

5.8 By virtue of the fact that NMTV believes according to John 1:1 (KJV) "In the beginning was the word, and the word was with God, and the word was God," the production and broadcasting, 24 hours a day, 7 days a week of the pure word of God from its studio makes the place of origination of the signal, a place of worship.

5.9 Aside from worship occurring because of the proclaiming of the word of God at the main studio, employees of Channel 42 engage daily in worship. The studios and location of equipment throughout TBN are places of regular worship.

GENERAL LEGAL BACKGROUND

6.1 The exemption of religious organizations from property taxes is a practice that dates back to ancient times. The Bible records that "Joseph made it a law over the land of Egypt . . . that Pharaoh should have the fifth part; except the land of the priests only, which became not Pharaoh's." See Genesis 47:26 (KJV). The Emperor Constantine exempted churches from property taxes in the fourth century. Medieval Europe generally exempted church property from property taxes. This tradition of exemption was adopted by the American Colonies. All fifty states presently recognize some form of exemption of religious organizations from property taxes. Most states have adopted constitutional or statutory provisions that exempt real and personal property used exclusively for religious purposes from property taxes.

uniform upon the same class of subjects within the limits of the authority levying the tax; but the legislature may, by general laws, exempt from taxation public property used for public purposes; actual places of religious worship, also any property owned by a church or by a strictly religious society for the exclusive use as a dwelling place for the ministry of such church or religious society, and which yields no revenue whatever to such church or religious society; provided that such exemption shall not extend to more property than is reasonably necessary for a dwelling place and in no event more than one acre of land.

**NMTV IS ENTITLED TO AN EXEMPTION
UNDER THE TAX CODE**

7.1 Each of the elements required by the tax code for entitlement to an exemption are present.

7.2 NMTV is entitled to an exemption under Section 11.18 or 11.20 of the tax code.

7.3 NMTV requests that the exemptions requested be granted.

TRINITY BROADCASTING - FULL POWER STATIONS

<u>STATION</u>	<u>STN/CHANNEL</u>	<u>STUDIO LOCATION</u>	<u>MAILING ADD.</u>	<u>OFFICE #</u>	<u>PRAYERLINE</u>
ARIZONA	KPAZ CH 21	3551 E. McDowell Rd Phoenix, AZ 85008	P.O. Box A Santa Ana CA 92711	(602) 273-1477	(602) 244-0311
CALIFORNIA	KTBH CH 40	2442 Michelle Dr. Tustin, CA 92680	"	(714) 832-2950	(714) 731-1000
COLORADO	K57RT	9020 Yates (Denver) Westminster, CO 80034	"	(303) 650-5513	(303) 650-0000
FLORIDA	WIFT CH 45	3324 Pembroke Rd. Pembroke PK., FL 33021	"	(305) 962-1700	(305) 966-4710
INDIANA/KY OHIO	WKOI CH 43	1702 S 9th St. Richmond, IN 47374	"	(317) 935-2390	(317) 935-5200
NW MEXICO ALBUQUERQUE	KNAT CH 23	1510 Coors Blvd. NW Albuquerque, NM 87105	"	(505) 836-6585	(505) 836-3955
NEW YORK	WTBY CH 54	RT 9 & Merritt Rd. Fishkill, NY 12524	"	(914) 896-4610	(914) 896-4650
N. CAROLINA	WLXI CH 61	2101 Patterson St. Greensboro, NC 27407	"	(919) 855-5610	(714) 731-1000
OKLAHOMA	KTBO CH 14	3705 N.W. 63RD OK. City, OK 73116	"	(405) 848-1414	(405) 848-1400
TEXAS	KLUJ CH 44	501 New Hampshire RD, Harlingen, TX 78550	"	(512) 425-4225	(512) 425-4400
WASHINGTON SEATTLE TACOMA	KTBW CH 20	1909 S. 341 PL. Federal Way, WA 98003	"	(206) 874-7420	(206) 874-7550 " Seattle (206) 952-7550 " Tacoma
OHIO	WOLI CH 17	6600 Atlantic Blvd. NE Louisville, OH 44641	"	(216) 875-5542	(714) 731-1000

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THE STATE OF TEXAS

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AFFIDAVIT

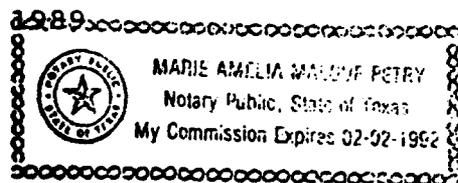
COUNTY OF DALLAS

BEFORE ME, the undersigned Notary Public in and for the State And County aforesaid, on this day personally appeared Edward W. Roush, Jr., who after being duly sworn deposes and says:

1. I am over the age of eighteen (18) and I am fully competent to make this affidavit. I have personal knowledge of the facts recited herein.
2. On May 1, 1989, I sent this Exemption Application by regular first-class mail, properly addressed to the Ector County Appraisal District with postage prepaid; and
3. I deposited the Exemption Application in the United States Mail on May 1, 1989.

Edward W. Roush, Jr.
Edward W. Roush, JR.

SUBSCRIBED AND SWORN BEFORE ME THIS 1st DAY OF May, 1989



Marie Amelia Malouf Petry
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

My commission expires
02/02/92

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TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.

The undersigned being all of the directors of Trinity Christian Center of Santa Ana, Inc. take the following action by unanimous written consent:

RESOLVED, the officers of this corporation are empowered and directed to loan an amount not to exceed One Hundred Eighty-

Five Thousand Dollars (\$185,000.00) to All American T.V., Inc. for the acquisition of a broadcast studio and improvements thereto with said loan to be secured by said facility and said loan to be paid for the course of fifteen years at 11.5% interest.

Dated: 4-27-89 Paul F. Crouch

Paul Crouch

Dated: April 27, 1989 Janice Crouch

Janice Crouch

Dated: Apr 21, 1989 Norman G. Juggert

Norman G. Juggert

Federal Communications Commission

Docket No. 93-73 Exhibit No. 254

Presented by M.M.D.

Identified DEC 03 1993

Received DEC 03 1993

Rejected _____

Disposition

Reporter A. G. Stone

Date DEC 03 1993

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TRINITY BROADCASTING OF CA
 P.O. BOX A, SANTA ANA, CA 92711 TV
 NATIONAL MINORITY ~~STATION~~

PURCHASE ORDER /
 CHECK REQUISITION

NO. 235710

VENDORS NAME & ADDRESS: Planck Technical Services
 266 West "B" Street
 Colton, CA 92324

SHIP TO:

TELEPHONE NO. _____ INC. YES NO G.L. # _____

FED. I.D. # / S.S. # _____

DATE	TERMS OF PAYMENT	F.O.B	SHIP VIA	TAXABLE NONTAXABLE	DATE REQUIRED
5-15-89	BELOW			<input type="checkbox"/>	
QUANTITY	DESCRIPTION			UNIT PRICE	EXTENSION
	Transmitter & Equipment per attached proposal				\$72,850.45
TERMS: 25% down with order \$18,212.61 4/15/89 60% reqdy to ship \$43,710.27 5/1/89 Bal upon completion \$10,927.57 9/14/90					
ITEMS FOR: construction of LPTV Station Channel 20 Columbus, Ohio					

DATE RECVD	QTY. RECEIVED	RECEIVED BY

REQUISITIONED BY: Ben Miller
 DEPT / STATION: Engineering
 AUTHORIZED BY: *[Signature]*

NO 6317

ORIGINAL COPY

028441

Federal Communications Commission

Docket No. 93-75 Exhibit No. 255

Presented by MAY

Received DEC 03 1993

Disposition Received DEC 03 1993

Rejected

Reporter A. Johnson

Date DEC 03 1993



CONTROL COPY

TRINITY BROADCASTING OF CA
P.O. BOX A, SANTA ANA, CA 92711

PURCHASE ORDER /
 CHECK REQUISITION

NO. 235710

VENDORS NAME & ADDRESS: Planck Technical Services
266 West "B" Street
Colton, CA 92324

SHIP TO:

TELEPHONE NO. _____ INC. YES NO G.L. # _____

FED. I.D. # / S.S. # _____

DATE	TERMS OF PAYMENT	F.O.B	SHIP VIA	TAXABLE NONTAXABLE <input type="checkbox"/>	DATE REQUIRED						
5-15-89	BELOW										
QUANTITY	DESCRIPTION			UNIT PRICE	EXTENSION						
	Transmitter & Equipment per attached proposal				\$72,850.45						
<p>TERMS:</p> <table> <tr> <td>25% down with order</td> <td>\$18,212.61</td> </tr> <tr> <td>60% reqdy to ship</td> <td>\$43,710.27</td> </tr> <tr> <td>Bal upon completion</td> <td>\$10,927.57</td> </tr> </table>						25% down with order	\$18,212.61	60% reqdy to ship	\$43,710.27	Bal upon completion	\$10,927.57
25% down with order	\$18,212.61										
60% reqdy to ship	\$43,710.27										
Bal upon completion	\$10,927.57										
<p>ITEMS FOR: construction of LPTV Station Channel 20 Columbus, Ohio</p>											

COMPLETE
9-6-90

DATE RECVD	QTY. RECEIVED	RECEIVED BY

REQUISITIONED BY
Ben Miller

DEPT / STATION
Engineering

AUTHORIZED BY
[Signature]

ORIGINATING DEPT.

JO 6317

15-89 TO Ben / PFC
-16-89 TO Lisa w/ ✓ req for 25% down
-18-89 White to PTS (USM)
-22-89
-21-89 sales dep only Inv. # 227 @ 198.11
6-90 Inv # 688 - Final installment \$10,927.57



TRINITY BROADCASTING OF CA
 P.O. BOX A, SANTA ANA, CA 92711

PURCHASE ORDER /
 CHECK REQUISITION

NO.

VENDORS
 NAME & ADDRESS: Planck Technical Services
 266 West "B" Street
 Colton, CA 92324

SHIP TO:

TELEPHONE NO. _____ INC. YES NO G.L.# _____

FED. I.D. # / S.S. # _____

DATE 5-15-89	TERMS OF PAYMENT CHECK	F.O.B	SHIP VIA	TAXABLE NONTAXABLE <input type="checkbox"/>	DATE REQUIRED
-----------------	---------------------------	-------	----------	--	---------------

QUANTITY	DESCRIPTION	UNIT PRICE	EXTENSION
	25% down for construction of LPTV Station		\$18,212.61
ITEMS FOR: Channel 20 Columbus, Ohio			

DATE RECD	QTY. RECEIVED	RECEIVED BY

REQUISITIONED BY Ben Miller	DEPT / STATION Engineering	AUTHORIZED BY <i>[Signature]</i>
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J0 6319 ORIGINATING DEPT.

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NATIONAL MINORITY T.V., INC.

Action By Written Consent

The undersigned being all of the directors of National Minority T.V., Inc. take the following action of unanimous written consent:

RESOLVED, the President and Secretary of this corporation are authorized and empowered to negotiate the sale and/or lease of the assets of KMLM-TV, Odessa, Texas for a sum that shall not be less than one million dollars (\$1,000,000.00).

Dated: 5-19-89

David Espinoza
David Espinoza

Dated: 5-16-89

Paul F. Crouch
Paul F. Crouch

Dated: 5-17-89

Jane Duff
Jane Duff

Federal Communications Commission

Docket No. 73-75 Exhibit No. 254

Presented by MM4

Dispositive: DEC 08 1952
Received: DEC 08 1952
Rejoins:

Reporter A. Wilson

Date DEC 8 1952

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257

NATIONAL MINORITY TELEVISION, INC.

AUDIT REPORT

DECEMBER 31, 1988

Federal Communications Commission

Docket No. 93-75 Ex. No. 257

Product MFR DEC 03 1993

Category DEC 03 1993

Requester A. Wilson

Date DEC 03 1993

NATIONAL MINORITY TELEVISION, INC.

DECEMBER 31, 1988

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Huffman & Co.

Certified Public Accountants

Accountancy Corporation

RICHARD E. HUFFMAN

945 W. 6th Street

Corona, California 91720

(714) 735-9930

The Board of Directors
National Minority Television, Inc.
Tustin, California

We have audited the accompanying balance sheet of National Minority Television, Inc., as of December 31, 1988 and the related statements of income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Minority Television, Inc., as of December 31, 1988, and the results of its operation and its cash flow for the year then ended in conformity with generally accepted accounting principles.

5-19-89

Huffman & Co.

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BALANCE SHEET
DECEMBER 31, 1988

ASSETS

Current Assets

Cash in Bank and on Hand	\$ 132,860
Accounts Receivable	1,896
Prepays and Security Deposits	<u>6,205</u>
Total Current Assets	140,961

<u>AMOUNTS DUE FROM AFFILIATES</u>	305,843
<u>PROPERTY AND EQUIPMENT</u> - Less Accumulated Depreciation	770,288
<u>BROADCASTING LICENSES</u> - Less Accumulated Amortization	<u>12,500</u>
Total Assets	<u>\$1,229,592</u>

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Total Current Liabilities	-0-
Amounts Due to Affiliates	<u>1,201,116</u>
Total Liabilities	<u>1,201,116</u>

FUND BALANCE

Unreserved	<u>28,476</u>
Total Fund Balance	<u>28,476</u>
Total Liabilities and Fund Balance	<u>\$1,229,592</u>

"See Accompanying Notes to Financial Statements."

NATIONAL MINORITY TELEVISION, INC.
STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND
CHANGES IN FUND BALANCES FOR YEAR ENDED
DECEMBER 31, 1988

PUBLIC SUPPORT REVENUE

Contributions - Reserved & Unreserved	\$130,050
Interest Income	<u>7,890</u>
Total Public Support & Revenue	<u>137,940</u>

EXPENSES

Program Services

Engineering Expenses	45,525
Total Program Services	<u>45,525</u>

Support Services

General & Administrative Expenses	66,293
Total Support Services	<u>66,293</u>

Total Expenses	<u>111,818</u>
----------------	----------------

Excess of Public Support and Revenue Over (Under) Expenses	26,122
---	--------

FUND BALANCE, January 1, 1988	<u>2,354</u>
-------------------------------	--------------

FUND BALANCE, December 31, 1988	<u>\$28,476</u>
---------------------------------	-----------------

"See Accompanying Notes to Financial Statements."

NATIONAL MINORITY TELEVISION, INC.
STATEMENT OF CASH FLOW FOR THE YEAR ENDED
DECEMBER 31, 1988

CASH FLOW FROM OPERATING ACTIVITIES

Excess of Public Support and Revenue Over (Under) Expenses		\$26,122
Adjustments to Reconcile Excess Revenue (Expenses) to Net Cash Provided by Operating Activities:		
Depreciation	\$ -0-	
Amortization	-0-	
Changes in Current Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(560)	
(Increase) Decrease in Prepaids & Deposits	<u>(6,205)</u>	
Total Adjustments		<u>(6,765)</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES (A) 19,357

CASH FLOW FROM INVESTING ACTIVITIES

Capital Expenditures for Property and Equipment		(770,289)
Capital Expenditures for Broadcasting Licenses		<u>(12,500)</u>

NET CASH USED IN INVESTING ACTIVITIES (B) (782,789)

CASH FLOW PROVIDED BY FINANCING ACTIVITIES

(Increase) Decrease in Amounts Due from Affiliates		(406,796)
(Increase) Decrease in Amounts Due to Affiliates		<u>1,201,116</u>

Net Cash Provided by Financing Activities (C) 794,320

Net Increase (Decrease) in Cash and Cash Equivalents
(A+B+C) (D) 30,888

Cash and Cash Equivalents at Beginning of the Year (E) 101,972

Cash and Cash Equivalents at End of the Year (D+E) \$ 132,860

"See Accompanying Notes to Financial Statements."

NATIONAL MINORITY TELEVISION, INC.
COMBINED BALANCE SHEET
DECEMBER 31, 1988

	<u>NMTV INC.</u>	<u>ODESSA TX</u>	<u>LESS COMBINED AMOUNT</u>	<u>COMBINED TOTALS</u>
<u>ASSETS</u>				
<u>Current Assets</u>				
Cash in Bank and on Hand	\$ 131,899	\$ 961		\$ 132,860
Accounts Receivable	1,896	-		1,896
Prepays and Security Deposits	-	6,205		6,205
Total Current Assets	<u>133,795</u>	<u>7,166</u>		<u>140,961</u>
<u>NOTES RECEIVABLE AND INVESTMENTS</u>				
AMOUNTS DUE FROM AFFILIATES	1,045,231	101,530	\$(840,918)	305,843
PROPERTY AND EQUIPMENT - Less Accumulated Depreciation	-	770,288		770,288
BROADCASTING LICENSES - Less Accumulated Amortization	-	12,500		12,500
Total Assets	<u>\$1,179,026</u>	<u>\$891,484</u>	<u>\$(840,918)</u>	<u>\$1,229,592</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>CURRENT LIABILITIES</u>				
Total Current Liabilities				
Amounts Due to Affiliates	<u>1,201,116</u>	<u>840,918</u>	<u>(840,918)</u>	<u>1,201,116</u>
Total Liabilities	<u>1,201,116</u>	<u>840,918</u>	<u>(840,918)</u>	<u>1,201,116</u>
<u>FUND BALANCE</u>				
Unreserved	<u>(22,090)</u>	<u>50,566</u>	<u>-</u>	<u>28,476</u>
Total Fund Balance	<u>(22,090)</u>	<u>50,566</u>	<u>-</u>	<u>28,476</u>
Total Liabilities and Fund Balance	<u>\$1,179,026</u>	<u>\$891,484</u>	<u>\$(840,918)</u>	<u>\$1,229,592</u>

"See Accompanying Notes to Financial Statements."

NATIONAL MINORITY TELEVISION, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - As in past years, National Minority Television, Inc., records financial transactions in accordance with Modified Non-Profit Fund Accounting generally requires the utilization of the modified accrual basis of accounting, wherein expenditures are recorded at the time liabilities are incurred and available revenues which are accrued to reflect properly the revenues earned within the current year.

PRODUCTION AND AIRTIME COST SHARING

Revenue from production cost sharing is recognized when the production effort has been completed while revenue from airtime cost sharing is recognized when the contracted program has been broadcasted.

INVESTMENTS

Donated investments are stated at estimated fair market values at the dates of donation, which approximates current market value.

ORGANIZATION

National Minority Television, Inc. (NMTV) and its affiliates (Parent Company-Trinity Broadcasting Network, Inc.) (TBN) have organized for the purpose of engaging in Religious Christian Broadcasting Activities. NMTV has received notices of exemption from Federal and State Income Taxes as a non-profit and charitable entity.

2. PUBLIC SUPPORT - CONTRIBUTIONS - RESTRICTED AND UNRESTRICTED

Contributions are recognized when cash or other assets are received. Donated assets are generally reflected in the accompanying combined financial statements at their estimated fair market values at the date of receipt. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Although there is no legal requirement to do so, such restrictions are viewed by management as moral commitments to spend such contributions as designated by the donors.