

Barbara Graham



February 17, 2011

INTERNAL REVENUE SERVICE FOIA REQUEST
HQ FOIA
Stop 211
2385 Chamblee Tucker Road
Chamblee, GA 30341

Re: *SUNSHINE WEEK CHURCH OF SCIENTOLOGY FOIA REQUEST*

Dear Disclosure Officer:

This is a request under the Freedom of Information Act.

I request that a copy of the following documents be provided to me. I do not wish to inspect the documents first.

TIGTA Report Of Investigation (ROI) # 8-9801-0002

Pertaining only to the closing agreement for “final determination covering specific matters” the I.R.S entered into agreement with in 1993 in regards to the tax exempt organizations known as the Church of Scientology.

Specifically – I am requesting the finalized closing agreement of seventy-two (72) pages previously denied to a much broader FOIA request made by Frederic Rice on September 18, 2001 for reasons that reportedly included “constitutes information which originated with the I.R.S” [1]

These same censored pages were further denied to the TAX ANALYSTS organization in response to its November 10, 1993 FOIA request for extensive information on several organizations. [2]

Additionally, this same closing agreement was censored from the public domain in the Supreme Court appeal of Michael and Marla Sklar vs. the I.R.S. in 2008. Their attorney subpoenaed the agreement and other records from the Church of Scientology and its president, Reverend Heber Jentsch. The tax court judge who handled the case, John Colvin, quashed the subpoenas without explanation. [3]

Furthermore, the persistent censoring of these public records has occurred in spite of the fact an **unofficial draft copy** of this same closing agreement was leaked to the

Wall Street Journal (WSJ) and published in 1997. [4] However, the version previously released by the WSJ [5] was allegedly incomplete and not the de facto finalized version of the closing agreement that is specifically being requested under the FOIA herein.

Despite the well-established history of the closing agreement from the requested TIGTA 8-9801-0002 file being withheld from public scrutiny, I strongly urge your consideration of the following recent events that firmly uphold this appeal and fully justify that a timely release of this information should finally be granted. I also request that any and all exemptions and exclusions be over-ruled in favor of public interest based on these same facts listed below.

- A) The previous FOIA requests for this information (noted above) apparently included a much broader petition for documentation that included the 72 page finalized closing agreement in addition to “all investigative documents” related to the governing investigation behind this report.

In light of past FOIA denials and the amount of time that has passed, I feel the additional investigation documents pertaining to the TIGTA 8-9801-0002 file are ancillary to the issues at hand. Thus, unlike prior requests my appeal is merely requesting the finalized agreement **ONLY**, which should negate previous reasons for rejecting this request on the basis of tax returns and private information being included in the disclosure.

- B) During the Sklar vs. I.R.S. proceedings, Judge Kim Wardlaw asked at the Ninth Circuit Court of Appeals, *“The view of the IRS is it can unconstitutionally violate the Constitution by establishing religion, by treating one religion more favorably than other religions in terms of what is allowed as deductions, and there can never be any judicial review of that?”* [3]

If there is no venue for judicial review on the many issues of concern surrounding this closing agreement, then I humbly submit that there is no legitimate reason that the finalized agreement should be withheld from the public domain unless the I.R.S has something to hide. In which case, the mandate of FOIA should be allowed to shine some much-needed daylight on this controversial settlement exactly as it was intended to do. I further contend that there is no better time than the present – during Sunshine Week 2011 – to finally release this document.

- C) Senator Charles Grassley of the Senate Finance Committee released a treatise on the findings of the three-year investigation into Media-based Ministries in January that scrutinized the closing agreement in question extensively on pages 21-24. [6]

The published report quotes from the explosive media coverage surrounding the Church of Scientology organization in recent and past years related to their questionable exemption status, which is further referenced under item D) below. Grassley then draws the following conclusion on page 24 (emphasis added):

*“Considering the history of enmity between Scientology and the IRS, the unusual circumstances and irregular processes that brought about a closing agreement that constituted a complete reversal of previous IRS determinations concerning Scientology-related organizations— ... **Once the particulars of the agreement were publicized, some tax experts expressed concern that the IRS merely wanted ‘to buy peace from the Scientologists.’**”*

I respectfully submit that Senator Grassley’s findings were **NOT** based on accurate information due to his report extensively citing media sources rather than the actual documentation. This concern has led me to the underlying quandary that is prompting my FOIA request: Is the information being withheld in the TIGTA 8-9801-0002 files that damning that not even our elected officials can see it?

The past denials to publicly release the aforementioned finalized closing agreement with the Church of Scientology have now done both the general public and our legislators undue harm. I further contend that if this information is not publicly released in some official form, how can concerned citizens hold their legislators accountable for faulty conclusions based on assumptions and innuendos that cannot be proven due to blatant censorship of public records?

D) Recent and widespread allegations in major media outlets regarding flagrant abuse within the Church of Scientology have included the following national headlines that highlighted other relevant concerns behind this request.

- **Prima facie evidence of inurement granted to the Church of Scientology Leader who used ill gotten gains to shower lavish gifts on a celebrity member** — *“Inside Scientology’s Labor Camp That Benefits Tom Cruise: The Photos”* published by the Village Voice Runnin’ Scared blog on February 10, 2011. [7]
- **First hand accounts of human trafficking, extortion and coercion being inflicted on staff and public members** — *“The Apostate: Paul Haggis vs. the Church of Scientology”* featured in the February 2011 edition of the New Yorker magazine. [8]
- **First hand accounts from former executives of enduring physical abuse and false imprisonment at the hands of the Church Leader** — *“Scientology: A history of violence”* televised on CNN AC360 in a series of special reports during March and April 2010 [9]
- **Additional first hand accounts from former high ranking members attesting to human trafficking, physical abuse, false imprisonment and other injustices** — *“The Truth Rundown, a special report on the Church of Scientology”* published as the first three parts of a larger series in the St. Petersburg Times (Florida) from June 2009 through June 2010. [10] The writers subsequently won the Gold Medal for Public Service from the Florida Society of News Editors for the expanded series entitled *“Inside Scientology.”* [11]

- **First hand accounts from second generation former members attesting to a multitude of abuses endured by children in the Sea Org division of the Church of Scientology** — “*Ex-Scientology Kids Share Their Stories*” published by ABC News and featured on Nightline with the related “*Growing Up Scientologist*” broadcast in April 2008. [12][13]
- **Investigative report on the draft closing agreement leaked to the press in 1997** — “*Scientology’s Puzzling Journey From Tax Rebel to Tax Exempt*” published by the N.Y. Times in 1997. [14] Although not recent, this work was quoted extensively by Senator Grassley’s report in January 2011 [6] to an extent that it seemingly served as the basis of his analysis. He also improperly cited it as “*Taxes and Tactics: Behind an I.R.S. Reversal – A Special Report*”;

I find it quite alarming that the Senator treated this as an authoritative source for his investigation, despite the supporting documentation lacking any authenticity due to previously denied subpoenas and FOIA requests. This recent legislative dependency on what can potentially be disinformation further emphasizes the urgent need for your careful consideration in releasing the finalized closing statement that is being requested herein.

These claims of atrocious behavior and other questionable points summarized in brief above have been frequently featured in the major media outlets to an extent that emphatically underscores the need for greater transparency in regards to this controversial organization. As such, I further beg your consideration of another question in regards to waiving any standing exemptions or exclusions on the TIGTA 8-9801-0002 file:

A further refusal by the Internal Revenue Service to fully disclose the 1993 closing agreement will feed a public perception that the I.R.S extends a layer of protection to the Church of Scientology that seemingly insulates it from public scrutiny. How then can citizens that have lost loved ones to this organization demand further action by local authorities when federal government agencies such as the I.R.S. appear to offer the Church of Scientology their protection?

- E) President Obama issued orders when he assumed office in January 2009, calling for greater transparency in regards to FOIA releases such as the one being requested herein. His specific instructions stated that all agencies and departments should “***adopt a presumption in favor***” of Freedom of Information Act requests. The President’s advise continued on to state:

“The Government should not keep information confidential merely because public officials might be embarrassed by disclosure, because errors and failures might be revealed, or because of speculative or abstract fears,” Adding later that “*In responding to requests under the FOIA, executive branch agencies should act promptly and in a spirit of cooperation, recognizing that such agencies are servants of the public.*” [15]

In spite of the President's inaugural orders, it was reported in the Washington Post in March 2010 that a recent FOIA-request audit shows response to the Obama transparency pledge is uneven. [16] This report by the National Security Archive at George Washington University came at the start of last year's Sunshine Week. In light of its findings, I beseech you to step up to the plate and honor the President's request, release the undisclosed final agreement being requested herein by the end of Sunshine Week this year – and let this controversial documentation finally see the light of day during the President's first term in office.

In conclusion, the recent events and other reasons stated above for justifying the release of the final closing agreement in the TIGTA 8-9801-0002 file is leading to a public outcry for a vigorous investigation of Scientology [17] in various arenas. However, a stalemate currently exists – where does such an investigation start? By releasing the seventy-two page final product of this investigation, the Internal Revenue Service has the ability to shine some much-needed light on a pivotal point history that can potentially end that stalemate. Thus, I urge you to consider honoring the release of this information in the spirit of the national Sunshine Week initiative – the public has a right (and ample reasons) to know the truth in this matter.

In order to determine my status for the applicability of fees, you should know that I am unaffiliated with any institution or organization, and therefore qualify as an **“Other” Requester** seeking information for non-commercial or personal use.

As proof of identity, I am including a photocopy of my driver's license.

I am willing to pay fees for this request up to a maximum of \$100. If you estimate that the fees will exceed this limit, please inform me first.

Thank you for your careful consideration of this request.
Sincerely,

A handwritten signature in cursive script that reads "Barbara L. Graham". The signature is written in dark ink on a light-colored background.

CC

Offices of Sen. Charles Grassley
WSJ Newsroom
N.Y. Times Newsroom
St. Petersburg Times Newsroom
Ed O'Keefe, Washing Post Staff
Tony Ortega, Village Voice Chief Editor

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- [3] Judges Press IRS on Church of Scientology Tax Break, The New York Sun, Feb. 8, 2008 by Josh Gerstein. Available online at: <http://tiny.ly/pKfX>
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- [13] Growing Up Scientologist; ABC Nightline, Apr. 25, 2008. Available online at: <http://tiny.ly/dXHV>
- [14] Scientology's Puzzling Journey From Tax Rebel to Tax Exempt; N.Y. Times by Douglas Frantz, Mar. 9, 1997. Available online at: <http://tiny.ly/YwdM>

[15] New Obama Orders on Transparency, FOIA Requests; the Washington Post by Ed O'Keefe, Jan 24, 2009. Available online at: <http://tiny.ly/k1O1>

[16] FOIA-request audit shows response to Obama transparency pledge is uneven; The Washington Post by Ed O'Keefe, Mar. 15, 2010. Available online at: <http://tiny.ly/QhWj>

[17] Vigorous investigation of Scientology needed; St. Petersburg Times Editorial, Feb. 11, 2011. Available online at: <http://tiny.ly/N4a7>