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Short Form

Return of Organization Exempt From Income Tax

OMB No. 1545-1150

2008

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

► Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form

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

Open to Public
Inspection

A For the 2008 calendar year, or tax year beginning

, 2008, and ending

B Check if applicable

- Address change
- Name change
- Initial return
- Termination
- Amended return
- Application pending

Please use IRS
label or
print or
type.
See
Specific
Instructions.

C National Home Education Research Inst.
P. O. Box 13939
Salem, OR 97309

D Employer identification number

94-3124984

E Telephone number

F Group Exemption
Number• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts
must attach a completed Schedule A (Form 990 or 990-EZ).G Accounting method Cash Accrual
Other (specify) ►

I Website: ► N/A

H Check ► if the organization is not
required to attach Schedule B (Form 990,
990-EZ, or 990-PF)J Organization type (check only one) — 501(c) (3) (insert no.) 4947(a)(1) or 527K Check ► if the organization is not a section 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 returnL Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts, if \$1,000,000 or more, file Form 990
instead of Form 990-EZ ► \$ 74,960.

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

1	Contributions, gifts, grants, and similar amounts received	1	31,634.
2	Program service revenue including government fees and contracts	2	43,326.
3	Membership dues and assessments	3	
4	Investment income	4	
5a	Gross amount from sale of assets other than inventory (Subtract line 5b from line 5a) (attach)	5a	
b	Less: cost or other basis and sales expenses	5b	
c	Gain or (loss) from sale of assets other than inventory (Subtract line 5a minus line 5b from line 5a) (attach)		
6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here ► <input type="checkbox"/>	5c	
a	Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
b	Less: direct expenses other than fundraising expenses	6b	
c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	6c	
7a	Gross sales of inventory, less returns and allowances	7a	
b	Less: cost of goods sold	7b	
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	
8	Other revenue (describe ► _____)	8	
9	Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8) ►	9	74,960.
10	Grants and similar amounts paid (attach schedule)	10	
11	Benefits paid to or for members	11	
12	Salaries, other compensation, and employee benefits	12	
13	Professional fees and other payments to independent contractors	13	
14	Occupancy, rent, utilities, and maintenance	14	2,200.
15	Printing, publications, postage, and shipping	15	3,877.
16	Other expenses (describe ► See Statement 1)	16	67,073.
17	Total expenses (add lines 10 through 16) ►	17	73,150.
18	Excess or (deficit) for the year (Subtract line 17 from line 9)	18	1,810.
19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	216.
20	Other changes in net assets or fund balances (attach explanation)	20	
21	Net assets or fund balances at end of year (Combine lines 18 through 20) ►	21	2,026.

Part II Balance Sheets. If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ

(See the instructions for Part II.)

	(A) Beginning of year	(B) End of year
22	216.	22
23		2,026.
24		23
25		24
26	216.	25
27	0.	2,026.
		26
	216.	27
		2,026.

BAA For Privacy Act and Paperwork Reduction Act Notice, see the instructions for Form 990.

Form 990-EZ (2008)

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GA

Part III Statement of Program Service Accomplishments (See the instructions.)

Expenses

What is the organization's primary exempt purpose? See Statement 2

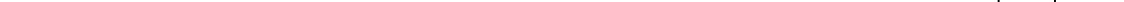
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title

(Required for 501(c)(3)
and (4) organizations and
4947(a)(1) trusts, optional
for others)

28 Publication of quarterly academic research journal and conduct of research projects in accordance with various grants received.

(Grants \$) If this amount includes foreign grants, check here. 28a 73,150.

(Grants \$) If this amount includes foreign grants, check here **29a**

30 

(Grants \$) If this amount includes foreign grants, check here ▶ **30a**

31 Other program services (attach schedule)

(Grants \$) If this amount includes foreign grants, check here. ► 31a

32 Total program service expenses (add lines 28a through 31a) ► 32 73,150.

Part IV. List of Officers, Directors, Trustees, and Key Employees. (List each one even if not compensated. See the instrs.)

Gary Somogie Director 0. 0. 0.
733 Turnpike Street, Ste. 222 0

Andover, MA 01845 Mike Tindall Director 0. 0. 0.
502 FM 227 0

Grapeland, TX 75844				
Brian Ray	President	0.	0.	0.
925 Cottage Street NE		0		
Salem, OR 97301				

Part V Other Information (Note the statement requirement in General Instruction V.)

	Yes	No
33 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	33	X
34 Were any changes made to the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes	34	X
35 If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?	35a	X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	35b	
36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' complete applicable parts of Schedule N	36	X
37a Enter amount of political expenditures, direct or indirect, as described in the instructions	► 37a	0.
b Did the organization file Form 1120-POL for this year?	37b	X
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	38a	X
b If 'Yes,' complete Schedule L, Part II and enter the total amount involved	38b	N/A
39 501(c)(7) organizations. Enter	39a	N/A
a Initiation fees and capital contributions included on line 9	39b	N/A
b Gross receipts, included on line 9, for public use of club facilities		
40a 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under:		
section 4911 ► 0. , section 4912 ► 0. ; section 4955 ► 0.		
b 501(c)(3) and (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,' complete Schedule L, Part I	40b	X
c Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	► 0.	
d Enter amount of tax on line 40c reimbursed by the organization	► 0.	
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T	40e	X
41 List the states with which a copy of this return is filed ► OR		
42a The books are in care of ► Dr. Brian Ray	Telephone no ►	
Located at ► P. O. Box 13939 Salem OR	ZIP + 4 ►	97309
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country ►	42b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of a Foreign Bank and Financial Accounts.		
c At any time during the calendar year, did the organization maintain an office outside of the U.S.? If 'Yes,' enter the name of the foreign country. ►	42c	X
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the tax year	► 43	N/A N/A
44 Did the organization maintain any donor advised funds? If 'Yes,' Form 990 must be completed instead of Form 990-EZ	44	X
45 Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If 'Yes,' Form 990 must be completed instead of Form 990-EZ	45	X

Part VI **Section 501(c)(3) organizations only.** All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

See Statement 3

46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I

47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II

48 Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E

49a Did the organization make any transfers to an exempt non-charitable related organization?

b If 'Yes,' was the related organization(s) a section 527 organization?

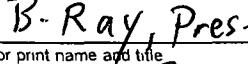
50 Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$100,000				

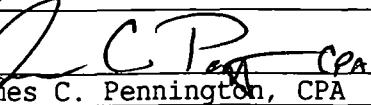
51 Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		
Total number of other independent contractors receiving over \$100,000		

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.

Sign Here			Date
	Signature of officer		12/15/09

Type or print name and title	
-------------------------------------	--

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed	Preparer's Identifying Number (See instructions)
		12/14/09	<input type="checkbox"/> N/A	

Firm's name (or yours if self-employed), address, and ZIP + 4
James C. Pennington, CPA
P.O. Box 290730
Kerrville, TX 78029-0730

EIN ► **N/A**
Phone no ► **(830) 377-8144**

May the IRS discuss this return with the preparer shown above? See instructions.

BAA

► **Yes** **No**
Form 990-EZ (2008)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

To be completed by all section 501 (c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization

National Home Education Research Inst.

Employer identification number

94-3124984

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

1 A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)
3 A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**. (Attach Schedule H)
4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state
5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)
6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II)
8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
9 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 exempt 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)**. (Complete Part III)
10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**. (see instructions)
11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
a Type I b Type II c Type III – Functionally integrated d Type III – Other
e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**
f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the organizations the organization supports

Total

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support**Calendar year (or fiscal year beginning in) ▶**

- 1 Gifts, grants, contributions and membership fees received (Do not include 'unusual grants') **28,198.**
- 2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf **0.**
- 3 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 **0.**
- 4 **Total.** Add lines 1-3 **28,198.**
- 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) **34,845.**
- 6 **Public support.** Subtract line 5 from line 4 **109,223.**

	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1	28,198.	30,269.	26,390.	27,577.	31,634.	144,068.
2						0.
3						0.
4	28,198.	30,269.	26,390.	27,577.	31,634.	144,068.
5						34,845.
6						109,223.

Section B. Total Support**Calendar year (or fiscal year beginning in) ▶**

- 7 Amounts from line 4 **28,198.**
- 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources **0.**
- 9 Net income from unrelated business activities, whether or not the business is regularly carried on **0.**
- 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV) **0.**
- 11 **Total support.** Add lines 7 through 10 **144,068.**
- 12 Gross receipts from related activities, etc. (see instructions) **12** **0.**

	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7	28,198.	30,269.	26,390.	27,577.	31,634.	144,068.
8						0.
9						0.
10						0.
11						144,068.
12					12	0.

- 13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ▶

Section C. Computation of Public Support Percentage

- 14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) **14** **75.8 %**
- 15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f **15** **0.0 %**
- 16a **33-1/3 support test – 2008.** If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶
- b **33-1/3 support test – 2007.** If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶
- 17a **10%-facts-and-circumstances test – 2008.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶
- b **10%-facts-and-circumstances test – 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶
- 18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ►

	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include 'unusual grants.')						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5.						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ►

	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.						► <input type="checkbox"/>

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%
19a 33-1/3 support tests – 2008. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
b 33-1/3 support tests – 2007. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions		► <input type="checkbox"/>

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

National Home Education Research Inst.

94-3124984

Statement 1
Form 990-EZ, Part I, Line 16
Other Expenses

Conferences, Conventions, and Meetings	\$ 918.
Licenses	95.
Other expenses	7,902.
Subcontract Services	49,610.
Supplies	3,022.
Telephone	3,737.
Travel	1,789.
Total	\$ 67,073.

Statement 2
Form 990-EZ, Part III
Organization's Primary Exempt Purpose

Publication of quarterly academic research journal and conduct of research projects in accordance with various grants received.

Statement 3
Form 990-EZ, Part VI
Regarding Transfers Associated with Personal Benefit Contracts

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

2008

Federal Exempt Organization Tax Summary (EZ)

Page 1

Client NHERI

National Home Education Research Inst.

94-3124984

12/14/09

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FORM 990-EZ REVENUE

Contributions, gifts, and grants	31,634
Program service revenue	43,326
Total revenue	74,960

EXPENSES

Occupancy/rent/utilities/maintenance	2,200
Printing, publications, and postage	3,877
Other expenses	67,073
Total expenses	73,150

NET ASSETS OR FUND BALANCES

Excess or (deficit) for the year	1,810
Net assets/fund bal. at beg. of year	216
Net assets/fund bal. at end of year	2,026

2008

General Information

Page 1

National Home Education Research Inst.

94-3124984

Forms needed for this return

Federal: 990-EZ, Sch A

Carryovers to 2009

None