

Attachment 4

From: Batdorf Michael T
To: Shapley Gary A Jr; Waldon Darrell J
Subject: RE: Sportsman Update
Date: Thursday, August 18, 2022 8:40:34 AM
Attachments: [image005.png](#)
[image006.png](#)
[image002.png](#)

Thank you Gary. For the read out and your efforts. I will talk with the Chief and DC and hopefully they can discuss with Stewart during their next meeting. At least show full support for the 2014/2015 years.



From: Shapley Gary A Jr [REDACTED]
Sent: Wednesday, August 17, 2022 10:59 AM
To: Batdorf Michael T [REDACTED]; Waldon Darrell J [REDACTED]
Subject: RE: Sportsman Update

Mike/Darrell,

Unfortunately there is still no final decision. Here is the way they are leaning based on my interpretation of yesterdays discussion.

1. Counts (four misdemeanors, 1 felony)
 - a. 2017 – 2 counts of 7203 (file and pay)
 - b. 2018 – 7203 and 7201
 - c. 2019 – 7203
2. Timing
 - a. USA said by the end of September but I think it will likely be more like October/November
3. Venue on number 1 would be the central district of California. This is new to us and shows their lack of transparency. My theory is that they never discussed that venue because it would have revealed what they were leaning towards, in terms of charging, months ago.
4. Forced Delays
 - a. The USA has talked to PIN and he does not think they will require a cease and desist related to the midterms.

We again pushed back on not charging 2014/2015. DOJ Tax continues the position that the defenses (loan/taxes paid by another person on half the income) would make it too complex for the jury. I believe their position is unsupportable – both considering precedent and evidence. I made it clear that not only do we disagree with that position but that we could provide countless prosecution recommendations that included diverted income to nominees and various loan claims to support our position. The USA agrees with us but then talks to DOJ Tax and they convince him otherwise. This has happened a couple times. As a result, we will continue to communicate our position to ensure this moves forward consistent with how other tax cases would be treated with similar fact patterns.

I explained that if 2014 is not charged how it would severely diminish the picture of the overall conduct and would essentially sanitize some major issues to include the Burisma/Ukraine unreported income. I also explained that if 2014 is not charged and/or included in a statement of facts in a guilty plea, that the

unreported income from Burisma that year would go untaxed. I believe leaving out 2014/2015 would deliver a message that is contrary to IRS's efforts to promote voluntary compliance.

CT Counsels non-concur came up yesterday. CT's position, and the handling of their review, was inappropriate at best and hopefully does not come back to negatively impact this investigation. The USAO essentially laughed at CT's reasoning for the non-concur.

We raised some issues we have had during the investigation but did not bring up all of our concerns. Many of our concerns may not be material depending on the decisions the USAO/DOJ make in the end. We met with FBI after and they recently communicated similar issues with Delaware USAO. It was good to know that the message is consistent.

I tried to give the high points here and can field specific questions if you would like. Available any time.

Thanks.

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From: Batdorf Michael T [REDACTED]
Sent: Tuesday, August 16, 2022 10:25 AM
To: Shapley Gary A Jr [REDACTED] Waldon Darrell J [REDACTED]
Subject: RE: Sportsman Update

Thank you Gary.



From: Shapley Gary A Jr [REDACTED]
Sent: Monday, August 15, 2022 8:15 PM
To: Batdorf Michael T [REDACTED] Waldon Darrell J [REDACTED]
Subject: Sportsman Update

Mike/Darrell,

Just an FYI that we are meeting with USAO tomorrow in Delaware to go over the information

that USA Weiss requested in the meeting we all attended in June. Nothing to report in advance but will give you a read out after.

DOJ Tax is still reviewing the prosecution recommendation and is working on their memo.

I'll send an update tomorrow or Wednesday.

Have a great night.

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