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**DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224**

**PRIVACY, GOVERNMENTAL
LIAISON AND DISCLOSURE**

December 02, 2016

John Greenewald, Jr.



Dear John Greenewald, Jr.:

This is a final response to your Freedom of Information Act (FOIA) request dated June 24, 2016 that we received on June 27, 2016.

You asked for a copy of records, electronic or otherwise, of all emails to or from Commissioner John Koskinen that contain the following key word: TRUMP from 11/2015 to date. Of the 44 pages located in response to your request, I am enclosing 44 pages. I am withholding 5 pages in part and zero pages in full. We are withholding the 5 pages in part under FOIA exemption 6.

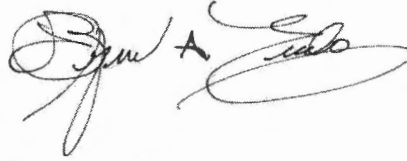
FOIA exemption 6 exempts from disclosure files that, if released, would clearly be an unwarranted invasion of personal privacy. We base the determination to withhold on a balancing of interests between the protection of an individual's right to privacy and the public's right to access government information.

The redacted portions of each page are marked by the applicable FOIA exemptions. This constitutes a partial denial of your request. I have enclosed Notice 393 explaining your appeal rights.

Please note that the commissioner, as part of his daily briefings, receives emailed summaries of published news articles, pertaining to tax administration, compiled by the IRS and other sources. Many of these daily emails contain news articles that include the name "Trump". We have not provided these emails as we assume your request was not meant to retrieve this type of email. Please let us know if this is not the case.

If you have any questions please call Tax Law Specialist, Francisca Eyetsemitan, ID # 1000591343, at 617-316-2271, or write to: Internal Revenue Service, Centralized Processing Unit – Stop 211, P.O. Box 621506, Atlanta, GA 30362. Please refer to case number F16179-0006.

Sincerely,

A handwritten signature in black ink, appearing to read "Byron D. Endo". The signature is fluid and cursive, with a large loop at the end of the last name.

Byron D Endo
Disclosure Manager
Disclosure Office 12

Enclosures
Responsive Documents
Notice 393



Department of the Treasury
Internal Revenue Service

Notice 393

(Rev. September 2016)

**Information on an IRS Determination to
Withhold Records Exempt From
The Freedom of Information Act – 5 U.S.C. 552**

Appeal Rights

You may file an appeal with the Internal Revenue Service (IRS) within 90 days after we (1) deny you access to a record in whole or in part; (2) have made an adverse determination as to your category as a requester; (3) deny your request for a fee waiver or reduction; or (4) have advised you that no records responsive to your request exist. You may file an appeal within 10 days when a request for expedited processing has been denied.

Your appeal must be in writing, must be signed by you, and must contain:

Your name and address,

- Description of the requested records,
- Date of the request (and a copy, if possible),
- Identity of the office and contact on the response letter, and
- Date of the letter denying the request (and a copy, if possible)

Mail your appeal to:

IRS Appeals

Attention: FOIA Appeals
M/Stop 55202
5045 E. Butler Ave.
Fresno, California 93727-5136

Judicial Review

If we deny your appeal, or do not address an issue raised in your appeal within 20 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal, you may file a complaint in United States District Court in the district in which (1) you reside; (2) your principal place of business is located; (3) the records are located; or (4) the District of Columbia. A complaint may be filed within 10 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal if your appeal is from an adverse determination of a request for expedited processing. If you choose to file suit before receipt of a final determination by the Appeals office, the administrative appeals process may cease.

The rule for effecting service of judicial process upon the Internal Revenue Service is set forth in Federal Rule of

Civil Procedure 4(i). In addition to service upon the United States, as set forth in Rule 4(i)(1), service must be made upon the Internal Revenue Service by registered or certified mail as set forth in Rule 4(i)(2)(A).

The address of the Internal Revenue Service is: Internal Revenue Service, Attention CC:PA, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

Exemptions

The Freedom of Information Act, 5 U.S.C. 552, does not apply to matters that are:

(b)(1) • specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified under such executive order,

(b)(2) • related solely to the internal personnel rules and practices of an agency,

(b)(3) • specifically exempted from disclosure by statute (other than section 552b of this title), provided that the statute:

(A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or

(B) establishes particular criteria for withholding or refers to particular types of matters to be withheld.

Note: Internal Revenue Code sections 6103 and 6105 are statutes which qualify for exemption 3 treatment. Section 6103 protects the confidentiality of tax returns and information pertaining to a taxpayer collected by the IRS. Section 6105 protects information obtained from a foreign country under a tax treaty.

(b)(4) • trade secrets and commercial or financial information obtained from a person and privileged or confidential,

(b)(5) • inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency,

(b)(6) • personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy,

(b)(7) • records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information:

(A) could reasonably be expected to interfere with enforcement proceedings,

(B) would deprive a person of a right to a fair trial or an impartial adjudication,

(C) could reasonably be expected to constitute an unwarranted invasion of personal privacy,

(D) could reasonably be expected to disclose the identity of a confidential source, including a State, local or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of a record or information compiled by a criminal law enforcement authority in the course of a criminal investigation or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source,

(E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or

(F) could reasonably be expected to endanger the life or physical safety of any individual.

(b)(8) • contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions, or

(b)(9) • geological and geophysical information and data, including maps, concerning wells.

Wassenaar Russell D

From: Koskinen John A
Sent: Tuesday, June 14, 2016 1:20 PM
To: Fred Wertheimer
Subject: RE: FYI

I share your views, which go along with the Satchel Paige corollary of not looking back.

There are those who maintain this is all a conspiracy between the Freedom Cause and my wife, Pat, to get me home.

Thanks again for the support.

John

From: Fred Wertheimer [mailto:fwertheimer@democracy21.org]
Sent: Monday, June 13, 2016 6:36 PM
To: Koskinen John A
Subject: RE: FYI

Well at least they are off impeachment. That's progress of a sort.

I am aware of the House Committee planned action on Wednesday and I am working to put together some outside opposition to this

I am always taken by the old saying, "life isn't easy, and then you die."

I am hopeful that this not relevant for either of us at our tender ages.

Fred

Fred Wertheimer
Democracy 21
2000 Massachusetts Avenue, NW
Washington, DC 20036
Phone: 202-355-9600
Fax: 202-355-9606
Follow me on [Twitter](#)
Like Democracy 21 on [Facebook](#)

From: Koskinen John A [mailto:John.A.Koskinen@irs.gov]
Sent: Monday, June 13, 2016 5:42 PM
To: Fred Wertheimer
Subject: RE: FYI

Fred,

Many thanks for the support.

As you'll see in the upcoming press, the House Oversight Committee has now moved on to voting on Wednesday on a censure resolution, which is the first time in 120 years this has been used against anyone not in the House. And for House members, there have only been five cases in the last 90 years, and then the vote only occurred on the floor after

full hearings and consideration, including due process for the respondent. In this case, they plan to just go straight to the floor.

Never a dull moment around here.

All the best.

John

From: Fred Wertheimer [mailto:fwertheimer@democracy21.org]
Sent: Monday, June 13, 2016 4:05 PM
To: 'John.A.Koskinen@irs.gov'
Subject: FYI

FYI, see the Note below and its last few sentences.
Fred

Republican donors have "closed their wallets -
and they're angry"

[View in browser](#)



June 13, 2016

A NOTE FROM FRED

Democracy 21 and 12 other reform groups **sent a letter to House members today** urging them to oppose a bill sponsored by Rep. Roskam to eliminate the requirement for nonprofit groups to disclose their donors to the IRS. This information is not disclosed to the public, but is available to the IRS. As we said in the letter, the bill would open the door wide for secret money from foreign donors to be illegally spent by nonprofit groups in federal elections. While foreign countries, companies and individuals are prohibited from spending money in U.S. elections, nonprofit groups can. The current IRS disclosure requirement protects citizens, acting as a check against illegal foreign money in our elections since the nonprofit groups know their donor information is available to the government. Without this check, there is no way to know what is happening. This is not the only irresponsible effort being pursued by House Republicans. They have also been considering impeachment proceedings against IRS

Commissioner John Koskinen. This is part of a series of relentless, unjustified attacks by House Republicans against the IRS, attacks which have seriously damaged the government's ability to raise revenues. Koskinen has served as a superb public servant in many government positions and this unwarranted, meritless attack on him is nothing more than irresponsible partisanship.

Trump trails Clinton significantly in the money race. Through the end of April, the Clinton campaign has raised \$200 million more than the Trump campaign. Trump largely self-financed his primary campaign spending over \$50 million of his own money, but has ramped up fundraising recently as he gears up for the general election and the likely hundreds of millions of dollars needed to run the campaign. [Read more](#)

Clinton hosted top bundlers at her DC home. On Friday, Clinton met with 80 of her top bundlers that had each raised or given more than \$500,000 to her campaign. Donors at the meeting included former Univision chief and billionaire Haim Saban and venture capitalist Alan Patricof. [Read more](#)

Republican donors have "closed their wallets - and they're angry," *POLITICO* reported from the Park City, UT weekend retreat hosted by Mitt Romney for top Republican donors. Inside the retreat, sources reported intense angry in the GOP donor community. Many donors admitted they were shifting their attention to down-ballot races, including the battle over Senate control. One donor said, "We are doing everything we can to put our money in the right places and to save the Senate." [Read more](#)

Trump heads to Texas to court big donors. Starting Thursday, Trump is launching a two-day fundraising swing through major cities in Texas. So far, major Texas Republican donors have held off donating to Trump. Through the end of April, Trump received \$500,000 from Texas donors compared to \$45 million to in-home Senator Ted Cruz. Oil billionaire T. Boone Pickens canceled

a planned Trump fundraiser at his ranch for this month citing scheduling conflicts. [Read more](#)

"Hard money still matters, and here's who's giving it." *Open Secrets* recognizes that we are living in an era of billionaire donors and super PACs, but that hard money (money subject to contribution limits and given directly to campaigns, parties or regular PACs) still matters in regards to paying for campaign expenses. Leading the list are PACs and employees of major companies that do significant lobbying work in DC, such as those at Honeywell who contributed \$4.4 million. [Read more](#)

2016 FACT OF THE DAY

53 percent - The percentage of campaign contributions over \$200 that Clinton has raised from women. Clinton has raised a higher percentage of her campaign funds from women than any other major presidential candidate in recent history, according to Open Secrets. [Read more](#)

IN THE STATES

NY: In an editorial in *the Post-Standard* newspaper, the editorial board says that "Albany's Watergate moment is slipping away." With only three days left in the 2016 legislative session, "it looks as if the NY state legislature will not be passing comprehensive ethics reform this year." The editorial urges voters to vote officials out of office if they continue to choose corruption over ethics reform. [Read more](#)

TX: Of 16 formal dinners that Governor Greg Abbott held at the Governor's mansion, 13 were attended by donors who since 2000 have given Abbott over

\$15 million in campaign contributions. [**Read more**](#)

RI: A last minute addition to state budget bill would reverse a decision made by state regulators and would cause a rate hike on electric bills to pay for a local company to install wind projects. The owner of the company has made numerous donations over the years to many state government leaders, including the House Speaker and the Governor. [**Read more**](#)

By: Fred Wertheimer ([**@FredWertheimer**](#)) & Kathryn Beard ([**@KathrynBeard**](#))



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2000 Massachusetts Ave NW
Washington, DC 20036

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A Democracy 21 Project

Wassenaar Russell D

From: Koskinen John A
Sent: Friday, June 03, 2016 9:22 AM
To: Lemons Terry L
Subject: RE: Phone Call

Thanks for checking. There was a book that was sort of an expose on Trump about 20 years or more ago and I thought the researcher might be an intern and not recognize me as the IRS Commissioner. However, while I had an unlisted number throughout my career until two years ago, you can't find my number now very easily. So I suspect you're right that there's a chance that this was not CNN.

Just more fun.

From: Lemons Terry L
Sent: Thursday, June 02, 2016 7:57 PM
To: Koskinen John A
Subject: Re: Phone Call

So Matt has called twice and no callbacks. Feels a little odd they'd call you at home rather than at work. Possible she may have wider motives and also wondering a bit if she's actually from Cnn (although it is an Atlanta number). If she catches you at home, I'd just send her to the press shop ... 317-4000.

From: Lemons Terry L
Sent: Thursday, June 02, 2016 11:33 AM
To: Koskinen John A
Subject: Re: Phone Call

Will check it out

From: Koskinen John A
Sent: Thursday, June 02, 2016 11:30 AM
To: Lemons Terry L
Subject: Phone Call

I had a message on my home phone yesterday from Shana and a last name I couldn't catch at CNN who is researching Donald Trump and ran across my name in one of the books about him.

She asked for a return call to: 404-827-5078. I have not called and don't think we should be commenting on Presidential candidates. If she just wants to confirm that I played a role in the sale to him of the Penn Central's Commodore hotel in 1975, we can confirm that.

Thanks.

Wassenaar Russell D

From: Koskinen John A
Sent: Sunday, May 29, 2016 11:26 AM
To: 'SRyan@mwe.com'
Subject: Re: Roll Call article. FYI. No reply needed.

Steve,

A great op ed in an important place.

Thanks again for your help and support.

Rnjoy the Holiday.

John

John A. Koskinen
Commissioner
Internal Revenue Service

From: Ryan, Stephen [mailto:SRyan@mwe.com]
Sent: Saturday, May 28, 2016 03:55 PM
To: Koskinen John A
Subject: Roll Call article. FYI. No reply needed.

Opinion

Impeachment of IRS Chief Is a Serious Misstep

Targeting Koskinen sets a dangerous precedent

Sponsored by



Posted at May 27, 2016 12:13 PM
By Stephen M. Ryan
Save for later

IRS Commissioner John Koskinen is facing a concerted attack by House Republicans. (Photo By Bill Clark/CQ Roll Call)

By Stephen M. Ryan

Posted at May 27, 2016 12:13 PM

Save for later

On November 9, 2017, well into the Clinton or Trump Administration, IRS Commissioner John Koskinen's term will expire. Koskinen, like FBI Director James Comey, is a Senate-confirmed executive who has a term of office making him independent of the president's term. Koskinen will be lauded at that time as a man of integrity who not only kept the IRS on life support while under constant attack but who provided the necessary leadership and integrity to drive the agency forward to better serve taxpayers.

[*Issa Subpoenas Lois Lerner's Hard Drive for 'Lost' IRS Emails*] Impeachment of federal office holders is reserved for those who commit high crimes or misdemeanors. Unfortunately, the House of Representatives seems determined to have a go at Koskinen for reasons that are political and unworthy of impeachment. Chairman Jason Chaffetz of the Committee on Oversight and Government Reform introduced an impeachment resolution against Koskinen. The House Judiciary Committee held hearings. This is an uncharacteristic misstep by the Paul Ryan House of Representatives. Koskinen is an exemplary public official. He should be getting an award for his service, not this type of attention. He has not done anything wrong personally. Impeachment in the absence of crimes or unethical behavior, none of which has occurred here, is a dangerous precedent that has not been part of the U.S. experience and could dissuade experienced, competent executives like Koskinen from accepting appointment to senior management positions within government. I recently defended a case in Austin, Texas, where a similar mean-spirited legislative impeachment proceeding rightly failed. Why is Koskinen singled out for this 'honor?' In essence, the claim is he failed to respond to lawfully issued congressional subpoenas and engaged in "a pattern of deception" in statements pertaining to the IRS production of emails, and failed to act with competence in overseeing the investigation into IRS's treatment of conservative groups. The proponents' case that Koskinen committed high crimes and misdemeanors depends upon issues he did not control. But Koskinen wasn't even at the IRS when the scandal occurred, and he certainly was not leading the search for documents to respond to congressional requests. Republican members of Congress are rightfully upset that IRS employees in West Virginia magnetically erased hundreds of backup tapes in March 2014, destroying some of former IRS official Lois Lerner's emails. While IRS recycling the backup tapes was dumb as a bag of hammers, Koskinen did not engage in that activity.

Can these alleged transgressions by the IRS be attributed to the new commissioner or rise to the level of an impeachable offense by him or contempt of Congress? Clearly, the answer is no. This is not a case where a senior government official directly or indirectly ordered that subordinates destroy evidence being sought through a Congressional subpoena. See the Nixon case. Nor is there any suggestion that Koskinen or any other senior IRS official was complicit in a scheme or plot to destroy evidence sought by the Oversight Committee. In the absence of such evidence, impeachment is not an appropriate remedy. The IRS reportedly has spent \$20 million and 160,000 employee hours responding to investigations related to its ill-advised treatment of conservative groups. The agency has also provided Congress with millions of pages of documents. But spoliation of electronic files at the IRS through ineptitude is hardly a surprise — it happens every day at major corporations as well. The inherently personal attack on Koskinen is wholly unfounded. It simply does not square with Koskinen's well-deserved reputation for candor, competence, and achievement over five decades in government and the private sector.

Let's get a grip: Commissioner Koskinen has previously served as Deputy Mayor of the District of Columbia; Deputy Director for Management of the Office of Management and Budget; Chairman of the President's Council on Y2K; and interim CEO and later Chairman of Freddie Mac. He also worked on the turnaround of large, struggling enterprises, including Penn Central Transportation Company and the Teamsters Pension Fund.

[*IRS Commissioner Won't Testify at Impeachment Hearing*] Koskinen is what he appears to be — an exemplary public servant who heads an agency in disarray; while his 76-year-old peers are fishing or golfing. People with Koskinen's skill-set are incredibly hard to find in public service. One can only hope that this impeachment resolution — and the personal nature of its assertions — won't cause others to turn away from public service, depriving the government of the seasoned, competent executives that it desperately needs. *Stephen M. Ryan has served as general counsel of the Senate Homeland and Governmental Affairs Committee and is a former Assistant U.S. Attorney for the District of Columbia and Deputy Counsel of the President's Commission on Organized Crime. He has worked with IRS Commissioner Koskinen on cybersecurity issues. Get breaking news alerts and more from Roll Call on your iPhone or your Android.*

Stephen M. Ryan
Partner

**McDermott
Will & Emery**

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Please visit <http://www.mwe.com/> for more information about our Firm.

Wassenaar Russell D

From: Koskinen John A
Sent: Friday, May 27, 2016 1:55 PM
To: Lemons Terry L; Leas Matthew F; Philcox Crystal; Oursler Leonard T; Sterner Christopher B; Pillitteri Charles; 'reginald.Brown@wilmerhale.com'; 'Matt.Jones@wilmerhale.com'; Wilkins William J
Subject: RE: coverage

A nice way to start the weekend.

Thanks.

From: Lemons Terry L
Sent: Friday, May 27, 2016 1:01 PM
To: Leas Matthew F; Philcox Crystal; Oursler Leonard T; Koskinen John A; Sterner Christopher B; Pillitteri Charles; 'reginald.Brown@wilmerhale.com'; 'Matt.Jones@wilmerhale.com'; Wilkins William J
Subject: coverage

Opinion piece from CQ/Roll Call.

Roll Call

Impeachment of IRS Chief Is a Serious Misstep
Targeting Koskinen sets a dangerous precedent
May 27, 2016 - By Stephen M. Ryan

On November 9, 2017, well into the Clinton or Trump Administration, IRS Commissioner John Koskinen's term will expire. Koskinen, like FBI Director James Comey, is a Senate-confirmed executive who has a term of office making him independent of the president's term. Koskinen will be lauded at that time as a man of integrity who not only kept the IRS on life support while under constant attack but who provided the necessary leadership and integrity to drive the agency forward to better serve taxpayers.

Impeachment of federal office holders is reserved for those who commit high crimes or misdemeanors. Unfortunately, the House of Representatives seems determined to have a go at Koskinen for reasons that are political and unworthy of impeachment. Chairman Jason Chaffetz of the Committee on Oversight and Government Reform introduced an impeachment resolution against Koskinen. The House Judiciary Committee held hearings. This is an uncharacteristic misstep by the Paul Ryan House of Representatives. Koskinen is an exemplary public official. He should be getting an award for his service, not this type of attention. He has not done anything wrong personally. Impeachment in the absence of crimes or unethical behavior, none of which has occurred here, is a dangerous precedent that has not been part of the U.S. experience and could dissuade experienced, competent executives like Koskinen from accepting appointment to senior management positions within government. I recently defended a case in Austin, Texas, where a similar mean-spirited legislative impeachment proceeding rightly failed. Why is Koskinen singled out for this 'honor?' In essence, the claim is he failed to respond to lawfully issued congressional subpoenas and engaged in "a pattern of deception" in statements pertaining to the IRS production of emails, and failed to act with competence in overseeing the investigation into IRS's treatment of conservative groups. The proponents' case that Koskinen committed high crimes and misdemeanors depends upon issues he did not control. But Koskinen wasn't even at the IRS when the scandal occurred, and he certainly was not leading the search for documents to respond to congressional requests. Republican members of Congress are rightfully upset that IRS employees in West Virginia magnetically erased hundreds of backup tapes in March 2014, destroying some of former IRS official Lois Lerner's emails. While IRS recycling the backup tapes was dumb as a bag of hammers, Koskinen did not engage in that activity.

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Stephan M. Ryan has served as general counsel of the Senate Homeland and Governmental Affairs Committee and is a former Assistant U.S. Attorney for the District of Columbia and Deputy Counsel of the President's Commission on Organized Crime. He has worked with IRS Commissioner Koskinen on cybersecurity issues.

Wassenaar Russell D

From: Koskinen John A
Sent: Monday, March 21, 2016 3:57 PM
To: Dalrymple John M; Lemons Terry L; Philcox Crystal; Keyso Andrew James Jr; Leas Matthew F; Eldridge Michelle L; Grant Dianne; Pachner Anny K
Subject: RE: irs and tatoos

I'm game – although finding an IRS tattoo will be easier said than done. Perhaps we could get the letters and do it ourselves.

In the meantime, the statement looks fine, but I would insert before the number of returns, the number of calls we've answered and the number of hits on IRS.gov all helping taxpayers figure out what they owe and how to pay it.

Thanks.

From: Dalrymple John M
Sent: Monday, March 21, 2016 3:44 PM
To: Lemons Terry L; Koskinen John A; Philcox Crystal; Keyso Andrew James Jr; Leas Matthew F; Eldridge Michelle L; Grant Dianne; Pachner Anny K
Subject: RE: irs and tatoos

You should get the Commissioner a peel off or wash off tattoo for the press club speech. John

Sent with Good (www.good.com)

-----Original Message-----

From: Lemons Terry L
Sent: Monday, March 21, 2016 02:16 PM Central Standard Time
To: Koskinen John A; Dalrymple John M; Philcox Crystal; Keyso Andrew James Jr; Leas Matthew F; Eldridge Michelle L; Grant Dianne; Pachner Anny K
Subject: irs and tatoos

Getting a quirky little story that's getting some attention this afternoon. Survey by WalletHub saying 1 in 4 would be willing to get an "IRS tattoo" if they didn't have to pay taxes. Piece – which basically riffs off how unpopular taxes are -- is starting to move a bit... Time has picked up and now CNBC has picked up.

We're proposing playing off the numbers a bit in the story... a little flip, but think it might resonate well. We also have a suggested answer for the Press Club which will be a little more fun – but doesn't really work here.

DRAFT Statement

The IRS will never win any popularity contests, but the numbers show we are working hard to help taxpayers. We want to thank the more than 75 million taxpayers who've already filed their taxes – over half of those who will file tax returns this year. More than 80 percent of those have received refunds averaging \$2,945. Each year, the IRS collects \$3.3 billion in revenue for the nation – funding a wide array of important programs.

CNBC

Just how far would Americans go to avoid the IRS?

Susie Poppick | @SusiePoppick

Americans' loathing for the tax man runs deep. A new survey attempted to quantify just how deep.

It turns out that people in the U.S. hate the IRS more than several maligned figures — including O.J. Simpson — according to an online [WalletHub survey](#).

The survey, which polled about 1,000 taxpayers on March 15-16, asked people to rank famous names they prefer to the IRS. More than half said they prefer Pope Francis (52 percent) to the IRS, while a perhaps-surprising number said they actually prefer controversial figures like Bill Cosby (14 percent), Vladimir Putin (12 percent) and Simpson (8 percent) to the tax agency. Those surveyed were allowed to choose multiple answers.

Created with Highstock 4.2.3
ValuesWhom we like more than the IRS
Source: WalletHub
Pope Francis
Barack Obama
Bernie Sanders
Hillary Clinton
John Kasich
Donald Trump
Marco Rubio
Ted Cruz
Justin Bieber
Bill Cosby
Kim Kardashian
Vladimir Putin
Caitlyn Jenner
Janet Yellen
Roger Goodell
Kanye West
O.J. Simpson
0204060
Highcharts.com
Respondents were also asked what they were willing to do in order to never pay taxes again.

Some 27 percent said they'd be willing to get an "IRS" tattoo to get out of paying taxes. Other popular choices included cleaning Chipotle toilets for three years (11 percent); naming a first-born child "taxes" (8 percent); selling a kidney (6 percent); and spending a year in prison (4 percent). The majority of survey takers, 55 percent, chose "other."

"People are frustrated paying taxes on things like Social Security," said Marty Durbin, a certified public accountant in Texas. "It's just another slap for those who are paying money to support government programs they don't necessarily like."

Only 14 percent of those polled said they thought the IRS should be abolished, but more than half said there was room for improvement. Twenty-three percent said the agency is doing a decent job or better. Meanwhile, in response to a different question, 1 in 5 people said they would be willing to hide money offshore if they wouldn't be caught.

As for Tax Day fears, more than 36 percent of respondents said they were most concerned about making a math mistake. In contrast, only about a quarter said they were worried about identity theft; 19 percent feared getting audited; and 19 percent were scared they wouldn't have enough cash to pay their taxes.

While math mistakes certainly can cause headaches, tax fraud and identity theft is a serious and growing problem, costing Americans billions of dollars in stolen refunds each year.

Finally, survey respondents were also asked what otherwise unpleasant activities they would rather perform instead of doing taxes. While most went with the relatively safe choice of "laundry," 47 percent said they would rather cook Thanksgiving dinner for their in-laws, 35 percent said they would rather talk about sex with their kids, and 13 percent would be willing to spend a night in jail.

The survey also asked "who would you most like to punch in the face?" and provided them with the seven choices, including an IRS agent. Fifty-four percent said Donald Trump; 14 percent said Hillary Clinton and only 4 percent said an IRS agent.

The IRS did not immediately respond to a CNBC request for comment.

WalletHub

Whatever you call it – a civic duty, a necessary evil or perhaps even a few choice expletives normally reserved for a Donald Trump rally – it's no surprise that most of us dislike paying taxes. From the expense and hassle inherent to the process, to fears of basic math and being audited, the reasons for our April angst are varied.

But just how much do we dislike taxes and tax collectors? And does this stance affect how long we put off tax prep? In search of answers to those questions and more, WalletHub conducted a nationally representative survey of 1,000 taxpayers, asking about everything from whether they expect a refund to which divisive pop culture figures they like more and less than the IRS. Below, you can find the complete results of this survey.

What We'd Do For A Tax-Free Future... 27% would get an "IRS" tattoo and 11% would clean Chipotle toilets.

*Assumes not getting caught

Whom We Like MORE Than The IRS... Pope Francis tops the list with 52% of the vote. The least popular figures: O.J. Simpson (8%), and Kanye West (10%).

Whom We'd Most Like To Punch... Earning a whopping 54% of the vote, Donald Trump was the runaway winner for the individual most deserving of a pop in the kisser.

Is The IRS Really Necessary? ~86% of Americans believe so, but most say it needs a lot of work.

Which Candidate's Tax Plan Do We Like Most? No Idea' is the runaway winner, receiving ~34% of the vote. But if people have to pick an actual candidate, most (~26%) are Feeling the Bern.

What We'd Rather Do Than Prepare Our Taxes... 35% would talk sex with the kids and 13% would spend the night in jail.

Would We Hide Money Offshore? 81% people say, 'No,' despite the assurance of not being caught.

Our Biggest Tax Day Fears: Math mistakes are 40% scarier than identity theft.

When We Plan To Pay: ~27% of people plan to pay their taxes in April or later.

Deficit, Refund Or Just Right? ~37% of people have neither over- nor under-paid, while ~49% have erred on the side of caution and expect a refund.

My Tax Rate Is... Too high, say ~59% of people, while a surprising ~36% believe the temperature of the tax landscape is just right.

Accountants Are... Occasionally helpful in ~52% of taxpayers' minds, though ~20% think they're overpriced and ~5% see them as a scam.

Wassenaar Russell D

From: Lemons Terry L
Sent: Thursday, December 31, 2015 5:12 PM
To: Koskinen John A
Subject: Fw: Treasury and OCC briefing Team
Attachments: OCCNewsDigest151231.doc; TreasuryNewsBriefing151231.doc

Wow, the marketing machine doesn't even stop on New Year's Eve! I'll take a look and follow up as appropriate.

From: Paul Cincotta [<mailto:pcincotta@bulletinintelligence.com>]
Sent: Thursday, December 31, 2015 04:04 PM
To: Koskinen John A; Lemons Terry L
Subject: Treasury and OCC briefing Team

Good afternoon John and Terry,

You may not be aware that each morning Secretary Lew and his team at Treasury have a 6:00 am News Briefing custom written and it covers all the strategic news for their operations...including sections for Treasury News, Markets, Budget, Financial Reform, etc. Attached are the first few pages of today's briefing, to give you a better sense of what our analysts could be producing for your team at the IRS. The same is true for the OCC; their Daily News Digest is delivered at 7:30 am and it's custom written by our analysts to cover only the Intelligence that is strategic to the OCC. I've attached the index of that briefing to show you what they receive to help meet their mission goals.

My company would like to write a live IRS sample, - at no cost - delivered on deadline, so you can compare our briefing to what you normally receive each day. Our teams work all through the night, searching - reading - and summarizing news globally, so that your team can begin the day fully aware of the day's challenges.

Is there someone on your staff I could speak with so I could explain how we can support your administration at the IRS?

Kind regards,

-Paul

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Comptroller of the Currency
Administrator of National Banks
US Department of the Treasury

OCC Daily News Digest

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DATE: THURSDAY, DECEMBER 31, 2015 7:30 AM EST

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WSJournal Slams FHFA, GSEs, New CDOs. **Error! Bookmark not defined.**
FHFA: Conventional Mortgage Rates Down Slightly In
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Freddie Mac: Housing Markets Stabilize In October. **Error! Bookmark not d**
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Demonstrators March To White House To Protest Deportation Plan. Error! Bookmark not defined.	Will: 2015 Demonstrated The "Infantilization Of Society" By Government. Error! Bookmark not defined.
Duncan Decries Gun Violence In Final Speech As Education Secretary. Error! Bookmark not defined.	Terror Suspect's Attorney Cites Trump's Remarks In Alleging Jury Bias. Error! Bookmark not defined.
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CSMonitor Analysis: GOP Largely Kept Vow "To Govern Responsibly." Error! Bookmark not defined.	Prosecutors Defend Recommendation Against Charges In Rice Case. Error! Bookmark not defined.
Politico Analysis: Polls Indicate Democrats Face "Enthusiasm Gap" In 2016. Error! Bookmark not defined.	Grand Jury: No Charges Against Colorado Officer In Fatal Shooting Of Fugitive. Error! Bookmark not defined.
WSJournal Analysis: Super PAC Donors Seeking More Control Over Their Contributions. Error! Bookmark not defined.	District Of Columbia Mayor Signs Police Body Camera Law. Error! Bookmark not defined.
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NYTimes Analysis: New Hampshire Independents Critical To Hopes Of Sanders, Trump. . Error! Bookmark not defined.	Westlands Water District A "Formidable" Force In California Water Debate. Error! Bookmark not defined.
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Holiday Message. In observance of the federal New Year's Day holiday, we will not publish on Friday, January 1, 2016. Service will resume on Monday, January 4, 2016. We wish our readers a safe and happy holiday.

LEADING THE NEWS

OCC Data Shows Bank Of America Closed Eight San Antonio Branches In Two Years. The San Antonio Business Journal (12/30, Mosbrucker, Subscription Publication, 19K) reports that Bank of America has eliminated eight San Antonio, Texas-area branches since 2014, according to a document filed with the OCC. The article lists each branch and the month and year in which it closed, saying that "no further bank closures for the new year were posted on the federal agency's website through a portal that

requires a 90-day advance notice and typically a public comment period." The article explains that bank branch closures have been an industry-wide trend. BofA's spokesperson for consumer banking activities, Betty Riess, said the bank's strategy reflects the needs and behaviors of its customers, who are increasingly using mobile banking. "Financial centers continue to be an important channel, especially for more complex transactions," and "over the years we've been adding thousands of specialists in our financial centers to address those needs," Riess said.

OCC IN THE NEWS

Community West Bank To Open San Luis Obispo Branch. The Pacific Coast (CA) Business Times (12/30, Kacik, 10K) reports that California's \$600 million-asset Community West Bank will open a new branch in San

Luis Obispo. Community West filed an application for the new branch with the OCC last week. According to a news release, Community West CEO Martin Plourd said there has been "significant consolidation among community banks" lately, and although some banks have cut back on branch services, "there's room in San Luis Obispo County" for Community West Bank.

REGULATORY NEWS

Dodd-Frank Rules Weigh On Community Banks, Credit Unions: GAO Report.

The Hill (12/31, Wheeler, 654K) says that, according to a new report by the Government Accountability Office, Dodd-Frank rules are creating a greater burden for community banks and credit unions. The GAO's "routine analysis" showed that institutions have had to hire more compliance staff and seen a decline in certain business services and suggests that there have been small reductions to credit availability, though the article says "regulatory data...does not confirm a negative impact on mortgage lending." National Association of Federal Credit Union President and CEO Dan Berger said the report shows numbers that "speak volumes about the devastating impact" of Dodd-Frank.

Federal Judge Urges Parties To Settle Pot-Banking Case.

American Banker (12/31, Clozel, Subscription Publication, 23K) reports that US District Judge R. Brooke Jackson has recommended that the Kansas City Fed and Colorado's Fourth Corner Credit Union – parties in "a closely watched pot-banking case" – settle their dispute, according to a Los Angeles Times article. During a court hearing on Monday, Jackson "expressed some sympathy" for Fourth Corner, "describing the federal guidance on pot banking as 'nothing-burgers' and 'namby-pamby.'" However, he also "expressed reluctance to force the Kansas City Fed to violate federal law." Jackson said he plans to issue a written decision within the next few days.

Market Payment Initiatives Likely To Play Crucial Role In Fed's Task Force In 2016.

American Banker (12/31, Heun, Subscription Publication, 23K) reports that several payments organizations, such as The Clearing House and Swift, have announced faster payments initiatives this year. They are likely to play vital roles in 2016 to help the Fed's Faster Payments Task Force, which aims to find ways to modernize the payments system in the US. Sean Rodriguez, SVP and faster payments strategy leader for the Fed, said that the task force is "intent on creating a process to facilitate this dialogue of faster payments for the U.S. in a way that it would not compete with market developments."

SEC: Market Mechanisms May Have Triggered ETF Losses In "Flash Crash."

The Washington Post (12/31, Marte, 7.78M) reports that an SEC report issued this week says some market mechanisms intended "to protect investors during times of vulnerability may have triggered even greater losses among exchange-traded funds" when stocks fell on fears of a slowdown in China last August. The report says that "about 19 percent of exchange-traded products fell by 20 percent or more that day," and notes several factors that may have contributed to the losses. According to the Investment Company Institute, "which represents mutual fund firms and ETF providers," the "flash crash should draw attention to how exchanges cope with bouts of volatility."

WSJournal: Dueling Forces Expected To Plague

Global Markets In 2016. The Wall Street Journal (12/31, Ip, Subscription Publication, 6.23M) reports that global financial markets in 2015 were pulled in opposite directions by the Fed's plan to raise interest rates, combined by the pressure for lower interest rates in the rest of the world. The tug-of-war is expected to continue into 2016, and will likely result in a global economy that avoids recession but will batter stocks.

BANKING INDUSTRY NEWS

Banks See Cyber Security, De-Risking, Terror Financing As Main Risks In 2016.

The Wall Street Journal (12/31, Dipietro, 6.23M) reports in its "Risk and Compliance Journal" that banking experts anticipate the three major risk issues for 2016 are the increasing sophistication of cybercriminals, who steal personal information to create synthetic identities; de-risking and the exclusion of certain countries from the financial system; and terrorism financing.

Banks Said To Have Dire Outlook For AML Issues

In 2016. American Banker (12/31, McKendry, Subscription Publication, 23K) reports that financial institutions are pessimistic about anti-money-laundering issues – including de-risking, personal liability, and fintech as an AML threat – in the coming year. Discussing de-risking, the article quotes Treasury's Acting Undersecretary Adam Szubin, who said that "Treasury takes assertions of de-risking seriously, and we are working hard to identify and address the factors that lead U.S. banks to terminate relationships." He also said, however, that when it comes to the issue, regulators "don't have a complete picture yet" and "need more and better data" to better understand it. Describing banks' fears of terrorists exploiting financial innovations, the article notes that Fincen Director Jennifer Shasky Calvery told reporters at a recent conference that just because terrorists use new technologies such as virtual currency, the products themselves are not necessarily higher risk.

Carney: HQLA Regulations Mean Banks Will Likely Pay More On Retail Deposits. In a "Heard on the Street" piece for the Wall Street Journal (12/31, Subscription Publication, 6.23M), John Carney says that because of new regulations requiring certain levels of high quality liquid assets, US banks are likely to raise the interest rates they pay on retail deposits. Because the amount of HQLA required depends on the type of deposit, banks are likely to keep retail deposits and to raise bids for retail cash faster than in the past, Carney says.

JPMorgan, OnDeck Deal Highlights Banks' Benefits, Risks With Fintech Partners. The Wall Street Journal (12/31, Rudegeair, Glazer, Simon, Subscription Publication, 6.23M) examines JPMorgan's recent deal with OnDeck Capital, explaining that while the deal stands to benefit both parties, it also highlights several risks banks must consider when deciding whether to team up or compete with marketplace lenders. Banks could use partnerships like these to rehabilitate their image of not doing enough to help small lenders; however, online lenders like OnDeck have faced criticism from fair lending groups accusing them of non-transparent business practices.

JPMorgan's Dimon Remains Strong As CEO. In a Reuters (12/31) "Breakingviews" piece, Antony Currie says that JPMorgan CEO Jamie Dimon is still going strong 10 years into leading the bank, having avoided the worst of the financial crisis and becoming the de facto mouthpiece for bankers complaining about the regulatory aftermath. Currie points out that Dimon's shareholders twice voted to let him keep his chairman title, and although both he and his bank will face continued challenges, he is hard to beat as a bank CEO.

Bank Boardrooms Lacking Tech Experience. In the Wall Street Journal's (12/31, 6.23M) "CIO Journal," Accenture's Financial Services operating group CEO Richard Lumb says that although banks' boards of directors are concerned with mobile and online banking, security of customer data, fintech competition, and regulatory demands, only six percent of board members at the largest banks have any professional IT experience. Noting that regulators are now considering technology to be a systemic issue linked to financial stability, Lumb recommends bank boards begin personalized training and arrange technology committees.

New Normal For Banks Still Leaves Parts Of System Exposed. The Financial Times (12/30, Subscription Publication, 1.37M) editorializes that although great strides have been made this year to return banking

systems to normality, it's a mistake to assume that weaknesses do not remain.

Gold-Backed Digital Currency Hopes To Tie Physical, Virtual Systems. American Banker (12/31, McKendry, Subscription Publication, 23K) reports that CMO Inc., doing business as COEPTIS, is beta testing a new digital currency called Global Standard Gold that is "backed by physical gold and held in a trust account." The company is billing the currency, which "is meant to bridge the gap between physical and digital currencies," as "a more compliant, liquid and ultimately reliable store of value than decentralized systems such as bitcoin." In the next two weeks, COEPTIS "will be expanding its membership to the invitation-only platform," the article adds.

Two Mortgage Insurers Adopt New Pricing Structures. SNL Financial (12/31, Cancryn, Subscription Publication, 14K) reports that Arch Mortgage Insurance Co. and NMI Holdings Inc. have recently "introduced new rate structures for their products in a bid to better price the risks that they are taking on." Compass Point analyst Amy DeBone said that the new Private Mortgage Insurer Eligibility Requirements' capital standards seem to incentivize moving toward a flatter rate card because, in the words of SNL Financial, "the higher ROEs on one end of the spectrum would increasingly subsidize the lower ROEs seen on the other end." While "NMI's tighter price range will likely ease some of that cross-subsidization," DeBone said, "If they do adjust rates to eliminate cross-subsidization, that means increasing rates on lower FICO borrowers, and that's not something that" Fannie Mae and Freddie Mac "really want to do," DeBone added, "That's not really something that the larger players want to do when they're trying to court the GSEs through upfront risk-sharing concepts."

Housing Logjam Expected To Continue Next Year. According to experts, reports NBC News (12/31, 3.32M) on its website, the difficulties of would-be homebuyers in securing mortgages is expected to continue in 2016. Home prices are rising in many markets – up almost 11 percent in "hot spots" like San Francisco, Denver, and Portland – good news for homeowners but forcing prospective buyers "to devote more of their paychecks to rent." NBC News discusses the dynamic with Zillow chief economist Svenja Gudell, who said that 2015 had been expected to be a good year for first-time homebuyers, but that failed to materialize. She "isn't optimistic that the housing logjam will break in 2016 either." The National Association of Realtor's 2015 survey of buyers and sellers showed "that only 32 percent of purchasers were first-time homebuyers, 'second only to the lowest share reported in 1987 of 30 percent.'"

BB&T's King Says He Views Relationship With Regulators As "A Partnership." American Banker (12/31, Davis, Subscription Publication, 23K) features an extended interview with BB&T CEO Kelly King, who was chosen as the publication's Banker of the Year in a previous story. In the interview, King discussed working with regulators, saying he views the relationship "as a partnership." He continued, "We really try to treat them with respect, and we really try and listen to them. ... We don't always like everything they give us but largely I've found that these are professionals who look at a lot of banks across the industry, and when they bring us a recommended change, we listen because the odds are pretty good that it might make sense for us."

Capital Bank CEO Optimistic About Acquisitions Next Year. American Banker (12/31, Stewart, Subscription Publication, 23K) reports that Capital Bank CEO Eugene Taylor took a break from acquisitions for three years before making a deal to buy CommunityOne earlier this year. The article says Taylor hopes the deal shows his team plans to make more acquisition deals: "Most banks we interact with are having issues with net interest margins, growing expenses, increasing regulatory costs," he said. "There are always a number of scratch-and-dent banks, and if we go in with our capital capability and our consistent growth in revenue then we should be able to do acquisitions."

Amboy Bancorp To Buy Franklin Grove Bank. American Banker (12/31, Passy, Subscription Publication, 23K) reports that Illinois' Amboy Bancorp, parent of \$171 million-asset First National Bank of Amboy, has agreed to buy the \$29 million-asset Franklin Grove Bank. Financial terms of the deal were not disclosed, and the deal is expected to close in 2Q.

SNL Financial (12/31, Armstrong, Subscription Publication, 14K) also reports on this story.

CNB Financial To Buy Lake National Bank. American Banker (12/31, Davis, Subscription Publication, 23K) reports that Pennsylvania's \$2.3 billion-asset CNB Financial has agreed to buy Ohio's \$152.2 million-asset Lake National Bank for about \$24.8 million in cash. The deal is expected to close in 3Q.

ScramCard CEO Asks Why Payments Cannot Be Made More Secure. In a "BankThink" piece for American Banker (12/31, Subscription Publication, 23K), ScramCard CEO Simon Hewitt says that "despite increased investment and development in the consumer payments space around mag stripe, EMV and contactless payments solutions, there is still a huge concern when it comes to data

theft." He asks, "If we can explore new planets, build hoverboards and expand scientific exploration better than ever before, isn't it about time we made payments secure?"

BANKING SERVICES NEWS

Visa-Backed Chain First To Issue Securities On Nasdaq's New Blockchain-Based Linq. The Wall Street Journal (12/31, Vigna, 6.23M) reports that Nasdaq's new blockchain-based platform called Linq – designed to let private companies issue debt and other securities – made its first securities transaction yesterday, involving an equity issuance by the blockchain startup Chain. The Journal notes Nasdaq was also involved in Chain's \$30 million investment round last September, which also included major firms like Visa, Capital One, and Citi.

Also noting Chain is backed by firms including Visa, Let's Talk Payments (12/31) explains the transaction represented "the first of its kind using blockchain technology." The move "by Chain signifies a 'proof of concept' and a major step forward in use of blockchain technology, as Nasdaq states," with the blockchain ledger enabling Chain to "significantly cut the settlement time and made any paper stock certificates redundant," as subscription documents are executed online.

Saying Nasdaq is seeking "to pull ahead of a crowded sector that so far has offered more hype than reality" with blockchain, Bloomberg News (12/30, Detrixhe, 3.4M) explains the execution fulfills Nasdaq CEO Bob Greifeld's goal announced in July to be the first major exchange using the technology. Calling it a "seminal moment" for blockchain, Greifeld said the transaction's "implications for settlement and outdated administrative functions are profound." Bloomberg explains the technology "became a sensation in 2015 with advocates' promises to overhaul back-office systems," but "most companies involved have little in the way of demonstrable products."

The Financial Times (12/30, Arnold, Bullock, Subscription Publication, 1.37M) says the use of the blockchain ledger broke new ground and underscores why many major financial institutions have taken interest in the technology recently. Payments Source (12/31, 772) also runs the Bloomberg News report. Prableen Bajpai also writes a general analysis of the technology's growing adoption for NASDAQ (12/31, 154K) under the headline "A Blockbuster Year for Bitcoin's Blockchain Technology."

CONGRESSIONAL AND POLICY NEWS

Fannie Mae: Young Millennials Have Favorable View Of Home Ownership. The Home Story (12/31,



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TO: THE SECRETARY AND SENIOR STAFF

DATE: THURSDAY, DECEMBER 31, 2015 6:00 AM EST

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Duncan Decries Gun Violence In Final Speech As Education Secretary. **Error! Bookmark not defined.**
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Congress Again Pushes Back Deadline For New Rail Safety System. **Error! Bookmark not defined.**
CSMonitor Analysis: GOP Largely Kept Vow "To Govern Responsibly." **Error! Bookmark not defined.**

Politico Analysis: Polls Indicate Democrats Face "Enthusiasm Gap" In 2016. **Error! Bookmark not defined.**
WSJournal Analysis: Super PAC Donors Seeking More Control Over Their Contributions. **Error! Bookmark not defined.**
In 2016 Race, Little Correlation Between Big Spending On TV Ads, Success. **Error! Bookmark not defined.**
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GOP Presidential Candidates Hold Fast Against Climate Change Initiatives. **Error! Bookmark not defined.**
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Bush Camp Redeploying Staff To Early States, Cancels Ad Reservations In IA, SC. **Error! Bookmark not defined.**
Rubio Expresses Support For Constitutional Convention. **Error! Bookmark not defined.**
Cruz Camp Says It Raised Almost \$20 Million In Fourth Quarter. **Error! Bookmark not defined.**
Paul Says Christie Should Resign As New Jersey Governor. **Error! Bookmark not defined.**
Williamson: GOP Presidential Polls Meaningless Until After March 1. **Error! Bookmark not defined.**
New Texas "Open-Carry" Law Worries Law Enforcement Officials. **Error! Bookmark not defined.**
WPost: States Should Abolish The Death Penalty. **Error! Bookmark not defined.**
Privacy Experts Concerned Over Release Of Voter Records. **Error! Bookmark not defined.**
Will: 2015 Demonstrated The "Infantilization Of Society" By Government. **Error! Bookmark not defined.**
Terror Suspect's Attorney Cites Trump's Remarks In Alleging Jury Bias. **Error! Bookmark not defined.**
Pakistani Men With Terrorist Ties Nabbed At US-Mexico Border. **Error! Bookmark not defined.**
Emanuel Announces Changes To Police Procedure. **Error! Bookmark not defined.**
Prosecutors Defend Recommendation Against Charges In Rice Case. **Error! Bookmark not defined.**
Grand Jury: No Charges Against Colorado Officer In Fatal Shooting Of Fugitive. **Error! Bookmark not defined.**
District Of Columbia Mayor Signs Police Body Camera Law. **Error! Bookmark not defined.**
RCP Average Has Obama Job Approval At 43.8%. **Error! Bookmark not defined.**

Financial International News

China Bank Bans Seen As Warning To Yuan Speculators. **Error! Bookmark not defined.**
 ECB's Constancio Prefers Not To Change Policy For Foreseeable Future. **Error! Bookmark not defined.**
 FCA Scraps Review, Reflecting End Of "Banker Bashing." **Error! Bookmark not defined.**
 France Sets Countercyclical Capital Buffer Ratio At Zero. **Error! Bookmark not defined.**
 Opinion: Global Policymakers Should Approach 2016 With Caution. **Error! Bookmark not defined.**
 Ukraine's Finance Minister Has Doubts IMF Will Approve Budget. **Error! Bookmark not defined.**
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Leading International News

Biden To Visit Turkey Jan. 23. **Error! Bookmark not defined.**
 WPost Analysis: Ramadi Battle Suggests Future Strategy For Combating ISIL. **Error! Bookmark not defined.**
 Russia Claims To Kill Several ISIL Leaders In Syria. **Error! Bookmark not defined.**
 Observatory: Twin Suicide Blasts In Syrian Town Kill At Least 16. **Error! Bookmark not defined.**
 European, Turkish Authorities Foil Terror Attacks. **Error! Bookmark not defined.**
 Paris Attackers Were In Cellphone Contact With Belgium During Assaults. **Error! Bookmark not defined.**
 Twitter Moves To Stifle "Hateful Conduct." **Error! Bookmark not defined.**
 British Couple Given Life Sentences For Bombing Plot. **Error! Bookmark not defined.**
 Professor: After Attacks, Growing Number Of Muslims Urge Self-Reflection. **Error! Bookmark not defined.**
 Pakistan Contradicts Afghanistan On Location Of Talks. **Error! Bookmark not defined.**
 Funeral Held For American Killed In Afghanistan Suicide Bombing. **Error! Bookmark not defined.**
 World Leaders To Focus On Fully Implementing Minsk Peace Deal In 2016. **Error! Bookmark not defined.**
 Obama To Host Summit With ASEAN Leaders In February. **Error! Bookmark not defined.**
 Beijing Warns Taiwan To Maintain "One China" Policy. **Error! Bookmark not defined.**
 Russia Revamps Navy, Will Deploy Advanced Cruise Missiles. **Error! Bookmark not defined.**
 White House Urges Ethiopia To Release Jailed Journalists. **Error! Bookmark not defined.**
 Arson Case Raises Concerns About Israeli Investigative Techniques. **Error! Bookmark not defined.**
 Egypt Raids Gallery, Publishing House As Part Of Crackdown On Dissent. **Error! Bookmark not defined.**
 Media Analysis: Climate Change Contributing To Worldwide "Weather Anomalies." **Error! Bookmark not defined.**
 Nkurunziza: Burundian Citizens Will Attack Peacekeepers. **Error! Bookmark not defined.**
 Nigeria Ready To Negotiate With Boko Haram For Girls' Release. **Error! Bookmark not defined.**
 Central African Republic Holds Presidential, Parliamentary Elections. **Error! Bookmark not defined.**
 UN: One Million Migrants Entered EU By Sea In 2015. **Error! Bookmark not defined.**
 South Korean "Comfort Women" Object To Deal With Japan. **Error! Bookmark not defined.**
 Belgium, Netherlands Plan Peaceful Exchange Of Territory. **Error! Bookmark not defined.**
 "Rare, Incurable" Virus Causing Malformed Infants In Brazil. **Error! Bookmark not defined.**
 Politico: Final Year In Office Will Present Obama With New Foreign Policy Challenges... **Error! Bookmark not defined.**

Housing

Fannie Mae: Young Millennial Have Favorable View Of Home Ownership. **Error! Bookmark not defined.**
 Pending Home Sales Fall Unexpectedly In November. **Error! Bookmark not defined.**

Fannie Mae Rule Can Make Mortgage Applications Easier. **Error! Bookmark not defined.**
 GSE Reform Predicted For After Election. **Error! Bookmark not defined.**
 WSJournal Slams FHFA, GSEs, New CDOs. **Error! Bookmark not defined.**
 FHFA: Conventional Mortgage Rates Down Slightly In October. **Error! Bookmark not defined.**
 Freddie Mac: Housing Markets Stabilize In October. **Error! Bookmark not defined.**
 Freddie Mac's Beckett: Fed Hike Won't Spike Mortgage Interest Rates. **Error! Bookmark not defined.**
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Goldman Sees 3% Treasury Yields In 2016. **Error! Bookmark not defined.**
 Crude Prices Largely Unchanged Thursday. **Error! Bookmark not defined.**
 Dollar Set For Almost 9% Gain In 2015. **Error! Bookmark not defined.**
 Gold Prices: Lower Wednesday. **Error! Bookmark not defined.**

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More Than 8.5 Million Have Signed Up For Health Coverage Through Federal Marketplace. **Error! Bookmark not defined.**

Cybersecurity

Security Researchers: Trains Are Vulnerable To Hackers. **Error! Bookmark not defined.**
 To Inform Customers Of Attacks Associated With Government Agencies. **Error! Bookmark not defined.**

Financial Reform

Dodd-Frank Rules Weigh On Community Banks, Credit Unions: GAO Report. **Error! Bookmark not defined.**

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Banks Said To Have Dire Outlook For AML Issues In 2016. **Error! Bookmark not defined.**
 Russia's Lead Petrochemical Company Benefits Putin's Sanctions. **Error! Bookmark not defined.**

Federal Reserve

Market Payment Initiatives Likely To Play Crucial Role In Fed's Task Force In 2016. **Error! Bookmark not defined.**

Financial Regulatory Agencies

SEC: Market Mechanisms May Have Triggered ETF Losses In "Flash Crash." **Error! Bookmark not defined.**

Internal Revenue Service

Tax Rates On Wealthiest Americans Rose Sharply In 2013. **Error! Bookmark not defined.**
 Julius Baer Nearing \$547 Million Tax Probe Settlement. **Error! Bookmark not defined.**
 IRS Gave Out \$46 Million Of Potentially Fraudulent Tax Refunds: TIGTA. **Error! Bookmark not defined.**

Editorial Wrap-Up

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 Washington Post. **Error! Bookmark not defined.**
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The Big Picture

Headlines From Today's Front Pages. **Error! Bookmark not defined.**

Last Laughs

Late Night Political Humor. **Error! Bookmark not defined.**

Washington's Schedule

Today's Events In Washington. **Error! Bookmark not defined.**

Online Version

Visit treasury.bulletinintelligence.com for searchable archive, interactive story index, and links to complete stories where appropriate.

Holiday Message. In observance of the federal New Year's Day holiday, we will not publish on Friday, January 1, 2016. Service will resume on Monday, January 4, 2016. We wish our readers a safe and happy holiday.

TREASURY IN THE NEWS

US Treasury Preparing Sanctions Over Iran's Ballistic Missile Program. Bloomberg News (12/31, Klimasinska, 3.4M) cites "a person familiar with the matter" who said the Treasury Department "is close to announcing sanctions against several companies and individuals for their ties to Iran's ballistic missile program." A front-page story in the Wall Street Journal (12/31, A1, Solomon, Subscription Publication, 6.23M) says nearly a dozen companies and individuals in Iran, Hong Kong, and the UAE will be sanctioned, and notes that Iranian officials have warned that any sanctions will be seen by Supreme Leader Ayatollah Ali Khamenei as a violation of the nuclear agreement reached in July.

Reuters (12/31), however, reports that US officials have contended that Treasury retains the right under the deal to sanction Iranian entities suspected of involvement in missile development. AFP (12/31) notes that a move to impose new sanctions would be the first since the deal was signed.

The New York Times (12/31, Chan, Erdbrink, Subscription Publication, 11.64M) reports that after two recent Iranian ballistic missile tests "made clear that Tehran had no intention of obeying a United Nations prohibition on such launches," Administration officials on Wednesday "handed Congress a draft list of fresh sanctions they are preparing against Tehran." The new sanctions, officials said, are designed "to make clear that the United States remains committed to containing Iran's regional ambitions," and "are also intended as a carefully calibrated answer to critics, from Capitol Hill to Saudi Arabia, who have argued in recent months that President Obama is willing to overlook almost any Iranian transgression in order to avoid derailing the nuclear deal he pursued for so many years."

Politico (12/31, Toosi, 1.19M) adds that the US "maintains that although it will lift nuclear-related sanctions on Iran as part of the deal, it still has the right to keep and impose sanctions on Iran related to its human rights abuses, its sponsorship of terrorism and its ballistic missile activity." A senior Administration official said, "As we've said, we've been looking for some time at options for additional actions related

to Iran's ballistic missile program based on our continued concerns about its activities, including the Oct. 10 launch." The official added, "We are considering various aspects related to additional designations, as well as evolving diplomatic work that is consistent with our national security interests. As always, we keep Congress informed about issues related to Iran sanctions, and will continue to do so as we work through remaining issues."

CNN (12/31, Labott, 3.54M) and The Hill (12/31, Smilowitz, 654K) also report on the story.

US: Iran Missile Fire Near Warships "Highly Provocative." The AP (12/31, Gambrell) reports the US on Wednesday accused Iran of launching a "highly provocative" rocket test last week near its warships in the Strait of Hormuz, "exposing how tensions between the two countries could escalate even after a landmark nuclear deal." While the Iranians rockets "weren't fired in the direction of any ships," Centcom spokesman Cmdr. Kyle Raines said Iran's "actions were highly provocative." Said Raines, "Firing weapons so close to passing coalition ships and commercial traffic within an internationally recognized maritime traffic lane is unsafe, unprofessional and inconsistent with international maritime law."

Puerto Rico Makes Some Debt Payments, But Problems Remain.

The Washington Post (12/31, Fletcher, 7.78M) reports that Puerto Rico will "skirt a catastrophic default on the vast majority of more than \$1 billion in bond payments due in early January." In order to do so, island officials had to "raid cash set aside to pay other debts." The piece notes the Treasury Department has "joined with Puerto Rican officials to press members of Congress to pass legislation enabling the commonwealth to seek Chapter 9 protection from creditors or create a financial control board that would have enough authority to coerce recalcitrant bondholders to join a restructuring plan." A Treasury spokesman said in a statement on Wednesday, "Today's announcement that Puerto Rico will miss additional payments demonstrates the gravity of the Commonwealth's fiscal crisis and the need for Congress to act now. Puerto Rico is at a dead end, shifting funds from one creditor to pay another and diverting money from already-depleted pension funds to pay both current bills and debt service."

The AP (12/31, Coto) reports that Gov. Alejandro Garcia Padilla "said the payment includes \$329 million in general obligation bonds. However, he warned there is no money available for future payments including \$400 million

due in May in bonds issued by the Government Development Bank." USA Today (12/30, Bomey, 5.56M) reports Padilla "has said the island will face a 'humanitarian crisis' if it's forced to divert cash away from public safety services to pay its bills."

The New York Times (12/31, Walsh, Subscription Publication, 11.64M) reports that Padilla also said the government "could not pay \$35.9 million due to the holders of bonds issued by its Infrastructure Financing Authority, or \$1.4 million due to holders of its Public Finance Corporation's bonds." Bloomberg News (12/30, Kaske, 3.4M) portrays the move as a compromise, with Padilla opting to pay down the major debts while simultaneously missing payments on several minor ones. Reuters (12/31, Brown) reports that while the move shores up the island's situation in the short term, longer term questions remain. The House is expected to hold a hearing on Puerto Rico's crisis January 5th.

The Wall Street Journal (12/31, Kuriloff, Subscription Publication, 6.23M) reports that island officials have called on the Federal government to assist them, and while the Administration and some Democrats in Congress back allowing the commonwealth to restructure its debts, Republicans have blocked the efforts.

MNI News (12/31, Gulino) quotes Treasury spokesman Adam Hodge as saying, "This increasingly urgent situation demands swift Congressional action to give Puerto Rico access to an orderly restructuring regime paired with independent oversight. Congressional leaders have committed to act, and the administration remains committed to working with Congress to address this crisis and put Puerto Rico on a sustainable path forward that protects the 3.5 million Americans who live in the Commonwealth."

The Guardian (UK) (12/31, Rushe, 3.48M) reports Treasury Secretary Jack Lew "said this week it was inevitable for Puerto Rico to default on its debts. 'Look, they're effectively in default' already, he said in an appearance on Fox Business Network." Lew added, "They've already been taking money out of pension funds to pay current bills. They've been shifting money from one creditor to pay for another creditor. That's effectively default. You don't have to wait until you miss a coupon payment to say you're in default."

The Hill (12/31, Needham, 654K), the Financial Times (12/30, Platt, Subscription Publication, 1.37M), and CNN Money (12/30, 3.22M) also report on the story.

Lew To Headline Denver Town Hall On Financial Inclusion. The Denver Post (12/30, Murray, 825K) reports Treasury Secretary Jack Lew will "make a stop in Denver next week for a roadshow event promoting saving for retirement and better access to banking, credit and loans for low-income people." Lew will headline a town hall on Tuesday concerning "financial inclusion" with Cary Kennedy, Denver's deputy mayor and chief financial officer. The piece

notes Lew's visit "coincides with recently announced public and private initiatives that have similar goals for other parts of the country." The Treasury Department "also has started the myRA program, which creates retirement accounts for workers whose employers don't offer retirement savings plans." The town hall will start at 2:15 p.m. Tuesday at Galvanize, "a co-working space on Platte Street northwest of downtown," and will be open to the public.

House Republicans Criticize Administration For Delaying ACA Reporting Deadlines. The Hill (12/31, Sullivan, 654K) reports that House Republicans "are criticizing the Obama administration for delaying the deadlines for employers to file health insurance forms under ObamaCare." The House Energy and Commerce Committee said in a statement yesterday, "Announcing Obamacare delays as Americans unplug with their loved ones has become routine for the Obama administration, and this Christmas season is no different," adding, "Delaying burdensome and complex requirements of the health care law won't remedy the situation." The Hill reports Republicans on the committee are "reacting to the Treasury Department's announcement on Monday that it is extending the deadlines for employers to submit forms to their employees and to the IRS detailing the health insurance available to employees."

LEADING NATIONAL NEWS

Banks See Cyber Security, De-Risking, Terror Financing As Main Risks In 2016. The Wall Street Journal (12/31, Dipietro, 6.23M) reports in its "Risk and Compliance Journal" that banking experts anticipate the three major risk issues for 2016 are the increasing sophistication of cybercriminals, who steal personal information to create synthetic identities; de-risking and the exclusion of certain countries from the financial system; and terrorism financing.

JPMorgan, OnDeck Deal Highlights Banks' Benefits, Risks With Fintech Partners. The Wall Street Journal (12/31, Rudegear, Glazer, Simon, Subscription Publication, 6.23M) examines JPMorgan's recent deal with OnDeck Capital, explaining that while the deal stands to benefit both parties, it also highlights several risks banks must consider when deciding whether to team up or compete with marketplace lenders. Banks could use partnerships like these to rehabilitate their image of not doing enough to help small lenders; however, online lenders like OnDeck have faced criticism from fair lending groups accusing them of non-transparent business practices.

JPMorgan's Dimon Remains Strong As CEO. In a Reuters (12/31) "Breakingviews" piece, Antony Currie says that JPMorgan CEO Jamie Dimon is still going strong 10

years into leading the bank, having avoided the worst of the financial crisis and becoming the de facto mouthpiece for bankers complaining about the regulatory aftermath. Currie points out that Dimon's shareholders twice voted to let him keep his chairman title, and although both he and his bank will face continued challenges, he is hard to beat as a bank CEO.

New Normal For Banks Still Leaves Parts Of System Exposed.

The Financial Times (12/30, Subscription Publication, 1.37M) editorializes that although great strides have been made this year to return banking systems to normality, it's a mistake to assume that weaknesses do not remain.

Bank Boardrooms Lacking Tech Experience.

In the Wall Street Journal's (12/31, 6.23M) "CIO Journal," Accenture's Financial Services operating group CEO Richard Lumb says that although banks' boards of directors are concerned with mobile and online banking, security of customer data, fintech competition, and regulatory demands, only six percent of board members at the largest banks have any professional IT experience. Noting that regulators are now considering technology to be a systemic issue linked to financial stability, Lumb recommends bank boards begin personalized training and arrange technology committees.

Carney: HQLA Regulations Mean Banks Likely Will Pay More On Retail Deposits.

In a "Heard on the Street" piece for the Wall Street Journal (12/31, Subscription Publication, 6.23M), John Carney says that because of new regulations requiring certain levels of high quality liquid assets, US banks are likely to raise the interest rates they pay on retail deposits. Because the amount of HQLA required depends on the type of deposit, and because retail deposits are a key profitability driver, banks are likely to keep retail deposits and to raise bids for retail cash faster than in the past.

Obama To Visit Germany For Trade Show, Talks With Merkel.

President Obama will make an April visit to Germany to attend the world's largest industrial technology trade show and hold trade talks with German Chancellor Angela Merkel. Despite the widespread reporting on the announcement, there was little depth dedicated to the story, with most outlets focusing on the White House's statements and background information on the Transatlantic Trade and Investment Partnership (TTIP) – which is the reported focus of the President's scheduled talks with Merkel.

McClatchy (12/31, Kumar, 27K) reports Obama will attend the Hannover Messe, which is the "world's largest industrial technology trade show." The President will also meet with Merkel "as he looks to advance negotiations" on the TTIP.

Describing the trade show as the "primary purpose" of the trip, USA Today (12/31, Korte, 5.56M) says Obama will become the "first US president to attend the 69-year-old trade fair, which attracts about 6,500 exhibitors and 250,000 visitors each year." The AP (12/31) says "The White House is describing the trip as a chance for Obama to highlight the US as a prime investment destination" for the event's attendees. Reuters (12/31, Mason) and the Wall Street Journal (12/31, Nelson, 6.23M) "Washington Wire" blog report the White House said in a statement, "The president's participation...presents a unique opportunity to showcase American innovation and ingenuity and to highlight the United States as a prime investment destination."

CNN (12/31, Browne, 3.54M) reported on its website that the White House said the visit with Merkel is meant to improve US-European trade and investment. The Hill (12/30, Fabian, 654K) reported the visit is also an opportunity for Obama "to show solidarity with Merkel," with whom he "has maintained a close relationship with" at a time when the Washington Times (12/31, Boyer, 283K) says the German leader is "under fire at home for her policy of allowing Syrian refugees into the country." Politico (12/30, Gass, 1.19M) quoted White House Press Secretary Josh Earnest as saying the trip "underscores the enduring political and economic ties between Americans and Germans and highlights the US commitment to trade and investment as drivers of job creation and economic growth on both sides of the Atlantic."

The Washington Post (12/31, Eilperin, 7.78M) reported on its website that the Administration is "hoping to make progress" on the TTIP after negotiations between the US and European Union "have taken a back seat to the recently-forged Trans Pacific Partnership (TPP)." The Post explains the goal of the TTIP talks "is to eliminate tariffs completely between the United States and the European Union...and harmonize regulations on a range of goods and services." Deutsche Welle (12/31, 70K) similarly reports the TTIP "faces some opposition from both sides of the Atlantic," but an agreement would create "the world's largest free trade and investment zone and significantly pull down some bureaucratic barriers and regulations." AFP (12/31) says Washington and Brussels "are thought to be close to agreement on eliminating tariffs and barriers on 97 percent of trade between the two sides." However, according to AFP, "some thorny issues remain to be discussed," including Europe's "fears about accepting genetically modified crops from America and concerns about limits on data-sharing by global Internet firms."

House Panel To Examine Report NSA Eavesdropping Captured Lawmakers' Calls.

Coverage of reaction to a Wall Street Journal report which said US eavesdropping on Israeli officials during the Iran nuclear talks had intercepted communications with US lawmakers and Jewish American groups is relatively light.

Wassenaar Russell D

From: john (b) (6) com
Sent: Monday, November 16, 2015 9:37 PM
To: Koskinen John A
Subject: Fwd: Request regarding IRS call centers

(b)(6)

-----Original Message-----

From: (b) (6) com >
To: john (b) (6)
Sent: Mon, Nov 16, 2015 10:21 am
Subject: Re: Request regarding IRS call centers

(b)(6)

(b)(6)

Hi John - just following up on your note. My wife (b) (6); in town today and leaves for the west coast tomorrow afternoon. I haven't heard from anyone yet but look forward to getting a call or email.
Again, thanks very much.

(b)(6)

(b) (6)

(b)(6)

Sent from my iPhone

On Nov 7, 2015, at 12:37 PM, "john (b) (6)" wrote:

(b)(6)

(b) (6)

(b)(6)

Thanks for the update. I'll check and you should hear from someone next week.

John

-----Original Message-----

From: (b) (6) com >
To: johnkosk <john (b) (6)>
Sent: Fri, Nov 6, 2015 1:19 pm
Subject: Re: Request regarding IRS call centers

(b)(6)

(b)(6)

Hi John - I was going to send you a note on Monday since my wife will be in town next week. I have not heard from anyone. Perhaps something got caught in a spam filter. Could you perhaps give them my phone numbers: mobile is (b) (6) and office is (b) (6) My cell is (b) (6) com. I very much appreciate your help on this.

(b)(6)

(b)(6)

Best,

(b) (6)

(b)(6)

Sent from my iPhone

On Nov 6, 2015, at 12:33 PM, "john (b) (6) com" <john (b) (6) com> wrote:

(b)(6)

Hi (b) (6)

(b)(6)

On checking on this earlier today, I was told that an appropriately knowledgeable person has reached out to you.

Let me know if I can do anything else to be helpful.

All the best.

John

Sent from [REDACTED] (b) (6)

(b)(6)

-----Original Message-----

From: [REDACTED] (b) (6) com >

(b)(6)

To: johnkosk <john [REDACTED] (b) (6) com >

(b)(6)

Sent: Thu, Oct 29, 2015 11:05 PM

Subject: Re: Request regarding IRS call centers

[REDACTED] Thanks so much John
[REDACTED] (b) (6)

(b)(6)

Sent from my iPhone

On Oct 29, 2015, at 7:30 PM, "john [REDACTED] (b) (6) com" <john [REDACTED] (b) (6) com > wrote:

(b)(6)

Hi [REDACTED] (b) (6)

(b)(6)

I will be delighted to find someone for your wife to talk with.

More soon.

John

-----Original Message-----

From: [REDACTED] (b) (6) com >

(b)(6)

To: john [REDACTED] (b) (6) com >

(b)(6)

Sent: Thu, Oct 29, 2015 10:30 am

Subject: Request regarding IRS call centers

Hi John - I had written a note to your IRS address but I expect you get so many messages that it would be pretty hard to keep up. I hope all is well. As I see Donald Trump so much in the news these days I remember your having worked with him on a whole variety of projects in the past. You must have a lot of fascinating stories to tell. I am still a [REDACTED] (b) (6) and we are doing fine and just opened an office in Dar es Salaam.

(b)(6)

Why I am writing to ask for some help. Could you direct me to someone at the IRS that could talk to needs for call center support? My wife [REDACTED] (b) (6)

(b)(6)

[REDACTED] (b) (6) has been working successfully with the IRS since 2004 as an [REDACTED] (b) (6) firm. [REDACTED] (b) (6) rains and places people with physical disabilities into home-based jobs. Hundreds of their agents living across the country answer calls from the public taking orders for IRS forms and publications. She would like to meet with someone at the IRS to explore possibilities for expanding this type of support to other parts of the IRS. I said I would try to help her out if I could.

(b)(6)

(b)(6)

(b)(6)

Is there someone you could suggest she give a call to to see if such opportunities might exist? Thanks very much in advance for the help.

Best,
[redacted]
(b) (6)

(b)(6)

[redacted]
(b) (6)

(b)(6)

Wassenaar Russell D

From: john (b) (6) com
Sent: Saturday, November 07, 2015 12:37 PM
To: Koskinen John A
Subject: Fwd: Request regarding IRS call centers

(b)(6)

-----Original Message-----

From: (b) (6) com >
To: john (b) (6) com >
Sent: Fri, Nov 6, 2015 1:19 pm
Subject: Re: Request regarding IRS call centers

(b)(6)

(b)(6)

Hi John - I was going to send you a note on Monday since my wife will be in town next week. I have not heard from anyone. Perhaps something got caught in a spam filter. Could you perhaps give them my phone numbers: mobile is (b) (6) (b)(6)
(b) (6) and office is (b) (6) My cell is (b) (6) I very much appreciate your help on (b)(6)

Best,

(b) (6)

(b)(6)

Sent from my iPhone

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(b)(6)

Hi (b) (6)

(b)(6)

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Let me know if I can do anything else to be helpful.

All the best.

John

Sent from (b) (6)

(b)(6)

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To: (b) (6) com >
Sent: Thu, Oct 29, 2015 11:05 PM
Subject: Re: Request regarding IRS call centers

(b)(6)

(b)(6)

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(b) (6)

(b)(6)

Sent from my iPhone

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(b)(6)

H (b) (6)

(b)(6)

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John

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From: (b) (6) com >

(b)(6)

To: john (b) (6) com >

(b)(6)

Sent: Thu, Oct 29, 2015 10:30 am

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(b)(6)

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(b)(6)

(b)(6)

(b)(6)

Is there someone you could suggest she give a call to to see if such opportunities might exist? Thanks very much in advance for the help.

Best,

(b) (6)

(b)(6)

Wassenaar Russell D

From: Lemons Terry L
Sent: Thursday, March 24, 2016 10:15 AM
To: Koskinen John A; Sterner Christopher B; Pillitteri Charles; Keyso Andrew James Jr; Philcox Crystal; Rillotta Joseph A; Wilkins William J
Subject: Wall St Journal news article

FYI, the Journal's news story starts getting to some of the 6103 issues at hand.

By
Richard Rubin

Mar 23, 2016 6:25 pm ET

Attempts to extract information out of the IRS usually run into a solid wall: Section 6103, the part of the tax code setting taxpayer privacy rules. It keeps **Donald Trump's** tax returns—and everyone else's—outside the scope of the federal Freedom of Information Act.

The Sixth U.S. Circuit Court of Appeals in Cincinnati just put a tiny but important dent in that wall, at least in the states covered by that appeals circuit. The IRS office that handles tax-exempt applications is in Cincinnati.

In an appeals court ruling noticed mostly for its rhetorical blasts at the Internal Revenue Service, Judge **Raymond Kethledge**, writing for a three-judge panel, said the privacy rules that protect "return information" don't apply to the names and addresses of groups seeking tax-exempt status.

The law "does not entitle the IRS to keep secret (in the name of 'taxpayer privacy,' no less) every internal IRS document that reveals IRS mistreatment of a taxpayer or applicant organization—in this case or future ones," Judge Kethledge wrote Tuesday. "Section 6103 was enacted to protect taxpayers from the IRS, not the IRS from taxpayers."

Until the ruling, the government, Congress and tax lawyers all operated under the assumption that tax-exempt groups' names only become public if approved by the IRS. The IRS releases redacted letters denying tax-exempt status, while the names of groups that apply and withdraw—often after questions from the IRS—never become public.

"6103 is usually interpreted pretty broadly by the courts, with a lot of deference from the courts to the IRS," said **Lloyd Hitoshi Mayer**, a tax law professor at the University of Notre Dame. "This is a significant change."

The ruling came in a case filed by NorCal Tea Party Patriots, a California-based group that challenged how the government handled Tea Party groups' applications, in what eventually became a public controversy that forced leadership changes at IRS. The group's lawyer, **Edward Greim** of Graves Garrett in Kansas City, Mo., said lists of applicants would help create a class-action case.

Mr. Greim said pulling the names outside the protection of Section 6103 won't change the group's underlying claims about what the government allegedly did with the information. The groups claim the IRS slowed down conservative groups' applications and subjected them to unnecessary questions.

He said the case should go to trial in late summer of 2017, more than four years after the IRS's actions first became public.

The IRS declined to comment.

George Yin, former chief of staff of the congressional Joint Committee on Taxation, said he was sympathetic to the policy view encapsulated in the court's ruling. But Mr. Yin, now a law professor at the University of Virginia, said internal IRS processing of applications is covered by the privacy law.

"The other Circuits that have looked at this issue are correct," Mr. Yin wrote in an e-mail, "but the 6th Circuit was not."

Wassenaar Russell D

From: **DC Metro Area Communications
Sent: Friday, January 08, 2016 10:03 AM
To: &&DC-WSH NATIONAL OFFICE
Cc: O'Reilly James J; Broach Sydney C; Lamos Barbara A; Starbuck Dustin M; Hoffmaster Gregg N; Magrogan Deborah A; Garner Alexis L; Nearing Phoebe L; Nieser Susan L; Brown Jeffrey A; Quinn James A; Pollard Calvin L [NTEU NON-IRS]; Tworkowski Norrisa; Duke Ellen K
Subject: MAIN IR: Temporary Relocation of FedChoice Credit Union Entrance

This message is being sent on the behalf of Facilities Management and Security Services (FMSS).

Temporary Relocation of FedChoice Credit Union Entrance

Beginning Monday January 11, 2016, the FedChoice Credit Union entrance on Pennsylvania Avenue will be temporarily moved to the building entrance at the corner of 10th Street and Pennsylvania Avenue. This is required due to planned construction by the Trump hotel project. The temporary entrance will remain in effect through June, 2016. The FedChoice Credit Union hours will remain Monday – Friday 6:00 a.m. – 6:00 p.m..

Please note that the temporary entrance is not wheelchair accessible and as an accommodation the temporary loading dock entrance at the 10th Street Arcade can be used. Signage will be posted with the temporary entrance information. This temporary relocation will ensure the safety of employees and Credit Union members.

Your continued patience during the Trump hotel project is appreciated. If you have questions, please email them to *MB Physical Security, or call FMSS Security Chief, Lisa Lee at 202-317-3106, or FMSS Territory Manager, John Lucas at 202-317-3229. Thank you

Wassenaar Russell D

From: **DC Metro Area Communications
Sent: Monday, November 02, 2015 2:36 PM
To: &&DC-WSH NATIONAL OFFICE
Cc: O'Reilly James J; Broach Sydney C; Cole Ruby D; Starbuck Dustin M; Hoffmaster Gregg N; Magrogan Deborah A; Garner Alexis L; Nearing Phoebe L; Nieser Susan L; Brown Jeffrey A; Quinn James A; Pollard Calvin L [NTEU NON-IRS]; Duke Ellen K; Murphy Mary Beth; Tworowski Norrisa
Subject: MAIN IR: Trump Site Controlled Natural Gas Release Rescheduled for November 3, 2015

This message is being sent on behalf of Facilities Management and Security Services.

The controlled natural gas release at the Old Post Office Building originally scheduled for today, 11/2 has been canceled and rescheduled for tomorrow, 11/3. The controlled release of natural gas is scheduled to commence at 10:00 a.m. and take approximately 20 minutes. This will be conducted by the Washington Gas Company technicians. Anyone in proximity of the 12th street Pavilion and Credit Union entrances may smell natural gas (a rotten egg odor). Controlled natural gas releases are common and a requirement for this work. The procedure is designed to be safe and the on-site technicians will monitor and regulate the level of gas released during the entire event to ensure the release level remains within safe standard tolerances. Smoking outside the 12th street Pavilion, Credit Union and 10th St Arcade entrances to the building will be prohibited until the event ends and Washington Gas issues an all clear. We will be in contact with Washington Gas during this event and implement other safety measures as warranted. Please contact the Security Operations Center on 202-317-8200/8300 with questions and or concerns.

Wassenaar Russell D

From: Lemons Terry L
Sent: Thursday, July 07, 2016 9:20 PM
To: Koskinen John A; Philcox Crystal; Oursler Leonard T; Pillitteri Charles;
'reginald.Brown@wilmerhale.com'; 'Matt.Jones@wilmerhale.com'; Wilkins William J;
Leas Matthew F; Eldridge Michelle L; Moe Debra K
Subject: Coverage

Coverage from the Hill on the vote. Includes Renacci and Brady comments.

House rejects measure to cut IRS chief's salary to zero

By Naomi Jagoda - 07/07/16
The Hill

The House on Thursday rejected an amendment to a financial services spending bill that would have temporarily cut the Internal Revenue Service Commissioner's salary to zero.

The amendment failed by a vote of 197 to 224, drawing opposition from some Republicans as well as from Democrats.

Republican Reps. Ken Buck (Colo.) and Mark Sanford (S.C.) offered the amendment, which would have reduced IRS Commissioner John Koskinen's salary to zero from the date of enactment through the date of the presidential inauguration.

"This amendment is necessary because of the serious mistakes by the IRS," Buck said. Buck criticized the IRS for subjecting conservative groups' applications for tax-exempt status to extra scrutiny and for destroying evidence that was subject to a congressional investigation on the political-targeting scandal.

"The commissioner is appointed by the president and serves at the pleasure of the president. Unfortunately, we simply cannot trust anyone that President Obama appoints to that position," Buck said on the House floor.

Sanford also said that the amendment is about "accountability in government." He said voters have told him that they like Donald Trump's presidential campaign because they think he would actually fire federal officials.

House Ways and Means Committee Chairman Kevin Brady

(R-Texas) told reporters that he was in favor of the amendment, "if only to send the signal things have to change at the IRS."

The amendment came as members of the conservative House Freedom Caucus have pressed for Koskinen to be impeached due to alleged improprieties as Congress investigated the targeting scandal.

The House Judiciary Committee held two hearings on whether Koskinen should be impeached but has not announced any next steps. The House Oversight and Government Reform Committee voted last month to censure Koskinen, but a floor vote on the censure resolution has not been scheduled.

But both Republicans and Democrats raised concerns about the amendment.

Rep. Jim Renacci (R-Ohio), a member of the Ways and Means Committee, said he had "grave concerns" that the amendment is an unconstitutional "bill of attainder" that punishes a specific person.

Renacci said that the issue of whether Koskinen committed an impeachable or censurable offense should be dealt with separately, and not as part of the appropriations bill.

"This is not about defending the IRS commissioner, this is about defending the United States Constitution," he said.

Buck and Sanford both said they thought the amendment was constitutional.

Rep. Jose Serrano (D-N.Y.), the top Democrat on the appropriations subcommittee with jurisdiction over the bill, said the amendment is "nothing more than a political cheap shot" and called it "the worst kind of statement possible."

The financial services appropriations bill would reduce IRS funding for fiscal 2017 by \$236 million and contains a number of other measures aimed at reining in the IRS.

The House is expected to consider the full bill later on Thursday.

Wassenaar Russell D

From: Lemons Terry L
Sent: Friday, February 26, 2016 5:57 PM
To: Koskinen John A; Philcox Crystal; Keyso Andrew James Jr; Eldridge Michelle L; Leas Matthew F
Subject: FW: C-Span, short clip, Titled "IRS Commissioner on Donald Trump"

From: Leas Matthew F
Sent: Friday, February 26, 2016 5:18 PM
To: Lemons Terry L; Eldridge Michelle L
Subject: C-Span, short clip, Titled "IRS Commissioner on Donald Trump"

https://www.youtube.com/watch?v=Z_kJcev8dmvI&feature=youtu.be

Matt Leas
Branch Chief
IRS National Media Relations
202-317-4000

Wassenaar Russell D

From: Lemons Terry L
Sent: Wednesday, December 30, 2015 4:55 PM
To: Koskinen John A; Dalrymple John M; Tribiano Jeffrey J; Philcox Crystal; Keyso Andrew James Jr; Dubois Alain; Johnson Barry W; Leas Matthew F; Eldridge Michelle L; Dugger Elizabeth A
Subject: FW: Top 400 Roll Up

FYI, seeing coverage late this afternoon on the Top 400 taxpayer data from RAS/SOI. Coverage below from WashPost.com, Wall Street Journal and Wash Examiner. Some of this is linking to this morning's front page story in the New York Times. Expecting to see additional coverage later from Politico and the tax services.

From: Leas Matthew F
Sent: Wednesday, December 30, 2015 4:45 PM
To: Lemons Terry L
Cc: Cressman William M
Subject: Top 400 Roll Up

Really rich people are suddenly paying quite a bit more in taxes
By Jim Tankersley Washington Post.com
December 30 at 3:10 PM

On Tuesday, the New York Times published a long piece documenting a so-called "private tax system" for the super-rich, filled with offshore tax havens and fancy loopholes opened by large amounts of lobbying in Washington. The widely-read story was nicely distilled in these two paragraphs near the beginning of the story:

Operating largely out of public view — in tax court, through arcane legislative provisions and in private negotiations with the Internal Revenue Service — the wealthy have used their influence to steadily whittle away at the government's ability to tax them. The effect has been to create a kind of private tax system, catering to only several thousand Americans.

The impact on their own fortunes has been stark. Two decades ago, when Bill Clinton was elected president, the 400 highest-earning taxpayers in America paid nearly 27 percent of their income in federal taxes, according to I.R.S. data. By 2012, when President Obama was re-elected, that figure had fallen to less than 17 percent.

On Wednesday, the Internal Revenue Service published an update to its annual assessment of how much the 400 highest-earning Americans pay in taxes. It showed that the effective tax rate paid by those Americans jumped in 2013 to nearly 23 percent.

That's more than half of the drop that the Times noted in its story — reversed in the span of a single year.

So what happened? How did the government so dramatically reimpose the level of taxation that the super-rich had so sharply curtailed over the last two decades?

Did it close a bunch of loopholes? Add thousands of IRS enforcement agents to bolster a weakened tax-collection operation?

Actually, it just raised taxes on rich people.

Recall that President George W. Bush cut taxes on high earners (and a lot of other people) in 2001 and 2003. His cuts included a reduction of the top marginal income tax rate and a cut in the tax rate for income from dividends and capital gains.

Those cuts helped the super-rich pay less in taxes. As Josh Zumbrun of the Wall Street Journal noted today in his story on the new IRS data, "the top 400 taxpayers disproportionately earn their money through dividends and capital gains. Capital gains are the profits from the sale of property or an investment. In 2013, these 400 households earned 5.3% of all dividend income and 11.2% of all income from capital assets."

Take a look at this IRS table of average effective tax rates on the top 400 taxpayers, from the Bush tax cuts through 2012. When President Obama was re-elected in 2012, he and congressional Republicans cut a deal on taxes to avoid the dreaded "fiscal cliff." The deal allowed the top marginal tax rate to rise to pre-Bush levels, and it raised rates on capital income as well. Those higher rates took effect in 2013, at which point, the effective tax rate for the top 400 earners rebounded to where it was in the early 2000s.

Now, as the Times described in detail, tax avoidance is certainly a strategy employed by many of the wealthiest people in America, and research from the economist Gabriel Zucman suggests tax sheltering is a growing phenomenon around the world. Wall Street has long operated a sophisticated financial engineering machine to turn labor income into capital income for tax purposes, which has contributed to criticism that the financial industry has become too large for the country's own economic good.

But today's IRS report suggests the biggest reason the super-rich paid lower tax rates over the last decade was the fact that Congress lowered taxes on the super-rich, particularly taxes on capital income.

That's an important point to remember as a new crop of presidential candidates debates whether to raise some capital rates (as Hillary Clinton would), lower them (as Ted Cruz and nearly every Republican presidential contender would) or eliminate them entirely (as Marco Rubio would).

And fortunately for voters, it's an issue that is entirely in public view

Tax Rate for Top 400 U.S. Taxpayers Climbed in 2013

Josh Zumbrun

WSJ

The top 400 U.S. taxpayers in 2013 faced their highest average tax rate since the 1990s, the result of policies implemented by the Obama administration that reversed a decadeslong trend toward lower tax burdens for the wealthiest Americans.

The 400 households represent the upper stratum of American wealth, requiring income of \$100 million in one year to crack the bottom of the list in the latest figures.

Taxpayers in the group earned an average of \$265 million and paid \$60.8 million in income taxes in 2013, according to data released Wednesday by the Internal Revenue Service. That made their average tax rate 22.9% in 2013, rising from 16.7% in 2012 as higher tax rates kicked in for capital gains and dividend income.

This group of individuals, whose names aren't revealed but certainly include some of America's most prominent business founders and wealthy families, are disproportionately important to the IRS. They are not just in the top 1%, but in the top 0.001% of earners. These 400 households paid nearly 2% of all income taxes in the U.S. in 2013 while earning 1.2% of all adjusted gross income.

They are also disproportionately important to America's charities, claiming more than 6% of all charitable tax deductions. The average taxpayer in the top 400 deducted \$32.8 million worth of charitable donations, down from \$38.7 million in 2012.

These wealthiest taxpayers cut a much different profile than a typical payroll employee. Most workers pay taxes on their earnings, after claiming their tax deductions. In 2013, this was a graduated system with single workers paying 25% for post-deduction income above about \$36,000, 28% for income above about \$88,000, and ultimately rising in several steps to a top rate of 39.6% on income above \$400,000. The brackets are somewhat different for married couples, topping out with a 39.6% income-tax rate for income higher than \$450,000.

But the top 400 taxpayers disproportionately earn their money through dividends and capital gains. Capital gains are the profits from the sale of property or an investment. In 2013, these 400 households earned 5.3% of all dividend income and 11.2% of all income from capital assets.

Tax cuts signed by President George W. Bush reduced the tax rate on capital gains to 15%. Over the years, the top 400 taxpayers devised strategies to collect more of their income as capital gains and dividends, reducing their overall average tax rate to just 16.7% in 2012, near the lowest in data going back to 1992.

But at the start of 2013, after the expiration of these cuts and the implementation of other taxes by the Obama administration, a higher tax went into effect. The top rate for capital gains was raised to 23.8%, effective on January 1 of that year. Anticipating the change, many of the highest earners sold assets before the deadline to avoid higher taxes, leading to a huge surge in income in late 2012.

The tax rate was raised as part of budget negotiations between Congress and the White House over how to close the nation's deficit and has since become a flash point in the 2016 presidential campaign.

Democratic candidates Hillary Clinton and Bernie Sanders have proposed measures that would further raise the tax rates on medium-term capital gains and some investment income.

Some leading Republican candidates have proposed measures that would reduce the rate. Texas Sen. Ted Cruz has proposed lowering the rate to 10% while Florida Sen. Marco Rubio has proposed eliminating it. Donald Trump would make a range of adjustments, including setting the capital-gains rate at 20%.

Taxes on richest Americans soared in 2013

By Joseph Lawler

Washington Examiner

Taxes on the highest-earning Americans soared in 2013 as new taxes on income and investments implemented by the Obama administration came into effect, the Internal Revenue Service reported Wednesday.

In a report on 400 income tax returns showing the largest incomes, updated for 2013, the IRS reported that the group faced an average tax rate of 22.89 percent, the highest since 1997.

The 2013 rate paid by the highest earners was a major jump from the year before. In 2012, the average tax rate for the 400 top earners was 16.72 percent, although that rate was likely artificially low because of families shifting income and capital gains into 2012 to avoid new higher taxes in subsequent years.

Nevertheless, the average tax rate for top earners in 2013 represented a clear break with the tax trends of the past five years, which saw an average tax rate for the same earners of just under 18 percent.

The increase in taxes paid by top earners is attributable to the tax changes implemented in the "fiscal cliff" deal that ended the majority of the Bush-era tax cuts for high earners in the first days of 2013 and to the imposition of a new Obamacare tax on investment income.

The fiscal cliff deal resolved an impasse between President Obama and Democrats and congressional Republicans by raising the top income tax rate rise from 35 percent to 39.6 percent, reversing part of the Bush tax cuts pertaining to high income earners. The legislation also undid the capital gains tax cuts under Bush, raising the tax rate on long-term capital gains from 15 percent to 20 percent. The Obamacare investment surtax, used to finance the expansion of health insurance in the health care legislation, raised the tax rate on capital gains and other investment income to 23.8 percent for top earners.

The higher rates on investment income are especially important for the top 400 income earners, who earn the majority of their income not through wages and salaries but through interests in businesses, real estate, commodities and more.

The top 400 earners had average income of \$265 million, according to the IRS data. On average, however, only about \$30 million of that was from salaries and wages, while \$183 million was income from interest, dividends or capital gains.

The group earned 1.2 percent of all adjusted gross income in the U.S. in 2013 and paid nearly 2 percent of all taxes.

Individual members of the group are not identified, but they likely comprise top investment managers in addition to some enormously successful business executives and celebrities. It took income of more than \$100 million to crack into the group.

The composition of the top 400 earners is dynamic, the IRS data suggests. Since 1992, 4,474 taxpayers have been included. Only 129 individuals have made it into the group for 10 or more years.

Matt Leas
Branch Chief
IRS National Media Relations
202-317-4000

Wassenaar Russell D

From: johnkosk@aol.com
Sent: Thursday, March 03, 2016 9:24 PM
To: Koskinen John A
Subject: Fwd: Google Alert - John Koskinen

-----Original Message-----

From: Google Alerts <googlealerts-noreply@google.com>
To: johnkosk <johnkosk@aol.com>
Sent: Thu, Mar 3, 2016 8:05 pm
Subject: Google Alert - John Koskinen



John Koskinen

Daily update - March 4, 2016

NEWS

IRS Chief **John Koskinen** honored with an award for 'Excellence in Public Service'

CainTV

You know **John Koskinen** as the IRS chief who has, repeatedly, been forced to appear before Congress and defend his agency against claims that its ...

EPA, IRS Officials Awarded Amid Scandals - Patriot Post

Full Coverage



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Trump is Lying, IRS Not Keeping Him from Disclosing Taxes (Video)

The Libertarian Republic

But according to IRS Chief **John Koskinen**, that's a bunch of bologna. ... that information generally, any way you wanted to," Koskinen told CSPAN.



Flag as irrelevant



Donald Trump Says He Can't Release Tax Returns Because He's Being Audited

NanoNews (blog)

During a recent taping of C-SPAN's "Newsmakers", Internal Revenue Service Commissioner **John Koskinen** said that it was "rare" for an American to ...



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Wassenaar Russell D

From: Gillen Mark J
Sent: Tuesday, May 31, 2016 6:23 AM
To: Koskinen John A; Dalrymple John M; Tribiano Jeffrey J; Lemons Terry L; Oursler Leonard T
Subject: Impeachment of IRS Chief Is a Serious Misstep

<https://shar.es/1dBCls>

On November 9, 2017, well into the Clinton or Trump Administration, IRS Commissioner John Koskinen's term will expire. Koskinen, like FBI Director James Comey, is a Senate-confirmed executive who has a term of office making him independent of the president's term. Koskinen will be lauded at that time as a man of integrity who not only kept the IRS on life support while under constant attack but who provided the necessary leadership and integrity to drive the agency forward to better serve taxpayers.

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