



February 7, 2008

Ms. Kim Burse
Independent Industries, Inc.
907 East Broadway
Louisville, Kentucky 40204-3000

Dear Ms. Burse:

Re: Public Disclosure of Exempt Organization Income Tax Return

The attached copy of your organization's Exempt Organization Income Tax Return is to be used as your Public Disclosure Copy. As you may be aware, the income tax law now requires tax exempt organizations to provide and/or make available copies of their income tax returns for the most recent three years to any person requesting them. In addition, the organization must provide and/or make available a copy of its Application for Recognition of Tax Exempt Status (Form 1023) if the organization had a copy in its files in July 1987 or later.

All information in the Exempt Organization Income Tax Return and Form 1023 must be provided, except donors' names may be masked on Schedule B, if applicable.

We have prepared the attached "Public Disclosure" copy of the Exempt Organization Income Tax Return for your organization to use in making copies when requested, and we recommend that you assign someone on your staff to establish a procedure for addressing requests for copies. The IRS may impose significant penalties when organizations do not provide copies of their Exempt Organization Income Tax Return and Form 1023.

Should you have questions regarding the public disclosure requirements, please feel free to call us.

Yours very truly,

DEMING, MALONE, LIVESAY & OSTROFF

A handwritten signature in cursive script, appearing to read "Jennifer R. Hughes".

Jennifer R. Hughes

JRH:re

Enclosures

PUBLIC DISCLOSURE COPY

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2006

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)

Open to Public Inspection

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

A For the 2006 calendar year, or tax year beginning OCT 1, 2006 **and ending** SEP 30, 2007

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization <u>INDEPENDENT INDUSTRIES, INC.</u>	D Employer identification number <u>43-2017147</u>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	E Telephone number <u>(502) 585-5221</u>
	City or town, state or country, and ZIP + 4 <u>LOUISVILLE, KY 40204</u>	F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	
	Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).		

G Website: WWW.INDEPENDENTINDUSTRIES.COM

J Organization type (check only one) 501(c) (3) (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates N/A

H(c) Are all affiliates included? N/A Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number N/A

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 1,902,066.

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

		1a		1b		1c		1d		1e	
1 Contributions, gifts, grants, and similar amounts received:											
a Contributions to donor advised funds											
b Direct public support (not included on line 1a)				5,000.							
c Indirect public support (not included on line 1a)											
d Government contributions (grants) (not included on line 1a)											
e Total (add lines 1a through 1d) (cash \$ <u>5,000.</u> noncash \$ _____)										5,000.	
2 Program service revenue including government fees and contracts (from Part VII, line 93)										201,930.	
3 Membership dues and assessments											
4 Interest on savings and temporary cash investments										7,616.	
5 Dividends and interest from securities											
Revenue	6 a Gross rents	6a									
	b Less: rental expenses	6b									
	c Net rental income or (loss). Subtract line 6b from line 6a									6c	
	7 Other investment income (describe _____)									7	
Revenue	8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other							
	b Less: cost or other basis and sales expenses	8a		8b							
	c Gain or (loss) (attach schedule)	8c									
	d Net gain or (loss). Combine line 8c, columns (A) and (B)									8d	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>											
a Gross revenue (not including \$ _____ of contributions reported on line 1b)		9a									
b Less: direct expenses other than fundraising expenses		9b									
c Net income or (loss) from special events. Subtract line 9b from line 9a										9c	
Revenue	10 a Gross sales of inventory, less returns and allowances	10a		1,683,403.							
	b Less: cost of goods sold	10b		1,290,113.							
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a			STMT 1						393,290.	
11 Other revenue (from Part VII, line 103)										4,117.	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11										611,953.	
Expenses	13 Program services (from line 44, column (B))									514,907.	
	14 Management and general (from line 44, column (C))									255,509.	
	15 Fundraising (from line 44, column (D))										
	16 Payments to affiliates (attach schedule)										
17 Total expenses. Add lines 16 and 44, column (A)										770,416.	
18 Excess or (deficit) for the year. Subtract line 17 from line 12										<158,463.>	
19 Net assets or fund balances at beginning of year (from line 73, column (A))										830,353.	
20 Other changes in net assets or fund balances (attach explanation)				SEE STATEMENT 2						24,107.	
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20										695,997.	

623001 01-18-07

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

Form 990 (2006)

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.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> . If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> . If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	74,767.	0.	74,767.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	363,463.	294,609.	68,854.	
27 Pension plan contributions not included on lines 25a, b, and c	9,639.	9,639.		
28 Employee benefits not included on lines 25a - 27	54,480.	44,385.	10,095.	
29 Payroll taxes	46,859.	33,312.	13,547.	
30 Professional fundraising fees				
31 Accounting fees	7,100.		7,100.	
32 Legal fees				
33 Supplies	17,257.	5,207.	12,050.	
34 Telephone	5,793.		5,793.	
35 Postage and shipping	716.		716.	
36 Occupancy	75,077.	58,710.	16,367.	
37 Equipment rental and maintenance	5,611.	1,737.	3,874.	
38 Printing and publications	6,144.	368.	5,776.	
39 Travel	11,208.	5,557.	5,651.	
40 Conferences, conventions, and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	60,521.	60,521.		
43 Other expenses not covered above (itemize):				
a PROFESSIONAL SERVICES	13,920.	787.	13,133.	
b DUES	13,958.	75.	13,883.	
c MISCELLANEOUS	3,903.		3,903.	
d				
e				
f				
g				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	770,416.	514,907.	255,509.	0.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;

(iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

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) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	233,831.	45 244,246.
	46 Savings and temporary cash investments		46
	47 a Accounts receivable	47a 174,676.	
	b Less: allowance for doubtful accounts	47b 6,000.	47c 168,676.
	48 a Pledges receivable	48a	48c
	b Less: allowance for doubtful accounts	48b	
	49 Grants receivable		49
	50 a Receivables from current and former officers, directors, trustees, and key employees		50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b
	51 a Other notes and loans receivable	51a	51c
	b Less: allowance for doubtful accounts	51b	
	52 Inventories for sale or use	88,140.	52
	53 Prepaid expenses and deferred charges	4,259.	53 10,044.
	54 a Investments - publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a
	b Investments - other securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b
	55 a Investments - land, buildings, and equipment: basis	55a	
	b Less: accumulated depreciation	55b	55c
	56 Investments - other	SEE STATEMENT 5	168,094.
57 a Land, buildings, and equipment: basis	57a 1,516,008.		
b Less: accumulated depreciation	57b 255,648.	1,318,996.	57c 1,260,360.
58 Other assets, including program-related investments (describe ▶ _____)			58
59 Total assets (must equal line 74). Add lines 45 through 58		2,003,317.	59 1,875,527.
Liabilities	60 Accounts payable and accrued expenses	164,147.	60 80,181.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe ▶ _____ SEE STATEMENT 7)		1,008,817.
66 Total liabilities. Add lines 60 through 65		1,172,964.	66 1,179,530.
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	662,259.	67 503,796.
	68 Temporarily restricted		68
	69 Permanently restricted	168,094.	69 192,201.
	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)		830,353.	73 695,997.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		2,003,317.	74 1,875,527.

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

Table with 3 columns: Question (75a-d), Yes, No. 75a: 9. 75b: X. 75c: X, SEE STATEMENT 10. 75d: X.

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, (D) Contributions to employee benefit plans, (E) Expense account and other allowances. Row 1: NONE.

Part VI Other Information (See the instructions.)

Table with 3 columns: Question (76-81b), Yes, No. 76: X. 77: X. 78a: X. 78b: N/A. 79: X. 80a: X. 81a: 0. 81b: X.

Part VI Other Information (continued)

82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? 82a Yes No X
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b N/A
83 a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b X
84 a Did the organization solicit any contributions or gifts that were not tax deductible? 84a N/A
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 84b N/A
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? 85a N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 85b N/A
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.
c Dues, assessments, and similar amounts from members 85c N/A
d Section 162(e) lobbying and political expenditures 85d N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h N/A
86 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a N/A
b Gross receipts, included on line 12, for public use of club facilities 86b N/A
87 501(c)(12) organizations. Enter: a Gross income from members or shareholders 87a N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A
88 a 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 88a X
b 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 88b X
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0.
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction 89b X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.
d Enter: Amount of tax on line 89c, above, reimbursed by the organization 0.
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? 89e X
f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? 89f X
g 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? 89g X
90 a List the states with which a copy of this return is filed KY
b Number of employees employed in the pay period that includes March 12, 2006 90b 68
91 a The books are in care of GOODWILL INDUSTRIES OF KY, INC. Telephone no. (502) 585-4945
Located at 907 EAST BROADWAY, LOUISVILLE, KY ZIP + 4 40204
b 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)? 91b Yes No X
If "Yes," enter the name of the foreign country N/A
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States?
If "Yes," enter the name of the foreign country N/A
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.)

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include Program service revenue (JOB PLACEMENT AND EVALUATION FEES), Medicare/Medicaid payments, Interest on savings, Dividends, Net rental income, Gain or loss from sales of assets, Net income from special events, Gross profit from sales of inventory, and Other revenue (MISCELLANEOUS). Subtotal and Total are also listed.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

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). Entry: SEE STATEMENT 11

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. Entry: N/A

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
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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). **N/A**

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.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
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.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
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?

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.

Please Sign Here

Signature of officer: Roland R. Blahnik Date: 2/11/08

Type or print name and title: Roland R. Blahnik, Chairman

Paid Preparer's Use Only

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

Firm's name (or yours if self-employed), address, and ZIP + 4: DEMING MALONE LIVESAY & OSTROFF PSC
9300 SHELBYVILLE RD STE 1100
LOUISVILLE, KY 40222-5187

EIN: _____ Phone no.: (502) 426-9660

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No. 1545-0047

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

2006

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

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

Name of the organization

INDEPENDENT INDUSTRIES, INC.

Employer identification number

43 2017147

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

(See page 2 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
LINDA GARZA 907 EAST BROADWAY, LOUISVILLE, KY 402	GENERAL MANAGER 40.00	55,638.	0.	
Total number of other employees paid over \$50,000	▶ 0			

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
NONE		
Total number of others receiving over \$50,000 for professional services	▶ 0	

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
NONE		
Total number of other contractors receiving over \$50,000 for other services	▶ 0	

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets?	2e	X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b	Did the organization make any taxable distributions under section 4966?	4b	N/A
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A
d	Enter the total number of donor advised funds owned at the end of the tax year		0
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		0.
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		0.
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year		0.

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 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)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) **more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) **no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and 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 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 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 7 of the instructions.)

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

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	4,345.	2,984.	7,932.	1,741,709.	1,756,970.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	571,240.	440,280.	437,476.	131,079.	1,580,075.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	1,594.		106.	85.	1,785.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	67.	246.	SEE STATEMENT 12 40,214.	969.	41,496.
23 Total of lines 15 through 22	577,246.	443,510.	485,728.	1,873,842.	3,380,326.
24 Line 23 minus line 17	6,006.	3,230.	48,252.	1,742,763.	1,800,251.
25 Enter 1% of line 23	5,772.	4,435.	4,857.	18,738.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) 0. (2004) 0. (2003) 0. (2002) 0.					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2005) 0. (2004) 0. (2003) 0. (2002) 0.					
c Add: Amounts from column (e) for lines: 15 1,756,970. 16 _____ 17 1,580,075. 20 _____ 21 _____					27c 3,337,045.
d Add: Line 27a total 0. and line 27b total 0.					27d 0.
e Public support (line 27c total minus line 27d total)					27e 3,337,045.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f 3,380,326.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 98.7196%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h .0528%
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.	NONE				

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
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?	30	
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?	31	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
.....			
32	Does the organization maintain the following:	32a	
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32b	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32c	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32d	
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:	33a	
a	Students' rights or privileges?	33b	
b	Admissions policies?	33c	
c	Employment of faculty or administrative staff?	33d	
d	Scholarships or other financial assistance?	33e	
e	Educational policies?	33f	
f	Use of facilities?	33g	
g	Athletic programs?	33h	
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?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
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	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)

N/A

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

Check **a** if the organization belongs to an affiliated group.

Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations												
		N/A													
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36													
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37													
38	Total lobbying expenditures (add lines 36 and 37)	38													
39	Other exempt purpose expenditures	39													
40	Total exempt purpose expenditures (add lines 38 and 39)	40													
41	Lobbying nontaxable amount. Enter the amount from the following table -														
	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">If the amount on line 40 is -</td> <td style="width: 50%;">The lobbying nontaxable amount is -</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is -	The lobbying nontaxable amount is -	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	
If the amount on line 40 is -	The lobbying nontaxable amount is -														
Not over \$500,000	20% of the amount on line 40														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
42	Grassroots nontaxable amount (enter 25% of line 41)	42													
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43													
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44													

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

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

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

FORM 990 INCOME AND COST OF GOODS SOLD STATEMENT 1
INCLUDED ON PART I, LINE 10

INCOME

1. GROSS RECEIPTS	1,683,403	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		1,683,403
4. COST OF GOODS SOLD (LINE 13)	1,290,113	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		393,290

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR		
7. MERCHANDISE PURCHASED		
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS	1,290,113	
11. ADD LINES 6 THROUGH 10		1,290,113
12. INVENTORY AT END OF YEAR		
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12).		1,290,113

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	2
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DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	24,107.
TOTAL TO FORM 990, PART I, LINE 20	24,107.

FORM 990	STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	STATEMENT	3
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DESCRIPTION OF PROGRAM SERVICE ONE

INDEPENDENT INDUSTRIES' SUPPORTED EMPLOYMENT PROGRAM PROVIDES PERSONALIZED PROFESSIONAL TRAINING AND PLACEMENT FOR THOSE WITH DISABILITIES AT EITHER ITS IN-HOUSE PRODUCTION FACILITY OR WITH TRADITIONAL EMPLOYERS IN THE COMMUNITY. PROFESSIONAL VOCATIONAL EVALUATIONS, PERSONAL GUIDANCE AND REHABILITATION SERVICES ARE OFFERED TO THOSE WITH DISABILITIES SO THEY MAY GAIN ECONOMIC SELF-SUFFICIENCY, AN IMPROVED QUALITY OF LIFE AND A NEW LEVEL OF INDEPENDENCE. LAST YEAR, INDEPENDENT INDUSTRIES IMPROVED THE LIVES OF 119 ADULTS WITH DISABILITIES.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		514,907.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	4
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EXPLANATION

A SUBSIDIARY OF GOODWILL INDUSTRIES OF KENTUCKY, INC., INDEPENDENT INDUSTRIES, INC.'S EXEMPT PURPOSE IS TO PROMOTE ECONOMIC SELF-SUFFICIENCY AND SOCIAL INTEGRATION FOR PEOPLE WITH DISABILITIES THROUGH SUPPORTED EMPLOYMENT, EMPLOYEE DEVELOPMENT, COMPREHENSIVE EVALUATION, AND REHABILITATION SERVICES.

FORM 990	OTHER INVESTMENTS	STATEMENT	5
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DESCRIPTION	VALUATION METHOD	AMOUNT
LOUISVILLE COMMUNITY FOUNDATION	COST	192,201.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		192,201.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	6
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LAND AND IMPROVEMENTS	243,750.	1,107.	242,643.
BUILDING AND IMPROVEMENTS	1,201,711.	195,107.	1,006,604.
FURNITURE AND EQUIPMENT	70,547.	59,434.	11,113.
TOTAL TO FORM 990, PART IV, LN 57	1,516,008.	255,648.	1,260,360.

FORM 990	OTHER LIABILITIES	STATEMENT	7
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DESCRIPTION	AMOUNT
DUE TO GOODWILL INDUSTRIES OF KY, INC	1,099,349.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	1,099,349.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, STATEMENT 8
 TRUSTEES AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MICHELLE A. BUNTAIN 907 EAST BROADWAY LOUISVILLE, KY 40204	PRESIDENT 40.00	69,997.	4,770.	0.
ROLAND R. BLAHNIK 907 EAST BROADWAY LOUISVILLE, KY 40204	CHAIRPERSON 2.00	0.	0.	0.
DR. MARSHA L. BERRY 907 EAST BROADWAY LOUISVILLE, KY 40204	VICE-CHAIRPERSON 2.00	0.	0.	0.
KIM BURSE 907 EAST BROADWAY LOUISVILLE, KY 40204	TREASURER 2.00	0.	0.	0.
RONALD ECKEN 907 EAST BROADWAY LOUISVILLE, KY 40204	DIRECTOR 2.00	0.	0.	0.
SHARON DUKE 907 EAST BROADWAY LOUISVILLE, KY 40204	DIRECTOR 2.00	0.	0.	0.
TERRY SHOCKLEY 907 EAST BROADWAY LOUISVILLE, KY 40204	DIRECTOR 2.00	0.	0.	0.
DAVID COBB 907 EAST BROADWAY LOUISVILLE, KY 40204	SECRETARY 2.00	0.	0.	0.
JOHN CARL METZ 907 EAST BROADWAY LOUISVILLE, KY 40204	DIRECTOR 2.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		69,997.	4,770.	0.

FORM 990

IDENTIFICATION OF RELATED ORGANIZATIONS
PART VI, LINE 80B

STATEMENT 9

NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
GOODWILL INDUSTRIES OF KENTUCKY, INC.	X	
GOODWILL TEMPORARY SERVICES OF KENTUCKY, INC.	X	
GOODWILL INDUSTRIES WORKS, INC.	X	

FORM 990

PART V-A OFFICER COMPENSATION FROM RELATED ORGANIZATIONS

STATEMENT 10

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
ROLAND R. BLAHNIK	244,977.	54,804.	
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
GOODWILL INDUSTRIES OF KENTUCKY, INC.		61-0475284	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			

COMPENSATION DESCRIPTION

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
DR. MARSHA L. BERRY	115,307.	4,787.	
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
GOODWILL INDUSTRIES OF KENTUCKY, INC.		61-0475284	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			

COMPENSATION DESCRIPTION

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
KIM BURSE	90,172.	3,716.	
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
GOODWILL INDUSTRIES OF KENTUCKY, INC.		61-0475284	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			

COMPENSATION DESCRIPTION

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
SHARON DUKE	50,506.	3,448.	
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
GOODWILL INDUSTRIES OF KENTUCKY, INC.		61-0475284	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			

COMPENSATION DESCRIPTION

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
DAVID COBB	85,590.	5,459.	
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
GOODWILL INDUSTRIES OF KENTUCKY, INC.		61-0475284	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			

COMPENSATION DESCRIPTION

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
CARL METZ	49,730.	3,216.	
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
GOODWILL INDUSTRIES OF KENTUCKY, INC.		61-0475284	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			

COMPENSATION DESCRIPTION

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO STATEMENT 11
 ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE EXPLANATION OF RELATIONSHIP OF ACTIVITIES

93A INDEPENDENT INDUSTRIES PROVIDES JOB-TRAINING SKILLS AND JOB PLACEMENT PROGRAMS FOR ADULTS WITH DISABILITIES. TO PROPERLY PLACE AN INDIVIDUAL THE PROGRAM INCLUDES COMPREHENSIVE VOCATIONAL EVALUATION OF SKILLS. LIGHT MANUFACTURING AND OTHER OPERATIONS SUPPLY PLACEMENT OPPORTUNITIES TO THESE INDIVIDUALS.

SCHEDULE A OTHER INCOME STATEMENT 12

DESCRIPTION	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT
MISCELLANEOUS	67.	246.	40,214.	969.
TOTAL TO SCHEDULE A, LINE 22	67.	246.	40,214.	969.