

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

2005

Department of the Treasury
Internal Revenue Service

For calendar year 2005 or other tax year beginning _____, and ending _____

<p>A <input type="checkbox"/> Check box if address changed</p> <p>B Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)</p> <p>C Book value of all assets at end of year 32,919,984.</p>	<p>Print or Type</p>	<p>Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) MOZILLA FOUNDATION</p> <p>Number, street, and room or suite no. (If a P.O. box, see page 7 of instructions.) 1981 LANDINGS DRIVE, BUILDING K</p> <p>City or town, state, and ZIP code MOUNTAIN VIEW, CA 94043</p>	<p>D Employer identification number (Employees' trust, see instructions for Block D on page 7.) 20-0097189</p> <p>E New unrelated bus. activity codes (See instructions for Block E on page 7.) 518112</p>
<p>F Group exemption number (see instructions for Block F) ▶</p> <p>G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p>			

H Describe the organization's primary unrelated business activity. ▶ **AFFILIATION FEES - PRODUCT SALES**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ **JIM COOK** Telephone number ▶ **650-903-8000**

		(A) Income	(B) Expenses	(C) Net
Part I Unrelated Trade or Business Income				
1 a Gross receipts or sales				
b Less returns and allowances	c Balance ▶			
2 Cost of goods sold (Schedule A, line 7)	1c			
3 Gross profit. Subtract line 2 from line 1c	2			
4 a Capital gain net income (attach Schedule D)	3			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4a			
c Capital loss deduction for trusts	4b			
5 Income (loss) from partnerships and S corporations (attach statement)	4c			
6 Rent income (Schedule C)	5			
7 Unrelated debt-financed income (Schedule E)	6			
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	7			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	8			
10 Exploited exempt activity income (Schedule I)	9			
11 Advertising income (Schedule J)	10			
12 Other income (See instructions - attach schedule.) STATEMENT 1	11			
13 Total. Combine lines 3 through 12	12	416,089.		416,089.
	13	416,089.		416,089.

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

14 Compensation of officers, directors, and trustees (Schedule K)	14		
15 Salaries and wages	15		
16 Repairs and maintenance	16		
17 Bad debts	17		
18 Interest (attach schedule)	18		
19 Taxes and licenses	19		36,694.
20 Charitable contributions (See instructions for limitation rules.)	20		
21 Depreciation (attach Form 4562)	21		
22 Less depreciation claimed on Schedule A and elsewhere on return	22a		
23 Depletion	22b		
24 Contributions to deferred compensation plans	23		
25 Employee benefit programs	24		
26 Excess exempt expenses (Schedule I)	25		
27 Excess readership costs (Schedule J)	26		
28 Other deductions (attach schedule)	27		
29 Total deductions. Add lines 14 through 28	28		
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	29		36,694.
31 Net operating loss deduction (limited to the amount on line 30)	30		379,395.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	31		379,395.
33 Specific deduction (Generally \$1,000, but see instructions for exceptions)	32		1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	33		378,395.
	34		378,395.

Part III Tax Computation

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

Part IV Tax and Payments

Table with 3 columns: Description, Line Number, Amount. Includes rows for Foreign tax credit (40a-40e), Other taxes (42), Total tax (43), Payments (44a-44f), Estimated tax penalty (46), Tax due (47), Overpayment (48), and Refunded (49).

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

Table with 3 columns: Question, Yes, No. Includes questions about foreign accounts, foreign trusts, and tax-exempt interest.

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

Table with 3 columns: Description, Line Number, Amount. Includes rows for Inventory at beginning/end of year, Purchases, Cost of labor, Additional section 263A costs, and Total.

Sign Here

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

Signature of officer: [Signature], Date: 11-14-06, Title: CFO

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only

Preparer's signature: Sharon Jobach, Date: 11/10/06, Firm's name: DELOITTE TAX LLP, 50 FREMONT STREET, SAN FRANCISCO, CA 94105

Preparer's SSN or PTIN, EIN: 86-1065772, Phone no. 415-783-4000

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (See instr. on pg 17.)

1 Description of property

Table with 4 rows for property descriptions (1-4).

Table with 3 columns: (a) From personal property, (b) From real and personal property, and 3 Deductions directly connected with the income.

Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0. Total deductions. Enter here and on page 1, Part I, line 6, column (B) 0.

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

Table with 4 columns: 1 Description of debt-financed property, 2 Gross income from or allocable to debt-financed property, 3(a) Straight-line depreciation, 3(b) Other deductions.

Table with 5 columns: 4 Amount of average acquisition debt, 5 Average adjusted basis, 6 Column 4 divided by column 5, 7 Gross income reportable, 8 Allocable deductions.

Totals 0. Total dividends-received deductions included in column 8 0.

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

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

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

Totals 0. Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

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

(See instructions on page 19.)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals	0.			0.

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

(See instructions on page 19.)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	0.	0.				0.

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

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	0.	0.				0.

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

(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	0.	0.				0.

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

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
Total - Enter here and on page 1, Part II, line 14			0.

Underpayment of Estimated Tax by Corporations

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

FORM 990-T

2005

Name **MOZILLA FOUNDATION** Employer identification number **20-0097189**

Note: Generally, the corporation is not required to file Form 2220. (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 34 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

Part I Required Annual Payment

1	Total tax (see instructions)	1	128,654.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a	
2b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or of section 167(g) for depreciation under the income forecast method	2b	
2c	Credit for Federal tax paid on fuels (see instructions)	2c	
2d	Total. Add lines 2a through 2c	2d	
3	Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty	3	128,654.
4	Enter the tax shown on the corporation's 2004 income tax return (see instructions). Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5	4	20,302.
5	Required Annual Payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3	5	20,302.

Part II Reasons for Filing - Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty (see instructions).

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

Part III Figuring the Underpayment

	(a)	(b)	(c)	(d)
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year	04/15/05	06/15/05	09/15/05	12/15/05
10 Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column	5,076.	5,075.	5,076.	5,075.
11 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15				
Complete lines 12 through 18 of one column before going to the next column.				
12 Enter amount, if any, from line 18 of the preceding column				
13 Add lines 11 and 12				
14 Add amounts on lines 16 and 17 of the preceding column		5,076.	10,151.	15,227.
15 Subtract line 14 from line 13. If zero or less, enter -0-	0.	0.	0.	0.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-		5,076.	10,151.	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18	5,076.	5,075.	5,076.	5,075.
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column				

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

Part IV Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)	19			
20 Number of days from due date of installment on line 9 to the date shown on line 19	20			
21 Number of days on line 20 after 4/15/2005 and before 10/1/2005	21			
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{365}$ x 6%	22	\$	\$	\$
23 Number of days on line 20 after 9/30/2005 and before 4/1/2006	23			
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{365}$ x 7%	24	\$	\$	\$
25 Number of days on line 20 after 3/31/2006 and before 7/1/2006	25			
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{365}$ x %	26	\$	\$	\$
27 Number of days on line 20 after 6/30/2006 and before 10/1/2006	27	SEE ATTACHED WORKSHEET		
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{365}$ x %	28	\$	\$	\$
29 Number of days on line 20 after 9/30/2006 and before 1/1/2007	29			
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{365}$ x %	30	\$	\$	\$
31 Number of days on line 20 after 12/31/2006 and before 2/16/2007	31			
32 Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{365}$ x %	32	\$	\$	\$
33 Add lines 22, 24, 26, 28, 30, and 32	33	\$	\$	\$
34 Penalty. Add columns (a) through (d), of line 33. Enter the total here and on Form 1120; line 33, Form 1120-A, line 29; or the comparable line for other income tax returns	34	\$		1,053.

* For underpayments paid after March 31, 2006: For lines 26, 28, 30, and 32, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

FORM 990-T

OTHER INCOME

STATEMENT 1

DESCRIPTION

AMOUNT

416,089.

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

416,089.