

CARB-0212

December 28, 2005

RECEIVED & INSPECTED  
JAN 4 - 2006  
FCC - MAILROOM

FCC  
Attn: Secretary's Office  
Closed Captioning  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

**RE: REQUEST FOR EXEMPTION FROM COMMISSION'S CLOSED CAPTIONING RULES**

The Covenant Church of Jesus Christ respectfully submits this petition requesting exemption from the closed captioning requirements, under Section 79.1 of the Commission's rules, 47 C.F.R. & 79.1. The Covenant Church believes that our broadcast qualifies for this exemption based upon the following reasons:

**Part 79.1 Section (D)**

Item (8) The Covenant Church of Jesus Christ's broadcast is a locally produced and distributed non-news program with no repeat value. The program is of local public interest, it is not a news program, and the "electronic news room" technique of captioning is unavailable.

**Part 79.1 Section (F)**

Compliance would impose an undue burden on The Covenant Church for the following reasons:

- (1) The Covenant Church would have to discontinue our program and cease broadcast operations.
- (2) The Covenant Church is a non-profit, self funded organization. Thus, we are solely responsible for all financial obligations. It would become necessary to invest further monies into having programs forwarded to an outside source for captioning; thus, impacting airdate deadlines. This added cost would be an undue burden on the ministry at this time.
- (3) The Covenant Church's broadcast is an outreach ministry whose sole purpose is to share the message of the Gospel of Jesus Christ with our local community.

Again, we respectfully request that the Covenant Church of Jesus Christ's broadcast be exempted from the closed captioning requirement based upon the aforementioned reasons.

Sincerely,

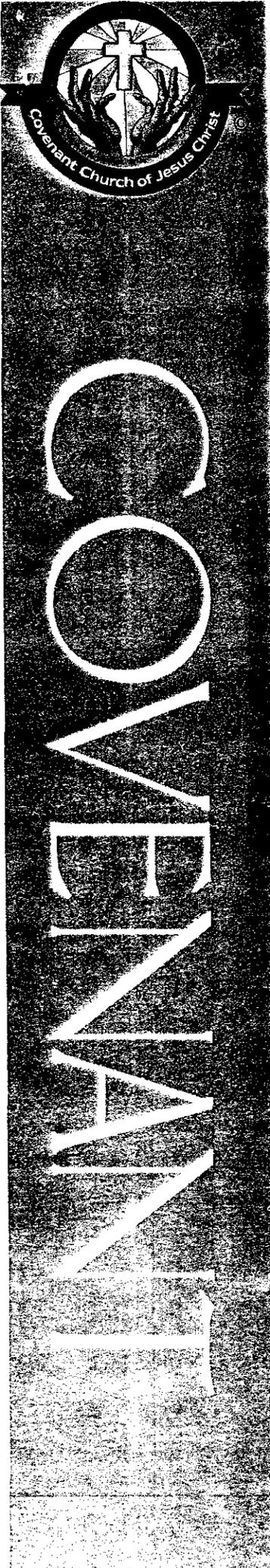
*David L. Pitts*  
Pastor David L. Pitts

ENCLOSURES

cc: Karen Alston; Fox 24 WGXA

**PASTOR DAVID PITTS**

509 MAY AVE. · P.O. BOX 5033  
MACON, GA 31204  
(478) 745-9953  
FAX (478) 745-2150



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Exemption from Closed Captioning: Undue Burden

Name and Address of organization:

COVENANT CHURCH OF JESUS CHRIST  
509 MAY AVENUE · MACON, GA 31204

Name & title of contact person: DAVID PITTS, PASTOR

Phone number & e-mail address: (478) 745-9953 · ccojc@bellsouth.net

**Instructions:** Please provide responses to the following items. You should submit documentation to support your statements, particularly those related to your finances. There is no need to limit replies to the space provided. The more information included in your petition, the greater the likelihood of success in obtaining an exemption.

1. Describe the organization and nature of its operations, including for profit/non-profit status, business purpose or mission, and primary activities (examples: education, ministry, public service, etc.).

THE BROADCAST OF THE COVENANT CHURCH OF JESUS CHRIST IS A SELF FUNDED, NOT-FOR-PROFIT, NON-NEWS PROGRAM WHOSE SOLE PURPOSE IS EVANGELISTIC (FOR SPREADING THE MESSAGE OF JESUS CHRIST), WITH LOCAL PUBLIC INTERESTS AS ITS TARGET.

2. Give a brief description of the programming and its intended purpose.

THE 30 MINUTE BROADCAST PROVIDES INFORMATIVE TEACHING OF BIBUCAL PRINCIPLES.

3. Give a specific description of the methods and costs of closed captioning the programming. You may wish to contact the station(s) to get more details about the type of captioning used as well the costs of services, equipment and maintenance.

PER CONVERSATION WITH STATION ENGINEERS AT FOX 24, THE APPROXIMATE COST FOR CONTRACTING/OUTSOURCING CLOSED CAPTIONING WOULD BE \$210.00 PER BROADCAST AT A RATE OF \$7.00 PER MINUTE.

4. Does the expense associated with captioning require you to seek additional funds or curtail development and investment in other aspects of your organization? Does it have any other negative affect on your operations? Please explain fully.

THE EXPENSE ASSOCIATED WITH CAPTIONING OUR PROGRAM IS NOT FEASIBLE FOR THE COVENANT CHURCH AT THIS TIME. IT WOULD NECESSITATE DISCONTINUANCE OF THE PROGRAM.

5. Please describe your finances and resources. You should be sure to include the documents supporting your description, such as annual reports, balance statements, tax forms, and/or any other material depicting your cash flow, when you send back this questionnaire.

-ENCLOSED-

6. List other relevant factors that demonstrate the burden of closed captioning requirements. Does it harm relations with other organizations or affect timing and delivery of programming? Any way in which the requirements would make day-to-day functioning harder should be mentioned.

THE TURN-AROUND TIME ASSOCIATED WITH OUT-SOURCING THE PROGRAM FOR CLOSED CAPTIONING WOULD DIRECTLY AFFECT AIRDATE DEADLINES; THUS, AFFECTING THE RELATIONSHIP WITH OUR MARKETING TEAM AND THE BROADCAST STAFF.

7. Offer examples of one or more alternatives to closed captioning that would both be feasible for your organization and make programming readily accessible to the hearing impaired.

PER OUR BROADCAST STATION, NO OTHER ALTERNATIVES TO CLOSED CAPTIONING ARE AVAILABLE. (THIS INCLUDES CONTRACT SOURCES AS WELL)

Exempt Organization Business
Income Tax Return (and proxy tax under Section 6033(e))
For calendar year 2004 or other tax year beginning 2004, and ending

2004

Department of the Treasury
Internal Revenue Service

See separate instructions.

Header section containing: A Check box if address changed; B Exempt under Section 501(c)(3); C Book value of all assets at end of year; D Employer identification number; E New unrelated business activity codes; F Group exemption number; G Check organization type.

H Describe the organization's primary unrelated business activity. RENTAL PROPERTY
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

J The books are in care of CHITWOOD & CHITWOOD Telephone number (423) 892-4882

Table with 4 columns: Part I Unrelated Trade or Business Income, (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales, Cost of goods sold, Gross profit, Capital gain net income, Net gain (loss), Income (loss) from partnerships, Rent income, etc.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

Table with 4 columns: Line number, Description, Amount, Total. Rows include Compensation of officers, Salaries and wages, Repairs and maintenance, Bad debts, Interest, Taxes and licenses, Charitable contributions, Depreciation, etc.

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**Part III Tax Computation**

|  |            |      |
|--|------------|------|
| <b>35 Organizations Taxable as Corporations</b> (see instructions for tax computation)<br>Controlled group members (sections 1561 and 1563) - check here <input type="checkbox"/> . See instructions and:<br>a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):<br>(1) \$ _____ (2) \$ _____ (3) \$ _____<br>b Enter organization's share of: (1) additional 5% tax (not more than \$11,750) ..... \$ _____<br>(2) additional 3% tax (not more than \$100,000) ..... \$ _____<br>c Income tax on the amount on line 34 ..... | <b>35c</b> | 525. |
| <b>36 Trusts Taxable at Trust Rates</b> (see instructions for tax computation) Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) .....   | <b>36</b>  |      |
| <b>37 Proxy tax</b> (see instructions) .....   | <b>37</b>  |      |
| <b>38 Alternative minimum tax</b> .....  | <b>38</b>  |      |
| <b>39 Total</b> (add lines 37 and 38 to line 35c or 36, whichever applies) .....   | <b>39</b>  | 525. |

**Part IV Tax and Payments**

|  |            |      |
|--|------------|------|
| <b>40a Foreign tax credit</b> (corporations attach Form 1118; trusts attach Form 1116) .....   | <b>40a</b> |      |
| <b>b Other credits</b> (see instructions) .....  | <b>40b</b> |      |
| <b>c General business credit</b> - Check here and indicate which forms are attached:<br><input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) ▶ .....  | <b>40c</b> |      |
| <b>d Credit for prior year minimum tax</b> (attach Form 8801 or 8827) .....  | <b>40d</b> |      |
| <b>e Total credits</b> (add lines 40a through 40d) .....   | <b>40e</b> |      |
| <b>41 Subtract line 40e from line 39</b> .....   | <b>41</b>  | 525. |
| <b>42 Other taxes.</b> Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 .. <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866<br><input type="checkbox"/> Other (attach schedule) ..... | <b>42</b>  |      |
| <b>43 Total tax</b> (add lines 41 and 42) .....  | <b>43</b>  | 525. |
| <b>44a Payments:</b> A 2003 overpayment credited to 2004 .....   | <b>44a</b> |      |
| <b>b 2004 estimated tax payments</b> .....   | <b>44b</b> |      |
| <b>c Tax deposited with Form 8868</b> .....  | <b>44c</b> |      |
| <b>d Foreign organizations</b> - Tax paid or withheld at source (see instructions) .....   | <b>44d</b> |      |
| <b>e Backup withholding</b> (see instructions) .....   | <b>44e</b> |      |
| <b>f Other credits and payments:</b> <input type="checkbox"/> Form 2439 _____ <input type="checkbox"/> Form 4136 _____ <input type="checkbox"/> Other _____ Total ... ▶  | <b>44f</b> |      |
| <b>45 Total payments</b> (add lines 44a through 44f) .....   | <b>45</b>  |      |
| <b>46 Estimated tax penalty</b> (see instructions). Check <input checked="" type="checkbox"/> if Form 2220 is attached .....   | <b>46</b>  | 5.   |
| <b>47 Tax due</b> - If line 45 is less than the total of lines 43 and 46, enter amount owed .....  | <b>47</b>  | 530. |
| <b>48 Overpayment</b> - If line 45 is larger than the total of lines 43 and 46, enter amount overpaid .....  | <b>48</b>  |      |
| <b>49 Enter the amount of line 48 you want:</b> Credited to 2005 estimated tax ▶ Refunded ▶  | <b>49</b>  |      |

**Part V Statements Regarding Certain Activities and Other Information** (See instructions.)

|  |     |    |
|--|-----|----|
| <b>1</b> At any time during the 2004 calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?<br>If 'Yes,' the organization may have to file Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country here<br>▶ | Yes | No |
|  |     | X  |
| <b>2</b> During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? .....   |     | X  |
| If 'Yes,' see the instructions for other forms the organization may have to file.  |     |    |
| <b>3</b> Enter the amount of tax-exempt interest received or accrued during the tax year. ▶ \$   |     |    |

**Schedule A - Cost of Goods Sold** - Enter method of inventory valuation ▶

|   |           |  |   |          |    |
|---|-----------|--|---|----------|----|
| <b>1</b> Inventory at beginning of year .....                   | <b>1</b>  |  | <b>6</b> Inventory at end of year .....   | <b>6</b> |    |
| <b>2</b> Purchases .....  | <b>2</b>  |  | <b>7</b> Cost of goods sold. Subtract line 6 from line 5. (Enter here and on line 2, Part I.) .....                               | <b>7</b> |    |
| <b>3</b> Cost of labor .....                                    | <b>3</b>  |  |   |          |    |
| <b>4a</b> Additional section 263A costs (attach schedule) ..... | <b>4a</b> |  |   |          |    |
| <b>b</b> Other costs (attach sch) .....                         | <b>4b</b> |  | <b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? ..... | Yes      | No |
| <b>5 Total</b> - Add lines 1 through 4b .....                   | <b>5</b>  |  |   |          | X  |

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 taxpayer) is based on all information of which preparer has any knowledge.

|                  |  |   |               |   |
|------------------|--|---|---------------|---|
| <b>Sign Here</b> | Signature of officer _____                                     | Date _____  | Title _____   | May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
|                  | <b>Paid Preparer's Use Only</b>                                | Preparer's signature _____  | Date 04/19/05 | Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN P00183998  |
|                  | Firm's name (or yours if self-employed), address, and ZIP code | Chitwood & Chitwood<br>5746 Marlin Road Suite 500<br>Chattanooga TN 37411 |               | EIN 62-0989568<br>Phone no. (423) 892-4882  |

**Schedule C – Rent Income (From Real Property and Personal Property Leased with Real Property)** (see instructions)

1 Description of property

| (1) RESIDENTIAL RENTAL PROPERTY   |   | 3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
|---|---|--|
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) |  |
| (1)   | 45,430.   |  |
| (2)   |   |  |
| (3)   |   |  |
| (4)   |   |  |
| <b>Total</b>  | <b>Total 45,430.</b>  | <b>Total deductions. Enter here and on line 6, column (B), Part I, page 1 ▶</b>            |

**Schedule E – Unrelated Debt-Financed Income** (see instructions)

| 1 Description of debt-financed property  | 2 Gross income from or allocable to debt-financed property                           | 3 Deductions directly connected with or allocable to debt-financed property |  |  |
|--|--|---|--|--|
|  |  | (a) Straight line depreciation (attach sch)                                 | (b) Other deductions (attach schedule)               |  |
| (1)  |  |   |  |  |
| (2)  |  |   |  |  |
| (3)  |  |   |  |  |
| (4)  |  |   |  |  |
| 4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5 Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6 Column 4 divided by column 5  | 7 Gross income reportable (column 2 x column 6)      | 8 Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1)  |  | §   |  |  |
| (2)  |  | §   |  |  |
| (3)  |  | §   |  |  |
| (4)  |  | §   |  |  |
| <b>Totals</b> .....  |  |   | Enter here and on line 7, column (A), Part I, page 1 | Enter here and on line 7, column (B), Part I, page 1               |
| <b>Total dividends-received deductions included in column 8</b> .....                            |  |   |  |  |

**Schedule F – Interest, Annuities, Royalties, and Rents from Controlled Organizations** (see instructions)

| 1 Name of Controlled Organization  | 2 Employer Identification Number                 | Exempt Controlled Organizations                  |   |  |   |
|------------------------------------|--|--|---|--|---|
|                                    |  | 3 Net unrelated income (loss) (see instructions) | 4 Total of specified payments made  | 5 Part of column 4 that is included in the controlling organization's gross income | 6 Deductions directly connected with income in column 5 |
| (1)                                |  |  |   |  |   |
| (2)                                |  |  |   |  |   |
| (3)                                |  |  |   |  |   |
| (4)                                |  |  |   |  |   |
| Nonexempt Controlled Organizations |  |  |   |  |   |
| 7 Taxable Income                   | 8 Net unrelated income (loss) (see instructions) | 9 Total of specified payments made               | 10 Part of column 9 that is included in the controlling organization's gross income | 11 Deductions directly connected with income in column 10                          |   |
| (1)                                |  |  |   |  |   |
| (2)                                |  |  |   |  |   |
| (3)                                |  |  |   |  |   |
| (4)                                |  |  |   |  |   |
| <b>Totals</b> .....                |  |  | Add columns 5 and 10. Enter here and on line 8, column (A), Part I, page 1.         | Add columns 6 and 11. Enter here and on line 8, column (B), Part I, page 1.        |   |

**Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization** (See instructions.)

| 1 Description of income | 2 Amount of income                                    | 3 Deductions directly connected (attach schedule) | 4 Set-asides (attach schedule) | 5 Total deductions and set-asides (column 3 plus column 4) |
|-------------------------|---|---|--------------------------------|--|
| (1)                     |   |   |                                |  |
| (2)                     |   |   |                                |  |
| (3)                     |   |   |                                |  |
| (4)                     |   |   |                                |  |
| <b>Totals</b> .....     | Enter here and on line 9, column (A), Part I, page 1. |   |                                | Enter here and on line 9, column (B), Part I, page 1.      |

**Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income** (See instructions.)

| 1 Description of exploited activity | 2 Gross unrelated business income from trade or business | 3 Expenses directly connected with production of unrelated business income | 4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7 | 5 Gross income from activity that is not unrelated business income | 6 Expenses attributable to column 5 | 7 Excess exempt expenses (column 6 minus column 5, but not more than column 4) |
|-------------------------------------|--|--|--|--|-------------------------------------|--|
| (1)                                 |  |  |  |  |                                     |  |
| (2)                                 |  |  |  |  |                                     |  |
| (3)                                 |  |  |  |  |                                     |  |
| (4)                                 |  |  |  |  |                                     |  |
| <b>Totals</b> .....                 | Enter here and on line 10, column (A), Part I, page 1.   | Enter here and on line 10, column (B), Part I, page 1.                     |  |  |                                     | Enter here and on line 26, Part II, page 1.                                    |

**Schedule J – Advertising Income** (See instructions.)

**Part I Income From Periodicals Reported on a Consolidated Basis**

| 1 Name of periodical                             | 2 Gross advertising income | 3 Direct advertising costs | 4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7 | 5 Circulation income | 6 Readership costs | 7 Excess readership costs (column 6 minus column 5, but not more than column 4) |
|--|----------------------------|----------------------------|--|----------------------|--------------------|---|
| (1)  |                            |                            |  |                      |                    |   |
| (2)  |                            |                            |  |                      |                    |   |
| (3)  |                            |                            |  |                      |                    |   |
| (4)  |                            |                            |  |                      |                    |   |
| <b>Totals (carry to Part II, line (5))</b> ..... |                            |                            |  |                      |                    |   |

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

|  |  |  |  |  |  |   |
|--|--|--|--|--|--|---|
| (1)                                      |  |  |  |  |  |   |
| (2)                                      |  |  |  |  |  |   |
| (3)                                      |  |  |  |  |  |   |
| (4)                                      |  |  |  |  |  |   |
| (5) <b>Totals from Part I</b> .....      |  |  |  |  |  |   |
| <b>Totals, Part II (lines 1-5)</b> ..... | Enter here and on line 11, column (A), Part I, page 1. | Enter here and on line 11, column (B), Part I, page 1. |  |  |  | Enter here and on line 27, Part II, page 1. |

**Schedule K – Compensation of Officers, Directors, and Trustees** (See instructions.)

| 1 Name  | 2 Title | 3 Percent of time devoted to business | 4 Compensation attributable to unrelated business |
|---|---------|---------------------------------------|---|
|   |         | %                                     |   |
|   |         | %                                     |   |
|   |         | %                                     |   |
|   |         | %                                     |   |
| <b>Total – Enter here and on line 14, Part II, page 1</b> ..... |         |                                       |   |

Underpayment of Estimated Tax by Corporations

2004

Department of the Treasury Internal Revenue Service

See separate instructions. Attach to the corporation's tax return.

Name: COVENANT CHURCH OF JESUS CHRIST Employer identification number: 58-1965944

Note: In most cases, the corporation is not required to file Form 2220 (see Part I below for exceptions) because the IRS will figure any penalty owed and bill the corporation. Even if Form 2220 is not required, the corporation may still use it to figure the penalty. In such a case, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

Part I Reasons for Filing - Check the boxes below that apply. If any boxes are checked, and line 6, below, is \$500 or more, the corporation must file Form 2220, even if it does not owe a penalty.

- 1 The corporation is using the adjusted seasonal installment method.
2 The corporation is using the annualized income installment method.
3 The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax.

Part II Figuring the Underpayment

Table with 4 main rows for tax calculation: 4 Total tax (525), 5a Personal holding company tax, 5b Look-back interest, 5c Credit for Federal tax paid on fuels, 5d Total (525), 6 Subtract line 5d from line 4 (525), 7 Enter the tax shown on the corporation's 2003 income tax return (165), 8 Enter the smaller of line 6 or line 7 (165).

Table for installment due dates (line 9) and required installments (line 10) with columns (a) through (e) for different months. Includes calculation rows 11 through 18 for underpayment and overpayment.

Go to Part III on page 2 to figure the penalty. Do not go to Part III if there are no entries on line 17 - no penalty is owed.

**Part III Figuring the Penalty**

|  | (a)         | (b)      | (c)      | (d)      | (e)      |
|--|-------------|----------|----------|----------|----------|
| 19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions).<br><i>(Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)</i> ..... | 19 05/15/05 | 05/15/05 | 05/15/05 | 05/15/05 | 05/15/05 |
| 20 Number of days from due date of installment on line 9 to the date shown on line 19 .....  | 20 395      | 334      | 242      | 226      | 151      |
| 21 Number of days on line 20 after 4/15/2004 and before 7/1/2004 .....   | 21 76       | 15       |          |          |          |
| 22 Underpayment on line 17 $\times \frac{\text{Number of days on line 21}}{366} \times 5\%$ .....  | 22 0.       | 0.       |          |          |          |
| 23 Number of days on line 20 after 6/30/2004 and before 10/1/2004 .....  | 23 92       | 92       | 15       |          |          |
| 24 Underpayment on line 17 $\times \frac{\text{Number of days on line 23}}{366} \times 4\%$ .....  | 24 0.       | 0.       | 0.       |          |          |
| 25 Number of days on line 20 after 9/30/2004 and before 1/1/2005 .....   | 25 92       | 92       | 92       | 91       | 16       |
| 26 Underpayment on line 17 $\times \frac{\text{Number of days on line 25}}{366} \times 5\%$ .....  | 26 1.       | 1.       | 0.       | 0.       | 0.       |
| 27 Number of days on line 20 after 12/31/2004 and before 4/1/2005 .....  | 27 90       | 90       | 90       | 90       | 90       |
| 28 Underpayment on line 17 $\times \frac{\text{Number of days on line 27}}{365} \times 5\%$ .....  | 28 1.       | 1.       | 0.       | 0.       | 1.       |
| 29 Number of days on line 20 after 3/31/2005 and before 7/1/2005 .....   | 29 45       | 45       | 45       | 45       | 45       |
| 30 Underpayment on line 17 $\times \frac{\text{Number of days on line 29}}{365} \times 5\%$ .....  | 30 0.       | 0.       | 0.       | 0.       | 0.       |
| 31 Number of days on line 20 after 6/30/2005 and before 10/1/2005 .....  | 31          |          |          |          |          |
| 32 Underpayment on line 17 $\times \frac{\text{Number of days on line 31}}{365} \times \%$ .....   | 32          |          |          |          |          |
| 33 Number of days on line 20 after 9/30/2005 and before 1/1/2006 .....   | 33          |          |          |          |          |
| 34 Underpayment on line 17 $\times \frac{\text{Number of days on line 33}}{365} \times \%$ .....   | 34          |          |          |          |          |
| 35 Number of days on line 20 after 12/31/2005 and before 2/16/2006 .....   | 35          |          |          |          |          |
| 36 Underpayment on line 17 $\times \frac{\text{Number of days on line 35}}{365} \times \%$ .....   | 36          |          |          |          |          |
| 37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36 .....  | 37 2.       | 2.       | 0.       | 0.       | 1.       |
| 38 Penalty. Add columns (a) through (e) of line 37. Enter the total here and on Form 1120, line 29; or the comparable line for other income tax returns .....  | 38          |          |          |          | 5.       |

\*For underpayments paid after March 31, 2005: For lines 30, 32, 34, and 36, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-1040 to get interest rate information.

**990-EZ, 990, 990-T and 990-PF  
Information Worksheet**

**2004**

**Part I – Identifying Information**

Employer Identification Number .. 58-1965944  
 Name ..... COVENANT CHURCH OF JESUS CHRIST  
 Address ..... PO BOX 5033 Room/Suite ... \_\_\_\_\_  
 City ..... MACON State .. GA ZIP Code .. 31208  
 Telephone Number ..... (478) 745-9953 Extension ..... \_\_\_\_\_  
 Fax ..... (478) 745-2150 E-Mail Address .. \_\_\_\_\_

**Part II – Type of Return**

- |   |  |
|---|--|
| <input type="checkbox"/> Form 990-EZ only           | <input type="checkbox"/> Form 990-EZ with Form 990-T |
| <input type="checkbox"/> Form 990 only              | <input type="checkbox"/> Form 990 with Form 990-T    |
| <input type="checkbox"/> Form 990-PF only           | <input type="checkbox"/> Form 990-PF with Form 990-T |
| <input checked="" type="checkbox"/> Form 990-T only |  |
- QuickBooks Import Users: Check if you're filing 990-EZ & want 990 imported data copied to 990-EZ

**Part III – Type of Organization**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> 501(c) Corporation _____ 3 (subsection number) | <input type="checkbox"/> 220(d) Trust       |
| <input type="checkbox"/> 501(c) Trust _____ (subsection number)                    | <input type="checkbox"/> 408A Trust         |
| <input type="checkbox"/> 4947(a)(1) Trust  | <input type="checkbox"/> 529(a) Corporation |
| <input type="checkbox"/> 408 Trust   | <input type="checkbox"/> 529(a) Trust       |
| <input type="checkbox"/> 401(a) Trust  | <input type="checkbox"/> 530(a) Trust       |
| <input type="checkbox"/> Other _____ (describe)                                    | <input type="checkbox"/> 527 Organization   |

**Part IV – Tax Year and Filing Information**

- Calendar year
- Fiscal year – Ending month ..... \_\_\_\_\_
- Short year – Beginning date ..... \_\_\_\_\_ Ending date ..... \_\_\_\_\_
- Check this box if the organization is enrolled in the Electronic Federal Tax Payment System (EFTPS)

**Part V – 2004 Estimated Taxes Paid**

Check this box if the organization is a private foundation

Form 990-T      Form 990-PF

Amount of 2003 overpayment credited to 2004 estimated tax ..... \_\_\_\_\_

| Payment Quarters    | Due Date | Form 990-T |             | Form 990-PF |             |
|---------------------|----------|------------|-------------|-------------|-------------|
|                     |          | Date Paid  | Amount Paid | Date Paid   | Amount Paid |
| 1st Quarter Payment | 04/15/04 |            |             |             |             |
| 2nd Quarter Payment | 06/15/04 |            |             |             |             |

|                      |          |  |  |  |  |
|----------------------|----------|--|--|--|--|
| 3rd Quarter Payment  | 09/15/04 |  |  |  |  |
| 4th Quarter Payment  | 12/15/04 |  |  |  |  |
| Additional Payment 1 |          |  |  |  |  |
| Additional Payment 2 |          |  |  |  |  |
| Additional Payment 3 |          |  |  |  |  |
| Additional Payment 4 |          |  |  |  |  |

**Part VI – Information for Client Letter**

|                         | Form 990-EZ or<br>Form 990 | Form 990-PF | Form 990-T |
|-------------------------|----------------------------|-------------|------------|
| Extended Due Date ..... |                            |             |            |

Letter Salutation ..... ▶ Pastor David Pitts

**Tax Calculation Worksheet**

2004

▶ Keep for your records

|   |                   |
|---|-------------------|
| Name<br>COVENANT CHURCH OF JESUS CHRIST | EIN<br>58-1965944 |
|---|-------------------|

**Part I -- Trusts Taxable at Trust Tax Rates**

**2004 Tax Rate Schedule**

|        |                |  |                  |                      |
|--------|----------------|--|------------------|----------------------|
| Over — | But not over — |  | Enter on line 2: | Of the amount over — |
| \$0    | \$1,950        |  | 15%              | \$0                  |
| 1,950  | 4,600          |  | \$292.50 + 25%   | 1,950                |
| 4,600  | 7,000          |  | 955 + 28%        | 4,600                |
| 7,000  | 9,550          |  | 1,627 + 33%      | 7,000                |
| 9,550  | — — — —        |  | 2,468.50 + 35%   | 9,550                |

|   |   |  |
|---|---|--|
| 1 Unrelated business taxable income from line 34, Form 990-T, page 1 .....                      | 1 |  |
| 2 Tax on line 1. Enter here and on line 36, Part III, Form 990-T, Page 2, Tax Computation ..... | 2 |  |

**Part II -- Organizations Taxable as Corporations**

|  | (a)<br>Filing<br>Member/<br>Organization | (b)<br>Entire<br>Controlled<br>Group |
|--|--|--------------------------------------|
| <b>Note:</b> Column (b) is used only for the calculation of the additional 3% and 5% taxes for members of a controlled group.          |  |                                      |
| 1 Unrelated business taxable income from line 34, page 1 Form 990-T .....  | 3,502.                                   |                                      |
| 2 Enter line 1 or the share of \$50,000 bracket, whichever is less .....   | 3,502.                                   |                                      |
| 3 Subtract line 2 from line 1 .....  | 0.                                       |                                      |
| 4 Enter line 3 or the share of \$25,000 bracket, whichever is less .....   | 0.                                       |                                      |
| 5 Subtract line 4 from line 3 .....  | 0.                                       |                                      |
| 6 Enter line 5 or the share of \$9,925,000 bracket, whichever is less .....  | 0.                                       |                                      |
| 7 Subtract line 6 from line 5 .....  | 0.                                       |                                      |
| 8 Enter 15% of line 2 .....  | 525.                                     |                                      |
| 9 Enter 25% of line 4 .....  | 0.                                       |                                      |
| 10 Enter 34% of line 6 .....   | 0.                                       |                                      |
| 11 Enter 35% of line 7 .....   | 0.                                       |                                      |
| 12 If taxable income exceeds \$100,000, enter smaller of:<br>(a) 5% of the excess over \$100,000 or (b) share of \$11,750 .....        | 0.                                       |                                      |
| 13 If taxable income exceeds \$15,000,000, enter smaller of:<br>(a) 3% of the excess over \$15,000,000 or (b) share of \$100,000 ..... | 0.                                       |                                      |
| 14 Add lines 8 through 13. Enter here and on line 35c, Part III, Form 990-T, Page 2, Tax Computation .....                             | 525.                                     |                                      |

**Calculation of Additional 5% Tax (see line 12) (controlled groups only)**

|   |     |     |
|---|-----|-----|
| A Income taxed at 15% rate (line 2) .....   |     |     |
| B Tax rate difference (34% - 15%) .....   | 19% | 19% |
| C Tax difference (line A multiplied by line B) .....  |     |     |
| D Income taxed at 25% (line 4) .....  |     |     |
| E Tax rate difference (34% - 25%) .....   | 9%  | 9%  |
| F Tax difference (line D multiplied by line E) .....  |     |     |
| G Total tax difference (line C plus line F) .....   |     |     |
| H Percentage of additional tax paid by the entire group (line 12(b) divided by line G(b)) ..... |     | %   |
| I Total additional 5% tax (line G multiplied by line H) .....                                   |     |     |

**Calculation of Additional 3% Tax (see line 13) (controlled groups only)**

|   |    |    |
|---|----|----|
| J Income taxed at 34% (lines 2 + 4 + 6) .....   |    |    |
| K Tax rate difference (35% - 34%) .....   | 1% | 1% |
| L Tax difference (line J multiplied by line K) .....  |    |    |
| M Percentage of additional tax paid by the entire group (line 13(b) divided by line L(b)) ..... |    | %  |
| N Total additional 3% tax (line L multiplied by line M) .....                                   |    |    |

Form **990-W**

OMB No. 1545-0976

(Worksheet)

**Estimated Tax on Unrelated Business Taxable  
Income for Tax-Exempt Organizations**  
(and on Investment Income for Private Foundations)

**2005**

Department of the Treasury  
Internal Revenue Service

(Keep for your records. *Do not* send to the Internal Revenue Service.)

|     |   |     |        |
|-----|---|-----|--------|
| 1   | Unrelated business taxable income expected in the tax year .....  | 1   | 3,502. |
| 2   | Tax on the amount on line 1. (See instructions for tax computation.) .....  | 2   | 525.   |
| 3   | Alternative minimum tax (see instructions) .....  | 3   |        |
| 4   | Total (Add lines 2 and 3) .....   | 4   | 525.   |
| 5   | Estimated tax credits (see instructions) .....  | 5   |        |
| 6   | Balance (Subtract line 5 from line 4) .....   | 6   | 525.   |
| 7   | Other taxes (see instructions) .....  | 7   |        |
| 8   | Total (Add lines 6 and 7) .....   | 8   | 525.   |
| 9   | Credit for Federal tax paid on fuels (see instructions) .....   | 9   |        |
| 10a | Subtract line 9 from line 8. <i>Note: If less than \$500, the organization is not required to make estimated tax payments. (Private foundations, see instructions.)</i> .....                         | 10a | 525.   |
| b   | Enter the tax shown on the 2004 return (see instructions). <i>(Caution: If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c)</i> ..... | 10b | 525.   |
| c   | 2005 Estimated Tax. Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c .....                                     | 10c | 525.   |

|    |   | (a) | (b)      | (c)      | (d)      |          |
|----|---|-----|----------|----------|----------|----------|
| 11 | Installment due dates (see instructions) .....  | 11  | 04/15/05 | 06/15/05 | 09/15/05 | 12/15/05 |
| 12 | Required installments. Enter 25% of line 10c in columns (a) through (d) unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a 'large organization.' (see instructions) ..... | 12  | 132.     | 132.     | 132.     | 132.     |
| 13 | 2004 Overpayment. (see instructions) .....  | 13  |          |          |          |          |
| 14 | Payment due. (Subtract line 13 from line 12.) .....   | 14  | 132.     | 132.     | 132.     | 132.     |

BAA For Paperwork Reduction Act Notice, see separate instructions.

Form 990-W (2005)

**Tax Calculation Worksheet for Form 990-W**

**2005**

▶ Keep for your records

|   |   |
|---|---|
| Name<br>COVENANT CHURCH OF JESUS CHRIST | Employer Identification No.<br>58-1965944 |
|---|---|

**Part I -- Trusts Taxable at Trust Tax Rates**

**2005 Tax Rate Schedule for Trusts**  
(Section 1(e) of the Internal Revenue Code)

If the amount on line 1, page 1 is:

| Over — | But not over — | Enter on line 2, page 1: | Of the amount over — |
|--------|----------------|--------------------------|----------------------|
| \$0    | \$2,000        | 15%                      | \$0                  |
| 2,000  | 4,700          | \$300.00 + 25%           | 2,000                |
| 4,700  | 7,150          | 975.00 + 28%             | 4,700                |
| 7,150  | 9,750          | 1,661.00 + 33%           | 7,150                |
| 9,750  | — — — —        | 2,519.00 + 35%           | 9,750                |

|  |          |  |
|--|----------|--|
| 1 Unrelated business taxable income (line 1, Form 990-W) ..... | <b>1</b> |  |
| 2 Tax on line 1. Enter here and on line 2, page 1, Form 990-W  | <b>2</b> |  |

**Part II -- Organizations Taxable as Corporations**

|   |           |        |
|---|-----------|--------|
| 1 Enter taxable income (line 1, Form 990-W) .....   | <b>1</b>  | 3,502. |
| 2 Enter the smaller of line 1 or \$50,000 (members of a controlled group, see instructions) .....   | <b>2</b>  | 3,502. |
| 3 Subtract line 2 from line 1 .....   | <b>3</b>  | 0.     |
| 4 Enter the smaller of line 3 or \$25,000 (members of a controlled group, see instructions) .....   | <b>4</b>  | 0.     |
| 5 Subtract line 4 from line 3 .....   | <b>5</b>  | 0.     |
| 6 Enter the smaller of line 5 or \$9,925,000 (members of a controlled group, see instructions) .....  | <b>6</b>  | 0.     |
| 7 Subtract line 6 from line 5 .....   | <b>7</b>  | 0.     |
| 8 Enter 15% (.15) of line 2 .....   | <b>8</b>  | 525.   |
| 9 Enter 25% (.25) of line 4 .....   | <b>9</b>  | 0.     |
| 10 Enter 34% (.34) of line 6 .....  | <b>10</b> | 0.     |
| 11 Enter 35% (.35) of line 7 .....  | <b>11</b> | 0.     |
| 12 If line 1 is greater than \$100,000, enter the smaller of 5% (.05) of the excess over \$100,000 or \$11,750 (members of a controlled group see instructions) ..... | <b>12</b> | 0.     |
| 13 If line 1 is greater than \$15,000,000, enter smaller of 3% (.03) of the excess over \$15,000,000 or \$100,000 (members of a controlled group see instr) .....     | <b>13</b> | 0.     |
| 14 Total of lines 8 through 13. Enter here and on line 2, page 1, Form 990-W .....  | <b>14</b> | 525.   |

Form 990-T, Page 1, Part II, Line 28  
Other Deductions Statement

|                  |                |
|------------------|----------------|
| CASUAL LABOR     | <u>2,824.</u>  |
| COMMISSIONS      | <u>3,173.</u>  |
| LEGAL FEES       | <u>355.</u>    |
| OUTSIDE SERVICES | <u>485.</u>    |
| UTILITIES        | <u>4,069.</u>  |
| CLEANING         | <u>125.</u>    |
| TAXES-GENERAL    | <u>231.</u>    |
| Total            | <u>11,262.</u> |

Form 2220-990T: Underpayment of Estimated Tax

Form 2220 Smart Worksheet

- A  Print Form 2220 with the tax return even though no penalty is due and none of the boxes in Part I are checked.
- B  Let the IRS calculate the underpayment penalty. Form 2220 will not calculate.
- C If the tax return or extension was filed and the tax due was paid before ..... ▶ 05/15/05
- D Enter the actual date the return or extension was filed. If different, enter the actual payment date of any tax due showing on the return ..... ▶ \_\_\_\_\_

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 [X] 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 (see instructions) 25
26 Property used more than 50% in a qualified business use (see instructions):
VAN Ford 1 10/04/94 100 24,200. 24,200. 5 yr. S/L MQ 1,675.
computer e 01/08/04 100 1,592. 1,592. 5 yr. S/L HY 318.
transporta 12/31/04 100 61,545. 61,545. 5 yr. S/L HY
27 Property used 50% or less in a qualified business use (see instructions):
SL/
SL/
SL/
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1. 28 1,993.
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.

30 Total business/investment miles driven during the year (do not include commuting miles - see instructions) (a) Vehicle 1 (b) Vehicle 2 (c) Vehicle 3 (d) Vehicle 4 (e) Vehicle 5 (f) Vehicle 6
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? Yes No
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 (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? Yes No
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? (see instructions)
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 2004 tax year (see instructions):
43 Amortization of costs that began before your 2004 tax year. 43
44 Total. Add amounts in column (f). See instructions for where to report. 44

Form 4562

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

2004

67

Department of the Treasury Internal Revenue Service

See separate instructions. Attach to your tax return.

Name(s) shown on return: Covenant Church of Jesus Christ, Inc.

Identifying number: 58-1965944

Business or activity to which this form relates: Church 501(c)(3)

Part I Election To Expense Certain Property Under Section 179

Table with 13 rows for Section 179 election. Includes fields for maximum amount, total cost, threshold cost, reduction in limitation, dollar limitation, and elected cost.

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.)

Table with 3 rows for Special Depreciation Allowance and Other Depreciation. Includes fields for special allowance, property subject to election, and other depreciation.

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

Section A

Table with 2 rows for Section A. Includes fields for MACRS deductions for assets placed in service before 2004 and election to group assets.

Section B - Assets Placed in Service During 2004 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, 25-year, residential rental, and nonresidential real property.

Section C - Assets Placed in Service During 2004 Tax Year Using the Alternative Depreciation System

Table with 3 rows for Section C. Includes fields for class life (12-year, 40-year) and recovery period.

Part IV Summary (see instructions)

Table with 3 rows for Summary. Includes fields for listed property amount, total depreciation, and portion of basis attributable to section 263A costs.