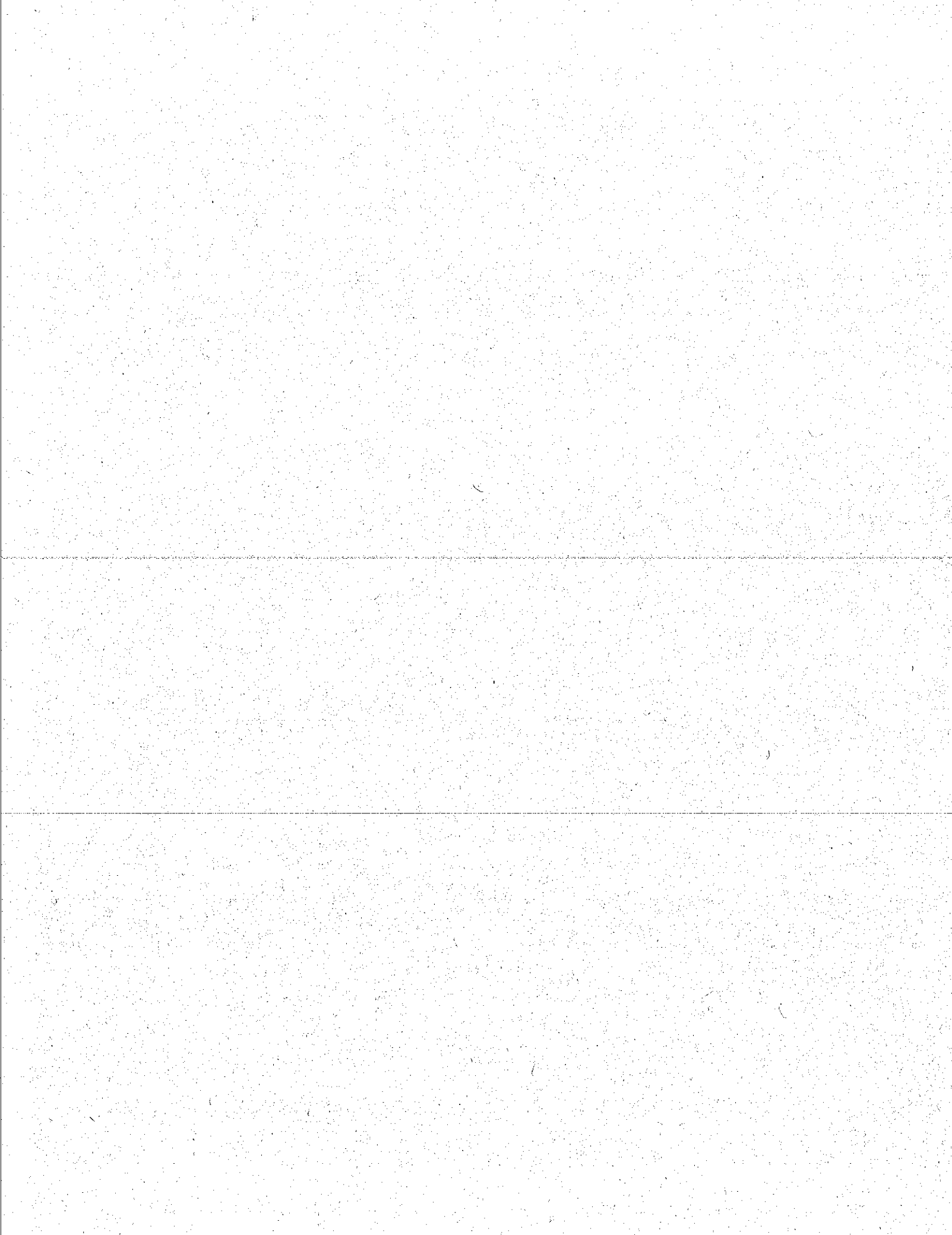


**ZOOLOGICAL SOCIETY OF SAN DIEGO
EXEMPT ORGANIZATION TAX RETURNS
For the Year Ended 12/30/2007
Copy - Retain for your files**

PUBLIC INSPECTION COPY



Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2007, or tax year beginning 01/01, 2007, and ending 12/30, 2007. For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868. See instructions on back.

2007

Department of the Treasury Internal Revenue Service

Name of exempt organization

ZOOLOGICAL SOCIETY OF SAN DIEGO

Employer identification number 95-1648219

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return, if any. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line for the return for which you are filing this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

Table with 2 columns: Line number (1a-5a) and Amount (1b-5b). Includes checkboxes for Form 990, 990-EZ, 1120-POL, 990-PF, and 8868. Amount for 1a is 203799407.

Part II Declaration of Officer

- 6 I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2007 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here: Signature of Paula Prock, Date 11-10-08, Title Chief Financial Officer

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-file (MeF) Information for Authorized e-file Providers. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only: Signature of Paula Prock, Date 11-10-08, Check if also paid preparer (checked), Check if self-employed, ERO's SSN or PTIN EN34-6565596, Firm's name ERNST & YOUNG U.S. LLP, address 1911 VON KARMAN AVENUE, SUITE 1000, IRVINE, CA 92612, Phone no. 949-794-2300

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer's Use Only: Preparer's signature, Date, Check if self-employed, Preparer's SSN or PTIN, Firm's name, address, and ZIP code, EIN, Phone no.

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Return of Organization Exempt From Income Tax

Department of the Treasury Internal Revenue Service

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

2007

Open to Public Inspection

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

A For the 2007 calendar year, or tax year beginning 01/01, 2007, and ending 12/30/2007

B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending. C Name of organization: ZOOLOGICAL SOCIETY OF SAN DIEGO. D Employer identification number: 95-1648219. E Telephone number: (619) 231-1515. F Accounting method: Cash, Accrual.

G Website: WWW.SANDIEGOZOO.ORG. J Organization type: 501(c)(3). K Check here: If the organization is not a 509(a)(3) supporting organization... H and I are not applicable to section 527 organizations.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12. 232,347,736.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income; 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss) (attach schedule); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses; 9c Net income or (loss); 10a Gross sales of inventory; 10b Less: cost of goods sold; 10c Gross profit or (loss); 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets; 21 Net assets or fund balances at end of year.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

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 the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22a-22b, 23, 24, 25a-25c, 26-43, and 44 Total functional expenses.

Joint Costs. Check [] if you are following SOP 98-2. Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [X] No

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A)		(B)		
		Beginning of year		End of year		
Assets	45 Cash - non-interest-bearing		4,715,651.	45	487,678.	
	46 Savings and temporary cash investments		42,991,775.	46	57,179,091.	
	47a Accounts receivable	47a	6,679,095.			
	b Less: allowance for doubtful accounts	47b	817.			
				10,037,595.	47c	6,678,278.
	48a Pledges receivable	48a	44,685,228.			
	b Less: allowance for doubtful accounts	48b	250,000.			
				31,741,562.	48c	44,435,228.
	49 Grants receivable				49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)				50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				50b	
	51a Other notes and loans receivable (attach schedule)	51a				
	b Less: allowance for doubtful accounts	51b				51c
	52 Inventories for sale or use			3,162,712.	52	3,313,269.
	53 Prepaid expenses and deferred charges			3,668,369.	53	779,850.
	54a Investments - publicly-traded securities <small>STMT 10</small>	<input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV		97,250,268.	54a	96,426,620.
	b Investments - other securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b	
	55a Investments - land, buildings, and equipment: basis	55a				
	b Less: accumulated depreciation (attach schedule)	55b				55c
	56 Investments - other (attach schedule)				56	
57a Land, buildings, and equipment: basis	57a	337,682,622.				
b Less: accumulated depreciation (attach schedule)	57b	160,725,010.				
			155,982,090.	57c	176,957,612.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> <small>STMT 11</small>)			17,484,350.	58	942,422.	
59 Total assets (must equal line 74). Add lines 45 through 58			367,034,372.	59	387,200,048.	
Liabilities	60 Accounts payable and accrued expenses		36,222,672.	60	39,211,341.	
	61 Grants payable			61		
	62 Deferred revenue			15,253,158.	62	16,455,398.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
	64a Tax-exempt bond liabilities (attach schedule) <small>STMT 12</small>			44,250,000.	64a	44,250,000.
	b Mortgages and other notes payable (attach schedule) <small>STMT 13</small>			1,750,000.	64b	750,000.
	65 Other liabilities (describe <input type="checkbox"/> <small>STMT 14</small>)			5,149,836.	65	3,828,792.
	66 Total liabilities. Add lines 60 through 65			102,625,666.	66	104,495,531.
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		193,493,843.	67	193,102,613.	
	68 Temporarily restricted		53,201,494.	68	69,716,561.	
	69 Permanently restricted		17,713,369.	69	19,885,343.	
	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)			264,408,706.	73	282,704,517.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73			367,034,372.	74	387,200,048.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 12
75b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)
75c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." If "Yes," attach a statement that includes the information described in the instructions.
75d Does the organization have a written conflict of interest policy?

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation (if not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. All entries in columns B, C, D, and E are -0-.

Part VI Other Information (See the instructions.)

76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change
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.
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.
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?
80b If "Yes," enter the name of the organization FOUNDATION OF THE ZOOLOGICAL SOCIETY OF SAN DIEGO and check whether it is [X] exempt or [] nonexempt
81a Enter direct and indirect political expenditures. (See line 81 instructions.) NONE
81b Did the organization file Form 1120-POL for this year?

Part VI Other Information (continued)

		Yes	No
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? b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	X	
82b	14,050.		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible? b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
84b		N/A	
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	N/A	
85c	Dues, assessments, and similar amounts from members	N/A	
85d	Section 162(e) lobbying and political expenditures	N/A	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86a	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	N/A	
86b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87a	501(c)(12) orgs. Enter: a Gross income from members or shareholders	N/A	
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	N/A	
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	X	
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>N/A</u> ; section 4912 <u>N/A</u> ; section 4955 <u>N/A</u>		
89b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	NONE	
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	NONE	
89e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		N/A
90a	List the states with which a copy of this return is filed <u>CA, HI, NJ, NY,</u>		
90b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)	2101	
91a	The books are in care of <u>DAVID PAGE</u> Located at <u>PO BOX 120551, SAN DIEGO, CA</u>	Telephone no. <u>619-744-3323</u> ZIP + 4 <u>92112</u>	
91b	At any time during the 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)? If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		X

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No X

If "Yes," enter the name of the foreign country
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

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

Note: Enter gross amounts unless otherwise indicated.

Table with 5 columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include Program service revenue, Medicare/Medicaid payments, Fees and contracts from government agencies, Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income, Gain or loss from sales of assets, Gross profit from sales of inventory, and Subtotal.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Table with 2 columns: 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).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

Table with 5 columns: (A) Name, address, and EIN of corporation, partnership, or disregarded entity; (B) Percentage of ownership interest; (C) Nature of activities; (D) Total income; (E) End-of-year assets.

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No X
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No X

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

				Yes	No
					X
(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer		
a					
b					
c					
Totals					

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

				Yes	No
					X
(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer		
a					
b					
c					
Totals					

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

		Yes	No
			N/A

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____

Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature	Date <u>11-10-08</u>	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4	ERNEST & YOUNG U.S. LLP 18111 VON KARMAN AVENUE, SUITE 1000 IRVINE, CA 92612		EIN <u>34-6565596</u> Phone no. <u>949-794-2300</u>

COPY

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

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

OMB No. 1545-0047

2007

Name of the organization

ZOOLOGICAL SOCIETY OF SAN DIEGO

Employer identification number

95-1648219

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 24				

Total number of other employees paid over \$50,000 . . ▶ 253

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 25		

Total number of others receiving over \$50,000 for professional services ▶ 46

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 26		

Total number of other contractors receiving over \$50,000 for other services ▶ 24

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

Schedule A (Form 990 or 990-EZ) 2007

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

Table with 3 columns: Question, Yes, No. Rows include: 1. During the year, has the organization attempted to influence national, state, or local legislation...; 2. During the year, has the organization, either directly or indirectly, engaged in any of the following acts...; 3a. Did the organization make grants for scholarships...; 3b. Did the organization have a section 403(b) annuity plan...; 3c. Did the organization receive or hold an easement for conservation purposes...; 3d. Did the organization provide credit counseling...; 4a. Did the organization maintain any donor advised funds...; 4b. Did the organization make any taxable distributions...; 4c. Did the organization make a distribution to a donor...; d. Enter the total number of donor advised funds...; e. Enter the aggregate value of assets held in all donor advised funds...; f. Enter the total number of separate funds or accounts...; g. Enter the aggregate value of assets held in all funds or accounts...

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(v). (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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III - Functionally Integrated Type III - Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 6 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

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

Table with columns: Calendar year (or fiscal year beginning in), (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11; 27 Organizations described on line 12; 28 Unusual Grants.

Part V Private School Questionnaire (See page 9 of the instructions.) NOT APPLICABLE
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		

32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		

33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is -			
Not over \$500,000 20% of the amount on line 40			
Over \$500,000 but not over \$1,000,000 . . . \$100,000 plus 15% of the excess over \$500,000			
Over \$1,000,000 but not over \$1,500,000 . . \$175,000 plus 10% of the excess over \$1,000,000	41		
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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(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 page 13 of the instructions.) **NOT APPLICABLE**

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.

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

2007

Name of organization
ZOOLOGICAL SOCIETY OF SAN DIEGO

Employer identification number

95-1648219

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule - see instructions.)

General Rule -

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

Special Rules -

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization ZOOLOGICAL SOCIETY OF SAN DIEGO

Employer identification number

95-1648219

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>		\$ <u>3,500,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>2</u>		\$ <u>2,946,379.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>3</u>		\$ <u>1,654,323.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>4</u>		\$ <u>1,515,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>5</u>		\$ <u>1,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>6</u>		\$ <u>800,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

FORM 990 - GENERAL EXPLANATION ATTACHMENT
 =====

FORM 990, FIXED ASSETS & DEPRECIATION
 PART IV - LINE 57 FIXED ASSEST AND PART II - LINE 42 DEPRECIATION EXP

PART IV LINE 57
 =====

DESCRIPTION	BALANCE AT 12/31/2007
BUILDINGS	69,891,688
MAJOR MOVABLE EQUIPMENT	36,401,688
EXHIBITS AND IMPROVEMENTS	198,528,700
ROADS, FENCES & LANDSCAPING	13,658,935
CHILDREN'S ZOO IMPROVEMENTS	795,043
BALBOA PARK BUSES	2,100,065
TRAINS AND EQUIPMENT	2,489,182
CIP	11,742,290
MITIGATION CREDITS	2,075,031

	337,682,622

DESCRIPTION	BALANCE AT 12/31/2007
ACCUM DEPRECIATION BUILDINGS	53,177,141
ACCUM DEPRECIATION MAJOR MOVABLE EQUIPMENT	19,882,757
ACCUM DEPRECIATION EXHIBITS AND IMPROVEMENTS	71,806,877
ACCUM DEPRECIATION ROADS, FENCES & LANDSCAPING	12,539,950
ACCUM DEPRECIATION CHILDREN'S ZOO IMPROVEMENTS	782,123
ACCUM DEPRECIATION BALBOA PARK BUSES	2,061,314
ACCUM DEPRECIATION TRAINS AND EQUIPMENT	474,848
ACCUM DEPRECIATION MITIGATION CREDITS	-

	160,725,010

PART II - LINE 42 DEPRECIATION EXPENSE	13,789,524
=====	=====

FORM 990 - GENERAL EXPLANATION ATTACHMENT
=====

FORM 990, TAX EXEMPT BONDS
PART IV - LINE 64A

LINE 64A - TAX EXEMPT BOND LIABILITIES

IN JUNE 2004, THE SOCIETY ISSUED \$45 MILLION IN TAX-EXEMPT BONDS THROUGH THE ASSOCIATION OF BAY AREA GOVERNMENTS IN THE STATE OF CALIFORNIA FOR THE CONSTRUCTION OF IMPROVEMENTS OF ITS FACILITIES AT THE WILD ANIMAL PARK AND FOR THE REPAYMENT OF SHORT-TERM DEBT. INTEREST ON THE BONDS (3.73% AT 2007 YEAR END), IS ADJUSTED THROUGH A WEEKLY REMARKETING PROCESS IN THE TAX-EXEMPT BOND MARKET. THE BONDS ARE SECURED BY A STANDBY LETTER OF CREDIT THAT IS GUARANTEED BY THE SOCIETY, COLLATERALIZED BY THE ASSETS OF THE SOCIETY AND SUBJECT TO CERTAIN RESTRICTIVE COVENANTS. AT 2007 YEAR-END, THE SOCIETY WAS IN COMPLIANCE WITH ALL FINANCIAL COVENANTS UNDER THE DEBT AGREEMENT. THE BONDS MATURE OCTOBER 1, 2034. INTEREST IS PAYABLE MONTHLY. PRINCIPAL PAYMENTS ARE PAYABLE BASED ON AN AMORTIZATION SCHEDULE BEGINNING OCTOBER 1, 2007. AT YEAR-END 2007, THE SOCIETY HAD FULLY UTILIZED THE BOND PROCEEDS.

FORM 990, PART I - EXCLUDED CONTRIBUTIONS

DESCRIPTION

AMOUNT

RITZ GALA
CELEBRATION FOR THE CRITTERS

1,989,977.
455,276.

TOTAL

2,445,253.
=====

FORM 990, PART I - SPECIAL FUNDRAISING EVENTS AND ACTIVITIES

DESCRIPTION	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
RITZ GALA	168,485.	353,799.	-185,314.
CELEBRATION FOR THE CRITTERS	96,760.	183,212.	-86,452.
TOTALS	265,245.	537,011.	-271,766.

FORM 990, PART I - GROSS SALES AND COST OF GOODS SOLD
 =====

GROSS SALES LESS RETURNS AND ALLOWANCES	27,334,000.
INVENTORY AT BEGINNING OF YEAR	3,162,712.
PURCHASES	8,589,557.
SALARIES AND WAGES	
OTHER COSTS	
SUBTOTAL	----- 11,752,269.
MINUS ENDING INVENTORY	3,313,269.
COST OF GOODS SOLD	----- 8,439,000. =====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

DESCRIPTION	AMOUNT
UNREALIZED LOSS ON INVESTMENTS	2,964,933.
UNREALIZED LOSS ON SWAP AGREEMENT	931,606.
ADDITIONAL MINIMUM PENSION LIABILITY	6,160,000.
TOTAL	10,056,539.

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
INVESTMENT COUNSELING & OTHER				
LAUNDRY	1,019,759.		1,019,759.	
FORAGE	1,286,214.	1,282,504.	3,710.	
OPERATING FUELS	2,245,503.	2,245,503.		
MISC RENTAL	1,169,470.	1,169,470.		
ADVERTISING	2,021,048.	1,433,536.	470,025.	117,487.
ENTERTAINMENT	7,473,159.	7,020,719.	1,313.	451,127.
ACQUISITION MEDIA & POSTAGE	2,870,723.	2,392,018.	67,666.	411,039.
ONSITE MEDICAL SERVICES	2,139,268.	2,139,268.		
CONSULTANTS	443,484.	443,484.		
SHARED REVENUE EXPENSE	3,332,894.	3,078,786.	185,785.	68,323.
INSURANCE	2,309,413.	2,309,413.		
UTILITIES & WATER EXPENSE	1,780,237.	1,596,117.	181,506.	2,614.
BANK FEES	5,216,494.	5,216,127.		367.
COGS	2,481,143.	1,699,314.	770,862.	10,967.
MISCELLANEOUS	6,606,748.	6,606,748.		
TOTALS	7,023,966.	4,500,322.	1,750,668.	772,976.
	49,419,523.	43,133,329.	4,451,294.	1,834,900.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
 =====

ANIMAL EXHIBITION AND EDUCATIONAL PURPOSES.

THE ZOOLOGICAL SOCIETY OF SAN DIEGO IS A NOT-FOR-PROFIT ORGANIZATION THAT OPERATES THE SAN DIEGO ZOO, THE SAN DIEGO ZOO'S WILD ANIMAL PARK, AND THE DEPARTMENT OF CONSERVATION AND RESEARCH FOR ENDANGERED SPECIES (CRES).

THE ZOOLOGICAL SOCIETY OF SAN DIEGO IS A CONSERVATION, EDUCATION, AND RECREATION ORGANIZATION DEDICATED TO THE REPRODUCTION, PROTECTION, AND EXHIBITION OF ANIMALS, PLANTS, AND THEIR HABITATS.

SAN DIEGO ZOO - THE 100-ACRE (40-HECTARE) ZOO IS HOME TO OVER 4,000 RARE AND ENDANGERED ANIMALS REPRESENTING MORE THAN 800 SPECIES AND SUBSPECIES, AND A PROMINENT BOTANICAL COLLECTION WITH MORE THAN 700,000 EXOTIC PLANTS. IT IS LOCATED JUST NORTH OF DOWNTOWN SAN DIEGO IN BALBOA PARK.

WILD ANIMAL PARK - THE WILD ANIMAL PARK IS AN EXPANSIVE WILDLIFE SANCTUARY THAT IS HOME TO MORE THAN 3,500 ANIMALS REPRESENTING MORE THAN 400 SPECIES. ITS RENOWNED BOTANICAL COLLECTION REPRESENTS 3,500 SPECIES AND 1.5 MILLION SPECIMENS. OVER HALF OF THE PARK'S 1,800 ACRES (730 HECTARES) HAVE BEEN SET ASIDE AS PROTECTED NATIVE SPECIES HABITAT. IT IS LOCATED 35 MILES (56 KILOMETERS) NORTH OF DOWNTOWN SAN DIEGO IN THE SAN PASQUAL VALLEY NEAR ESCONDIDO, CALIFORNIA.

CONSERVATION & RESEARCH FOR ENDANGERED SPECIES (CRES) - CRES IS ONE OF THE LARGEST ZOO-BASED RESEARCH CENTERS IN THE WORLD. FOUNDED IN 1975, CRES IS DEDICATED TO PRESERVING AND PROTECTING RARE AND ENDANGERED WILDLIFE AND HABITATS. CRES RESEARCHERS DEVELOP, GATHER, AND INCREASE KNOWLEDGE VITAL FOR THE ESTABLISHMENT OF SELF-SUSTAINING POPULATIONS OF WILDLIFE.

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS

PROGRAM SERVICE ACCOMPLISHMENT A

OPERATION OF 2 ANIMAL EXHIBITION FACILITIES; THE SD ZOO AND THE SD ZOO'S WILD ANIMAL PARK. THE 100-ACRE ZOO IS HOME TO 4,000 RARE AND ENDANGERED ANIMALS AND CONTAINS A PROMINENT BOTANICAL COLLECTION WITH MORE THAN 700,000 PLANTS. THE WILD ANIMAL PARK IS AN 1800-ACRE WILDLIFE SANCTUARY, WITH OVER HALF OF THE PARK BEING SET ASIDE AS PROTECTED HABITATS.

FORM 990, PART IV - INVESTMENTS - PUBLICLY TRADED SECURITIES

DESCRIPTION -----	ENDING BOOK VALUE -----
EQUITY SECURITIES	96,426,620.
TOTALS	----- 96,426,620. =====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION

ENDING
BOOK VALUE

BOND ISSUANCE COST

629,140.

LONG TERM DEPOSITS

55,778.

EMPLOYEE ADVANCES

22,638.

ANNUAL BOND FEES

234,866.

TOTALS

942,422.
=====

FORM 990, PART IV - TAX-EXEMPT BOND LIABILITIES

=====

DESCRIPTION

ENDING
BOOK VALUE

BAY AREA GOV STATE OF CA BONDS
UNEXPENDED PROCEEDS:

NONE

44,250,000.

TOTALS

44,250,000.
=====

FORM 990, PART IV - MORTGAGES AND OTHER NOTES PAYABLE

=====

LENDER: SAN DIEGO STATE UNIVERSITY
ORIGINAL AMOUNT: 2,000,000.
INTEREST RATE: 7.000000
DATE OF NOTE: 08/08/2003
MATURITY DATE: 02/06/2010
REPAYMENT TERMS: \$250,000 PLUS INTEREST DUE ANNUALLY IN FEB
SECURITY PROVIDED: NONE
PURPOSE OF LOAN: PURCHASE OF MITIGATION CREDITS

BEGINNING BALANCE DUE	1,750,000.
ENDING BALANCE DUE	750,000.

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	1,750,000.
	=====

TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	750,000.
	=====

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION

ENDING
BOOK VALUE

OTHER CAPITAL LEASE
LINE OF CREDIT B OF A

328,792.
3,500,000.

TOTALS

3,828,792.
=====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
COST OF GOODS SOLD	8,439,000.
SPECIAL EVENT EXPENSE	537,011.
NET LOSS ON DISPOSAL OF ASSETS	118,935.
DONATED STOCK SALE	22,209.
TOTAL	9,117,155.

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS
=====

DESCRIPTION -----	AMOUNT -----
FUNDRAISING EXPENSE	3,314,736.
TOTAL	----- 3,314,736. =====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN
=====

DESCRIPTION -----	AMOUNT -----
COST OF GOODS SOLD	8,439,000.
SPECIAL EVENT EXPENSE	537,011.
NET LOSS ON DISPOSAL OF ASSETS	118,935.
DONATED STOCK SALE	22,209.

TOTAL	9,117,155.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS
=====

DESCRIPTION

AMOUNT

FUNDRAISING EXPENSE

3,314,736.

TOTAL

3,314,736.
=====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
DOUGLAS MYERS PO BOX 120551 SAN DIEGO, CA 92112	CEO/EXECUTIVE DIRECTOR 40.00	307,733.	16,384.	10,856.
MATTHEW MUSELLA PO BOX 120551 SAN DIEGO, CA 92112	COO/DEPUTY DIRECTOR 40.00	228,877.	20,041.	4,869.
PAULA BROCK PO BOX 120551 SAN DIEGO, CA 92112	CHIEF FINANCIAL OFFICER 40.00	200,283.	11,006.	3,413.
BERIT DURLER PO BOX 120551 SAN DIEGO, CA 92112	CHAIRMAN OF BOARD/PRESIDENT 12.00	NONE	NONE	NONE
FREDERICK A FRYE MD PO BOX 120551 SAN DIEGO, CA 92112	VICE PRESIDENT 10.00	NONE	NONE	NONE
RICK GULLEY PO BOX 120551 SAN DIEGO, CA 92112	SECRETARY 10.00	NONE	NONE	NONE
FRANK C ALEXANDER PO BOX 120551 SAN DIEGO, CA 92112	TREASURER 10.00	NONE	NONE	NONE
SANDRA BRUE PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
WELDON DONALDSON PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
THOMPSON FETTER PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
GEORGE L GILDRED PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
NAN KATONA PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
YVONNE W LARSEN PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
WILLIAM H MAY PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
DAVID WOODRUFF PHD DSC PO BOX 120551 SAN DIEGO, CA 92112	TRUSTEE 6.00	NONE	NONE	NONE
GRAND TOTALS		736,893.	47,431.	19,138.

FORM 990, PART VII - PROGRAM SERVICE REVENUE

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
ZOO ADMISSIONS					29,647,859.
WAP ADMISSIONS					17,467,730.
TRANSPORTATION					13,373,180.
TOURS & PROGRAMS	511120	133,480.			7,932,131.
EDUCATION PGRMS					2,445,974.
FOOD CONCESSIONS					32,960,620.
CITY TAX REVENUE	722320	56,944.			8,700,000.
PARKING REVENUE					2,775,457.
GRANT REV FOR SVC					4,165,893.
TOTALS		190,424.			119,468,844.

FORM 990, PART VII - OTHER REVENUE

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
HOTEL COMMISSIONS	900004	84,952.			
LEGAL SETTLEMENT					
WILDFIRE INSURANCE CLAIM PYMT			01	1,018,114.	
FUEL TANK MITIGATION			01	1,907,077.	
EXOTIC ANIMAL FORAGE			01	456,977.	
ATM SURCHARGE					135,450.
OTHER REVENUE			03	65,727.	98,724.
TOTALS		84,952.		3,447,895.	234,174.

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

=====

LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
--------------------	---

- | | |
|-----|--|
| 93 | THE INCOME REPORTED IN COLUMN (E) OF PART VII ALLOWED FOR THE OPERATION OF THE ZOO AND WILD ANIMAL PARK WHICH SUPPORTS THE EXEMPT PURPOSE OF CONSERVATION OF ENDANGERED SPECIES AND THE HABITATS IN WHICH THEY LIVE. THE REVENUES INCLUDE MONIES FROM THE SALE OF CONCESSIONS, TOURS, TRANSPORTATION, PARKING AND EDUCATION. |
| 102 | REVENUES INCLUDE MONIES FROM THE SALE OF MERCHANDISE AND GIFTS. |
| 103 | REVENUES FROM SALES OF FOOD FOR EXOTIC ANIMALS AND OTHER RELATED ACTIVITIES. |

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
RICHARD FARRAR PO BOX 120551 SAN DIEGO, CA 92112	DIR SAN DIEGO ZOO 40.00	192,620.	23,693.	7,089.
MARK STUART PO BOX 120551 SAN DIEGO, CA 92112	DIR DEV & MEMBER 40.00	196,822.	19,151.	2,578.
ROBERT MCCLURE PO BOX 120551 SAN DIEGO, CA 92112	DIR WILD ANIMAL PARK 40.00	190,198.	20,746.	3,150.
ROBERT ERHARDT PO BOX 120551 SAN DIEGO, CA 92112	CHIEF TECH OFFICER 40.00	190,535.	23,917.	NONE
TIM MULLIGAN PO BOX 120551 SAN DIEGO, CA 92112	DIR HUMAN SERVICES 40.00	173,113.	12,649.	962.
TOTAL COMPENSATION		943,288.	100,156.	13,779.

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
TEAMSTERS EMPLOYERS PO BOX 507406 SAN DIEGO, CA 92150	UNION ADMINISTRATOR	5,919,932.
HEALTH NET FILE 52617 LOS ANGELES, CA 90074	HEALTH CARE ADMIN	2,184,320.
JOHN BURNHAM AND COMPANY PO BOX 51793 LOS ANGELES, CA 90051	INSURANCE BROKER	1,343,246.
RUDOLPH AND SLETTEN INC 10955 VISTA SORRENTO PKWY #100 SAN DIEGO, CA 92130	CONSULTANT	1,071,301.
CHUBB SERVICES 15 MOUNTAIN VIEW RD WARREN, NJ 07059	HEALTH CARE ADMIN	935,118.
TOTAL COMPENSATION		----- 11,453,917. =====

SCH. A, PART II-B COMPENSATION OF THE 5 HIGHEST PAID FOR OTHER SERV.

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
SOUTHLAND PAVING 361 N HALE AVE ESCONDIDO, CA 92029	CONSTRUCTION/PAVING	6,930,187.
ROUND 2 COMMUNICATIONS 10866 WILSHIRE BLVD, STE 900 LOS ANGELES, CA 90024	MEDIA/PR	5,718,935.
EPSILON DATA MANAGEMENT P. O. BOX 31001-0731 PASADENA, CA 91110	MAILING HOUSE	3,770,746.
M AND C SAATCHI 2032 BROADWAY SANTA MONICA, CA 90404	ADVERTISING	1,665,652.
ARAMARK UNIFORM PO BOX 828441 PHILADELPHIA, PA 19182	UNIFORM LAUNDERING	1,026,085.
TOTAL COMPENSATION		----- 19,111,605. =====

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A

=====

EDUCATIONAL PROGRAM SCHOLARSHIPS ARE PROVIDED TO FAMILIES THAT APPLY
BASED ON FINANCIAL NEED. THE APPLICATIONS ARE REVIEWED AND APPROVED
BY THE ASSOCIATE DIRECTOR OF EDUCATION. INTERNAL POSTDOCTORAL
FELLOWSHIPS ARE CONDUCTED THROUGH OUR CENTER FOR RESEARCH OF
ENDANGERED SPECIES. A COMMITTEE OF RESEARCH DEPARTMENT HEADS MEET
TO EVALUATE AND DECIDE ON WHICH RESEARCH PROGRAMS WILL BE CONDUCTED.

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).**

OMB No. 1545-0092

2007

Name of estate or trust

Employer identification number

ZOOLOGICAL SOCIETY OF SAN DIEGO

95-1648219

Note: Form 5227 filers need to complete only Parts I and II.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 40 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2006 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back.	5	

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 40 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b.	6b	3,824,281.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2006 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back.	12	3,824,281.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.
JSA 7F1210 2.000

Schedule D (Form 1041) 2007

Part III Summary of Parts I and II

Caution: Read the instructions before completing this part.

	(1) Beneficiaries' (see page 41)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		
14 Net long-term gain or (loss):			
a Total for year	14a		
b Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b		3,824,281.
c 28% rate gain	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		3,824,281.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:

a The loss on line 15, column (3) or b \$3,000.	16 ()
---	---------------

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 42 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

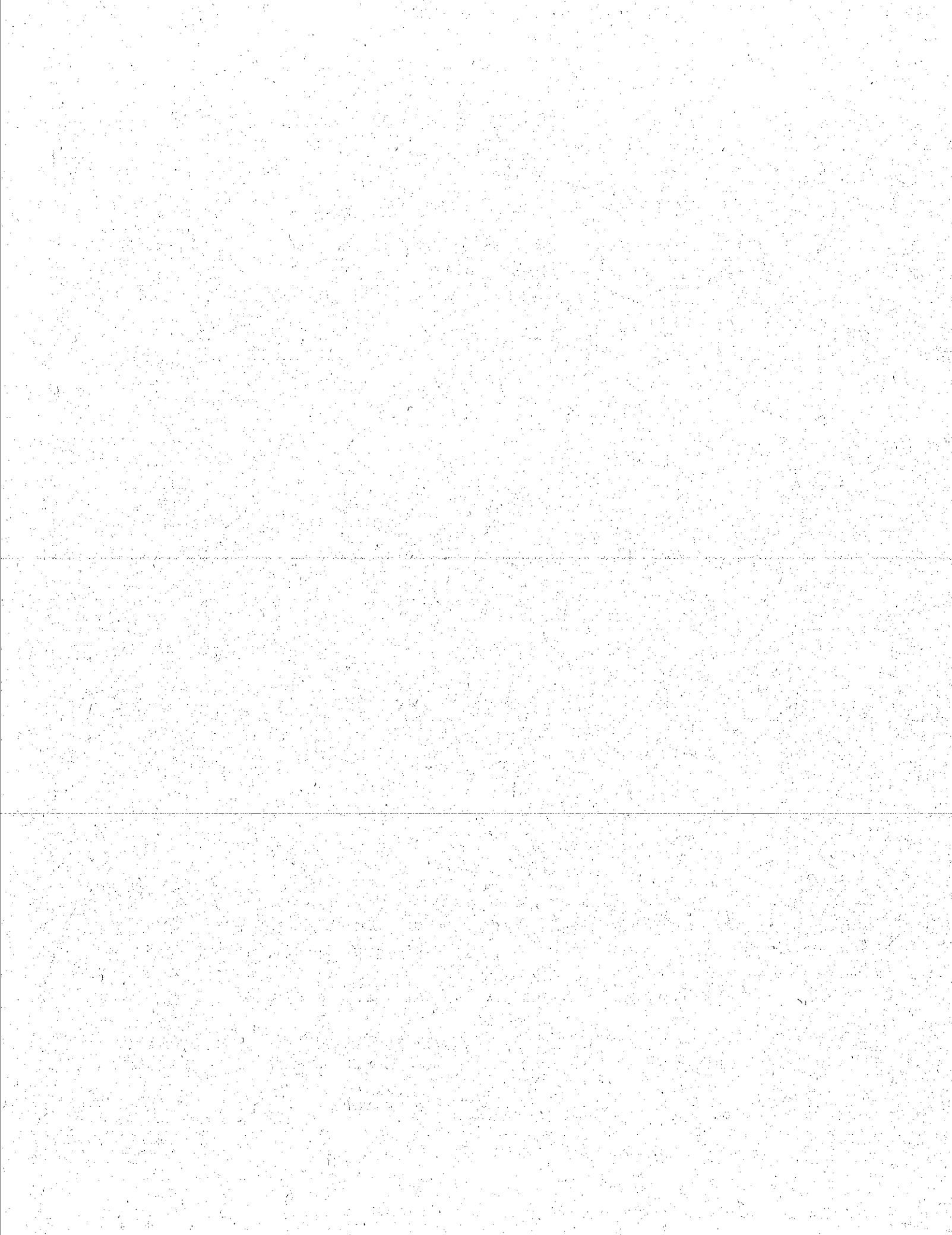
Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 43 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 43 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20 Add lines 18 and 19	20		
21 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-	22		
23 Subtract line 22 from line 17. If zero or less, enter -0-	23		
24 Enter the smaller of the amount on line 17 or \$2,150	24		
25 Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 through 27; go to line 28 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	25		
26 Subtract line 25 from line 24	26		
27 Multiply line 26 by 5% (.05)	27		
28 Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 28 thru 31; go to line 32. <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	28		
29 Enter the amount from line 26 (If line 26 is blank, enter -0-)	29		
30 Subtract line 29 from line 28	30		
31 Multiply line 30 by 15% (.15)	31		
32 Figure the tax on the amount on line 23. Use the 2007 Tax Rate Schedule on page 27 of the instructions	32		
33 Add lines 27, 31, and 32	33		
34 Figure the tax on the amount on line 17. Use the 2007 Tax Rate Schedule on page 27 of the instructions	34		
35 Tax on all taxable income. Enter the smaller of line 33 or line 34 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T)	35		



A Check box if address changed

B Exempt under section
 501(C)(3) 220(e) 530(a)
 408(e) 529(a)

C Book value of all assets at end of year

Name of organization (Check box if name changed and see instructions.)
ZOOLOGICAL SOCIETY OF SAN DIEGO

Number, street, and room or suite no. If a P.O. box, see page 9 of instructions.
POST OFFICE BOX 120551

City or town, state, and ZIP code
SAN DIEGO, CA 92112

D Employer identification number (Employees' trust, see instructions for Block D on page 9.)
95-1648219

E Unrelated business activity codes (See instructions for Block E on page 9.)
511120 722320
900004 453220

F Group exemption number (See instructions for Block F on page 9.) **387,200,048.**

G Check organization type 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity. **SEE STATEMENT 1**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No
If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of **DAVID PAGE** Telephone number **619-744-3323**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales 17,800,755.			
b	Less returns and allowances			
c	Balance	17,800,755.		
2	Cost of goods sold (Schedule A, line 7)	4,490,552.		
3	Gross profit. Subtract line 2 from line 1c	13,310,203.		13,310,203.
4 a	Capital gain net income (attach Schedule D)			
4 b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
4 c	Capital loss deduction for trusts			
5	Income (loss) from partnerships and S corporations (attach statement)			
6	Rent income (Schedule C)			
7	Unrelated debt-financed income (Schedule E)			
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
10	Exploited exempt activity income (Schedule I)	84,952.	6,188.	78,764.
11	Advertising income (Schedule J)	133,480.	656,379.	-522,899.
12	Other income (See page 11 of the instructions; attach schedule.)			
13	Total. Combine lines 3 through 12.	13,528,635.	662,567.	12,866,068.

Part II Deductions Not Taken Elsewhere (See page 12 of the instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)			
15	Salaries and wages			5,811,189.
16	Repairs and maintenance			
17	Bad debts			
18	Interest (attach schedule)			
19	Taxes and licenses			
20	Charitable contributions (See page 14 of the instructions for limitation rules.)			
21	Depreciation (attach Form 4562)		NONE	
22	Less depreciation claimed on Schedule A and elsewhere on return			NONE
23	Depletion			
24	Contributions to deferred compensation plans			
25	Employee benefit programs			
26	Excess exempt expenses (Schedule I)			
27	Excess readership costs (Schedule J)			NONE
28	Other deductions (attach schedule) SEE STATEMENT 2.			7,275,304.
29	Total deductions. Add lines 14 through 28			13,086,493.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			-220,425.
31	Net operating loss deduction (limited to the amount on line 30)			
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30			-220,425.
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)			NONE
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.			-220,425.

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

OMB No. 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization ZOOLOGICAL SOCIETY OF SAN DIEGO	Employer identification number 95-1648219
	Number, street, and room or suite no. If a P.O. box, see instructions. POST OFFICE BOX 120551	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SAN DIEGO, CA 92112	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--------------------------------------|---|------------------------------------|
| <input type="checkbox"/> Form 990 | <input checked="" type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ DAVID PAGE

Telephone No. ▶ 619 744-3323

FAX No. ▶ 619 231-0249

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a section 501(c) corporation required to file Form 990-T) extension of time until 11/15, 2008, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year or
- ▶ tax year beginning 01/01, 2007, and ending 12/30, 2007.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	NONE
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	NONE
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	NONE

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15. Controlled group members (sections 1561 and 1563) check here See instructions and:

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
 (1) _____ (2) _____ (3) _____

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) _____
 (2) Additional 3% tax (not more than \$100,000) _____

c Income tax on the amount on line 34 **35c**

36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. Income tax on the amount on line 34 from: Tax rate schedule or Schedule D (Form 1041) **36**

37 Proxy tax. See page 16 of the instructions **37**

38 Alternative minimum tax **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies. **39**

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40a**

b Other credits (see page 17 of the instructions) **40b**

c General business credit. Check here and indicate which forms are attached:
 Form 3800 Form(s) (specify) _____ **40c**

d Credit for prior year minimum tax (attach Form 8801 or 8827) **40d**

e Total credits. Add lines 40a through 40d **40e**

41 Subtract line 40e from line 39. **41**

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule). **42**

43 Total tax. Add lines 41 and 42 **43**

44a Payments: A 2006 overpayment credited to 2007 **44a**

b 2007 estimated tax payments **44b**

c Tax deposited with Form 8868 **44c**

d Foreign organizations: Tax paid or withheld at source (see instructions) **44d**

e Backup withholding (see instructions) **44e**

f Other credits and payments: Form 2439 Form 4136 Other _____ Total **44f**

45 Total payments. Add lines 44a through 44f **45**

46 Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached **46**

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47** NONE

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** NONE

49 Enter the amount of line 48 you want: Credited to 2008 estimated tax Refunded **49** NONE

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 18)

1 At any time during the 2007 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1. If YES, enter the name of the foreign country here _____ **Yes** **No**

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file. _____ **Yes** **No**

3 Enter the amount of tax-exempt interest received or accrued during the tax year **\$** _____ **Yes** **No**

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **LOWER OF COST OR MARKET**

1 Inventory at beginning of year	1	3,561,263.	6 Inventory at end of year	6	3,711,820.
2 Purchases	2	4,641,109.	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2.	7	4,490,552.
3 Cost of labor	3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? STMT 5	Yes	No
4a Additional section 263A costs (attach schedule)	4a			<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Other costs (attach schedule)	4b				
5 Total. Add lines 1 through 4b	5	8,202,372.			

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title _____

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

Paid Preparer's Use Only

Preparer's signature *Ka...* Date *11-10-08* Check if self-employed Preparer's SSN or PTIN *P00023315*

Firm's name (or yours if self-employed), address, and ZIP code **ERNST & YOUNG U.S. LLP** EIN *34-6565596*
18111 VON KARMAN AVENUE, SUITE 1000 Phone no. *949-794-2300*
IRVINE, CA 92612

COPY

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions on page 20) N/A

1 Description of property

Table with 1 column for description of property, rows (1) through (4).

2 Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, 3 Deductions directly connected with the income. Rows (1) through (4) and Total.

Total Income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)

Total deductions. Enter here and on page 1, Part I, line 6, column (B)

Schedule E - Unrelated Debt-Financed Income (see instructions on page 20)

N/A

Table with 5 columns: 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, (b) Other deductions, 4 Amount of average acquisition debt, 5 Average adjusted basis, 6 Column 4 divided by column 5, 7 Gross income reportable, 8 Allocable deductions. Rows (1) through (4) and Totals.

Total dividends-received deductions included in column 8

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 21) N/A

Table for Exempt Controlled Organizations with 6 columns: 1 Name of Controlled Organization, 2 Employer Identification Number, 3 Net unrelated income, 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. Rows (1) through (4).

Nonexempt Controlled Organizations

Table for Nonexempt Controlled Organizations with 5 columns: 7 Taxable Income, 8 Net unrelated income, 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. Rows (1) through (4) and Totals.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization

N/A

(see instructions on page 22)

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 (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).
Totals ▶				

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions on page 22)

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 cols. 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) STMT 3						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.
Totals ▶		84,952.	6,188.			NONE

Schedule J - Advertising Income (see instructions on page 22)

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) (col. 2 minus col. 3). If a gain, compute cols. 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)						
Totals (carry to Part II, line (5)) ▶						

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) STMP 4	133,480.	656,379.	-522,899.	62,146.	1,487,279.	
(2)						
(3)						
(4)						
(5) Totals from Part I						
Totals, Part II (lines 1-5) . . . ▶	Enter here and on page 1, Part I, line 11, col. (A). 133,480.	Enter here and on page 1, Part I, line 11, col. (B). 656,379.				Enter here and on page 1, Part II, line 27.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 23)

N/A

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
			%
			%
			%
			%

Total. Enter here and on page 1, Part II, line 14 ▶

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

=====

MERCHANDISING, CATERING, ADVERTISING AND TRAVEL ARRANGEMENTS

FORM 990-T PART II

ACTIVITY DESCRIPTION	TOTAL	Merchandising	Catering	Advertising
Salaries & Wages Line 15	5,811,189	5,791,390	19,799	0
Excess Readership Costs Line 27	0	0	0	0
Laundry/Uniforms	69,144	67,598	1,546	0
Operating Supplies	122,797	120,712	2,085	0
Facility Maintenance	504,893	501,733	3,160	0
Advertising/Promotions	727,894	726,706	1,188	0
Fulfillment	2,880	2,880	0	0
Renewal & Acquisition	0	0	0	0
General & Administrative	3,582,777	3,582,249	528	0
Other Expense	19,782	19,777	5	0
Vendor Commissions	2,039,663	2,039,663	0	0
Depreciation	205,474	205,474	0	0
Total Other Deductions Line 28	7,275,304	7,266,792	8,512	0
Total Deductions Line 29	<u>13,086,493</u>	<u>13,058,182</u>	<u>28,311</u>	<u>0</u>

SCHEDULE I - EXPLOITED EXEMPT ACTIVITY INCOME, OTHER THAN ADVERTISING INCOME

1. EXPLOITED ACTIVITY	2. GROSS UNRELATED BUSINESS INCOME	3. EXPENSES DIRECTLY CONNECTED	4. NET INCOME OR (LOSS)	5. GROSS INCOME FROM ACTIVITY	6. EXPENSES ATTRIBUTABLE TO COL. 5	7. EXCESS EXEMPT EXPENSES
COMMISSIONS ON-LINE HOTEL RESERVATIONS	84,952.	6,188.	78,764.			NONE
COLUMN TOTALS	84,952.	6,188.				NONE

SCHEDULE J - PART II, ADVERTISING INCOME REPORTED ON A SEPARATE BASIS

1. NAME OF PERIODICAL	2. GROSS ADVERTISING INCOME	3. DIRECT ADVERTISING COSTS	4. ADVERTISING GAIN OR LOSS	5. CIRCULATION INCOME	6. READERSHIP COSTS	7. EXCESS READERSHIP COSTS
ZOO NOOZ	133,480.	656,379.	-522,899.	62,146.	1,487,279.	
COLUMN TOTALS	133,480.	656,379.	-522,899.	62,146.	1,487,279.	

FORM 990-T SCHEDULE A COST OF GOODS SOLD

	BOY	EOY
Book Inventory	3,162,712	3,313,269
Sec 263A Adjustment	398,551	398,551
	<hr/>	<hr/>
Tax Inventory	3,561,263	3,711,820