-----		0			
	c	-----		0			
	d	-----		0			
	e	-----		0			
	f	All other program service revenue . . . . .		0			
g	<b>Total.</b> Add lines 2a-2f . . . . .	▶ 0					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .	▶ 4				
	4	Income from investment of tax-exempt bond proceeds . . . . .	▶ 0				
	5	Royalties . . . . .	▶ 0				
	6a			(i) Real	(ii) Personal		
		b	Gross Rents . . . . .				
		c	Less: rental expenses . . . . .				
	d	Rental income or (loss) . . . . .	0	0			
	e	Net rental income or (loss) . . . . .	▶ 0				
	7a			(i) Securities	(ii) Other		
		b	Gross amount from sales of assets other than inventory . . . . .	0	0		
		c	Less: cost or other basis and sales expenses . . . . .	0	0		
	d	Gain or (loss) . . . . .	0	0			
	e	Net gain or (loss) . . . . .	▶ 0				
	8a	Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18 . . . . .	a 0				
	b	Less: direct expenses . . . . .	b 0				
c	Net income or (loss) from fundraising events . . . . .	▶ 0					
9a	Gross income from gaming activities. See Part IV, line 19 . . . . .	a 0					
b	Less: direct expenses . . . . .	b 0					
c	Net income or (loss) from gaming activities . . . . .	▶ 0					
10a	Gross sales of inventory, less returns and allowances . . . . .	a 0					
b	Less: cost of goods sold . . . . .	b 0					
c	Net income or (loss) from sales of inventory . . . . .	▶ 0					
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
11a	-----		0				
b	-----		0				
c	-----		0				
d	All other revenue . . . . .		0				
e	<b>Total.</b> Add lines 11a-11d . . . . .	▶ 0					
12	<b>Total revenue.</b> See instructions . . . . .	▶ 27,479,384	0	0	0		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . . . .	1,285,140	1,285,140		
<b>2</b> Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	0			
<b>3</b> Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	0			
<b>4</b> Benefits paid to or for members . . . . .	0			
<b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .	424,779	161,250	89,073	174,456
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0			
<b>7</b> Other salaries and wages . . . . .	288,879	227,596	55,434	5,849
<b>8</b> Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	0			
<b>9</b> Other employee benefits . . . . .	0			
<b>10</b> Payroll taxes . . . . .	0			
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management . . . . .	0			
<b>b</b> Legal . . . . .	193,739	154,991	19,374	19,374
<b>c</b> Accounting . . . . .	0			
<b>d</b> Lobbying . . . . .	17,518,530	17,518,530		
<b>e</b> Professional fundraising services. See Part IV, line 17 . . . . .	5,000			5,000
<b>f</b> Investment management fees . . . . .	0			
<b>g</b> Other . . . . .	5,260,298	5,246,265		14,033
<b>12</b> Advertising and promotion . . . . .	0			
<b>13</b> Office expenses . . . . .	32,916	26,332	3,292	3,292
<b>14</b> Information technology . . . . .	113,818	91,054	11,382	11,382
<b>15</b> Royalties . . . . .	0			
<b>16</b> Occupancy . . . . .	36,011	28,809	3,601	3,601
<b>17</b> Travel . . . . .	44,109	44,109		
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
<b>19</b> Conferences, conventions, and meetings . . . . .	401,857	401,857		
<b>20</b> Interest . . . . .	496		496	
<b>21</b> Payments to affiliates . . . . .	0			
<b>22</b> Depreciation, depletion, and amortization . . . . .	8,046	6,437	805	804
<b>23</b> Insurance . . . . .	2,668	2,134	267	267
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
<b>a</b> Communications . . . . .	29,277	23,422	2,928	2,927
<b>b</b> . . . . .	0			
<b>c</b> . . . . .	0			
<b>d</b> . . . . .	0			
<b>e</b> . . . . .	0			
<b>f</b> All other expenses . . . . .	46,771	37,417	4,677	4,677
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24f . . . . .	25,692,334	25,255,343	191,329	245,662
<b>26</b> <b>Joint costs.</b> Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	1	Cash—non-interest-bearing . . . . .	1,165,204	1	2,387,861
	2	Savings and temporary cash investments . . . . .	15,020	2	
	3	Pledges and grants receivable, net . . . . .	0	3	0
	4	Accounts receivable, net . . . . .	0	4	0
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) . . . . .		6	
	7	Notes and loans receivable, net . . . . .	141,442	7	574,056
	8	Inventories for sale or use . . . . .		8	
	9	Prepaid expenses and deferred charges . . . . .	7,425	9	95,597
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .			
		<b>10a</b>	42,300		
	b	Less: accumulated depreciation . . . . .			
		<b>10b</b>	8,327		
			10,437	<b>10c</b>	33,973
	11	Investments—publicly traded securities . . . . .	0	11	0
	12	Investments—other securities. See Part IV, line 11 . . . . .	0	12	0
13	Investments—program-related. See Part IV, line 11 . . . . .	0	13	0	
14	Intangible assets . . . . .	0	14	0	
15	Other assets. See Part IV, line 11 . . . . .	12,150	15	73,746	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	1,351,678	16	3,165,233	
<b>Liabilities</b>	17	Accounts payable and accrued expenses . . . . .	27,981	17	74,486
	18	Grants payable . . . . .		18	
	19	Deferred revenue . . . . .		19	
	20	Tax-exempt bond liabilities . . . . .		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .	20,000	22	
	23	Secured mortgages and notes payable to unrelated third parties . . . . .	0	23	0
	24	Unsecured notes and loans payable to unrelated third parties . . . . .	0	24	0
	25	Other liabilities. Complete Part X of Schedule D . . . . .	0	25	0
	26	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .	47,981	26	74,486
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	27	Unrestricted net assets . . . . .	1,303,697	27	3,090,747
	28	Temporarily restricted net assets . . . . .		28	
	29	Permanently restricted net assets . . . . .		29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	30	Capital stock or trust principal, or current funds . . . . .		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
33	<b>Total net assets or fund balances . . . . .</b>	1,303,697	33	3,090,747	
34	<b>Total liabilities and net assets/fund balances . . . . .</b>	1,351,678	34	3,165,233	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	27,479,384
2	Total expenses (must equal Part IX, column (A), line 25)	2	25,692,334
3	Revenue less expenses. Subtract line 2 from line 1	3	1,787,050
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,303,697
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	3,090,747

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b Were the organization's financial statements audited by an independent accountant?		X
2c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . . If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: . . . . . <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		X
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

**Schedule B**  
 (Form 990, 990-EZ,  
 or 990-PF)  
 Department of the Treasury  
 Internal Revenue Service

**Schedule of Contributors**

OMB No. 1545-0047

**2010**

▶ Attach to Form 990, 990-EZ, or 990-PF.

Name of the organization  American Action Network, Inc.	Employer identification number  27-0730508
---	--

**Organization type (check one):**

**Filers of:**

**Section:**

- Form 990 or 990-EZ  501(c)( 4 ) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization
- Form 990-PF  501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).



<b>Name of organization</b> American Action Network, Inc.	<b>Employer identification number</b> 27-0730508
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**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	----- ----- -----	\$ ----- 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	----- ----- -----	\$ ----- 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	----- ----- -----	\$ ----- 37,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	----- ----- -----	\$ ----- 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	----- ----- -----	\$ ----- 12,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	----- ----- -----	\$ ----- 305,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization American Action Network, Inc.	Employer identification number 27-0730508
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**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7		\$ 2,725,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8		\$ 100,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9		\$ 30,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10		\$ 7,000,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11		\$ 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12		\$ 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

<b>Name of organization</b> American Action Network, Inc.	<b>Employer identification number</b> 27-0730508
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**Part I Contributors (see instructions)**

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13		\$ 4,000,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14		\$ 96,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15		\$ 2,725,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16		\$ 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17		\$ 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18		\$ 250,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization American Action Network, Inc.	Employer identification number 27-0730508
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**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	----- ----- -----	\$ ----- 100,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20	----- ----- -----	\$ ----- 250,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21	----- ----- -----	\$ ----- 10,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22	----- ----- -----	\$ ----- 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23	----- ----- -----	\$ ----- 500,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24	----- ----- -----	\$ ----- 2,000,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

<b>Name of organization</b> American Action Network, Inc.	<b>Employer identification number</b> 27-0730508
--	---

**Part I Contributors (see instructions)**

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25		\$ 3,500,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
26		\$ 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
27		\$ 1,635,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
28		\$ 200,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
29		\$ 1,000,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
30		\$ 35,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization  
American Action Network, Inc.

Employer identification number  
27-0730508

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
31	----- ----- -----	\$ 500,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
32	----- ----- -----	\$ 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
33	----- ----- -----	\$ 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
34	----- ----- -----	\$ 10,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	----- ----- -----	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	----- ----- -----	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

**SCHEDULE C**  
**(Form 990 or 990-EZ)**

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2010**

**Open to Public Inspection**

**For Organizations Exempt From Income Tax Under section 501(c) and section 527**  
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**  
▶ **See separate instructions.**

Department of the Treasury  
Internal Revenue Service

**If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

**If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

**If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then**

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization: **American Action Network, Inc.** Employer identification number: **27-0730508**

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ **5,035,953**
- 3 Volunteer hours ▶ **300**

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year?  Yes  No
- 4a Was a correction made?  Yes  No
- b If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ **4,996,757**
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ **4,996,757**
- 4 Did the filing organization file **Form 1120-POL** for this year?  Yes  No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
(1)			0	0
(2)			0	0
(3)			0	0
(4)			0	0
(5)			0	0
(6)			0	0

For Paperwork Reduction Act Notice, see the instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2010

(HTA)

American Action Network, Inc.

27-0730508

Schedule C (Form 990 or 990-EZ) 2010

Page 2

**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

- A** Check  if the filing organization belongs to an affiliated group.  
**B** Check  if the filing organization checked box A and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b>	Total lobbying expenditures to influence public opinion (grass roots lobbying) . . . . .	0	0												
<b>b</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .	0	0												
<b>c</b>	Total lobbying expenditures (add lines 1a and 1b) . . . . .	0	0												
<b>d</b>	Other exempt purpose expenditures . . . . .	0	0												
<b>e</b>	Total exempt purpose expenditures (add lines 1c and 1d) . . . . .	0	0												
<b>f</b>	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	0	0												
<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</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> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	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.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
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.														
<b>g</b>	Grassroots nontaxable amount (enter 25% of line 1f) . . . . .	0	0												
<b>h</b>	Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .	0	0												
<b>i</b>	Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .	0	0												
<b>j</b>	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No													

**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 2a through 2f on page 4.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
<b>2a</b> Lobbying nontaxable amount			0	0	0
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					0
<b>c</b> Total lobbying expenditures			0	0	0
<b>d</b> Grassroots nontaxable amount			0	0	0
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					0
<b>f</b> Grassroots lobbying expenditures			0	0	0



Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

Table with 3 columns: (a) Yes, (a) No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation... 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members? 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less? 3 Did the organization agree to carryover lobbying and political expenditures from the prior year?

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."

Table with 2 columns: Question, Amount. Rows include: 1 Dues, assessments and similar amounts from members. 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid). 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues.

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

Part I-A Line 1: Spent limited resources to support or oppose candidates who agreed or disagreed with our center-right principals by engaging in independent candidate advocacy advertising and contributed to a like-minded organization, American Crossroads, to engage in similar activities



SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Name of the organization

Employer identification number

American Action Network, Inc.

27-0730508

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for aggregate data, rows 5-6 for yes/no questions.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 3 columns: Line number, Description, and Held at the End of the Tax Year. Rows 1-8 for various questions and data points.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 3 columns: Line number, Description, and Amount. Rows 1a-1b for reporting requirements, and rows 2a-2b for amounts reported.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other .....
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . .  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . .  Yes  No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- |   | Amount |
|---|--------|
| c Beginning balance . . . . .             | 0      |
| d Additions during the year . . . . .     |        |
| e Distributions during the year . . . . . |        |
| f Ending balance . . . . .                | 0      |
- 2a Did the organization include an amount on Form 990, Part X, line 21? . . . .  Yes  No
- b If "Yes," explain the arrangement in Part XIV.

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .	0				
b Contributions . . . . .					
c Net investment earnings, gains, and losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .	0	0	0		

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
  - b Permanent endowment ▶ \_\_\_\_\_ %
  - c Term endowment ▶ \_\_\_\_\_ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes | No |
|---|-----|----|
| (i) unrelated organizations . . . . .   |     |    |
| (ii) related organizations . . . . .  |     |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . . |     |    |
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .	0	0		0
b Buildings . . . . .	0	0	0	0
c Leasehold improvements . . . . .	0	0	0	0
d Equipment . . . . .	0	42,300	8,327	33,973
e Other . . . . .	0	0	0	0
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . . .				33,973

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .	0	
(2) Closely-held equity interests . . . . .	0	
(3) Other . . . . .	0	
(A) . . . . .	0	
(B) . . . . .	0	
(C) . . . . .	0	
(D) . . . . .	0	
(E) . . . . .	0	
(F) . . . . .	0	
(G) . . . . .	0	
(H) . . . . .	0	
(I) . . . . .	0	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	0	

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)	0	
(2)	0	
(3)	0	
(4)	0	
(5)	0	
(6)	0	
(7)	0	
(8)	0	
(9)	0	
(10)	0	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶	0	

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	0
(2)	0
(3)	0
(4)	0
(5)	0
(6)	0
(7)	0
(8)	0
(9)	0
(10)	0
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	0

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	0
(2)	0
(3)	0
(4)	0
(5)	0
(6)	0
(7)	0
(8)	0
(9)	0
(10)	0
(11)	0
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	0

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

<b>Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements</b>			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	0
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	0
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	0

<b>Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b>			
1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	0
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	0

<b>Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return</b>			
1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	0
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	0

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

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**SCHEDULE I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

Name of the organization

Employer identification number

American Action Network, Inc.

27-0730508

**Part I General Information on Grants and Assistance**

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) American Action Forum 555 13th St NW # 510 W Wash, D	27-0567765	501 (c) (3)	565,000	0			General support
(2) Heartland Institute 19 South LaSalle St # 903 Chicag	36-3309812	501 (c) (3)	300,000	0			Healthcare policy rese
(3) The Center to Protect Patients PO Box 72465 Phoenix, AZ 85050	26-4683543	501 (c) (4)	200,000	0			General support
(4) The Susan B Anthony List 1707 L St NW # 550 Wash, DC 20	54-1850126	501 (c) (4)	20,000	0			General support
(5) Republican Jewish Coalition 50 F St NW # 100 Wash, DC 200	52-1386172	501 (c) (4)	200,000	0			General support
(6)			0	0			
(7)			0	0			
(8)			0	0			
(9)			0	0			
(10)			0	0			
(11)			0	0			
(12)			0	0			

- 2** Enter total number of section 501(c)(3) and government organizations ▶ 2
- 3** Enter total number of other organizations ▶ 3



American Action Network, Inc.

27-0730508

Schedule I (Form 990) (2010)

Page 2

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1	0	0	0		
2	0	0	0		
3	0	0	0		
4	0	0	0		
5	0	0	0		
6	0	0	0		
7	0	0	0		

**Part IV Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Part I Line 1 The Network maintains records that substantiate the amounts and recipients of all grants. While the organization does not make enough grants to have elaborate grant eligibility and selection procedures, all grants are made for general support of like-minded organizations or other purposes that the Network's leadership believes will advance the adoption of center-right policies supported by the Network

**SCHEDULE J  
(Form 990)**

**Compensation Information**  
For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

OMB No. 1545-0047

**2010**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization

Employer identification number

American Action Network, Inc.

27-0730508

**Part I Questions Regarding Compensation**

		Yes	No
<b>1a</b>	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<b>b</b>	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .	<b>1b</b>	
<b>2</b>	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . . . .	<b>2</b>	
<b>3</b>	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. <input checked="" type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input checked="" type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
<b>4</b>	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: <b>a</b> Receive a severance payment or change-of-control payment from the organization or a related organization? <b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan? <b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement? . . . . . If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.	<b>4a</b> <b>4b</b> <b>4c</b>	 X X X
<b>5</b>	<b>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: <b>a</b> The organization? . . . . . <b>b</b> Any related organization? . . . . . If "Yes" to line 5a or 5b, describe in Part III.	<b>5a</b> <b>5b</b>	 X X
<b>6</b>	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: <b>a</b> The organization? . . . . . <b>b</b> Any related organization? . . . . . If "Yes" to line 6a or 6b, describe in Part III.	<b>6a</b> <b>6b</b>	 X X
<b>7</b>	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . . . .	<b>7</b>	X
<b>8</b>	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .	<b>8</b>	X
<b>9</b>	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? . . . . .	<b>9</b>	

For Paperwork Reduction Act Notice, see the instructions for Form 990.  
(HTA)

Schedule J (Form 990) 2010

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Norm Coleman	(i)	236,806	0	0	0	10,097	246,903	0
	(ii)	0	0	0	0	0	0	0
2 Rob Collins	(i)	179,400	0	0	0	0	179,400	0
	(ii)	0	0	0	0	0	0	0
3	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
4	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
5	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
6	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
7	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
8	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
9	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
10	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
11	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
12	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
13	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
14	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
15	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
16	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0



**SCHEDULE O**  
**(Form 990 or 990-EZ)****Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

**2010**Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue ServiceComplete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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27-0730508

Form 990 Part VI Section B Line 15 The board (or a committee thereof) reviews compensation at  
comparable organizations to determine appropriate compensation levels.

Form 990 Part VI Section C Line 19 Documents are provided upon request

Form 990 Part VI Section B Line 11A The Form 990 is reviewed by the President and CEO of the  
organization, with consultation with accounting and legal professionals as appropriate.

Thereafter, a penultimate draft is circulated to all of the members of the organization's  
governing body for review and comment. The organization provides each member of the governing  
body with a final version of the Form 990, except for confidential portions (which are  
available for members of the governing body to review on premises).

Form 990 Part VI Section B Line 12c The organization asks board members, officers, employees,  
and volunteers annually to disclose interests that may give rise to potential conflicts of  
interest under the Conflicts of Interest Policy. It does so in conjunction with asking for  
information about arrangements that may need to be disclosed on the Form 990.

Form 990 Part III Line 4a : Continued to develop a premier center-right grassroots advocacy  
organization with a clear mission statement, high-caliber Board of Directors, clear internal  
procedures, reviews and legal processes;  Conducted extensive issue advocacy activities,  
including television and digital advertising focused on fiscal responsibility, healthcare  
reform, regulatory reform and other federal legislative issues considered by the United States  
Congress;  Hosted educational activities, including grassroots policy events and the use of  
interactive policy briefings called "Learn and Lead" with activists and guest speakers,  
including Senators, Congressmen, former Secretaries and Ambassadors for the US Government that  
educated grassroots leaders about critical issues facing our country with regards to energy,  
education, tax policy, immigration, national security, spending, health care and other  
center-right principles;

Form 990 Part III Line 4a : Established the Hispanic Leadership Network, a center-right  
grassroots issue advocacy and educational initiative for center-right Hispanic activists.

For Paperwork Reduction Act Notice, see the instructions for Form 990 or 990-EZ.  
(HTA)

Schedule O (Form 990 or 990-EZ) (2010)

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which included an inaugural policy education conference in Florida attended by hundreds of grassroots activists and included educational panels with policy experts and guest speakers including current and former Senators, Congressmen, Governors, Cabinet Secretaries and Ambassadors for the US Government

Form 990 Part VI Line 2 Sen. Norm Coleman also served as CEO of the American Action Network, a tax-exempt organization whose board of directors included the following individuals on the American Action Forum's board of directors: Norm Coleman and Fred Malek

Form 990 - This Form 990 has been amended because on the originally filed Form 990 an expense in the amount of \$499,895 was inadvertently reported as a political grant instead of as a lobbying expense. This Amended Form 990 correctly reports the aforementioned \$499,895. Part IX line 1 column (A) & (B) was decreased by \$499,895 and Part IX line 11 (d) column (A) & (B) was increased by \$499,895. The inadvertently reported political grant has now been removed on the Amended Schedule C Part 1-A & 1-C. The inadvertently reported political grant has now been removed on the Amended Schedule I Part II.