

Form 990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

200

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

A For the 2006 calendar year, or tax year beginning 07/01, 2006, and ending 06/30/2007

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization

SCENIC HUDSON, INC.

Number and street (or P.O. box if mail is not delivered to street address)

ONE CIVIC CENTER PLAZA, SUITE 200

City or town, state or country, and ZIP + 4

POUGHKEEPSIE, NY 12601

D Employer identification number

13-2898799

E Telephone number

(845) 473-4440

F Accounting method

☐ Cash ☒ Accrual

Other (specify) _____

- Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Website: WWW.SCENICHUDSON.ORG

J Organization type (check only one) ☒ 501(c)(3) (insert no) 4947(a)(1) or 527K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

H and I are not applicable to section 527 organizations

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

H(b) If "Yes," enter number of affiliates _____

H(c) Are all affiliates included? (If "No," attach a list. See instructions.) ☐ Yes ☒ NoH(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number _____

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

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 21,885,609.

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

1	Contributions, gifts, grants, and similar amounts received				
a	Contributions to donor advised funds	1a			
b	Direct public support (not included on line 1a)	1b	20,659,509.		
c	Indirect public support (not included on line 1a)	1c			
d	Government contributions (grants) (not included on line 1a)	1d	19,177.		
e	Total (add lines 1a through 1d) (cash \$ 20,560,412. noncash \$ 118,274.)	1e		20,678,686.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2			
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4		63,438.	
5	Dividends and interest from securities	5		186,648.	
6a	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			
8a	Gross amount from sales of assets other than inventory	(A) Securities	8a	(B) Other	
		909,914.		1,423.	
b	Less cost or other basis and sales expenses	8b	587,204.	NONE	
c	Gain or (loss) (attach schedule)	8c	322,710.	1,423.	
d	Net gain or (loss) Combine line 8c, columns (A) and (B)	8d		324,133.	
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>				
a	Gross revenue (not including \$ 364,348. of STMT 2 contributions reported on line 1b)	9a	45,500.		
b	Less direct expenses other than fundraising expenses	9b	45,500.		
c	Net income or (loss) from special events Subtract line 9b from line 9a	9c			
10a	Gross sales of inventory, less returns and allowances	10a			
b	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 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		21,252,905.	
13	Program services (from line 44, column (B))	13		2,335,652.	
14	Management and general (from line 44, column (C))	14		456,709.	
15	Fundraising (from line 44, column (D))	15		965,240.	
16	Payments to affiliates (attach schedule)	16			
17	Total expenses. Add lines 16 and 44, column (A)	17		3,757,601.	
18	Excess or (deficit) for the year Subtract line 17 from line 12	18		17,495,304.	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		10,089,741.	
20	Other changes in net assets or fund balances (attach explanation) STMT 4	20		565,717.	
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21		28,150,762.	

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

Form 990 (2006)

817 3 4

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 organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule)				
(cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (attach schedule)				
(cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b	NONE	NONE	
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc listed in Part V-A (attach schedule)	25a	694,763.	359,269.	154,485.
b Compensation of former officers, directors, key employees, etc listed in Part V-B (attach schedule)	25b			
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26	2,643,124.	2,110,054.	106,043.
27 Pension plan contributions not included on lines 25a, b, and c	27	154,379.	102,265.	15,632.
28 Employee benefits not included on lines 25a - 27	28	257,039.	202,097.	16,480.
29 Payroll taxes	29	257,018.	190,138.	20,061.
30 Professional fundraising fees	30			
31 Accounting fees	31	19,850.		19,850.
32 Legal fees	32	27,766.	26,142.	
33 Supplies	33	122,513.	61,159.	37,065.
34 Telephone	34	41,534.	29,946.	8,338.
35 Postage and shipping	35	29,672.	16,368.	2,394.
36 Occupancy	36	335,663.	257,015.	17,496.
37 Equipment rental and maintenance	37	3,996.	2,960.	494.
38 Printing and publications	38	111,713.	63,047.	8,691.
39 Travel	39	68,288.	43,571.	19,743.
40 Conferences, conventions, and meetings	40	49,676.	43,521.	1,805.
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42	10,751.	10,751.	
43 Other expenses not covered above (itemize)				
a CONSULTING EXPENSE	43a	275,995.	226,437.	38,075.
b SMALL EQUIPMENT PURCHASES	43b	26,761.	24,387.	2,374.
c PUBLIC OUTREACH	43c	91,859.	18,241.	31,874.
d REIMBURSEMENTS FROM SCENI	43d	-1,567,000.	-1,500,000.	-67,000.
e INVESTMENT ADVISORY FEES	43e	22,809.		22,809.
f WEB DEVELOPMENT	43f	48,284.	48,284.	
g SPECIAL EVENT EXPENSES	43g	31,148.		
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	44	3,757,601.	2,335,652.	456,709.

Joint Costs. Check ☒ if you are following SOP 98-2Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☒ Yes ☐ NoIf "Yes," enter (i) the aggregate amount of these joint costs \$ 3,629,146. (ii) the amount allocated to Program services \$ 2,252,230.
(iii) the amount allocated to Management and general \$ 411,676. and (iv) the amount allocated to Fundraising \$ 965,240.

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Part IV Balance Sheets (See the instructions.)

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

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	25,000.	45	16,547.
	46 Savings and temporary cash investments	1,415,620.	46	1,712,321.
	47a Accounts receivable	47a		
	b Less allowance for doubtful accounts	47b	47c	
	48a Pledges receivable	48a 643,493.		
	b Less allowance for doubtful accounts	48b 32,750.	48c	610,743.
	49 Grants receivable	1,974,143.	49	18,274,019.
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	29,726.	53	26,200.
	54a Investments - publicly-traded securities STMT 10 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	6,692,673.	54a	6,587,168.
	b Investments - other securities (attach schedule) <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	1,143,066.
55a Investments - land, buildings, and equipment basis STMT 11	55a			
b Less accumulated depreciation (attach schedule)	55b	55c		
56 Investments - other (attach schedule)		56		
57a Land, buildings, and equipment basis	57a 119,824.			
b Less accumulated depreciation (attach schedule)	57b 111,359.	19,216.	57c	8,465.
58 Other assets, including program-related investments (describe <input type="checkbox"/> STMT 12)	207,915.	58	224,336.	
59 Total assets (must equal line 74) Add lines 45 through 58	10,364,293.	59	28,602,865.	
Liabilities	60 Accounts payable and accrued expenses	270,710.	60	448,261.
	61 Grants payable	3,842.	61	3,842.
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe <input type="checkbox"/>)		65	
66 Total liabilities. Add lines 60 through 65	274,552.	66	452,103.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	7,983,778.	67	8,898,484.
	68 Temporarily restricted	2,105,963.	68	19,252,278.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)	10,089,741.	73	28,150,762.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	10,364,293.	74	28,602,865.

Yes	No
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[illegible]

75b X

A diagram of a rectangle divided into two parts by a vertical line. The left part is labeled $75c$ and the right part is labeled X .

75d	x	
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Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits
 (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

[illegible]

Yes	No
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76	X	
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77		X
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— 113 —

78a	X
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78b	N/A
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79	X
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80a	X	
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1

81b	X
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Part VI Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
82b	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).		5,500.
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85a	501(c)(4), (5), or (6) organizations Were substantially all dues nondeductible by members?	N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year			
85c	Dues, assessments, and similar amounts from members	N/A	
85d	Section 162(e) lobbying and political expenditures	N/A	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86a	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	N/A	
86b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87a	501(c)(12) orgs Enter a Gross income from members or shareholders	N/A	
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	N/A	
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	X	
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911	NONE	
	section 4912	NONE	
	section 4955	NONE	
89b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	NONE	
	Enter Amount of tax on line 89c, above, reimbursed by the organization	NONE	
89e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89g	For supporting organizations and sponsoring organizations maintaining donor advised funds Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90a	List the states with which a copy of this return is filed	CT, NY,	
90b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)	48	
91a	The books are in care of	THE ORGANIZATION	
	Located at	ONE CIVIC CENTER PLAZA, POUGHKEEPSIE, NY	
	Telephone no	845-473-4440	
	ZIP + 4	12601	
91b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
	If "Yes," enter the name of the foreign country		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		

Part VI Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c ☒ X

If "Yes," enter the name of the foreign country ▶

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here ☐

and enter the amount of tax-exempt interest received or accrued during the tax year . . . ▶ 92 N/A

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a					
b					
c					
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	63,438.	
96 Dividends and interest from securities			14	186,648.	
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	324,133.	
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)).				574,219.	
105 Total (add line 104, columns (B), (D), and (E)) ▶					574,219.

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	

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

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

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

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

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
Totals				

Yes	No
X	

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

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	SEE STATEMENT 19 -----			
b	-----			
c	-----			
Totals				1,675,000.

Yes	No
X	

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

Yes	No
	X

Please Sign Here

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

Signature of officer 

Date 11/2/07

Type or print name and title Edward O. Sullivan, President

Paid Preparer's Use Only

Preparer's signature

Firm's name (or your
if self-employed,
address, and ZIP + 4

PRICEWATERHOUSECOOPERS L.L.P.
677 BROADWAY

ALBANY, NY

Date

10-30-2007

Check if
self-
employed ☐

Preparer's SSN or PTIN (See Gen. Inst. X)

P00593765

EIN

13-4008324

Phone no

518-462-2030

12207

Form 990 (2006)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

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

OMB No 1545-0047

2006

Name of the organization

SCENIC HUDSON, INC.

Employer identification number

13-2898799

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 20				
Total number of other employees paid over \$50,000 . . . ►		21		

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 21		
Total number of others receiving over \$50,000 for professional services ►		0

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 22		
Total number of other contractors receiving over \$50,000 for other services ►		0

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

Schedule A (Form 990 or 990-EZ) 2006

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 ► \$ <u>23,018.</u> (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B).	1	X	
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.			
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)			
a Sale, exchange, or leasing of property?	2a		X
b Lending of money or other extension of credit?	2b		X
c Furnishing of goods, services, or facilities?	2c		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? STMT. 23	2d	X	
e Transfer of any part of its income or assets?	2e		X
3a Did the organization make grants for scholarships, fellowships, student loans, etc? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments).	3a		X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X	
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement STMT. 24	3c	X	
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g.	4a		X
b Did the organization make any taxable distributions under section 4966?	4b	N/A	
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A	
d Enter the total number of donor advised funds owned at the end of the tax year. ►			NONE
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year. ►			NONE
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the rights to provide advice on the distribution or investment of amounts in such funds or accounts. ►			NONE
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year. ►			NONE

Schedule A (Form 990 or 990-EZ) 2006

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 ☐ A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 ☐ A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 12 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization
- ☐ Type I ☐ Type II ☐ Type III - Functionally Integrated ☐ Type III - Other

Provide the following information about the supported organizations (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total ▶					

- 14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 of the instructions.)

Schedule A (Form 990 or 990-EZ) 2006

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

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	3,215,599.	5,075,501.	3,169,219.	4,363,651.	15,823,970.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	269.	111.	997.	463.	1,840.
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	212,092.	140,683.	100,674.	119,267.	572,716.
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.	STMT 25 15,407.	3,893.	32,455.	9,101.	60,856.
23 Total of lines 15 through 22	3,443,367.	5,220,188.	3,303,345.	4,492,482.	16,459,382.
24 Line 23 minus line 17	3,443,098.	5,220,077.	3,302,348.	4,492,019.	16,457,542.
25 Enter 1% of line 23.	34,434.	52,202.	33,033.	44,925.	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	329,151.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts		26b	
c Total support for section 509(a)(1) test. Enter line 24, column (e)		26c	16,457,542.
d Add: Amounts from column (e) for lines 18 572,716. 19 _____ 22 60,856. 26b _____		26d	633,572.
e Public support (line 26c minus line 26d total)		26e	15,823,970.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	96.1503 %

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.

NOT APPLICABLE

(2005) _____ (2004) _____ (2003) _____ (2002) _____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.

(2005) _____ (2004) _____ (2003) _____ (2002) _____

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

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

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

NOT APPLICABLE

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

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) ----- ----- -----	31	
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?	32d	
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	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? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions)(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
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	5,252.	5,252.
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	40,282.	17,766.
38 Total lobbying expenditures (add lines 36 and 37)	45,534.	23,018.
39 Other exempt purpose expenditures	10,648,112.	3,734,583.
40 Total exempt purpose expenditures (add lines 38 and 39)	10,693,646.	3,757,601.
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 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	684,682.	337,880.
42 Grassroots nontaxable amount (enter 25% of line 41)	171,171.	84,470.
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below)

See the instructions for lines 45 through 50 on page 13 of the instructions)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount	337,880.	332,632.	314,539.	349,464.	1,334,515.
46 Lobbying ceiling amount (150% of line 45(e))					2,001,773.
47 Total lobbying expenditures	23,018.	20,682.	5,568.	1,510.	50,778.
48 Grassroots nontaxable amount	84,470.	83,158.	78,635.	87,366.	333,629.
49 Grassroots ceiling amount (150% of line 48(e))					500,444.
50 Grassroots lobbying expenditures	5,252.	522.	3,009.	NONE	8,783.

Part VI-B Lobbying Activity by Nonelecting Public Charities

NOT APPLICABLE

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

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h)			

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

FORM 990 - GENERAL EXPLANATION ATTACHMENT
=====

OFFICERS COMPENSATION

FORM 990, PART V-A, COLUMN D, STATEMENT 14

SCENIC HUDSON, INC. AND EDWARD SULLIVAN ENTERED INTO A LONG-TERM EMPLOYMENT AGREEMENT UNDER IRC SECTION 475(F). THE TERMS OF THE AGREEMENT RUN THROUGH DECEMBER 31, 2014 AT WHICH TIME MR. SULLIVAN WILL COMPLETE HIS COMMITMENT AND RECEIVE A ONE TIME LUMP SUM PAYMENT OF \$500,000. IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, SCENIC HUDSON, INC. WILL AMORTIZE THIS PAYMENT OVER THE TERM OF THE AGREEMENT. DURING THE YEAR, THE CORPORATION RECOGNIZED \$20,690 IN EXPENSES RELATED TO THIS AGREEMENT.

FORM 990, PART I - EXCLUDED CONTRIBUTIONS

=====

DESCRIPTION

AMOUNT

15TH ANNUAL GALA DINNER

364,348.

TOTAL

364,348.

=====

FORM 990, PART I - SPECIAL FUNDRAISING EVENTS AND ACTIVITIES

=====

DESCRIPTION -----	GROSS REVENUE -----	DIRECT EXPENSES -----
15TH ANNUAL GALA DINNER	45,500. -----	45,500. -----
TOTALS	45,500. =====	45,500. =====

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====DESCRIPTION
-----AMOUNT

UNREALIZED GAIN ON INVESTMENTS

565,717.

TOTAL

565,717.
=====

FORM 990, PART II, LINE 25A - CURRENT OFFICER COMPENSATION SCHEDULE
=====

CURRENT OFFICER NAME -----	PROGRAM SERVICES -----	MANAGEMENT AND GENERAL -----	FUNDRAISING -----
EDWARD SULLIVAN COMPENSATION:	76,551.	65,992.	105,926.
STEVEN ROSENBERG COMPENSATION:	175,000.		
JOSEPH KAZLAUSKAS COMPENSATION:	58,329.	88,493.	
ERIN RILEY COMPENSATION:	49,389.		75,083.
TOTALS	359,269.	154,485.	181,009.

=====

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

THE ORGANIZATION WAS FOUNDED TO PRESERVE, RESTORE & ENHANCE THE
ECOLOGICAL, SCENIC, HISTORIC & RECREATIONAL RESOURCES OF THE HUDSON
RIVER.

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS
=====PROGRAM SERVICE ACCOMPLISHMENT A

LAND ACQUISITION - CONSERVING THE LAND THAT MATTERS MOST ALONG THE HUDSON RIVER BETWEEN NEW YORK CITY AND ALBANY. THESE LANDS CONTRIBUTE TO WORLD-CLASS SCENIC VIEWS, UNLOCK ACCESS TO THE HUDSON RIVER, PROVIDE CRITICAL FARMLAND AND CONTAIN OR BUFFER IMPORTANT RIVER HABITATS. IN PRESERVING AND ENHANCING THESE IRREPLACEABLE RESOURCES WE OFTEN CONTRIBUTE TO PROJECTS INITIATED BY COMMUNITIES SEEKING STRONGER CONNECTIONS WITH THE HUDSON RIVER.

PROGRAM SERVICE ACCOMPLISHMENT B

LAND USE ADVOCACY - SCENIC HUDSON HELPS RESIDENTS AND COMMUNITIES PREVENT OR RESHAPE POORLY DESIGNED, LARGE-SCALE PROJECTS ALONG THE HUDSON RIVER WHILE PROMOTING REUSE AND RESTORATION OF WATERFRONTS AS PUBLIC AND NATURAL RESOURCES. WE SUPPORT PROJECTS THAT ARE APPROPRIATELY SCALED AND THAT PROVIDE PLENTY OF OPEN SPACE AND OPPORTUNITIES FOR RECREATION. WE BRING TO BEAR TECHNICAL EXPERTISE AND TIME-TESTED EXPERIENCE IN COMMUNITY PLANNING IN HELPING COMMUNITIES CREATE RIVERFRONT GROWTH THAT PROVIDES ECONOMIC ASSETS INSTEAD OF BURDENS.

PROGRAM SERVICE ACCOMPLISHMENT C

PARKS & PRESERVES - WITH MUNICIPALITIES AND DIVERSE PARTNERS, SCENIC HUDSON CREATES AND MANAGES BEAUTIFUL PARKS THAT HELP CONNECT PEOPLE WITH THE INSPIRATION OF THE HUDSON RIVER. THIS INVOLVES SAFEGUARDING IRREPLACEABLE LANDS AND VITAL ECOSYSTEMS AND RECLAIMING POLLUTED AND NEGLECTED URBAN WATERFRONTS. THE PARKS ARE OUTDOOR CLASSROOMS FOR NUMEROUS AREA SCHOOLS AND HELP TEACH ENVIRONMENTAL STEWARDSHIP.

PROGRAM SERVICE ACCOMPLISHMENT D

COMMUNICATIONS - ENGAGES CONSTITUENTS ON A VARIETY OF LAND USE ADVOCACY ISSUES THROUGH WEB-BASED TECHNOLOGIES. IMPORTANT INFORMATION ON PARK EVENTS AND COMMUNITY ACTION IS ROUTINELY PROVIDED. USERS FIND TRAIL MAPS AND DRIVING DIRECTIONS AT THE CLICK OF A BUTTON. THE PUBLIC IS KEPT

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS
=====

INFORMED OF LAND USE ISSUES IMPORTANT TO RESIDENTS OF THE
HUDSON VALLEY. CALLS TO ACTION TO PROTECT THE ENVIRONMENT
ARE A CORNERSTONE OF SCENIC HUDSON'S WORK.

FORM 990, PART III - OTHER PROGRAM SERVICES (LINE E)
=====

DESCRIPTION

GRANTS AND
ALLOCATIONS

EXPENSES

REIMBURSEMENTS FROM THE SCENIC HUDSON LAND
TRUST, INC

-1,500,000.

TOTALS

-1,500,000.

=====

FORM 990, PART IV - INVESTMENTS - PUBLICLY TRADED SECURITIES
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
EQUITY SECURITIES AND FIXED INCOME FUNDS	6,587,168. -----
TOTALS	6,587,168. =====

FORM 990, PART IV - INVESTMENTS - OTHER SECURITIES
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
SILCHESTER INTERNATIONAL	
INVESTORS INTERNATIONAL	
VALUE EQUITY TRUST	503,150.
THE INVESTMENT FUND FOR	
FOUNDATIONS ABSOLUTE RETURN	
POOL II	169,311.
PROGRESSIVE ASSET MANAGEMENT	
LIMITED ADVANCED EMERGING	
MARKETS FUND	284,571.
ARDEN ENDOWMENT ADVISORS, LTD	
CLASS G FUND OF HEDGE FUNDS	186,034.

TOTALS	1,143,066.
	=====

FORM 990, PART IV - OTHER ASSETS
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
ASSETS HELDIN POOLED INCOME FD	74,018.
INTEREST IN CHARITABLE	
REMAINDER UNITRUST	131,151.
SECURITY DEPOSITS	19,167.

TOTALS	224,336.
	=====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN
=====DESCRIPTION
-----AMOUNT
-----REIMBURSEMENT FROM SCENIC
HUDSON LAND TRUST, INC.1,567,000.

TOTAL

1,567,000.
=====

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

SPECIAL EVENT EXPENSES

31,148.

TOTAL

31,148.
=====

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

DESCRIPTION -----	AMOUNT -----
REIMBURSEMENT FROM SCENIC HUDSON LAND TRUST, INC.	1,567,000. -----
TOTAL	1,567,000. =====

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

SPECIAL EVENT EXPENSES

31,148.

TOTAL

31,148.
=====

SCENIC HUDSON, INC.

13-2898799

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

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
EDWARD SULLIVAN ONE CIVIC CENTER PLAZA, SUITE 200 POUGHKEEPSIE, NY 12601	PRESIDENT	248,470.	548,293.*	8,204.
STEVEN ROSENBERG ONE CIVIC CENTER PLAZA, SUITE 200 POUGHKEEPSIE, NY 12601	EXECUTIVE DIRECTOR	175,000.	27,613.	1,399.
JOSEPH KAZLAUSKAS ONE CIVIC CENTER PLAZA, SUITE 200 POUGHKEEPSIE, NY 12601	CF & OO	146,822.	23,895.	1,148.
ERIN RILEY ONE CIVIC CENTER PLAZA, SUITE 200 POUGHKEEPSIE, NY 12601	VP EXTERNAL AFFAIRS	124,472.	21,033.	471.
SEE STATEMENT 26 FOR A COMPLETE BOARD OF DIRECTORS LISTING				
GRAND TOTALS		694,764.	620,834.	11,222.

* SEE STATEMENT 1 FOR DETAILED INFORMATION REGARDING THIS AMOUNT

FORM 990, PART VI - CHANGE IN ITS ACTIVITIES OR METHODS
=====

DURING THE TAX PERIOD THE ORGANIZATION REORGANIZED PROGRAM ACTIVITIES TO FOCUS ON MISSION BASED ACTIVITIES: SAVING THE LAND THAT MATTERS MOST (IN THE HUDSON VALLEY), HAULTING OR RESHAPING POORLY DESIGNED DEVELOPMENT THAT THREATENS THE HUDSON RIVER'S BEAUTY, HEALTH OR OPPORTUNITIES FOR PUBLIC ACCESS.

THE ORGANIZATION MOVED TO A TEAM BASED APPROACH, FLATTENING THE HIERARCHICAL STRUCTURE; STREAMLINING THE DECISION MAKING PROCESS. THE NEW STRUCTURE WILL ALLOW THE ORGANIZATION TO BUY MORE LAND, ENCOURAGE THE PUBLIC TO GET OUT AND ENJOY THE RIVER AND PARKS.

FORM 990, PART XI - TRANSFERS FROM CONTROLLED ENTITIES STATEMENT
=====

CONTROLLED ENTITY'S NAME: SCENIC HUDSON LAND TRUST, INC.
CONTROLLED ENTITY'S ADDRESS: ONE CIVIC CENTER PLAZA, SUITE 200
CITY, STATE & ZIP: POUGHKEEPSIE, NY 12601
EIN: 23-7148333
TRANSFER AMOUNT: 1,567,000.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
MANAGEMENT SERVICES

CONTROLLED ENTITY'S NAME: SCENIC HUDSON LAND TRUST, INC.
CONTROLLED ENTITY'S ADDRESS: ONE CIVIC CENTER PLAZA, SUITE 200
CITY, STATE & ZIP: POUGHKEEPSIE, NY 12601
EIN: 23-7148333
TRANSFER AMOUNT: 108,000.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
GRANTS

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

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
WARREN REISS ONE CIVIC CENTER PLAZA STE 200 POUGHKEEPSIE, NY 12601	GENERAL COUNSEL 35.00	101,931.	18,210.	471.
JAMES BURGESS ONE CIVIC CENTER PLAZA STE 200 POUGHKEEPSIE, NY 12601	DIR. OF COMM. 42.00	96,286.	17,474.	713.
ROBERT ELLIOT ONE CIVIC CENTER PLAZA STE 200 POUGHKEEPSIE, NY 12601	SR ADVISOR 29.00	97,951.	5,329.	NONE
SETH MCKEE ONE CIVIC CENTER PLAZA STE 200 POUGHKEEPSIE, NY 12601	DIR LAND CONSERV. 41.00	87,331.	16,336.	858.
RAYMOND CURRAN 1 CIVIC CTR. PLAZA POUGHKEEPSIE, NY 12601	SR. URBAN PLANNER 37.00	78,467.	15,170.	NONE
TOTAL COMPENSATION		461,966.	72,519.	2,042.

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

MILONE & MAC BROOM	ECOLOGICAL EVAL.	90,225.
99 REALTY DRIVE		
CHESHIRE, CT 06410		
ECOLOGICAL EVALUATION OF THE POCANTICO RIVER.		

TOTAL COMPENSATION

90,225.
=====

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

MAAR PRINTING SERVICES 49 OAKLEY STREET POUGHKEEPSIE, NY 12601	PRINTING SERVICE	60,780.
THE STUDENT CONSERVATION ASSOCIATION P.O. BOX 550 CHARLESTON, NH 03603	EDUCATION SEMINARS	80,470.
ACADIA HUDSON, LLC 1 CIVIC CENTER POUGHKEEPSIE, NY 12601	LANDLORD	244,900.
MVP HEALTH PLAN GPO BOX 26864 NEW YORK, NY 10087	INSURANCE	192,950.
AETNA HEALTH P.O. BOX 9610 CRANBURY, NJ 08512	INSURANCE	52,599.
TOTAL COMPENSATION		----- 631,699. =====

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D

=====

EDWARD SULLIVAN, PRESIDENT, STEVEN ROSENBERG, SR VICE PRESIDENT, JOSEPH KAZLAUSKAS, CHIEF FINANCE & OPERATIONS OFFICER AND ERIN RILEY, VICE PRESIDENT RECEIVED COMPENSATION AND EXPENSES DETAILED IN STATEMENT 3. THESE SALARIES HAVE BEEN APPROVED BY THE BOARD OF DIRECTORS AND ARE DETERMINED TO BE APPROPRIATE WITH THE DUTIES AND RESPONSIBILITIES OF THEIR POSITIONS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 3C
=====

SEE STATEMENT 27

SCHEDULE A, PART IV-A - OTHER INCOME

DESCRIPTION	2005	2004	2003	2002	TOTAL
-----	----	----	----	----	-----
MISCELLANEOUS	15,407.	3,893.	32,455.	9,101.	60,856.
	-----	-----	-----	-----	-----
TOTALS	15,407.	3,893.	32,455.	9,101.	60,856.
	=====	=====	=====	=====	=====

COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES

Name	Address	Title	Compensation	Benefit Plans	Contributions to Employee	Expense
						Accounts & Other Allowances
Atwater, Phyllis Y	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Blackwood, Carolyn	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Byrne-Ling, Mary	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Cameron, James R	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Clancy, Maureen K	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Evarts Jr, William M	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Flinn, Irvine D	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Freeman, Robert P	One Civic Center, Poughkeepsie, NY 12601	Vice Chair	NONE	NONE	NONE	NONE
Gamble, Kristin	One Civic Center, Poughkeepsie, NY 12601	Director/Assistant Treas	NONE	NONE	NONE	NONE
Gannett, Anna Carlson	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Glynn, Gary A	One Civic Center, Poughkeepsie, NY 12601	Treasurer	NONE	NONE	NONE	NONE
Goodfellow, James C	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Hammer, Kathy	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Hart, Marjorie L	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Harty, Stephen	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Hoch, Lisina M	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Huseby, Sven	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Impellizzeri, Anne E	One Civic Center, Poughkeepsie, NY 12601	Secretary	NONE	NONE	NONE	NONE
Likens, Gene E	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Long, Gretchen	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Martucci, Frank	One Civic Center, Poughkeepsie, NY 12601	Vice Chair	NONE	NONE	NONE	NONE
McMullan, W Patrick	One Civic Center, Poughkeepsie, NY 12601	Director/Vice Chair	NONE	NONE	NONE	NONE
Mortimer, David H	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Platt, Nicholas	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Rauch, III, Rudolph S	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Redden, David N	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Rich, Esq, Frederic C	One Civic Center, Poughkeepsie, NY 12601	Chair	NONE	NONE	NONE	NONE
Ross, Barry	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Seippel, Leigh	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Sidamon-Eristoff, Andrew	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Taylor, Phyllis	One Civic Center, Poughkeepsie, NY 12601	Assistant Treasurer	NONE	NONE	NONE	NONE
Varet, Michael A	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Watson, Dawn	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Widdowson, Nigel	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
Zagoreos, Alexander E	One Civic Center, Poughkeepsie, NY 12601	Director	NONE	NONE	NONE	NONE
total			-	-	-	-

SCENIC HUDSON, INC.
EIN: 13-2898799
JULY 1, 2006 THROUGH JUNE 30, 2007

Form 990, Schedule A, Part III, Line 3c

Schedule of Easements Held	<u>Number</u>	<u>Acres</u>	<u># of States</u>
Easements held at July 1, 2006	22	811 90	1 - New York
Easements acquired during the year	-	-	
Easements			
Modified	-	-	
Sold	-	-	
Transferred	-	-	
Released	-	-	
Terminated	-	-	
Easements held at June 30, 2007	<u>22</u>	<u>812</u>	1 - New York

Summary of Easements

Easements on buildings or structures	-	-	
Easements that encumber a golf course or portion of a golf course	1	53 00	1 - New York
Easements within or adjacent to residential developments and housing subdivisions	1	25.00	1 - New York
Conservation easements that were acquired in a transaction described under Purchase of Real Property from Charitable Organizations in Notice 2004-41	-	-	

Other Information

Easements monitored by physical inspection or other means during the tax year	15	491 40	1 - New York
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Staff hours and expenses devoted to, incurred for monitoring & enforcing new or existing easements during the tax year

Staff (2 full time) - 3,640 hrs/ year	85,114
Other monitoring costs	7,811
Enforcement costs	-
Total costs	<u>92,925</u>

Easements on buildings or structures acquired after August 17, 2006	None
---	------

Note:

Of the 84 easements we currently hold, 58 were monitored in FY 07, 57 by Scenic Hudson and one by a co-grantee. Of those not monitored, 8 were acquired this year and are not scheduled for monitoring until spring 2008. This year we shifted our monitoring schedule, and the remaining 19 are scheduled to be completed by 12/31/07. 62 of our easements are held by The Scenic Hudson Land Trust, and 22 are held by Scenic Hudson.

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

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

OMB No 1545-0092

2006

Name of estate or trust

Employer identification number

SCENIC HUDSON, INC.

13-2898799

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

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 35)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
1 SEE STATEMENT 1			16,319.	6,646.	9,673.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2005 Capital Loss Carryover Worksheet.					4 ()
5 Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below					5 9,673.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 35)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
6 SEE STATEMENT 2			893,595.	580,558.	313,037.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9 Capital gain distributions					9
10 Gain from Form 4797, Part I					10
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2005 Capital Loss Carryover Worksheet.					11 ()
12 Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 14a, column (3) below					12 313,037.

Part III Summary of Parts I and II

Caution: Read the instructions **before** completing this part.

	(1) Beneficiaries' (see page 36)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		9,673.
14 Net long-term gain or (loss):			
a Total for year	14a		313,037.
b Unrecaptured section 1250 gain (see line 18 of the worksheet on page 36).	14b		
c 28% rate gain.	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		322,710.

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

For Paperwork Reduction Act Notice, see the Instructions for Form 1041

Schedule D (Form 1041) 2006

Part IV Capital Loss Limitation**16** Enter here and enter as a (loss) on Form 1041, line 4, the **smaller** of**a** The loss on line 15, column (3) or**b** \$3,000**16** ()*If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 39 of the instructions to determine your capital loss carryover***Part V Tax Computation Using Maximum Capital Gains Rates** (Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22 is more than zero)*Note: If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 38 of the instructions and skip Part V. Otherwise, go to line 17***17** Enter taxable income from Form 1041, line 22**17****18** Enter the **smaller** of line 14a or 15 in column (2) but not less than zero**18****19** Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2)**19****20** Add lines 18 and 19**20****21** If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶**21****22** Subtract line 21 from line 20. If zero or less, enter -0-**22****23** Subtract line 22 from line 17. If zero or less, enter -0-**23****24** Enter the **smaller** of the amount on line 17 or \$2,050**24****25** Is the amount on line 23 equal to or more than the amount on line 24?☐**Yes.** Skip lines 25 through 27; go to line 28 and check the "No" box☐**No.** Enter the amount from line 23**25****26** Subtract line 25 from line 24**26****27** Multiply line 26 by 5% (.05)**27****28** Are the amounts on lines 22 and 26 the same?☐**Yes.** Skip lines 28 through 31, go to line 32☐**No.** Enter the **smaller** of line 17 or line 22**28****29** Enter the amount from line 26 (If line 26 is blank, enter -0-)**29****30** Subtract line 29 from line 28**30****31** Multiply line 30 by 15% (.15)**31****32** Figure the tax on the amount on line 23. Use the 2006 Tax Rate Schedule on page 23 of the instructions**32****33** Add lines 27, 31, and 32**33****34** Figure the tax on the amount on line 17. Use the 2006 Tax Rate Schedule on page 23 of the instructions**34****35** **Tax on all taxable income.** Enter the **smaller** of line 33 or line 34 here and on line 1a of Schedule G, Form 1041**35**

Schedule D (Form 1041) 2006

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
CAPITAL GAINS (LOSSES) FROM SECURITIES					
NEUBERGER BERMAN	VAR	VAR	296.	NONE	296.
PIMCO TOTAL RETURN FUND	VAR	12/13/2006	8,170.	NONE	8,170.
TEMPLETON INTERNATIONAL	VAR	03/02/2007	2,937.	NONE	2,937.
MA WEATHERBIE	VAR	VAR	4,916.	NONE	4,916.
WINSLOW	VAR	VAR		6,646.	-6,646.
TOTAL CAPITAL GAINS (LOSSES) FROM SECURITIES			16,319.	6,646.	9,673.
Totals			16,319.	6,646.	9,673.

13-2898799

TV9283 5364 10/30/2007 11:55:51 V06-8.1

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No 1545-0184

2006

Attachment
Sequence No **27**

Name(s) shown on return

Identifying number

SCENIC HUDSON, INC.

13-2898799

1 Enter the gross proceeds from sales or exchanges reported to you for 2006 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2						
3 Gain, if any, from Form 4684, line 42						3
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37						4
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824						5
6 Gain, if any, from line 32, from other than casualty or theft						6
7 Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows						7
Partnerships (except electing large partnerships) and S corporations Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below						
8 Nonrecaptured net section 1231 losses from prior years (see instructions)						8
9 Subtract line 8 from line 7 If zero or less, enter -0- If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)						9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)						
SEE STATEMENT 1						1,423.
11 Loss, if any, from line 7						11 ()
12 Gain, if any, from line 7 or amount from line 8, if applicable						12
13 Gain, if any, from line 31						13
14 Net gain or (loss) from Form 4684, lines 34 and 41a						14
15 Ordinary gain from installment sales from Form 6252, line 25 or 36						15
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824						16
17 Combine lines 10 through 16						17 1,423.
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below						
a If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 22 Identify as from "Form 4797, line 18a" See instructions						
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14						
						18a
						18b

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2006)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property		(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)
A			
B			
C			
D			
These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B
20 Gross sales price (Note See line 1 before completing)	20		
21 Cost or other basis plus expense of sale	21		
22 Depreciation (or depletion) allowed or allowable	22		
23 Adjusted basis Subtract line 22 from line 21	23		
24 Total gain Subtract line 23 from line 20	24		
25 If section 1245 property:			
a Depreciation allowed or allowable from line 22	25a		
b Enter the smaller of line 24 or 25a	25b		
26 If section 1250 property If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291			
a Additional depreciation after 1975 (see instructions)	26a		
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b		
c Subtract line 26a from line 24 If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c		
d Additional depreciation after 1969 and before 1976	26d		
e Enter the smaller of line 26c or 26d	26e		
f Section 291 amount (corporations only)	26f		
g Add lines 26b, 26e, and 26f	26g		
27 If section 1252 property Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership)			
a Soil, water, and land clearing expenses	27a		
b Line 27a multiplied by applicable percentage (see instructions)	27b		
c Enter the smaller of line 24 or 27b	27c		
28 If section 1254 property			
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a		
b Enter the smaller of line 24 or 28a	28b		
29 If section 1255 property:			
a Applicable percentage of payments excluded from income under section 126 (see instructions)	29a		
b Enter the smaller of line 24 or 29a (see instructions)	29b		

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties Add property columns A through D, line 24	30	
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b Enter here and on line 13	31	
32 Subtract line 31 from line 30 Enter the portion from casualty or theft on Form 4684, line 36 Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation (see instructions)	34	
35 Recapture amount Subtract line 34 from line 33 See the instructions for where to report.	35	

Description	Date Acquired	Date Sold	Gross Sales Price	Depreciation Allowed or Allowable	Cost or Other Basis	Gain or (Loss) for entire year
EQUIPMENT		12/31/2006	1,423.		NONE	1,423.
Totals						1,423.