

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

Department of the Treasury Internal Revenue Service

For calendar year 2005 or other tax year beginning 07/01/2005, and ending 06/30/2006

2005

See separate instructions.

Form header section including: A Check box if address changed, B Exempt under section (501(c)(3)), C Book value of all assets, D Employer identification number (04-2232294), E New unrelated bus. activity codes (511110), F Group exemption number, G Check organization type (501(c) corporation).

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

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes [X] No

J The books are in care of WILLIAM LABROAD Telephone number 413-452-0687

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1 a Gross receipts or sales, 2 Cost of goods sold, 3 Gross profit, 4 a Net gain (loss), 5 Income (loss) from partnerships, 6 Rent income, 7 Unrelated debt-financed income, 8 Interest, annuities, royalties, 9 Investment income, 10 Exploited exempt activity income, 11 Advertising income, 12 Other income, 13 Total. Total values: 109,820. / 123,717. / -13,897.

Part II Deductions Not Taken Elsewhere (See page 9 of the instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)

Table with 4 columns: Description, Line Number, Amount, and Total Deductions. Rows include: 14 Compensation of officers, 15 Salaries and wages, 16 Repairs and maintenance, 17 Bad debts, 18 Interest, 19 Taxes and licenses, 20 Charitable contributions, 21 Depreciation (NONE), 22 Less depreciation claimed, 23 Depletion, 24 Contributions to deferred compensation plans, 25 Employee benefit programs, 26 Excess exempt expenses, 27 Excess readership costs, 28 Other deductions, 29 Total deductions (NONE), 30 Unrelated business taxable income before net operating loss deduction (-13,897.), 31 Net operating loss deduction (NONE), 32 Unrelated business taxable income before specific deduction (-13,897.), 33 Specific deduction (1,000.), 34 Unrelated business taxable income (-13,897.).

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 13.
Controlled group members (sections 1561 and 1563) - check here [] . See instructions and:
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
(1) [] (2) [] (3) []
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750)
(2) Additional 3% tax (not more than \$100,000)
c Income tax on the amount on line 34 35c
36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 14. Income tax on
the amount on line 34 from: [] Tax rate schedule or [] Schedule D (Form 1041) 36
37 Proxy tax. See page 14 of the instructions 37
38 Alternative minimum tax 38
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies 39

Part IV Tax and Payments

40 a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) 40a
b Other credits (See page 14 of the instructions.) 40b
c General business credit - Check here and indicate which forms are attached:
[] Form 3800 [] Form(s) (specify) 40c
d Credit for prior year minimum tax (attach Form 8801 or 8827) 40d
e Total credits. Add lines 40a through 40d 40e
41 Subtract line 40e from line 39 41
42 Other taxes. Check if from: [] Form 4255 [] Form 8611 [] Form 8697 [] Form 8866 [] Other (attach schedule) 42
43 Total tax. Add lines 41 and 42 43
44 a Payments: A 2004 overpayment credited to 2005 44a
b 2005 estimated tax payments 44b
c Tax deposited with Form 8868 44c
d Foreign organizations - Tax paid or withheld at source (see instructions) 44d
e Backup withholding (see instructions) 44e
f Other credits and payments: [] Form 2439 [] Form 4136 [] Other Total 44f
45 Total payments. Add lines 44a through 44f 45
46 Estimated tax penalty (See page 4 of the instructions.) Check [] if Form 2220 is attached 46
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed 47 NONE
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid 48 NONE
49 Enter the amount of line 48 you want: Credited to 2006 estimated tax Refunded 49 NONE

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 16.)

1 At any time during the 2005 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)? Yes No
If "Yes," the organization may have to file Form TD F 90-22.1. If "Yes," enter the name of the foreign country
here
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? Yes No
If "Yes," see page 5 of the instructions for other forms the organization may have to file.
3 Enter the amount of tax-exempt interest received or accrued during the tax year

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

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

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.

Sign Here
Signature of officer Date Title
May the IRS discuss this return with the preparer shown below (see instructions)? [x] Yes [] No

Preparer's signature ANTHONY T. CARIDEO JR., CPA Date
Firm's name (or yours if self-employed), address, and ZIP code WOLF & COMPANY, PC 99 HIGH STREET, 21ST FLOOR BOSTON, MA 02110
Check if self-employed [] Preparer's SSN or PTIN P00171579
EIN 04-2689883
Phone no. 617-439-9700

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(See instructions on page 17.)

1 Description of property

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

2 Rent received or accrued

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

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

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

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

Table with 5 columns: 1 Description of debt-financed property, 2 Gross income from or allocable to debt-financed property, 3 Deductions directly connected with or allocable to debt-financed property (a) Straight line depreciation, (b) Other deductions, 4 Amount of average acquisition debt, 5 Average adjusted basis, 6 Column 4 divided by column 5, 7 Gross income reportable, 8 Allocable deductions. Rows (1) through (4) and a Totals row.

Total dividends-received deductions included in column 8

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

Table for Exempt Controlled Organizations with 6 columns: 1 Name of Controlled Organization, 2 Employer Identification Number, 3 Net unrelated income, 4 Total of specified payments made, 5 Part of column (4) that is included in the controlling organization's gross income, 6 Deductions directly connected with income in column (5). Rows (1) through (4).

Nonexempt Controlled Organizations

Table for Nonexempt Controlled Organizations with 5 columns: 7 Taxable Income, 8 Net unrelated income, 9 Total of specified payments made, 10 Part of column (9) that is included in the controlling organization's gross income, 11 Deductions directly connected with income in column (10). Rows (1) through (4).

Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).

Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

Totals

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

(See instructions on page 19.)

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

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

(See instructions on page 19.)

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

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

Part I Income From Periodicals Reported on a Consolidated Basis

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

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

(1) STMT 2	109,820.	123,717.	-13,897.	125,358.	207,283.	
(2)						
(3)						
(4)						
(5) Totals from Part I						
Totals, Part II (lines 1-5) . . . ▶	Enter here and on page 1, Part I, line 11, col. (A). 109,820.	Enter here and on page 1, Part I, line 11, col. (B). 123,717.				Enter here and on page 1, Part II, line 27.

Schedule K - Compensation of Officers, Directors, and Trustees (See instructions on page 20.)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
STMT 4			%
			%
			%
			%
Total. Enter here and on page 1, Part II, line 1 ▶			NONE

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.
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ADVERTISING REVENUE RECEIVED FROM PERIODICAL "CATHOLIC OBSERVER"

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

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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 =====
CATHOLIC OBSERVER	109,820.	123,717.	-13,897.	125,358.	207,283.	
COLUMN TOTALS	109,820.	123,717.	-13,897.	125,358.	207,283.	

SCHD. K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

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NAME AND ADDRESS =====	TITLE =====	BUSINESS PERCENT =====	COMPENSATION =====
MARK DUPONT 17 LEXINGTON AVENUE HOLYOKE, MA 01040	PRESIDENT		NONE
WILIAM F LABROAD JR 15 COLEMAN ROAD GROVELAND, MA 01834	TREASURER		NONE
PARTICIA ST AMAND 68 NEVINS AVENUE LONGMEADOW, MA 01106	CLERK		NONE
ROBERT BURDICK 67 CHERRY STREET NORTH ADAMS, MA 01247	DIRECTOR		NONE
JOHN J EGAN 180 RUGBY ROAD LONGMEADOW, MA 01106	DIRECTOR		NONE
BARBARA FAILLEE SSJ 4 DORCHESTER AVENUE PITTSFIELD, MA 01201	DIRECTOR		NONE
REV JUAN GARCIA 45 PLAINFIELD STREET SPRINGFIELD, MA 01107	DIRECTOR		NONE
MARK MOREL 218 WEDGEWOOD DRIVE LUDLOW, MA 01056	DIRECTOR		NONE
BARBARA PITONIAK 75 WASHINGTON STREET NORTHAMPTON, MA 01060	DIRECTOR		NONE

SCHD. K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

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NAME AND ADDRESS	TITLE	BUSINESS PERCENT	COMPENSATION
=====	=====	=====	=====
SUSAN FENELON KERR 33 SPARROW DRIVE SPRINGFIELD, MA 01119	DIRECTOR		NONE
JOHN H SHUMAN 291 FAIRVIEW AVENUE CHICOPEE, MA 01013	DIRECTOR		NONE
MSGR RICHARD S SNIEZYK 65 ELLIOT STREET SPRINGFIELD, MA 01105	DIRECTOR		NONE
TOTAL COMPENSATION			----- NONE =====

FEDERAL FOOTNOTES

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NET OPERATING LOSSES (DIRECT ADVERTISING COSTS IN EXCESS OF REVENUE)
ARE AS FOLLOWS:

6/2001	\$157,869
6/2002	\$190,899
6/2003	\$117,759
6/2004	\$ 64,354
6/2005	\$132,778
TOTAL	\$663,659