

Return of Organization Exempt From Income Tax
 Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

Department of the Treasury
Internal Revenue Service

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

A For the 1998 calendar year, OR tax year period beginning , 1998, and ending , 19

- B** Check if:
- Change of address
 - Initial return
 - Final return
 - Amended return (required also for state reporting)

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
THREE ANGELS BROADCASTING NETWORK INC
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
PO BOX 220
 City or town, state or country, and ZIP+4
WEST FRANKFORT, IL 62896

D Employer identification number
371179056
E Telephone number
01-8618774
F Check if exemption application is pending

G Type of organization— Exempt under section 501(c)() ◀ (insert number) OR section 4947(a)(1) nonexempt charitable trust
Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H(a) Is this a group return filed for affiliates? Yes No
I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) ▶ _____
(b) If "Yes," enter the number of affiliates for which this return is filed: . . . ▶ _____
J Accounting method: Cash Accrual
(c) Is this a separate return filed by an organization covered by a group ruling? Yes No
 Other (specify) ▶ _____

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 it received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 13.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:					
	a Direct public support	1a	7,557,624			
	b Indirect public support	1b				
	c Government contributions (grants)	1c				
	d Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 7,460,075 noncash \$ 97,549)	1d		7,557,624		
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		519,542		
	3 Membership dues and assessments	3				
	4 Interest on savings and temporary cash investments	4		48,715		
	5 Dividends and interest from securities	5				
	6a Gross rents	6a	17,055			
	b Less: rental expenses	6b	7,846			
	6c Net rental income or (loss) (subtract line 6b from line 6a)	6c		9,209		
7 Other investment income (describe ▶)	7					
	8a Gross amount from sale of assets other than inventory	(A) Securities		(B) Other		
		8a	258,740			
	b Less: cost or other basis and sales expenses	8b	101,012			
	c Gain or (loss) (attach schedule)	8c	157,728			
8d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		157,728			
	9 Special events and activities (attach schedule)					
	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a				
	b Less: direct expenses other than fundraising expenses	9b				
9c Net income or (loss) from special events (subtract line 9b from line 9a)	9c					
	10a Gross sales of inventory, less returns and allowances	10a	796,218			
	b Less: cost of goods sold	10b	712,201			
	10c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		84,017		
	11 Other revenue (from Part VII, line 103)	11		200,230		
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		8,577,065		
	Expenses	13 Program services (from line 44, column (B))	13		3,496,958	
		14 Management and general (from line 44, column (C))	14		3,263,010	
15 Fundraising (from line 44, column (D))		15				
16 Payments to affiliates (attach schedule)		16				
17 Total expenses (add lines 16 and 44, column (A))	17		6,759,968			
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		1,817,097		
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19				
	20 Other changes in net assets or fund balances (attach explanation)	20				
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			95101199	

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. (See Specific Instructions on page 17.)

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 \$ _____ noncash \$ _____)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	94,197		94,197	
26	Other salaries and wages	1,021,369	354,394	666,975	
27	Pension plan contributions	6,238		6,238	
28	Other employee benefits	43,940	43,940		
29	Payroll taxes	87,588		87,588	
30	Professional fundraising fees	101,263		101,263	
31	Accounting fees	10,291		10,291	
32	Legal fees	44,708		44,708	
33	Supplies	169,559	114,418	55,141	
34	Telephone	91,282		91,282	
35	Postage and shipping	110,629		110,629	
36	Utilities	55,159		55,159	
37	Equipment rental and maintenance	2,201,186	2,146,132	55,054	
38	Printing and publications	436,608		436,608	
39	Travel	160,634		160,634	
40	Conferences, conventions, and meetings	5,949		5,949	
41	Interest	14,920		14,920	
42	Depreciation, depletion, etc. (attach schedule)	953,166		953,166	
43	Other expenses (itemize): a Downlink	758,242	758,242		
b	Real Estate Taxes	3,925		3,925	
c	Special Projects	299,360		299,360	
d	R. & M. Buildings	9,923		9,923	
e	Broadcasting	79,832	79,832		
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	6,759,968	3,496,958	3,263,010	

Reporting of Joint Costs.—Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? 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 (See Specific Instructions on page 20.)

What is the organization's primary exempt purpose? ▶	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
Satellite Television Ministry	
a Production & distribution of 24 hour per day religious programming for electronic transmission throughout the world. (Grants and allocations \$ _____)	3,496,958
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
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) ▶	3,496,958

Part IV Balance Sheets (See Specific Instructions on page 20.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing	31,424	45	28,761
	46 Savings and temporary cash investments	989,720	46	1,235,055
	47a Accounts receivable		47a	
	b Less: allowance for doubtful accounts		47b	
		106,598	47c	142,096
	48a Pledges receivable		48a	
	b Less: allowance for doubtful accounts		48b	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule).		51a	
	b Less: allowance for doubtful accounts		51b	
	52 Inventories for sale or use	0	52	31,953
	53 Prepaid expenses and deferred charges	342,330	53	408,515
	54 Investments—securities (attach schedule)		54	
	55a Investments—land, buildings, and equipment: basis		55a	
	b Less: accumulated depreciation (attach schedule).		55b	
	56 Investments—other (attach schedule)		56	
	57a Land, buildings, and equipment: basis	12,252,222	57a	
	b Less: accumulated depreciation (attach schedule).	4,170,232	57b	
58 Other assets (describe ► <u>Trusts</u>)	6,904,973	57c	8,081,990	
	8,088,978	58	12,064,174	
59 Total assets (add lines 45 through 58) (must equal line 74)		59	21,992,544	
Liabilities	60 Accounts payable and accrued expenses	138,278	60	270,799
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule).		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)	176,190	64b	166,265
	65 Other liabilities (describe ► <u>Refundable Advances</u>)	8,405,453	65	11,994,282
	66 Total liabilities (add lines 60 through 65)	8,719,921	66	12,431,346
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	7,146,729	67	8,453,596
	68 Temporarily restricted	597,373	68	1,107,602
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	7,744,102	73	9,561,198
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	16,464,023	74	21,992,544

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 (See Specific Instructions, page 22.)

a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	8577065
b	Amounts included on line a but not on line 12, Form 990:	b	
	(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	8577065
d	Amounts included on line 12, Form 990 but not on line a:	d	
	(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	8577065

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

a	Total expenses and losses per audited financial statements . . . ▶	a	6759968
b	Amounts included on line a but not on line 17, Form 990:	b	
	(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	6759968
d	Amounts included on line 17, Form 990 but not on line a:	d	
	(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	6759968

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 22.)

(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
See Attached List				

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? Yes No
 If "Yes," attach schedule—see Specific Instructions on page 22.

Part VI Other Information (See Specific Instructions on page 23.)

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	76		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.	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b		X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80a	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?	80a		X
b	If "Yes," enter the name of the organization ▶ _____ and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	81a		
b	Did the organization file Form 1120-POL for this year?	81b		X
82a	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?	82a		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 for reporting in Part III.)	82b		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	501(c)(4), (5), or (6) organizations.—a Were substantially all dues nondeductible by members?	85a		
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.	85b		
c	Dues, assessments, and similar amounts from members	85c		
d	Section 162(e) lobbying and political expenditures	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on line 12	86a		
b	Gross receipts, included on line 12, for public use of club facilities.	86b		
87	501(c)(12) organizations.—Enter:	87a		
a	Gross income from members or shareholders	87b		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX	88		X
89a	501(c)(3) organizations.—Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____			
b	501(c)(3) and 501(c)(4) organizations.—Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. ▶ _____			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization. ▶ _____			
90a	List the states with which a copy of this return is filed ▶ ILLINOIS	90b	59	
b	Number of employees employed in the pay period that includes March 12, 1998 (See instructions.)			
91	The books are in care of ▶ Pete Croser Telephone no. ▶ (618) 627-4651 Located at ▶ 3391 CHARLEY GOOD RD WEST FRANKFORT ZIP + 4 ▶ 62896-0220			
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			

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 27.)

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a <u>Production & Distribution</u>					
b <u>of religious programming</u>					
c <u>electronic transmission</u>					519,542
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					48,715
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					9,209
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					157,728
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					84,017
103 Other revenue: a <u>VIDEO SALES</u>					200,230
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					1,019,441
105 Total (add line 104, columns (B), (D), and (E))					1,019,441

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 Specific Instructions on page 28.)

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).
93	<u>Payment of airtime & production of certain religious programming for electronic transmission</u>
95	
97	
100	
102	
103	<u>Miscellaneous</u>

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on line 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
	%			
	%			
	%			

ing accompanying schedules and statements, and to the best of my knowledge (other than officer) is based on all information of which preparer has any knowledge.

Danny Shel

**SCHEDULE A
(Form 990)**

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

1998

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

Employer identification number

THREE ANGELS BROADCASTING NETWORK INC

37 1179056

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions on page 1. 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
NONE				
Total number of other employees paid over \$50,000				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions on page 1. 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
TOM L DENNIS PO BOX 206 VILLAGE MILLS, TX 77663	ENGINEERING	61,450
Total number of others receiving over \$50,000 for professional services		

Part III Statements About Activities

	Yes	No
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 ▶ \$ _____ 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.		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
a Sale, exchange, or leasing of property?	X	
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?		X
4a Do you have a section 403(b) annuity plan for your employees?		Y
b 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. (See instructions on page 2.)		

Part IV Reason for Non-Private Foundation Status (See instructions on pages 2 through 4.)

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, page 4.)
- 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 instructions on page 4.)

(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 instructions on page 4.)

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) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	6834614	5701976	5389656	4885135	22811381
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	134290	153230	103549	264796	655865
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	13920	18164	12779	118314	163177
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					
23 Total of lines 15 through 22.	6982824	5873370	5505984	5268245	23630423
24 Line 23 minus line 17.	6848534	5720140	5402435	5003449	22974558
25 Enter 1% of line 23	69828	58734	55060	52682	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24. . . . ▶					26a
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1994 through 1997 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts. . . . ▶					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____					26d
22 _____ 26b _____ ▶					26e
e Public support (line 26c minus line 26d total) ▶					26f
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1997) <u>NONE</u> (1996) <u>NONE</u> (1995) <u>NONE</u> (1994) <u>NONE</u> b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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.) 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: (1997) <u>112,400</u> (1996) <u>96,000</u> (1995) <u>102,050</u> (1994) <u>109,000</u> c Add: Amounts from column (e) for lines: 15 <u>22811381</u> 16 _____					27c
17 <u>655865</u> 20 _____ 21 _____ ▶					27d
d Add: Line 27a total _____ and line 27b total <u>419450</u> ▶					27e
e Public support (line 27c total minus line 27d total) ▶					27f
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) . . . ▶					27g
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)). ▶					98 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)). ▶					27h
					1 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1994 through 1997, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions on page 4.)					

Part V Private School Questionnaire (See instructions on page 4.)
(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.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions on page 6.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations												
(The term "expenditures" means amounts paid or incurred.)															
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36													
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37													
38	Total lobbying expenditures (add lines 36 and 37)	38													
39	Other exempt purpose expenditures	39													
40	Total exempt purpose expenditures (add lines 38 and 39)	40													
41	Lobbying nontaxable amount. Enter the amount from the following table—														
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">If the amount on line 40 is—</td> <td style="width: 50%;">The lobbying nontaxable amount is—</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>		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	
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														
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 7.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e)).				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions on page 8.)

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

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

Three Angels Broadcasting Network, Inc.
 Form 990
 For the year ended December 31, 1998

Page 1 Part 1 Line 8C Gain or (Loss)

<u>Item</u>	<u>Book Value</u>	<u>Gross Sale</u>	<u>Gain (loss)</u>
Downlink	47,619.57	\$250,000.00	\$202,380.43
House	52,781.05	6,129.00	(46,652.05)
Piano	0.00	2,000.00	2,000.00
Totals	100,400.62	258,129.00	\$157,728.38

Page 2 Part II Line 42 Depreciation
 Page 3 Part IV Line 57b Accumulated Depreciation

	<u>Cost</u>	<u>Acc Depn</u>
Land	291,296	
Buildings	1,566,389	204,034
Houses	18,850	9,504
Downlink Equipment	4,837,965	1,079,621
Equipment	4,414,352	2,732,025
Vehicles	1,047,369	145,049
Misc Assets	76,000	
Total	12,252,222	4,170,232

Page 3 Part IV Line 64b Notes Payable

<u>Notes Payable</u>	
Maples	30,000
Schuler	34,983
Boatman's	1,282
Mitchell	100,000
Total	166,265

Three Angels Broadcasting Network, Inc.
 Form 990 Page 4 Part V
 For year ended December 31, 1998

(A)	(B)	(C,D,E)
Dr. Walter Tompson, Chairman 40 S Clay, Suite 217 Hinsdale, IL 60521 (630)887-1735	Director	-0-
J. Wayne Coulter Illinois Conference of SDA's 3721 Prairie Ave Brookfield, IL 60513 (708)485-1200	Director	-0-
May E. Chung 155 Manchester Lane San Bernardino, CA 92408 (909)824-3112	Director	-0-
Dr. Robert Ford 2517 NE Kresky Chehalis, WA 98532-2409 (360)748-8632	Director	-0-
Bill Hulsey Box 596 Collegedale, TN 37315 (423)396-9303	Director	-0-
Ellsworth McKee PO Box 750 Collegedale, TN 37315 (423)238-5487	Director	-0-
Danny Shelton 21027 Shawneetown Rd Thompsonville, IL 62890 (618)627-2867	President	49,862.66
Linda Shelton 21027 Shawneetown Rd Thompsonville, IL 62890 (618)627-2867	Vice-President	44,334.10

<p>Stan Smith O.J. Jacobson Foundation Box 185 Lillooet, BC V0K 1V0 Canada (250)256-7535</p>	<p>Director</p>	<p>-0-</p>
<p>G. Ralph Thompson 12501 Old Columbia Pike Silver Spring, MD 20904-6600 (301)680-6000</p>	<p>Director</p>	<p>-0-</p>
<p>Owen Troy 1906 Dana Dr Adelphi, MD 20783-2119 (301)431-0930</p>	<p>Director</p>	<p>-0-</p>
<p>Larry Welch 715 S Mulkey Christopher, IL 62822 (618)724-9488</p>	<p>Maintenance</p>	<p>35,130.91</p>