

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)

Department of the Treasury
Internal Revenue Service

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

A For the 2002 calendar year, or tax year period beginning and ending

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

C Name of organization: **NARCONON OF OKLAHOMA, INC.**
 Number and street (or P O box if mail is not delivered to street address): **HC 67 BOX 5**
 City or town, state or country, and ZIP + 4: **CANADIAN, OK 74425**

D Employer identification number: **73-1589280**

E Telephone number: **918-339-5800**

F Accounting method: Cash Accrual
 Other (specify):

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates: **N/A**
H(c) Are all affiliates included? Yes No
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4-digit GEN: **2595**

G Web site: **WWW.STOPADDICTION.COM**

J Organization type (check only one): 501(c)(3) 4947(a)(1) or 527

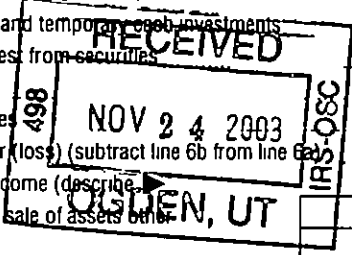
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: **9,986,467.**

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue		Expenses		Net Assets	
1	Contributions, gifts, grants, and similar amounts received				
a	Direct public support	1a	62,115.		
b	Indirect public support	1b	1,513.		
c	Government contributions (grants)	1c			
d	Total (add lines 1a through 1c) (cash \$ 63,628. noncash \$ _____)	1d		63,628.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		9,573,386.	
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4		19,441.	
5	Dividends and interest from securities	5			
6a	Gross rents	6a			
b	Less rental expenses	6b			
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe _____)	7			
8a	Gross amount from sale of assets other than inventory	(A) Securities		(B) Other	
b	Less cost or other basis and sales expenses	8a	2,140.		
c	Gain or (loss) (attach schedule)	8b	30,746.		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	<28,606.>		
9	Special events and activities (attach schedule)		STMT 2	8d	<28,606.>
a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
b	Less direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10a	Gross sales of inventory, less returns and allowances	10a	322,307.		
b	Less cost of goods sold	10b	191,513.		
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	STMT 3	130,794.	
11	Other revenue (from Part VII, line 103)	11		5,565.	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		9,764,208.	
13	Program services (from line 44, column (B))	13		6,698,308.	
14	Management and general (from line 44, column (C))	14		700,980.	
15	Fundraising (from line 44, column (D))	15		19,616.	
16	Payments to affiliates (attach schedule)	16	SEE STATEMENT 4	798,454.	
17	Total expenses (add lines 16 and 44, column (A))	17		8,217,358.	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		1,546,850.	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		1,967,414.	
20	Other changes in net assets or fund balances (attach explanation)	20		0.	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		3,514,264.	



SCANNED DEC 16 2003

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 Page 2

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 (attach schedule) cash \$167,667. non-cash \$	167,667.	167,667.	STATEMENT 7	
23	Specific assistance to individuals (attach schedule)	36,411.	36,411.	STATEMENT 8	
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	152,049.	86,587.	62,677.	2,785.
26	Other salaries and wages	2,716,361.	2,353,857.	354,538.	7,966.
27	Pension plan contributions				
28	Other employee benefits	198,550.	168,545.	29,273.	732.
29	Payroll taxes	232,453.	197,771.	33,822.	860.
30	Professional fundraising fees				
31	Accounting fees	11,723.		11,723.	
32	Legal fees	161,656.	135,660.	25,412.	584.
33	Supplies	119,869.	91,135.	28,405.	329.
34	Telephone	118,236.	100,596.	17,203.	437.
35	Postage and shipping	126,525.	107,161.	18,978.	386.
36	Occupancy	876,225.	829,535.	44,200.	2,490.
37	Equipment rental and maintenance	211,205.	201,037.	9,623.	545.
38	Printing and publications	64,839.	62,897.	1,940.	2.
39	Travel	174,118.	155,094.	18,694.	330.
40	Conferences, conventions, and meetings				
41	Interest	8,840.	8,345.	469.	26.
42	Depreciation, depletion, etc (attach schedule)	98,676.	93,338.	5,052.	286.
43	Other expenses not covered above (itemize)				
a					
b					
c					
d					
e	SEE STATEMENT 5	1,943,501.	1,902,672.	38,971.	1,858.
44	Total functional expenses (also lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	7,418,904.	6,698,308.	700,980.	19,616.

Joint Costs Check if you are following SOP 98-2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (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

What is the organization's primary exempt purpose? **SEE STATEMENT 6**

	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others)
a DETOXIFICATION & REHABILITATION	
SEE STATEMENT 13	
(Grants and allocations \$ 59,405.)	5,683,181.
b DRUG EDUCATION & PREVENTION	
SEE STATEMENT 14	
(Grants and allocations \$ 1,210.)	86,836.
c PUBLIC AWARENESS OF THE PROBLEMS OF DRUG ABUSE AND THEIR SOLUTIONS	
SEE STATEMENT 15	
(Grants and allocations \$ 1,500.)	928,291.
d	
(Grants and allocations \$)	
e Other program services (attach schedule)	(Grants and allocations \$)
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	6,698,308.

Part IV Balance Sheets

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	725,779.	45	1,303,936.
	46	Savings and temporary cash investments	969,485.	46	1,718,626.
	47 a	Accounts receivable			
	47 b	Less allowance for doubtful accounts		47c	
	48 a	Pledges receivable			
	48 b	Less allowance for doubtful accounts		48c	
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees		50	
	51 a	Other notes and loans receivable			
	51 b	Less allowance for doubtful accounts		51c	
	52	Inventories for sale or use	19,772.	52	32,721.
	53	Prepaid expenses and deferred charges		53	
	54	Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a	Investments - land, buildings, and equipment, basis			
	55 b	Less accumulated depreciation		55c	
56	Investments - other		56		
57 a	Land, buildings, and equipment: basis	750,402.			
57 b	Less accumulated depreciation STMT 9	141,021.	57c	609,381.	
58	Other assets (describe ▶ DEPOSITS)	10,235.	58	10,235.	
59	Total assets (add lines 45 through 58) (must equal line 74)	2,230,079.	59	3,674,899.	
Liabilities	60	Accounts payable and accrued expenses	11,477.	60	13,612.
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees		63	
	64 a	Tax-exempt bond liabilities		64a	
	64 b	Mortgages and other notes payable	234,020.	64b	125,749.
	65	Other liabilities (describe ▶ SEE STATEMENT 10)	17,171.	65	21,274.
66	Total liabilities (add lines 60 through 65)	262,668.	66	160,635.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted		67	
	68	Temporarily restricted		68	
	69	Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds	0.	70	0.
	71	Paid-in or capital surplus, or land, building, and equipment fund	0.	71	0.
	72	Retained earnings, endowment, accumulated income, or other funds	1,967,411.	72	3,514,264.
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)	1,967,411.	73	3,514,264.	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	2,230,079.	74	3,674,899.	

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.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

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

a	Total revenue, gains, and other support per audited financial statements	a	N/A
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify) \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	

a	Total expenses and losses per audited financial statements	a	N/A
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify) \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Laurie Zurn 7065 Hollywood Blvd Los Angeles, CA 90028	TRUSTEE 5	0.	0.	0.
Clark R.N. Carr 7060 Hollywood Blvd, Ste 220 Los Angeles, CA 90028	TRUSTEE 5	0.	0.	0.
Joni Ginsberg 6381 Hollywood Blvd, Ste 250 Los Angeles, CA 90028	TRUSTEE .25	0.	0.	0.
Gary W. Smith (SEE STATEMENT 1) HC 67 Box 5 Canadian, OK 74425	DIRECTOR/CEO 48	55,694.	0.	0.
Kathleen Gossein (SEE STATEMENT 1) HC 67 Box 5 Canadian, OK 74425	DIRECTOR/TREASURER 48	42,959.	0.	0.
Michael St. Amand (SEE STATEMENT 1) HC 67 Box 5 Canadian, OK 74425	DIRECTOR/SECRETARY 48	53,396.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule Yes No Form 990 (2002)

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures See line 81 instructions 81a 0.		
b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85 a	501(c)(4), (5), or (6) organizations Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year N/A		
c	Dues, assessments, and similar amounts from members 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 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? N/A		
86 a	501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A		
87 a	501(c)(12) organizations Enter: a Gross income from members or shareholders 87a 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) 87b 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		X
89 a	501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under section 4911 0. , section 4912 0. , section 4955 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		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization 0.		
90 a	List the states with which a copy of this return is filed OKLAHOMA		
b	Number of employees employed in the pay period that includes March 12, 2002 90b 122		
91	The books are in care of MICHAEL ST. AMAND Telephone no 918-339-5800		
Located at HC 67 BOX 5 CANADIAN, OK			
			ZIP + 4 74425-9700
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A		

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a DETOX & REHAB PROGRAMS					9,552,542.
b DRUG REHAB TRAINING					17,826.
c DRUG EDUCATION SERVICES					3,018.
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	19,441.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	<28,606.>	0.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					130,794.
103 Other revenue					
a VENDING MACHINE INCOME			03	5,565.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		<3,600.>	9,704,180.
105 Total (add line 104, columns (B), (D), and (E))					9,700,580.

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 page 32 of 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)
93A	PAYMENTS FOR DETOX AND REHAB PROGRAMS.
93B	PAYMENTS FOR DRUG REHABILITATION TRAINING.
93C	PAYMENTS FOR DRUG EDUCATION SERVICES.
102	SALES OF DETOX & REHAB PROGRAM BOOKS & MATERIALS.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of 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 page 33 of 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 9870 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.

Signature of officer: *[Signature]* Date: 11-17-03

Type or print name and title: MICHAEL ST. AMAND, SECRETARY

Preparer's signature: _____ Date: _____ Check if self-employed: Preparer's SSN or PTIN: _____

Firm's name (or yours if self-employed), address, and ZIP + 4: NARCONON OF OKLAHOMA, INC.

EIN: _____ Phone no: _____

223151 01-22-03

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

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

2002

Supplementary Information-(See separate instructions.)

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

Department of the Treasury
Internal Revenue Service

Name of the organization

NARCONON OF OKLAHOMA, INC.

Employer identification number

73 1589280

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

(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
DENA BOMAN HC 67 BOX 5 CANADIAN, OK 74425	COUNSELOR 48	103,099.	0.	0.
MAUREEN ST. AMAND RR 5 BOX 147B EUFAULA, OK 74432	FINANCE DIR 48	55,724.	0.	0.
DAVID ERIC MITCHELL HC 67 BOX 5 CANADIAN, OK 74425	COUNSELOR 48	55,072.	0.	0.
Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
GERALD D. WOOTAN, D.O. 4320 E 100TH ST. TULSA, OK 74137	MEDICAL DIRECTOR	121,315.
ALEXANDER S. MACNABB 10600 SUNLIT ROAD OAKTON, VA 22124	ATTORNEY	117,352.
DIAGNOSTIC LAB OF OKLAHOMA PO BOX 676324 DALLAS, TX 75267	LABORATORY SERVICES	110,028.
Total number of others receiving over \$50,000 for professional services ▶	0	

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

- 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B)
- Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities
- 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions) **SEE STATEMENT 11**
- a Sale, exchange, or leasing of property?
- b Lending of money or other extension of credit?
- c Furnishing of goods, services, or facilities?
- d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? **SEE PART V AND STATEMENT 1**
- e Transfer of any part of its income or assets?
- 3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)
- 4 Do you have a section 403(b) annuity plan for your employees?

	Yes	No
1		X
2a		X
2b		X
2c		X
2d	X	
2e		X
3		X
4		X

Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions)

The organization is not a private foundation because it is (Please check only ONE applicable box.)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A.)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting
 Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	213,935.	811,615.			1,025,550.
16 Membership fees received					
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	7,387,425.	2,872,503.			10,259,928.
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	35,215.	15,182.			50,397.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
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					
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	3,001.	209.	SEE STATEMENT 12		3,210.
23 Total of lines 15 through 22	7,639,576.	3,699,509.	0.	0.	11,339,085.
24 Line 23 minus line 17	252,151.	827,006.			1,079,157.
25 Enter 1% of line 23	76,396.	36,995.			
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 21,583.
	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 1998 through 2001 exceeded the amount shown in line 26a Do not file this list with your return Enter the sum of all these excess amounts				26b 153,417.
	c Total support for section 509(a)(1) test Enter line 24, column (e)				26c 1,079,157.
	d Add Amounts from column (e) for lines 18 50,397. 19 153,417. 22 3,210. 26b				26d 207,024.
	e Public support (line 26c minus line 26d total)				26e 872,133.
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 80.8161%
27 Organizations described on line 12	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" Do not file this list with your return Enter the sum of such amounts for each year N/A				
	(2001)	(2000)	(1999)	(1998)	
	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 11, 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 N/A				
	(2001)	(2000)	(1999)	(1998)	
	c Add Amounts from column (e) for lines 15 16 17 20 21				27c N/A
	d Add Line 27a total and line 27b total				27d N/A
	e Public support (line 27c total minus line 27d total)				27e N/A
	f Total support for section 509(a)(2) test Enter amount on line 23, column (e) 27f N/A				
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g N/A %
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h N/A %
28 Unusual Grants	For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return Do not include these grants in line 15				

Part V Private School Questionnaire (See page 7 of the instructions) N/A
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		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.)		

34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? 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 page 9 of the instructions)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
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 - If the amount on line 40 is - The lobbying nontaxable amount is - 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	
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 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h)			0.

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

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	PLANT & TECHNICAL EQUIPMENT	070100SL		5.00	16	8,475.			8,475.	2,540.		1,695.
2	(D)COMPUTER (1997)	070100SL		4.00	16	4,659.			4,659.	2,330.		0.
3	(D)COMPUTER (1998)	070100SL		4.00	16	8,405.			8,405.	4,203.		0.
4	(D)COMPUTER (1999)	070100SL		4.00	16	15,652.			15,652.	6,522.		0.
5	(D)COMPUTER (2000)	070111SL		4.00	16	5,000.			5,000.	1,875.		0.
6	COMPUTER (2000)	070100SL		4.00	16	11,631.			11,631.	3,946.		2,908.
7	COMPUTER (2000)	070100SL		4.00	16	6,783.			6,783.	2,374.		1,696.
8	VEHICLE (1998)	070100SL		2.00	16	400.			400.	300.		100.
9	(D)VEHICLE (2000)	070100SL		3.00	16	5,833.			5,833.	2,917.		0.
10	VEHICLE (2000)	070100SL		3.00	16	2,083.			2,083.	1,042.		694.
11	(D)VEHICLE (2000)	070100SL		3.00	16	1,667.			1,667.	833.		0.
12	(D)VEHICLE (2000)	070100SL		3.00	16	6,500.			6,500.	3,250.		0.
13	LEASEHOLD IMPROVEMENTS	090101SL		30.00	16	203,900.			203,900.	2,266.		6,797.
14	EQUIPMENT & FURNITURE (2001)	070101SL		5.00	16	76,446.			76,446.	7,645.		15,289.
15	EQUIPMENT & FURNITURE (2001)	070100SL		5.00	16	17,429.			17,429.	1,743.		3,486.
16	EQUIPMENT & FURNITURE (2001)	070101SL		5.00	16	88,069.			88,069.	8,807.		17,614.
17	COMPUTER (2001)	070101SL		4.00	16	27,549.			27,549.	3,444.		6,887.
18	VEHICLE (2001)	070101SL		5.00	16	31,594.			31,594.	3,159.		6,319.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
19	VEHICLE (2001)	070101SL		5.00	16	28,951.			28,951.	2,895.		5,790.
20	VEHICLE (2001)	070101SL		3.00	16	5,550.			5,550.	925.		1,850.
21	VEHICLE (2001)	070101SL		3.00	16	7,550.			7,550.	1,258.		2,517.
22	(D)VEHICLE (2001)	070101SL		3.00	16	5,950.			5,950.	992.		0.
23	LEASEHOLD IMPROVEMENTS PLANT & TECHNICAL	090102SL		30.00	16	30,864.			30,864.			343.
24	EQUIPMENT (2002)	070102SL		5.00	16	48,747.			48,747.			4,875.
25	EQUIPMENT & FURNITURE (2002)	070102SL		5.00	16	60,933.			60,933.			6,093.
26	COMPUTER (2002)	070102SL		4.00	16	44,408.			44,408.			5,551.
27	VEHICLE (2002)	070102SL		3.00	16	16,495.			16,495.			2,749.
28	VEHICLE (2002)	070102SL		3.00	16	16,495.			16,495.			2,749.
29	VEHICLE (2002)	070102SL		3.00	16	16,050.			16,050.			2,675.
	* TOTAL 990 PAGE 2 DEPR					804,068.		0.	804,068.	65,266.	0.	98,677.

FOOTNOTES

STATEMENT 1

FORM 990, PART V LIST OF OFFICERS, DIRECTORS, TRUSTEES AND
KEY EMPLOYEES

OFFICERS, DIRECTORS, AND TRUSTEES WHO ARE ALSO EMPLOYEES
ARE COMPENSATED ONLY FOR THEIR DUTIES AS EMPLOYEES, NOT
FOR THEIR DUTIES AS OFFICERS, DIRECTORS, AND TRUSTEES.

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
VEHICLE - TAURUS SEDAN	06/30/00	07/19/02	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
TRADE IN	645.	5,833.	0.	2,917.	<2,271.>

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
VEHICLE - MERCURY GRAND MARQUIS	06/30/00	07/19/02	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
TRADE IN	745.	6,500.	0.	3,250.	<2,505.>

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
VEHICLE - CHEVY PICKUP TRUCK	12/31/00	12/31/02	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
NORTH 60 AUTO SALVAGE	250.	1,667.	0.	833.	<584.>

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
VEHICLE - FORD LTD SEDAN	07/01/01	04/29/02	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
31 AUTO SALES	500.	5,950.	0.	992.	<4,458.>

<u>DESCRIPTION</u>	<u>DATE ACQUIRED</u>	<u>DATE SOLD</u>	<u>METHOD ACQUIRED</u>		
COMPUTER EQUIPMENT	07/01/00	12/31/02	PURCHASED		
<u>NAME OF BUYER</u>	<u>GROSS SALES PRICE</u>	<u>COST OR OTHER BASIS</u>	<u>EXPENSE OF SALE</u>	<u>DEPREC</u>	<u>NET GAIN OR (LOSS)</u>
WRITE OFF	0.	33,717.	0.	14,429.	<19,288.>
TO FM 990, PART I, LN 8	2,140.	53,667.	0.	22,421.	<29,106.>

FORM 990

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS	322,307	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		322,307
4. COST OF GOODS SOLD (LINE 13)	191,513	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		130,794

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR	19,772	
7. MERCHANDISE PURCHASED	204,462	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		224,234
12. INVENTORY AT END OF YEAR	32,721	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12).		191,513

FORM 990 PAYMENTS TO AFFILIATES STATEMENT 4

AFFILIATE'S NAME	AFFILIATE'S ADDRESS	AMOUNT
NARCONON INTERNATIONAL	7060 HOLLYWOOD BLVD. #220 LOS ANGELES, CA 90028	798,454.
PURPOSE OF PAYMENT		
LICENSING FEES		798,454.
TOTAL TO FORM 990, PART I, LINE 16		798,454.

FORM 990 OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROMOTION	417,888.	413,740.	3,197.	951.
STAFF TRAINING	226,971.	203,362.	23,024.	585.
COMMISSIONS	248,378.	248,378.		
PROGRAM DELIVERY	952,640.	952,640.		
LICENSES & FEES	9,335.	9,092.	239.	4.
COURSE MATERIALS	2,301.	2,301.		
BANK CHARGES	85,988.	73,159.	12,511.	318.
TOTAL TO FM 990, LN 43	1,943,501.	1,902,672.	38,971.	1,858.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 6
PART III

EXPLANATION

THE CORPORATION IS ORGANIZED TO OPERATE EXCLUSIVELY FOR CHARITABLE PURPOSES BY PROVIDING DRUG REHABILITATION AND EDUCATIONAL SERVICES THROUGH THE USE OF TECHNOLOGY RESEARCHED AND DEVELOPED BY L. RON HUBBARD.

FORM 990 CASH GRANTS AND ALLOCATIONS STATEMENT 7

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
CONTRIBUTION	ABLE INTERNATIONAL	LOS ANGELES, CA 90028	N/A	19,500.
CONTRIBUTION	NARCONON INTERNATIONAL	LOS ANGELES, CA 90028	N/A	143,017.
CONTRIBUTION	CROWDER SENIOR CENTER	CROWDER, OKLAHOMA	N/A	550.
CONTRIBUTION	CANADIAN SENIOR CENTER	CANADIAN, OKLAHOMA	N/A	550.
CONTRIBUTION	US IAS MEMBERS' TRUST		N/A	3,750.
CONTRIBUTION	JANE BROOKS SCHOOL FOR THE DEAF		N/A	100.
CONTRIBUTION	COMMUNITY FOOD BANK		N/A	100.
CONTRIBUTION	NARCONON STONE HAWK	BATTLE CREEK, MICHIGAN	N/A	100.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				167,667.

FORM 990 SPECIFIC ASSISTANCE TO INDIVIDUALS STATEMENT 8

DESCRIPTION	AMOUNT
CASH ASSISTANCE TO STUDENTS ON DRUG REHAB PROGRAM	36,411.
TOTAL TO FORM 990, PART II, LINE 23	36,411.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 9

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
PLANT & TECHNICAL EQUIPMENT	8,475.	4,235.	4,240.
COMPUTER (2000)	11,631.	6,854.	4,777.
COMPUTER (2000)	6,783.	4,070.	2,713.
VEHICLE (1998)	400.	400.	0.
VEHICLE (2000)	2,083.	1,736.	347.
LEASEHOLD IMPROVEMENTS	203,900.	9,063.	194,837.
EQUIPMENT & FURNITURE (2001)	76,446.	22,934.	53,512.
EQUIPMENT & FURNITURE (2001)	17,429.	5,229.	12,200.
EQUIPMENT & FURNITURE (2001)	88,069.	26,421.	61,648.
COMPUTER (2001)	27,549.	10,331.	17,218.
VEHICLE (2001)	31,594.	9,478.	22,116.
VEHICLE (2001)	28,951.	8,685.	20,266.
VEHICLE (2001)	5,550.	2,775.	2,775.
VEHICLE (2001)	7,550.	3,775.	3,775.
LEASEHOLD IMPROVEMENTS	30,864.	343.	30,521.
PLANT & TECHNICAL EQUIPMENT (2002)	48,747.	4,875.	43,872.
EQUIPMENT & FURNITURE (2002)	60,933.	6,093.	54,840.
COMPUTER (2002)	44,408.	5,551.	38,857.
VEHICLE (2002)	16,495.	2,749.	13,746.
VEHICLE (2002)	16,495.	2,749.	13,746.
VEHICLE (2002)	16,050.	2,675.	13,375.
TOTAL TO FORM 990, PART IV, LN 57	750,402.	141,021.	609,381.

FORM 990 OTHER LIABILITIES STATEMENT 10

DESCRIPTION	AMOUNT
FUNDS HELD ON BEHALF OF STUDENTS	19,659.
OTHER PAYABLES	1,615.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	21,274.

SCHEDULE A STATEMENT REGARDING ACTIVITIES WITH SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, CREATORS, KEY EMPLOYEES, ETC., PART III, LINE 2 STATEMENT 11

SEE PART V, FORM 990

SCHEDULE A OTHER INCOME STATEMENT 12

DESCRIPTION	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT	1998 AMOUNT
COMMISSION EARNED	3,001.	209.	0.	0.
TOTAL TO SCHEDULE A, LINE 22	3,001.	209.	0.	0.

**2002 FORM 990, PART III
FEDERAL ID # 73-1589280
NARCONON OF OKLAHOMA, INC.
STATEMENT # 13**

**DESCRIPTION OF PROGRAM SERVICE ONE
(DETOXIFICATION AND REHABILITATION)**

NARCONON OF OKLAHOMA, INC CONTINUED ITS EXPANSION IN 2002, WHICH WAS ITS FIRST FULL YEAR IN ITS NEW FACILITY IN SOUTHEASTERN OKLAHOMA ON THE SHORES OF LAKE EUFAULA THIS IDEAL LOCATION, COMBINED WITH THE CENTER'S EXPERIENCED STAFF, PROVIDED THOSE WITH SUBSTANCE ABUSE PROBLEMS EVERY OPPORTUNITY TO SUCCEED IN REBUILDING THEIR LIVES AND RESTORING THEMSELVES AS ETHICAL, CONTRIBUTING MEMBERS OF SOCIETY

NARCONON ARROWHEAD STEADILY MAINTAINED A LEVEL OF OPERATION INCLUDING MORE THAN 150 STUDENTS ON THE PROGRAM BEING SERVICED BY APPROXIMATELY 140 STAFF WITH A BED CAPACITY OF 230 THE NARCONON ARROWHEAD DRUG AND ALCOHOL REHABILITATION PROGRAM IS THE LARGEST, PRIVATE RESIDENTIAL REHABILITATION FACILITY IN OKLAHOMA STAFFERS INCLUDE CERTIFIED CHEMICAL DEPENDENCY COUNSELORS AS WELL AS TRAINED MEDICAL AND NURSING STAFF WHO ARE SPECIALIZED IN NARCONON'S DRUG-FREE TREATMENT APPROACH

IN FEBRUARY, 19 ADDITIONAL STAFF AT NARCONON ARROWHEAD WERE GRANTED CERTIFICATION AS CHEMICAL DEPENDENCY COUNSELORS BY THE NATIONAL BOARD OF ADDICTION EXAMINERS, SHOWING THE LEVEL OF STANDARDS EXPECTED BY THE FACILITY IN SEEKING CONTINUAL IMPROVEMENT OVER ITS ALREADY SUCCESSFUL PROGRAM

THE NARCONON DRUG AND ALCOHOL REHABILITATION PROGRAM WAS DEVELOPED BY AMERICAN AUTHOR AND HUMANITARIAN L RON HUBBARD NARCONON ARROWHEAD OFFERS A DRUG-FREE APPROACH TO REHABILITATION, INCLUDING A NON-MEDICAL WITHDRAWAL PROCESS FOLLOWED BY COMMUNICATION DRILLS, AND BY THE STUDENT'S PARTICIPATION IN A DRY SAUNA ACCOMPANIED BY VITAMIN SUPPLEMENTS AND FLUIDS TO REMOVE DRUG RESIDUALS STORED IN THE FATTY TISSUES OF THE BODY OTHER DRILLS ARE DONE TO ORIENT THE INDIVIDUAL TO THE ENVIRONMENT WHICH IS THEN FOLLOWED BY VARIOUS LIFE SKILLS COURSES THAT ENABLE THE INDIVIDUAL TO ADDRESS THOSE FACTORS IN LIFE THAT CONTRIBUTED TO HIS OR HER SUBSTANCE ABUSE PROBLEMS ANY PENDING LEGAL OR FAMILY ISSUES ARE ALSO ADDRESSED PRIOR TO THE STUDENT GRADUATING

IN JUNE OF 2002, NARCONON OF OKLAHOMA, INC UNDERWENT AN EXTENSIVE SURVEY AND REVIEW BY CARF (COMMISSION ON ACCREDITATION OF REHABILITATION FACILITIES) UPON COMPLETION OF THIS SURVEY, NARCONON OF OKLAHOMA, INC WAS AWARDED ANOTHER THREE YEAR ACCREDITATION, THE HIGHEST AWARD GIVEN BY CARF UPON INSPECTION IN A LETTER ISSUED BY CARF FOLLOWING THE INSPECTION THE COMMISSION STATED, "THIS ACHIEVEMENT IS AN INDICATION OF YOUR ORGANIZATION'S DEDICATION AND COMMITMENT TO IMPROVING THE QUALITY OF THE LIVES OF THE PEOPLE RECEIVING SERVICES "

NARCONON OF OKLAHOMA, INC PROVIDED SUBSTANCE ABUSE TREATMENT SERVICES TO HUNDREDS OF INDIVIDUALS IN 2002, INCLUDING 388 WHO GRADUATED THE ENTIRE PROGRAM, WHICH WAS A 20% INCREASE OVER 2001 THESE INDIVIDUALS COMBINED COMPLETED THOUSANDS OF COURSES, EMPOWERING THEM TO BECOME STABLE DRUG-FREE, CONTRIBUTING MEMBERS OF SOCIETY

IN SEPTEMBER 2002, NARCONON ARROWHEAD CELEBRATED ITS FIRST FULL YEAR IN ITS NEW FACILITY WITH AN ANNIVERSARY EVENT GUEST SPEAKERS INCLUDED A GRADUATE FROM THE ORIGINAL NARCONON PROGRAM FROM 1966 AS WELL AS OKLAHOMA ELECTED OFFICIALS THE MAYORS OF THE NEIGHBORING COMMUNITIES ISSUED PROCLAMATIONS AND LETTERS OF SUPPORT IN HONOR OF THE OCCASION

NARCONON ARROWHEAD ALSO OPERATED THE INTERNATIONAL TRAINING CENTER FOR THE NARCONON DRUG REHABILITATION NETWORK THIS TRAINING CENTER PROVIDES THE VITAL TRAINING NECESSARY TO DELIVER THE NARCONON DRUG TREATMENT METHODOLOGY STAFF FROM OTHER NARCONON DRUG REHABILITATION CENTERS IN THE UNITED STATES AND OTHER COUNTRIES AS WELL AS INDIVIDUALS OR GROUPS INTERESTED IN OPENING A NEW NARCONON TREATMENT CENTER IN THEIR COMMUNITY CAME TO NARCONON ARROWHEAD TO OBTAIN THIS TRAINING

IN 2002, NARCONON ARROWHEAD TRAINED INDIVIDUALS FROM ARIZONA, OKLAHOMA, TEXAS, ALASKA, GEORGIA, ARKANSAS, MASSACHUSETTS, NEW YORK, FLORIDA AND INDIA THESE TRAINEES WENT BACK TO THEIR STATE OR COUNTRY TO DELIVER DRUG EDUCATION OR OPEN MORE NARCONON DRUG AND ALCOHOL REHABILITATION CENTERS TO HELP PEOPLE SUFFERING FROM SUBSTANCE ABUSE IN THOSE AREAS

	Grants	Expenses
To Form 990, Part III, line A	59,405	5,683,181

**2002 FORM 990, PART III
FEDERAL ID # 73-1589280
NARCONON OF OKLAHOMA, INC.
STATEMENT # 14**

**DESCRIPTION OF PROGRAM SERVICE THREE
(DRUG EDUCATION AND PREVENTION)**

IN 2002, NARCONON OF OKLAHOMA'S FULLY ESTABLISHED DRUG EDUCATION AND PREVENTION PROGRAM PROVIDED FUN AND VERY EDUCATIONAL PRESENTATIONS FOR CHILDREN, GRADES 3 THROUGH 12, WHO ARE ENCOURAGED TO PARTICIPATE THESE PRESENTATIONS ARE DONE IN SCHOOLS DURING THE SCHOOL YEAR AND AT SUMMER CAMPS, CHURCHES AND COMMUNITY CENTERS WHEN CHILDREN ARE OUT OF SCHOOL

NARCONON ARROWHEAD DRUG PREVENTION SPECIALISTS SPOKE TO MORE THAN 41,000 INDIVIDUALS IN 2002, OR NEARLY THREE TIMES AS MANY AS THE PREVIOUS YEAR AS WORD OF THE EFFECTIVE AND ENTERTAINING PROGRAM SPREAD, SCHOOLS FROM ALL OVER OKLAHOMA AND SURROUNDING STATES CONSISTENTLY CALL TO SCHEDULE PRESENTATIONS FOR THEIR CHILDREN

BACK-AND-FORTH COMMUNICATION COUPLED WITH A PRESENTATION ON THE TRUTH ABOUT HOW DRUGS AFFECT A PERSON'S MIND AND BODY, CREATES AN INFORMATIVE PROGRAM IN WHICH STUDENTS ARE TRULY INTERESTED THEY RECEIVE VITAL INFORMATION FROM FIRST-HAND EXPERIENCE OF SOMEONE FORTUNATE ENOUGH TO HAVE OVERCOME A PROBLEM WITH ADDICTION

IN ADDITION TO LIVE, IN-PERSON PRESENTATIONS, NARCONON ARROWHEAD DISTRIBUTED MORE THAN 20,000 INFORMATIONAL PAMPHLETS TO FURTHER SPREAD THE WORD ABOUT THE NARCONON DRUG EDUCATION & PREVENTION SERVICES, THAT PROVIDE CORRECT INFORMATION ABOUT DRUG ABUSE AND PREVENTION TO STUDENTS, TEACHERS AND PARENTS

ROUNDING OFF THE EDUCATIONAL SERIES INCLUDED THE DISTRIBUTION OF NEARLY 100 VIDEOTAPED LECTURES AND THOUSANDS OF VISITORS TO www.narconon-drug-education.com

	Grants	Expenses
To Form 990, Part III, line C	1,210	86,836

**2002 FORM 990, PART III
FEDERAL ID # 73-1589280
NARCONON OF OKLAHOMA, INC.
STATEMENT # 15**

**DESCRIPTION OF PROGRAM SERVICE TWO
(PUBLIC AWARENESS)**

DURING 2002, NARCONON OF OKLAHOMA, INC CONDUCTED A PUBLIC AWARENESS AND EDUCATION CAMPAIGN THROUGH THE DIFFERENT MEDIUMS OF THE INTERNET, RADIO, TELEVISION, AND PRINT MEDIA THESE AIRINGS AND PUBLICATIONS INFORMED LISTENERS AND READERS ABOUT THE MECHANICS OF DRUG AND ALCOHOL ADDICTION AND EXPLAINED HOW THE NARCONON DRUG AND ALCOHOL REHABILITATION PROGRAM PROVIDES AN EFFECTIVE SOLUTION TO THIS NATIONAL PROBLEM

STARTING IN JANUARY OF 2002 NARCONON ARROWHEAD BEGAN DISTRIBUTING TELEVISION PUBLIC SERVICE ANNOUNCEMENTS THESE PSA'S AIRED IN DOZENS OF STATES, INCLUDING SEVERAL MONTHS ON THREE NATIONAL NEWS CHANNELS, REACHING MILLIONS OF VIEWERS THIS ACTION WAS BACKED UP BY FIVE LIVE TELEVISION INTERVIEWS IN FIVE DIFFERENT STATES

NARCONON ARROWHEAD CONTINUED SENDING OUT WRITTEN ARTICLES ON THE SUBJECT OF DRUG ADDICTION AND BY THE END OF THE YEAR 368 ARTICLES HAD BEEN PRINTED IN SEVERAL STATES THESE ARTICLES HELPED TO EDUCATE AND INFORM SEVERAL MILLION MORE READERS

MORE THAN FOUR MILLION ADVERTISEMENTS WERE RUN IN PRINT MEDIA, ON TELEVISION AND RADIO AND THROUGH INTERNET CLASSIFIED ADS IN ADDITION, THERE WERE HUNDREDS OF LIVE RADIO INTERVIEWS AND PUBLIC SERVICE ANNOUNCEMENTS AIRED THESE ACTIONS COMBINED WITH MILLIONS OF VISITORS WHO VIEWED ANY OF NARCONON OF OKLAHOMA, INC 'S 26 WEBSITES HELPED TO GET VITAL INFORMATION ABOUT SUBSTANCE ABUSE TO MILLIONS OF PEOPLE ACROSS THE NATION TO ENABLE THEM TO STOP THE SPREAD OF SUBSTANCE ABUSE EITHER BY THEMSELVES OR BY A FRIEND, FAMILY MEMBER OR LOVED ONE

THE TWENTY-SIX WEBSITES OPERATED BY NARCONON OF OKLAHOMA, INC ARE

www addiction2 com	www narconon-books com
www addictionservices com	www narcononcenter com
www alternative-sentencing com	www narconon-founder com
www cocaineaddiction com	www narconon-facts com
www drugaddictionprogram com	www narconon-chilocco com
www drugcravings com	www narconon-arrowhead com
www drugintervention com	www narconon-drug-education com
www ecstasyaddiction com	www narconon-results com
www heroinaddiction com	www narconon-help com
www marijuanaaddiction com	www narconon-rehab com
www methamphetamineaddiction com	www stopaddiction com
www drugaddictservices com	www druginformationnetwork org
www drugrehabilitationcenter org	www narconon-rehabilitation com

AS A RESULT OF THESE DISSEMINATION AND PUBLIC SERVICE EFFORTS VIA THE INTERNET AND OTHER MEDIA OUTLETS, MORE THAN 43,000 INDIVIDUALS CONTACTED NARCONON OF OKLAHOMA, INC DIRECTLY FOR MORE INFORMATION AND HELP MANY OF THESE PEOPLE WERE REFERRED TO PROGRAMS IN THEIR LOCAL AREA TO RECEIVE THE NECESSARY DRUG OR ALCOHOL REHABILITATION CLOSER TO THEIR HOME

	Grants	Expenses
To Form 990, Part III, line B	1,500	928,291

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions ▶ Attach to your tax return

Name(s) shown on return NARCONON OF OKLAHOMA, INC.	Business or activity to which this form relates FORM 990 PAGE 2	Identifying number 73-1589280
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Part I Election To Expense Certain Tangible Property Under Section 179 Note If you have any listed property, complete Part V before you complete Part I

1 Maximum amount See instructions for a higher limit for certain businesses	1	24,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0- If married filing separately, see instructions	5	
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property Enter amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2001 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2003 Add lines 9 and 10, less line 12	13	

Note Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election (see instructions)	15	
16 Other depreciation (including ACRS) (see instructions)	16	98,677.

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2002	17	
18 If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2002 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3 year property						
b 5 year property						
c 7 year property						
d 10-year property						
e 15 year property						
f 20 year property						
g 25 year property			25 yrs		S/L	
h Residential rental property	/		27.5 yrs	MM	S/L	
	/		27.5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2002 Tax Year Using the Alternative Depreciation System

20a Class life					S/L
b 12 year			12 yrs		S/L
c 40-year	/		40 yrs	MM	S/L

Part IV Summary (See instructions)

21 Listed property Enter amount from line 28	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations see instr	22	98,677.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement)
Note For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution See instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L		
		%				S/L		
		%				S/L		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
 If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2002 tax year					
43 Amortization of costs that began before your 2002 tax year					43
44 Total Add amounts in column (f) See instructions for where to report					44

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions ▶ Attach to your tax return

Name(s) shown on return NARCONON OF OKLAHOMA, INC.	Business or activity to which this form relates FORM 990 PAGE 2	Identifying number 73-1589280
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1 Maximum amount See instructions for a higher limit for certain businesses	1	24,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)
7	Listed property Enter amount from line 29	(c) Elected cost
8	7 Listed property Enter amount from line 29	8
9	8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	9
10	9 Tentative deduction Enter the smaller of line 5 or line 8	10
11	10 Carryover of disallowed deduction from line 13 of your 2001 Form 4562	11
12	11 Business income limitation Enter the smaller of business income (not less than zero) or line 5	12
13	12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	13
	13 Carryover of disallowed deduction to 2003 Add lines 9 and 10, less line 12	

Note Do not use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election (see instructions)	15	
16 Other depreciation (including ACRS) (see instructions)	16	98,712.

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A	
17 MACRS deductions for assets placed in service in tax years beginning before 2002	17
18 If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>	

Section B - Assets Placed in Service During 2002 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3 year property						
b 5 year property						
c 7 year property						
d 10-year property						
e 15 year property						
f 20-year property						
g 25 year property			25 yrs		S/L	
h Residential rental property	/		27 5 yrs	MM	S/L	
	/		27 5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2002 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12 year			12 yrs		S/L	
c 40-year	/		40 yrs	MM	S/L	

Part IV Summary (See instructions)

21 Listed property Enter amount from line 28	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations see instr	22	98,712.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement)
Note For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution See instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L		
		%				S/L		
		%				S/L		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1							28	
29 Add amounts in column (f), line 26 Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
 If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? Note If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2002 tax year					
43 Amortization of costs that began before your 2002 tax year					43
44 Total. Add amounts in column (f) See instructions for where to report					44