

Return of Organization Exempt From Income Tax

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

Department of the Treasury
Internal Revenue Service

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

A For the 2004 calendar year, or tax year beginning

and ending

<p>B Check if applicable:</p> <p><input checked="" type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Final return</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p>C Name of organization</p> <p>MOZILLA FOUNDATION</p> <p>Number and street (or P.O. box if mail is not delivered to street address) Room/suite</p> <p>1981 LANDINGS DRIVE</p> <p>City or town, state or country, and ZIP + 4</p> <p>MOUNTAIN VIEW, CA 94043</p> <p>• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).</p>	<p>D Employer identification number</p> <p>20-0097189</p> <p>E Telephone number</p> <p>415-946-3022</p> <p>F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶</p>
<p>G Website: ▶ WWW.MOZILLA.ORG/FOUNDATION</p>		<p>H and I are not applicable to section 527 organizations.</p> <p>H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>H(b) If "Yes," enter number of affiliates ▶</p> <p>H(c) Are all affiliates included? N/A <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list.)</p> <p>H(d) Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>I Group Exemption Number ▶</p>	
<p>J Organization type (check only one) ▶ <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527</p>		<p>M Check <input type="checkbox"/> if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).</p>	
<p>K Check here <input type="checkbox"/> if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.</p>		<p>L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 5,822,365.</p>	

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

Revenue	1	Contributions, gifts, grants, and similar amounts received:		
	a	Direct public support	1a	907,341.
	b	Indirect public support	1b	
	c	Government contributions (grants)	1c	
	d	Total (add lines 1a through 1c) (cash \$ 907,341. noncash \$)	1d	907,341.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	4,913,019.
	3	Membership dues and assessments	3	
	4	Interest on savings and temporary cash investments	4	2,005.
	5	Dividends and interest from securities	5	
	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
		Less: cost or other basis and sales expenses	8a	1,558.
	c	Gain or (loss) (attach schedule)	8c	<1,558.>
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	STMT 1 <1,558.>
Revenue	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 1a)	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	
		Less: cost of goods sold	10b	
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	
11	Other revenue (from Part VII, line 103)	11		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	5,820,807.	
Expenses	13	Program services (from line 44, column (B))	13	1,933,794.
	14	Management and general (from line 44, column (C))	14	196,503.
	15	Fundraising (from line 44, column (D))	15	152,862.
	16	Payments to affiliates (attach schedule)	16	
	17	Total expenses (add lines 16 and 44, column (A))	17	2,283,159.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	3,537,648.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	2,126,343.
	20	Other changes in net assets or fund balances (attach explanation)	20	0.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	5,663,991.

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
22	Grants and allocations (attach schedule)				
	(cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	204,688.	174,040.	20,408.
26	Other salaries and wages	26	1,257,438.	1,166,233.	74,663.
27	Pension plan contributions	27			
28	Other employee benefits	28	47,010.	43,092.	3,057.
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31	3,370.		3,370.
32	Legal fees	32	29,474.		29,474.
33	Supplies	33	9,599.	8,799.	624.
34	Telephone	34	4,961.	4,547.	323.
35	Postage and shipping	35			
36	Occupancy	36	27,576.	25,278.	1,793.
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39	14,298.	13,106.	930.
40	Conferences, conventions, and meetings	40	3,000.	2,750.	195.
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42	19,824.	18,172.	1,289.
43	Other expenses not covered above (itemize):				
a	_____	43a			
b	_____	43b			
c	_____	43c			
d	_____	43d			
e	SEE STATEMENT 2	43e	661,921.	477,777.	60,377.
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	2,283,159.	1,933,794.	196,503.

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 \$ _____; (ii) the amount allocated to Program services \$ _____;

(iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

a	SEE STATEMENT 4				
			(Grants and allocations \$ _____)		1,933,794.
b					
			(Grants and allocations \$ _____)		
c					
			(Grants and allocations \$ _____)		
d					
			(Grants and allocations \$ _____)		
e	Other program services (attach schedule)		(Grants and allocations \$ _____)		
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)				1,933,794.

Part IV Balance Sheets

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		45
	46 Savings and temporary cash investments	768,702.	46 1,756,285.
	47 a Accounts receivable	47a 3,973,967.	
	b Less: allowance for doubtful accounts	47b	47c 3,973,967.
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c 1,150,000.
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees		50 22,743.
	51 a Other notes and loans receivable	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges	1,811.	53
	54 Investments - securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54
	55 a Investments - land, buildings, and equipment: basis	55a	
	b Less: accumulated depreciation	55b	55c
56 Investments - other		56	
57 a Land, buildings, and equipment: basis	57a 125,585.		
b Less: accumulated depreciation	57b 26,665.	57c 84,873.	
58 Other assets (describe ▶)		58	
59 Total assets (add lines 45 through 58) (must equal line 74)	2,155,386.	59 5,851,915.	
Liabilities	60 Accounts payable and accrued expenses	29,043.	60 158,485.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63 29,439.
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe ▶)		65
66 Total liabilities (add lines 60 through 65)	29,043.	66 187,924.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted		67
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds	0.	70 0.
	71 Paid-in or capital surplus, or land, building, and equipment fund	0.	71 0.
	72 Retained earnings, endowment, accumulated income, or other funds	2,126,343.	72 5,663,991.
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	2,126,343.	73 5,663,991.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	2,155,386.	74 5,851,915.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements a 5,822,365.</p> <p>b Amounts included on line a but not on line 12, Form 990:</p> <p>(1) Net unrealized gains on investments \$ _____</p> <p>(2) Donated services and use of facilities ... \$ _____</p> <p>(3) Recoveries of prior year grants \$ _____</p> <p>(4) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) through (4) b 0.</p> <p>c Line a minus line b c 5,822,365.</p> <p>d Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 ... \$ _____</p> <p>(2) Other (specify): STMT 5 \$ <1,558.></p> <p>Add amounts on lines (1) and (2) d <1,558.></p> <p>e Total revenue per line 12, Form 990 (line c plus line d) e 5,820,807.</p>	<p>a Total expenses and losses per audited financial statements a 2,284,717.</p> <p>b Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities ... \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$ _____</p> <p>(3) Losses reported on line 20, Form 990 ... \$ _____</p> <p>(4) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) through (4) b 0.</p> <p>c Line a minus line b c 2,284,717.</p> <p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 ... \$ _____</p> <p>(2) Other (specify): STMT 6 \$ <1,558.></p> <p>Add amounts on lines (1) and (2) d <1,558.></p> <p>e Total expenses per line 17, Form 990 (line c plus line d) e 2,283,159.</p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
MITCHELL BAKER C/O MOZILLA FOUNDATION, 1981 LANDINGS MOUNTAIN VIEW, CA 94043	PRESIDENT 40	34,804.	1,388.	0.
CHRISTOPHER BLIZZARD C/O MOZILLA FOUNDATION, 1981 LANDINGS MOUNTAIN VIEW, CA 94043	SECRETARY AND DIRECTOR 2	0.	0.	0.
BART DECREM C/O MOZILLA FOUNDATION, 1981 LANDINGS MOUNTAIN VIEW, CA 94043	TREASURER 20	16,999.	1,040.	0.
MITCHELL KAPOR C/O MOZILLA FOUNDATION, 1981 LANDINGS MOUNTAIN VIEW, CA 94043	CHAIRMAN 1	0.	0.	0.
BRIAN BEHLENDORF C/O MOZILLA FOUNDATION, 1981 LANDINGS MOUNTAIN VIEW, CA 94043	DIRECTOR 1	0.	0.	0.
BRENDEN EICH C/O MOZILLA FOUNDATION, 1981 LANDINGS MOUNTAIN VIEW, CA 94043	CHIEF ARCHITECT 40	152,885.	15,702.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. Yes No

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions	81a	0.
b	Did the organization file Form 1120-POL for this year?	81b	X
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	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? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	N/A
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	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	88	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 0.; section 4912 <input type="checkbox"/> 0.; section 4955 <input type="checkbox"/> 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.
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> CALIFORNIA, OREGON		
b	Number of employees employed in the pay period that includes March 12, 2004	90b	14
91	The books are in care of <input type="checkbox"/> JIM COOK Telephone no. <input type="checkbox"/> 650-903-0875		
	Located at <input type="checkbox"/> 1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA ZIP + 4 <input type="checkbox"/> 94043		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a CONTRACTED REVENUES					152,585.
b SEARCH REVENUES					4,422,674.
c PRODUCT REVENUES	518112	99,270.	15	238,490.	
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	2,005.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	<1,558.>	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		99,270.		238,937.	4,575,259.
105 Total (add line 104, columns (B), (D), and (E))					4,913,466.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

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).
▼	SEE STATEMENT 7

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(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
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of 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).

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: _____ Date: _____ Type or print name and title: _____

Paid Preparer's Use Only

Preparer's signature: **HOOD & STRONG LLP, CPAS** Date: _____ Check if self-employed: Preparer's SSN or PTIN: _____
 Firm's name (or yours if self-employed), address, and ZIP + 4: **60 SPEAR STREET, SUITE 400 SAN FRANCISCO, CA 94105** EIN: _____
 423161 01-13-05 Phone no.: **(415) 781-0793**

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 Section 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

2004

Name of the organization MOZILLA FOUNDATION	Employer identification number 20 0097189
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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
<u>CHRIS HOFMANN</u> 1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA 94043	SR DIRECTOR 40	142,692.	14,988.	
<u>SCOTT MCGREGOR</u> 1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA 94043	TECH. LEAD 40	132,500.	14,275.	
<u>JOHNNY STENBECK</u> 1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA 94043	TECH. LEAD 40	127,403.	13,918.	
<u>DAVID BIENVENUE</u> 1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA 94043	ENGIN. LEAD 40	124,615.	12,936.	
<u>ASA G. DOTZLER</u> 1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA 94043	Q.A. LEAD 40	117,211.	13,205.	
Total number of other employees paid over \$50,000 ▶	4			

Part II 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
<u>SPARK PUBLIC RELATIONS, LLC</u> 87 MC LEA COURT, SAN FRANCISCO, CA	PUBLIC RELATIONS	62,725.

Total number of others receiving over \$50,000 for professional 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.) SEE STATEMENT 8		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?	X	
c	Furnishing of goods, services, or facilities?	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b	Do you have a section 403(b) annuity plan for your employees?		X
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

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 supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	1,243,700.				1,243,700.
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	150,000.				150,000.
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	1,013.				1,013.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	1,394,713.	0.	0.	0.	1,394,713.
24 Line 23 minus line 17	1,244,713.				1,244,713.
25 Enter 1% of line 23	13,947.				

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	▶	26a	24,894.
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 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	▶	26b	1,191,992.
c Total support for section 509(a)(1) test: Enter line 24, column (e)	▶	26c	1,244,713.
d Add: Amounts from column (e) for lines: 18 <u>1,013.</u> 19 _____ 22 _____ 26b <u>1,191,992.</u>	▶	26d	1,193,005.
e Public support (line 26c minus line 26d total)	▶	26e	51,708.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	▶	26f	4.1542%

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: N/A (2003) _____ (2002) _____ (2001) _____ (2000) _____			
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 11, 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: N/A (2003) _____ (2002) _____ (2001) _____ (2000) _____			
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____	▶	27c	N/A
d Add: Line 27a total _____ and line 27b total _____	▶	27d	N/A
e Public support (line 27c total minus line 27d total)	▶	27e	N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶	27f	N/A	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	▶	27g	N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	▶	27h	N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, 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 7 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?		
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?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
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.) _____ _____	32d	
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
	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 9 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 -			
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 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(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 11 of the instructions.)

N/A

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 .)			0.

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

Schedule B
(Form 990, 990-EZ, or
990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2004

Name of organization

MOZILLA FOUNDATION

Employer identification number

20-0097189

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 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).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2004)

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 1

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
DISPOSAL OF FIXED ASSET	04/26/04	11/12/04	PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
	0.	1,760.	0.	<1,558.>
TO FM 990, PART I, LN 8		1,760.	0.	<1,558.>

FORM 990 OTHER EXPENSES STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
INSURANCE	15,460.	14,172.	1,005.	283.
MEALS AND ENTERTAINMENT	6,499.	5,957.	423.	119.
CONSULTANTS	255,013.	209,583.	41,242.	4,188.
COMPUTER EXPENSES	78,103.	71,594.	5,078.	1,431.
MISCELLANEOUS	16,631.	15,116.	1,183.	332.
TAXES, FEES, AND LICENSES	478.	438.	31.	9.
MARKETING AND PUBLIC RELATIONS	175,548.	160,917.	11,415.	3,216.
PROCESSING FEES	32,943.			32,943.
DONATION EXPENSES-PAYPAL, KEND LL BRYAN	81,246.			81,246.
TOTAL TO FM 990, LN 43	661,921.	477,777.	60,377.	123,767.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 3
PART III

EXPLANATION

THE EXEMPT PURPOSE OF THE FOUNDATION IS TO SERVE THE GENERAL PUBLIC BY UNDERTAKING ACTIVITIES TO (1) KEEP THE INTERNET A UNIVERSAL PLATFORM THAT IS ACCESSIBLE BY ANYONE FROM ANYWHERE, USING ANY COMPUTER, AND (2) PROMOTE THE CONTINUATION OF THE INNOVATION ON THE INTERNET. SPECIFICALLY, THE FOUNDATION'S EXEMPT PURPOSE IS TO DEVELOP (A) OPEN SOURCE, STANDARDS-COMPLIANT, FREE INTERNET APPLICATIONS THAT WILL BE USABLE BY (AND MADE

AVAILABLE FREE-OF-CHARGE TO) TENS OF MILLIONS OF USERS, AND (B) FOUNDATIONAL TECHNOLOGIES THAT WILL BE USED BY CONTENT DEVELOPERS AND SOFTWARE DEVELOPERS TO DEVELOP STANDARDS-COMPLIANT ONLINE CONTENT AND OPEN SOURCE INTERNET SOFTWARE.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 4

DESCRIPTION OF PROGRAM SERVICE ONE

SOFTWARE DEVELOPMENT - THE MOZILLA FOUNDATION RELEASED FIREFOX 1.0 IN NOVEMBER. FIREFOX 1.0 IS THE COMPLETION OF ROUGHLY 2 YEARS OF WORK ON THE REVOLUTIONARY NEW WEB BROWSER. THE RELEASE FOLLOWS UP THE HUGELY SUCCESSFUL PREVIEW RELEASE WHICH HAD OVER EIGHT MILLION DOWNLOADS. AT THE END OF 2005, MOZILLA FIREFOX 1.0 WAS DOWNLOADED OVER 10 MILLION TIMES, WITH ESTIMATES OF 5% OF THE WORLDWIDE MARKET SHARE. IN ADDITION, THE FOUNDATION RELEASED THE THUNDERBIRD 1.0 EMAIL CLIENT. THUNDERBIRD INCLUDES AN ARRAY OF NEW FEATURES SUCH AS SAVED SEARCH FOLDERS, MESSAGE GROUPING, COMPREHENSIVE MAIL MIGRATION FROM OTHER MAIL CLIENTS, AND BUILT IN RSS INTEGRATION.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		1,933,794.

FORM 990 OTHER REVENUE INCLUDED ON FORM 990 STATEMENT 5

DESCRIPTION	AMOUNT
LOSS ON DISPOSAL OF FIXED ASSET	<1,558.>
TOTAL TO FORM 990, PART IV-A	<1,558.>

FORM 990 OTHER EXPENSES INCLUDED ON FORM 990 STATEMENT 6

DESCRIPTION	AMOUNT
LOSS ON DISPOSAL OF FIXED ASSET	<1,558.>
TOTAL TO FORM 990, PART IV-B	<1,558.>

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO STATEMENT 7
 ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	EXPEDITED DEVELOPMENT CONTRACTS - INSTITUTIONAL ADOPTION OF MOZILLA PRODUCTS IS NOT POSSIBLE UNLESS THE SOFTWARE CODE IS EXPANDED TO MEET THE NEED OF LARGE INSTITUTIONS. THE FOUNDATION HAS ENTERED INTO A FEW CONTRACTS WHERE THE LARGE COMPANIES DESIRE TO ADOPT THE PRODUCTS AND PAY THE FEE FOR EXPEDITING THE DEVELOPMENT OF THE FUNCTIONALITY NECESSARY TO DEPLOY MOZILLA PRODUCTS IN THEIR COMPANY. THE RESULTING FUNCTIONALITY IS APPROPRIATE FOR RELEASE TO AND USE BY THE GENERAL PUBLIC FREE OF CHARGE. SUCH CONTRACTS INCREASE THE NUMBER OF USERS ADOPTING MOZILLA PRODUCTS AND ARE, THEREFOR REALTED TO THE FOUNDATION'S EXEMPT PURPOSE.
93B	QUALIFIED SPONSORSHIP PAYMENTS RECEIVED AS THE RESULT OF AN ARRANGEMEN BETWEEN A SEARCH PROVIDER AND THE "MOZILA BROWSER". THIS ARRANGEMENT FACILITATES THE DISSEMINATION OF THE FOUNDATION'S BROWSER, THEREBY INCREASING THE ACCESSIBILITY OF THE INTERNET.

SCHEDULE A STATEMENT REGARDING ACTIVITIES WITH STATEMENT 8
 SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,
 CREATORS, KEY EMPLOYEES, ETC, .
 PART III, LINE 2

QUESTION 2B - KAPOR ENTERPRISES OWES MOZILLA FOUNDATION \$22,742 RELATED TO THE ACCRUAL OF EMPLOYEE BENEFITS DURING THE YEAR. KAPOR ENTERPRISES IS OWNED BY ONE OF THE DIRECTORS OF THE MOZILLA FOUNDATION.
 QUESTION 2C - KAPOR ENTERPRISES PROVIDES ACCOUNTING AND HUMAN RESOURCE SERVICES TO MOZILLA FOUNDATION. KAPOR ENTERPRISES IS OWNED BY ONE OF THE DIRECTORS OF MOZILLA FOUNDATION.

Form **990-W**

**Estimated Tax on Unrelated Business Taxable
Income for Tax-Exempt Organizations**

OMB No. 1545-0976

(WORKSHEET)
Department of the Treasury
Internal Revenue Service

(and on Investment Income for Private Foundations) **FORM 990-T**
(Keep for your records - Do not send to the Internal Revenue Service.)

2005

1	Unrelated business taxable income expected in the tax year	1	
2	Tax on the amount on line 1. (See instructions for tax computation.)	2	
3	Alternative minimum tax (see instructions)	3	
4	Total (Add lines 2 and 3.)	4	
5	Estimated tax credits (see instructions)	5	
6	Balance (Subtract line 5 from line 4.)	6	
7	Other taxes (see instructions)	7	
8	Total (Add lines 6 and 7.)	8	
9	Credit for Federal tax paid on fuels (see instructions)	9	
10a	Subtract line 9 from line 8. Note: <i>If less than \$500, the organization is not required to make estimated tax payments.</i> (Private foundations, see instructions.)	10a	
b	Enter the tax shown on the 2004 return (see instructions). (Caution: If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c)	10b	20,302.
c	2005 Estimated Tax. Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c. ADJUSTED TO	10c	20,320.

		(a)	(b)	(c)	(d)
11	Installment due dates (see instructions)	11			12/15/05
12	Required installments. Enter 25% of line 10c in columns (a) through (d) unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization." (see instructions)	12			20,320.
13	2004 Overpayment. (see instructions)	13			
14	Payment due. (Subtract line 13 from line 12.)	14			20,320.

LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-W** (2005)

Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

2004

Department of the Treasury
Internal Revenue Service

For calendar year 2004 or other tax year beginning _____, and ending _____

A <input checked="" type="checkbox"/> Check box if address changed B Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	Please Print or Type MOZILLA FOUNDATION Number, street, and room or suite no. (If a P.O. box, see page 7 of instructions.) 1981 LANDINGS DRIVE City or town, state, and ZIP code MOUNTAIN VIEW, CA 94043	Name of organization (<input type="checkbox"/> check box if name changed and see instructions) Employer identification number (Employees' trust, see instructions for Block D on page 7.) 20-0097189 NEW unrelated bus. activity codes (see instructions for Block E on page 7.) 518112
C Book value of all assets at end of year 5,851,915.	F Group exemption number (see instructions for Block F) ▶ _____ G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

H Describe the organization's primary unrelated business activity. ▶ **WEB BROWSER DEVELOPMENT AND DISSEMINATION**

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 ▶ **JIM COOK** Telephone number ▶ **650-903-0875**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances c Balance ▶	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit (subtract line 2 from line 1c)	3		
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5		
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (see instructions - attach schedule) STATEMENT 9	12 99,270.		99,270.
13 TOTAL (combine lines 3 through 12)	13 99,270.		99,270.

Part II Deductions Not Taken Elsewhere (See 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)	14	
15 Salaries and wages	15	4,000.
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (see instructions for limitation rules)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions (add lines 14 through 28)	29	4,000.
30 Unrelated business taxable income before net operating loss deduction (subtract line 29 from line 13)	30	95,270.
31 Net operating loss deduction	31	
32 Unrelated business taxable income before specific deduction (subtract line 31 from line 30)	32	95,270.
33 Specific deduction (Generally \$1,000, but see instructions for exceptions)	33	1,000.
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	34	94,270.

Part III Tax Computation

Table with 3 columns: Line number, Description, and Amount. Includes lines 35 (Organizations Taxable as Corporations), 36 (Trusts Taxable at Trust Rates), 37 (Proxy tax), 38 (Alternative minimum tax), and 39 (Total).

Part IV Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 40a-f (Credits), 41-43 (Taxes), 44a-f (Payments), 45 (Total payments), 46 (Estimated tax penalty), 47 (Tax due), 48 (Overpayment), and 49 (Credited to 2005 estimated tax).

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 15.)

Table with 3 columns: Question number, Question text, and Yes/No response. Includes questions 1, 2, and 3 regarding foreign accounts, foreign trusts, and tax-exempt interest.

Schedule A - Cost of Goods Sold - Enter method of inventory valuation N/A

Table with 4 columns: Line number, Description, Amount, and Yes/No response. Includes lines 1-8 for cost of goods sold calculation and section 263A costs.

Signature and Preparer information section. Includes 'Sign Here' area with signature, date, and title, and 'Paid Preparer's Use Only' area with firm name (HOOD & STRONG LLP, CPAS), address, EIN, and phone number.

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(See instr. on pg 16.)

Table for Schedule C: Rent Income. Includes columns for Description of property, Rent received or accrued (a) and (b), Deductions directly connected with the income, and Total income vs Total deductions.

Schedule E - Unrelated Debt-Financed Income (See instructions on page 17.)

Table for Schedule E: Unrelated Debt-Financed Income. Includes columns for Description of debt-financed property, Gross income from or allocable to debt-financed property, Deductions directly connected with or allocable to debt-financed property, and various calculated amounts.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (See instructions on page 18.)

Table for Schedule F: Interest, Annuities, Royalties, and Rents From Controlled Organizations. Includes columns for Name of Controlled Organization, Employer Identification Number, Net unrelated income (loss), Total of specified payments made, Part of column (4) that is included in the controlling organization's gross income, and Deductions directly connected with income in column (5).

Table for Schedule F: Nonexempt Controlled Organizations. Includes columns for Taxable Income, Net unrelated income (loss), Total of specified payments made, Part of column (9) that is included in the controlling organization's gross income, and Deductions directly connected with income in column (10).

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

(See instructions on page 18.)

Table with 5 columns: 1 Description of income, 2 Amount of income, 3 Deductions directly connected, 4 Set-asides, 5 Total deductions and set-asides. Totals: 0.

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

(See instructions on page 18.)

Table with 7 columns: 1 Description of exploited activity, 2 Gross unrelated business income, 3 Expenses directly connected, 4 Net income (loss), 5 Gross income from activity, 6 Expenses attributable, 7 Excess exempt expenses. Totals: 0.

Schedule J - Advertising Income (See instructions on page 19.)

Part I: Table with 7 columns: 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. Totals: 0.

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.)

Table with 7 columns: 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. Totals: 0.

Schedule K - Compensation of Officers, Directors, and Trustees (See instructions on page 19.)

Table with 4 columns: 1 Name, 2 Title, 3 Percent of time devoted to business, 4 Compensation attributable to unrelated business. Total: 0.

Underpayment of Estimated Tax by Corporations

Department of the Treasury
Internal Revenue Service

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

FORM **990-T**

2004

Name MOZILLA FOUNDATION	Employer identification number 20-0097189
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Note: In most cases, the corporation is not required to file Form 2220. (see Part I below for exceptions) because the IRS will figure any penalty owed and bill the corporation. Even if Form 2220 is not required, the corporation may still use it to figure the penalty. In such a case, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

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

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

Part II Figuring the Underpayment

4 Total tax (see instructions)	4	20,302.
5a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4	5a	
b Look-back interest included on line 4 under section 460(b)(2) for completed long-term contracts or of section 167(g) for depreciation under the income forecast method	5b	
c Credit for Federal tax paid on fuels (see instructions)	5c	
d Total. Add lines 5a through 5c	5d	
6 Subtract line 5d from line 4. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty	6	20,302.
7 Enter the tax shown on the corporation's 2003 income tax return. Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 6 on line 8	7	
8 Enter the smaller of line 6 or line 7. If the corporation is required to skip line 7, enter the amount from line 6	8	20,302.

	(a)	(b)	(c)	(d)	(e)	
9 Installment due dates. Enter in col (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th mos of the corporation's tax year Exception. If one of your installment due dates is Sept 15, 2004, see the instructions.	9	04/15/04	06/15/04	09/15/04	10/01/04	12/15/04
10 Required installments. If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 38. If the box on ln 3 (but not 1 or 2) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of ln 8 above in each column	10	5,076.	5,075.	4,060.	1,016.	5,075.
11 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15 Complete lines 12 through 18 of one column before going to the next column.	11					
12 Enter amount, if any, from line 18 of the preceding column	12					
13 Add lines 11 and 12	13					
14 Add amounts on lines 16 and 17 of the preceding column	14		5,076.	10,151.	14,211.	15,227.
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	0.	0.	0.	0.	0.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	16		5,076.	10,151.	14,211.	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18	17	5,076.	5,075.	4,060.	1,016.	5,075.
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column	18					

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

Part III Figuring the Penalty

	(a)	(b)	(c)	(d)	(e)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (Form 990-PF and Form 990-1 filers: Use 5th month instead of 3rd month.)	19				
20 Number of days from due date of installment on In 9 to the date shown on line 19	20				
21 Number of days on line 20 after 4/15/2004 and before 7/1/2004	21				
22 Underpayment on line 17 x Number of days on line 21 x 5% 366	22	\$	\$	\$	\$
23 Number of days on line 20 after 6/30/2004 and before 10/1/2004	23				
24 Underpayment on line 17 x Number of days on line 23 x 4% 366	24	\$	\$	\$	\$
25 Number of days on line 20 after 9/30/2004 and before 1/1/2005	25				
26 Underpayment on line 17 x Number of days on line 25 x 5% 366	26	\$	\$	\$	\$
27 Number of days on line 20 after 12/31/2004 and before 4/1/2005	27	SEE ATTACHED WORKSHEET			
28 Underpayment on line 17 x Number of days on line 27 X 5% 365	28	\$	\$	\$	\$
29 Number of days on line 20 after 3/31/2005 and before 7/1/2005	29				
30 Underpayment on line 17 x Number of days on line 29 x % 365	30	\$	\$	\$	\$
31 Number of days on line 20 after 6/30/2005 and before 10/1/2005	31				
32 Underpayment on line 17 x Number of days on line 31 x % 365	32	\$	\$	\$	\$
33 Number of days on line 20 after 9/30/2005 and before 1/1/2006	33				
34 Underpayment on line 17 x Number of days on line 33 x % 365	34	\$	\$	\$	\$
35 Number of days on line 20 after 12/31/2005 and before 2/16/2006	35				
36 Underpayment on line 17 x Number of days on line 35 x % 365	36	\$	\$	\$	\$
37 Add lines 22, 24, 26, 28, 30, 32, 34, & 36	37	\$	\$	\$	\$
38 Penalty. Add columns (a) through (e), of line 37. Enter the total here and on Form 1120; line 33, Form 1120-A, line 29; or the comparable line for other income tax returns	38				\$ 773.

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

FORM 990-T

OTHER INCOME

STATEMENT 9

DESCRIPTION

AMOUNT

AMAZON AFFILIATES REVENUE

99,270.

TOTAL TO FORM 990-T, PAGE 1, LINE 12

99,270.

YEAR
2004

California Exempt Organization Annual Information Return

FORM
199

MONTH DAY YEAR For calendar or fiscal year beginning JANUARY 1 2004 ,	MONTH DAY YEAR and ending DECEMBER 31 2004 .
IMPORTANT: Your number is required.	
California corporation number C2543436	Federal employer identification number (FEIN) 20-0097189
Corporation/Organization name MOZILLA FOUNDATION	
Address 1981 LANDINGS DRIVE	PMB no.
City State ZIP Code MOUNTAIN VIEW, CA 94043	

A Final return? Yes. Check applicable box. No

• Dissolved Withdrawn Merged/Reorganized (attach explanation)

If a box is checked, enter date _____

B Check forms filed this year: State: 109 100 100S 100W
Federal: 990 990EZ 990T 990PF 1041 1120H 1120

C If organization is exempt under R&TC Section 23701d and is a school, public charity, religious organization, or is controlled by a religious operation, check box. **See General Instruction F. No filing fee is required.** •

D Is this a group filing? See General Instruction N. _____ Yes No

E Accounting method used **ACCRUAL**

F Type of organization Exempt under Section 23701 **d** (insert letter)
 IRC Section 4947(a)(1) trust

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues <small>(Enclose, but do not staple any payment.)</small>	1 Gross sales or receipts from other sources. From Side 2, Part II, line 8	1	4,915,024.
	2 Gross dues and assessments from members and affiliates	2	
	3 Gross contributions, gifts, grants, and similar amounts received. See instructions STMT 1	3	907,341.
	4 Total gross receipts for filing requirement test. Add line 1 through line 3 This line must be completed. If the result is less than \$25,000, see General Instruction C	4	5,822,365.
	5 Cost of goods sold	5	
	6 Cost or other basis, and sales expenses of assets sold	6	1,558.
	7 Total costs. Add line 5 and line 6	7	1,558.
	8 Total gross income. Subtract line 7 from line 4	8	5,820,807.
Expenses	9 Total expenses and disbursements. From Side 2, Part II, line 18	9	2,283,159.
	10 Excess of receipts over expenses and disbursements. Subtract line 9 from line 8	10	3,537,648.
Filing Fee	11 Filing fee \$10 or \$25. See General Instruction F	11	N/A
	12 Penalty for failure to file on time. See General Instruction L	12	
	13 Use tax. See instructions	13	
	14 Balance due. Add line 11, line 12, and line 13	14	

- 15** If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? If "Yes," complete and attach form FTB 3509, Political or Legislative Activities by Section 23701d Organizations Yes No
- 16** Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? If "Yes," complete an explanation and attach copies of revised documents Yes No
- 17** Is the organization exempt under R&TC Section 23701g? Yes No
If "Yes," enter amount of gross receipts from nonmember sources \$ _____
- 18** Did the organization file Form 100, Form 100S, 100W, or Form 109 to report taxable income? Yes No
If "Yes," enter amount of total income reported \$ **99,270.**
- 19** The financial records are in care of **JIM COOK** Daytime telephone **650-903-0875**
located at **1981 LANDINGS DRIVE, MOUNTAIN VIEW, CA 94043**

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 taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer _____	Date _____	Title _____ Daytime telephone _____
Paid Preparer's Use Only	Paid Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/> • Paid preparer's SSN or PTIN P00294809
	Firm's name (or yours, if self-employed) and address HOOD & STRONG LLP, CPAS 60 SPEAR STREET, SUITE 400 SAN FRANCISCO, CA 94105	FEIN 94-1254756	Daytime telephone (415)781-0793

428941/01-14-05

For Privacy Act Notice, get form FTB 1131.

19904104022

Form 199 C1 2004 Side 1

Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts - complete Part II or furnish substitute information. See Specific Line Instructions.

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	1	
	2	Interest	2	2,005.
	3	Dividends	3	
	4	Gross rents	4	
	5	Gross royalties	5	
	6	Gross amount received from sale of assets SEE STATEMENT 2	6	0.
	7	Other income SEE STATEMENT 3	7	4,913,019.
	8	Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	4,915,024.
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid	9	
	10	Disbursements to or for members	10	
	11	Compensation of officers, directors, and trustees SEE STATEMENT 4	11	204,688.
	12	Other salaries and wages	12	1,257,438.
	13	Interest	13	
	14	Taxes	14	
	15	Rents	15	27,576.
	16	Depreciation and depletion	16	19,824.
	17	Other SEE STATEMENT 5	17	773,633.
	18	Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	2,283,159.

Schedule L Balance Sheets		Beginning of taxable year		End of taxable year	
Assets		(a)	(b)	(c)	(d)
1	Cash		768,702.		1,756,285.
2	Net accounts receivable		150,000.		3,973,967.
3	Net notes receivable STMT 6				22,743.
4	Inventories				
5	Federal and state government obligations				
6	Investments in other bonds				
7	Investments in stock				
8	Mortgage loans (number of loans _____)				
9	Other investments				
10	a Depreciable assets	91,887.		125,585.	
	b Less accumulated depreciation	(7,014.)	84,873.	(26,665.)	98,920.
11	Land				
12	Other assets STMT 7		1,151,811.		
13	Total assets		2,155,386.		5,851,915.
Liabilities and net worth					
14	Accounts payable		29,043.		158,485.
15	Contributions, gifts, or grants payable				
16	Bonds and notes payable STMT 8				29,439.
17	Mortgages payable				
18	Other liabilities				
19	Capital stock or principle fund				
20	Paid-in or capital surplus. Attach reconciliation				
21	Retained earnings or income fund		2,126,343.		5,663,991.
22	Total liabilities and net worth		2,155,386.		5,851,915.

Schedule M-1 Reconciliation of income per books with income per return			
Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000			
1	Net income per books	3,537,648.	
2	Federal income tax		7
3	Excess of capital losses over capital gains		Income recorded on books this year not included in this return
4	Income not recorded on books this year		
5	Expenses recorded on books this year not deducted in this return		8
6	Total		Deductions in this return not charged against book income this year
	Add line 1 through line 5	3,537,648.	9
			Total. Add line 7 and line 8
			10
			Net income per return
			Subtract line 9 from line 6
			3,537,648.

FORM 199

CASH CONTRIBUTIONS OF \$5000 OR MORE
INCLUDED ON PART I, LINE 3

STATEMENT 1

CONTRIBUTOR'S NAME	CONTRIBUTOR'S ADDRESS	DATE OF GIFT	AMOUNT
SEE STATEMENT A			474,192.
TOTAL INCLUDED ON LINE 3			474,192.

FORM 199 GROSS AMOUNT FROM SALE OF ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	COST OR OTHER BASIS	DEPREC.	EXPENSE OF SALE	GROSS SALES PRICE
DISPOSAL OF FIXED ASSET	04/26/04	11/12/04	PURCHASED	1,760.	202.	0.	0.
TOTAL TO FORM 199, PAGE 2, LN 6				1,760.	202.	0.	0.

FORM 199 OTHER INCOME STATEMENT 3

DESCRIPTION	AMOUNT
CONTRACTED REVENUES	152,585.
SEARCH REVENUES	4,422,674.
PRODUCT REVENUES	337,760.
TOTAL TO FORM 199, PART II, LINE 7	4,913,019.

TELEPHONE	4,961.
TRAVEL	14,298.
CONFERENCES, CONVENTIONS AND MEETINGS	3,000.
TOTAL TO FORM 199, PART II, LINE 17	773,633.

FORM 199	NET NOTES RECEIVABLE	STATEMENT	6
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DESCRIPTION	BEG. OF YEAR	END OF YEAR
LOANS TO OFFICERS, DIRECTORS, TRUSTEES AND OTHER KEY EMPLOYEES	0.	22,743.
TOTAL TO FORM 199, SCHEDULE L, LINE 3	0.	22,743.

FORM 199	OTHER ASSETS	STATEMENT	7
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DESCRIPTION	BEG. OF YEAR	END OF YEAR
PLEDGES RECEIVABLE	1,150,000.	0.
PREPAID EXPENSES AND DEFERRED CHARGES	1,811.	0.
TOTAL TO FORM 199, SCHEDULE L, LINE 12	1,151,811.	0.

FORM 199	BONDS AND NOTES PAYABLE	STATEMENT	8
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DESCRIPTION	BEG. OF YEAR	END OF YEAR
LOANS FROM OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES	0.	29,439.
TOTAL TO FORM 199, SCHEDULE L, LINE 16	0.	29,439.

2004

Underpayment of Estimated Tax by Corporations

5806

For calendar year 2004 or fiscal year beginning month _____ day _____ year 2004, and ending month _____ day _____ year _____

Corporation name **MOZILLA FOUNDATION** California corporation number **C2543436**

Part I Figure the Underpayment If line 7 shows an underpayment for any installment, complete the remainder of this form.

1	Current year's tax. See instructions				1	8,333.
		(a)	(b)	(c)	(d)	
2	Installment due dates. See instructions	04/15/04	06/15/04	09/15/04	12/15/04	
3	Percentage required. See instructions	25% (not less than min.)	50% less 1st	75% less prior	100% less prior	
4	Amount due. See instructions	2,083.	2,084.	2,083.	2,083.	
5 a	Amount paid or credited for each installment					
b	Overpayment from previous installment					
6	Add line 5a and line 5b					
7	Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6) (If line 7 shows an underpayment for any installment, go to Part IV, Exceptions worksheets.)	2,083.	2,084.	2,083.	2,083.	

Part II Exceptions to the Penalty

Note: If Exception A, line 8a is met for all four installments, do not attach this form to the return.

(check the applicable boxes)		Yes	No	Yes	No	Yes	No	Yes	No
8 a	Exception A - Regular Corporations, line 26								
b	Exception A - Large Corporations								
9	Exception B (line 42) met?								
10	Exception C (line 64) met?								

Part III Figure the Penalty If line 7 shows an underpayment for any installment and one of the three exceptions was not met, figure the penalty for that installment by completing line 11 through line 22.

11	Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instructions.				
12	Number of days from date shown on line 2 to date shown on line 11				
13	Number of days on line 12 before 7/01/04				
14	Number of days on line 12 after 6/30/04 and before 1/01/05				
15	Number of days on line 12 after 12/31/04 and before 7/01/05				
16	Number of days on line 12 after 6/30/05 and before 1/01/06. See inst.				
17	Number of days on line 12 after 12/31/05 and before 2/15/06				
18	Number of days on line 13 Number of days in taxable year x 5% x line 7				
19	Number of days on line 14 Number of days in taxable year x 4% x line 7				
20	Number of days on line 15 Number of days in taxable year x 4% x line 7				
21	Number of days on line 16 Number of days in taxable year x % (call FTB for %) x line 7	SEE ATTACHED WORKSHEET			
22	Number of days on line 17 Number of days in taxable year x % (call FTB for %) x line 7				
22a	Add amounts for each column from line 18 through line 22				
22b	Total estimated penalty due. Add line 22a, column (a) through column (d). Enter here and on Form 100, line 42a; Form 100W, line 41a; Form 100S, line 41a; or Form 109, line 30				261.

439901
10-19-04

580604104022

YEAR
2004

California Exempt Organization Business Income Tax Return

FORM
109

For calendar year 2004 or fiscal year beginning month _____ day _____ year _____, and ending month _____ day _____ year _____.

California corporation or organization number
C2543436
FEIN
20-0097189
Corporation/organization name

C Final return? Dissolved Surrendered (Withdrawn)
 Merged/Reorganized

If a box is checked, enter effective date _____

D Nature of trade or business **SEE STATEMENT 9**

E Accounting method used **ACCRUAL**

F Is this organization a non-exempt charitable trust as described in IRC Section 4947(a)(1)? Yes No

G Is this organization claiming any enterprise zone, Los Angeles Revitalization Zone (LARZ), Local Agency Military Base Recovery Area (LAMBRA), Targeted Tax Area (TTA), or Manufacturing Enhancement Area (MEA) tax benefits? Yes No

H Unrelated Business Activity (UBA) Code **518112**

MOZILLA FOUNDATION
Address
1981 LANDINGS DRIVE
City, State, ZIP Code
MOUNTAIN VIEW, CA 94043

A Is this an education IRA within the meaning of R&TC Section 23712? Yes No

B Is the organization currently under audit? Yes No

Organizations Taxable as Corporations Attach Check or Money Order	1	Unrelated business taxable income from Side 2, Part II, line 30	1	94,270.
	2	Multiply line 1 by the average apportionment percentage _____ % from the Schedule R, Apportionment Formula Worksheet, line 6. See instructions	2	94,270.
	3	Enterprise zone, LAMBRA, LARZ, TTA, or Pierce's disease losses	3	
	4	Net Operating Loss deduction from form FTB 3805Q. See General Information N	4	
	5	Add line 3 and line 4	5	
	6	Net unrelated business taxable income. Subtract line 5 from the lesser of line 1 or line 2	6	94,270.
	7	Tax. 8.84 % x line 6. See General Information J	7	8,333.
	8	Tax credits from Schedule B, line 7, or Schedule P (100). See Schedule B instructions	8	
	9	Balance. Subtract line 8 from line 7. If line 8 is greater than line 7, enter -0-	9	8,333.

Organizations Taxable as Trusts Tax Computation	10	Unrelated business taxable income from Side 2, Part II, line 30	10	
	11	Enterprise zone, LAMBRA, LARZ, TTA, or Pierce's disease losses	11	
	12	Net operating loss deduction from form FTB 3805V. See General Information N	12	
	13	Add line 11 and line 12	13	
	14	Net unrelated business taxable income. Subtract line 13 from line 10	14	
	15	Tax on amount on line 14. See General Information J	15	
	16	Tax credits from Schedule B, line 7, or Schedule P (541). See Schedule B instructions	16	
	17	Balance. Subtract line 16 from line 15. If line 16 is greater than line 15, enter -0-	17	

Total Tax	18	Tax from line 9 or line 17	18	8,333.
	19	Alternative minimum tax. See General Information O	19	
	20	Total tax. Add line 18 and line 19	20	8,333.

Payments	21	Overpayment from a prior year allowed as a credit	21	
	22	2004 estimated tax payments and taxes withheld	22	
	23	Amount paid with automatic extension (FTB 3539)	23	
	24	Total payments and credits. Add line 21 through line 23	24	

Refund (Direct Deposit of Refund) or Amount Due	25	Tax due. Subtract line 24 from line 20. Pay entire amount with return	25	8,333.
	26	Overpayment. Subtract line 20 from line 24	26	
	27	Enter amount of line 26 to be applied to 2005 estimated tax	27	
	28	Use tax. See instructions	28	
	29	Refund. If the sum of line 27 and line 28 is less than line 26, then subtract the total from line 26	29	
	a Fill in the account information to have the refund directly deposited. Routing number		29a	
	b Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/> c Account Number		29c	
	30	Penalties and interest. See General Information M	30	261.
	31	<input type="checkbox"/> Check if estimate penalty computed using Exception B or C and attach form FTB 5806.		
	32	Total amount due. Add line 25, line 27, line 28, and line 30, then subtract line 26 from the result	32	8,594.

Person to contact for additional information: _____ Telephone _____

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 taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer _____ Date _____ Title _____ Daytime telephone _____

Paid Preparer's Use Only
Preparer's signature _____ Date _____
Firm's name (or yours, if self-employed) and address
HOOD & STRONG LLP, CPAS
60 SPEAR STREET, SUITE 400
SAN FRANCISCO, CA 94105
Check if self-employed
Preparer's SSN/PTIN **P00294809**
FEIN **94-1254756**
Daytime telephone **(415) 781-0793**

Unrelated Business Taxable Income

Part I Unrelated Trade or Business Income

Table with 13 rows for Part I. Line 12: Other income SEE STATEMENT 10. Line 13: Total unrelated trade or business income 99,270.

Part II Deductions Not Taken Elsewhere (Except for contributions, deductions must be directly connected with the unrelated business income.)

Table with 30 rows for Part II. Line 15: Salaries and wages 4,000. Line 25: Total deductions 4,000. Line 26: Unrelated business taxable income before allowable excess advertising costs 95,270. Line 28: Unrelated business taxable income before specific deduction 95,270. Line 29: Specific deduction 1,000. Line 30: Unrelated business taxable income 94,270.

Schedule A Cost of Goods Sold and/or Operations Method of inventory valuation (specify) N/A

Table with 7 rows for Schedule A. Line 7: Do the rules of IRC Section 263A apply to this organization? Yes No [X]

Schedule B Tax Credits Do not complete if you must file Schedule P (100 or 541).

Table with 7 rows for Schedule B. Line 7: Total. Add line 1 through line 6. Enter here and on Side 1, line 8, for corporations and associations, or line 16 for trusts.

Schedule C Rental Income from Real Property and Personal Property Leased with Real Property

Note: For rental income from debt-financed property, use Schedule D, R&TC Section 23701g, Section 23701i, and Section 23701n organizations.

See instructions for exceptions.

Table with 3 columns: 1 Description of property, 2 Rent received or accrued, 3 Percentage of rent attributable to personal property. Includes rows for % calculations.

Table with 5 columns: 4(a) Deductions directly connected, 4(b) Income includible, 5(a) Gross income reportable, 5(b) Deductions directly connected with personal property, 5(c) Net income includible.

Add columns 4(b) and 5(c). Enter here and on Side 2, Part I, line 6

Schedule D Unrelated Debt-Financed Income

Table with 3 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.

Table with 6 columns: 4 Amount of average acquisition indebtedness, 5 Average adjusted basis, 6 Debt basis percentage, 7 Gross income reportable, 8 Allocable deductions, 9 Net income (or loss) includible.

Total. Enter here and on Side 2, Part I, line 7

Schedule E Investment Income of an R&TC Section 23701g, 23701i, or 23701n Organization

Table with 6 columns: 1 Description, 2 Amount, 3 Deductions directly connected, 4 Net investment income, 5 Set-asides, 6 Balance of investment income.

Total. Enter here and on Side 2, Part I, line 8

Enter gross income from members (dues, fees, charges, or similar amounts)

Schedule F Income (Annuities, Interest, Rents, and Royalties) From Controlled Organizations

Table with 4 columns: 1 Name and address of controlled organizations, 2 Gross income from controlled organizations, 3 Deductions directly connected with column 2 income, 4 Exempt controlled organizations (a) Unrelated business taxable income, (b) Taxable income computed as though not exempt, (c) Percentage.

Table with 4 columns: 5 Nonexempt controlled organizations (a) Excess taxable income, (b) Taxable income or amount in column (a), (c) Percentage col. (a) ÷ (b), 6 Gross income reportable, 7 Allowable deductions, 8 Net income includible.

Total. Enter here and on Side 2, Part I, line 9

Schedule G Exploited Exempt Activity Income, other than Advertising Income

Table with 8 columns: 1 Description of exploited activity, 2 Gross unrelated business income, 3 Expenses directly connected with production of unrelated business income, 4 Net income from unrelated trade or business, 5 Gross income from activity that is not unrelated business income, 6 Expenses attributable to column 5, 7 Excess exempt expense, 8 Net income includible.

Total. Enter here and on Side 2, Part I, line 10

Schedule K Add-On taxes or Recapture of Tax.

1	Interest computation under the look-back method for completed long-term contracts. Attach form FTB 3834	•	1
2	Interest on tax attributable to installment: a Sales of certain timeshares or residential lots	•	2a
	b Method for non-dealer installment obligations	•	2b
3	IRC Section 197(f)(9)(B)(ii) election to recognize gain on the disposition of intangibles	•	3
4	Credit recapture. Credit name	•	4
5	Total. Combine the amounts on line 1 through line 4.	•	5

Schedule R Apportionment Formula Worksheet

Use only for unrelated trade or business amounts	(a) Total within and outside California	(b) Total within California	(c) Percent within California (b) ÷ (a)
1 Property factor:			
2 Payroll factor: Wages and other compensation of employees			
3 Sales factor: Gross sales and/or receipts less returns and allowances			
4 Multiply the factor on line 3, column (c) by 2			
5 Total percentage: Add the percentages in column (c) line 1, line 2, and line 4			
6 Average apportionment percentage: Divide the factor on line 5 by 4 and enter the result here and on Form 109, Side 1, line 2. See instructions for exceptions			

FORM 109	NATURE OF TRADE OR BUSINESS	STATEMENT	9
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WEB BROWSER DEVELOPMENT AND DISSEMINATION

TO FORM 109, PAGE 1

FORM 109	OTHER INCOME	STATEMENT	10
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DESCRIPTION	AMOUNT
AMAZON AFFILIATES REVENUE	99,270.
TOTAL TO FORM 109, PAGE 2, LINE 12	99,270.

MAIL TO:
 Registry of Charitable Trusts
 P. O. Box 903447
 Sacramento, CA 94203-4470
 Telephone: (916) 445-2021

**ANNUAL
 REGISTRATION RENEWAL FEE REPORT
 TO ATTORNEY GENERAL OF CALIFORNIA**

Sections 12586 and 12587, California Government Code
 11 Cal. Code Regs. sections 301-307, 311 and 312

WEB SITE ADDRESS:
<http://ag.ca.gov/charities/>

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code section 12586.1. IRS extensions will be honored.

State Charity Registration Number: CT 121862	Check if: <input checked="" type="checkbox"/> Change of address <input type="checkbox"/> Amended report
MOZILLA FOUNDATION <small>Name of Organization</small>	Corporate or Organization No. C2543436
1981 LANDINGS DRIVE <small>Address (Number and Street)</small>	Federal Employer I.D. No. 20-0097189
MOUNTAIN VIEW, CA 94043 <small>City or Town, State and ZIP Code</small>	

ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312)
 Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between \$100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

PART A - ACTIVITIES

For your most recent full accounting period (beginning 01/01/2004 ending 12/31/2004) list:
 Gross annual revenue \$ 5,822,365. Total assets \$ 5,851,915.

PART B - STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

Note: If you answer "yes" to any of the questions below, you must attach a separate sheet providing an explanation and details for each "yes" response. Please review RRF-1 instructions for information required.

	Yes	No
1. During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest? SEE STATEMENT 11	X	
2. During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?		X
3. During this reporting period, did non-program expenditures exceed 50% of gross revenues?		X
4. During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy.		X
5. During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If "yes," provide an attachment listing the name, address, and telephone number of the service provider.		X
6. During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number.		X
7. During this reporting period, did the organization hold a raffle for charitable purposes? If "yes," provide an attachment indicating the number of raffles and the date(s) they occurred.		X
8. Does the organization conduct a vehicle donation program? If "yes," provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.		X
9. Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	X	

Organization's area code and telephone number **415-946-3022**

Organization's e-mail address _____

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of authorized officer _____	Printed Name _____	Title _____	Date _____
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FORM RRF-1

EXPLANATION OF FINANCIAL TRANSACTIONS
PART B, LINE 1

STATEMENT 11

KAPOR ENTERPRISES, A FOR PROFIT CORPORATION OWNED BY ONE OF THE DIRECTORS OF THE MOZILLA FOUNDATION, PROVIDES ACCOUNTING AND HUMAN RESOURCE SERVICES TO MOZILLA FOUNDATION. AT THE END OF THE YEAR, KAPOR ENTERPRISES OWED MOZILLA FOUNDATION \$22,742 RELATED TO THE ACCRUAL OF EMPLOYEE BENEFITS.