

Via Fax: 202-225-5241  
May 21, 2002

Congressman Tom DeLay  
House Majority Whip  
US House of Representatives  
Washington, D.C.  
Dear Congressman:

As you know I am a member of the Republican Senatorial Advisory Council, and I also serve as a member of the Business Advisory Council.

I write to you to respectfully share with you certain interesting matters that I became apprised of a few years ago, that if accurate, can have a significant and positive impact upon the Republican agenda towards lower taxes and prosperity.

Some time ago I became acquainted with a Special Agent in the Criminal Investigation Division of the Internal Revenue Service, located in Brooklyn, New York, who was at the time engaged to social friend.

During a number of social conversations with this Special Agent, I learned that there were, according to this Special Agent, hundreds of millions of dollars in uncollected federal tax judgments against multitudes of corporations and individuals, held by the IRS, that at the time, no significant effort was being made by the IRS to effect collection. Upon my further questioning this Special Agent, he further revealed to me that at least, in his District, there simply was not enough qualified manpower in order to properly, or at all, pursue collection or settlement of these uncollected judgments, etc.

Being curious, I queried other Agents in the Brooklyn, NY District with whom I became acquainted. They all further confirmed this curious situation.

Accordingly, it might be a meaningful effort for you to cause a careful and independent review of this circumstance, as if this information is correct, the negotiation and collection of some or all of these judgments, in part, could result in a significant windfall of revenues, and as a result thereof, further help in aiding in the important tax reform effort.

Accordingly, if you wish, any further information regarding the above matters, please do not hesitate communicate with me.

With best regards,

Respectfully  
James C. Conzi

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## Unpaid Bills

By the time the IRS sends out notices to collect unpaid bills, it has already spent a lot of money on the work. The IRS is the largest employer in the country, and it has a long history of paying its bills. But in recent years, the IRS has been having trouble paying its bills. In fact, the IRS has a backlog of unpaid bills that is estimated to be in the billions of dollars. This is a problem because the IRS is a government agency, and it is required to pay its bills on time. If the IRS does not pay its bills, it can damage its reputation and its ability to collect taxes from other taxpayers.

## IRS Weighs Using Debt Collectors To Get Back Taxes

In Switch for the Agency, Private Firms Could Collect As Much as \$50 Billion

By David D. Mackinnon  
WASHINGTON—Facing a sharp decline in tax revenues, the Internal Revenue Service is considering a switch to private debt collectors to help it get back taxes. The IRS is currently struggling to collect unpaid taxes from individuals and businesses, and it is looking for ways to improve its collection efforts. One option is to hire private debt collectors, who are experienced in collecting debts from individuals and businesses. These collectors would be paid a percentage of the amount they collect, and they would be responsible for contacting taxpayers and negotiating payment plans. The IRS is currently testing this approach in a few districts, and it is expected to expand it in the coming months.

## IRS Mulls Using Debt Collectors for Back Taxes

Several months ago, the IRS was struggling to collect unpaid taxes from individuals and businesses. The agency had a backlog of unpaid taxes that was estimated to be in the billions of dollars. This was a problem because the IRS is a government agency, and it is required to pay its bills on time. If the IRS does not pay its bills, it can damage its reputation and its ability to collect taxes from other taxpayers. The IRS is currently testing this approach in a few districts, and it is expected to expand it in the coming months.

Since then, the IRS has had to pay out more than \$1 billion in interest and penalties on the unpaid taxes. The IRS is currently struggling to collect unpaid taxes from individuals and businesses, and it is looking for ways to improve its collection efforts. One option is to hire private debt collectors, who are experienced in collecting debts from individuals and businesses. These collectors would be paid a percentage of the amount they collect, and they would be responsible for contacting taxpayers and negotiating payment plans. The IRS is currently testing this approach in a few districts, and it is expected to expand it in the coming months.

Debt collectors are experienced in collecting debts from individuals and businesses. They are paid a percentage of the amount they collect, and they are responsible for contacting taxpayers and negotiating payment plans. The IRS is currently testing this approach in a few districts, and it is expected to expand it in the coming months.

Any IRS program that uses outside debt collectors would have to be approved by Congress. The IRS is currently testing this approach in a few districts, and it is expected to expand it in the coming months.

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U.S. Department of Justice

United States Attorney  
Eastern District of New York

United States Courthouse  
225 Cadman Plaza East  
Brooklyn, New York 11201

VC:RAN  
9502897  
iLjr

October 27, 1995

James Couri  
Couri Group  
Madison Avenue  
York, N.Y. 10022

Re: United States v. Burnett  
No. 95 CR 272 (JG)

Mr. Couri:

This letter is to confirm the substance of our telephone conversation of earlier morning. As I informed you, Mr. Valenti, an investigator for this office, contacted you at the time of the arrest of Howard Krantz, your client file at Mr. Krantz's office turned over to government investigators and became the subject of scrutiny by me as assistant U.S. Attorney assigned to determine what portion of the Krantz files were subject to disclosure to the government and counsel for Mr. Krantz's co-defendants because of their relevance to the above-referenced case and because of their exclusion from the protection of the attorney-client privilege. Some information in my possession suggested your file might be subject to disclosure.

I appreciate your diligence in responding to Mr. Valenti's message by calling me this morning. Further, I wish to thank you for your willingness to discuss with me the circumstances of your association with Mr. Krantz. Based on your representations to me and other inquiries by me to the Assistant U.S. Attorney Margaret Giordano and the case file, I have concluded that there is no reason why your file should not be subject to the normal protection of the attorney-client privilege. As a consequence, I am recommending to the Court that the contents of that file not be disclosed to counsel for the government and Krantz's co-defendants at this time. Mr. Krantz, of course, has the right to review the file. Despite your assent to the disclosure of the letter alluding to Michael Burnett, dated September 14, 1990, which I read to you in relevant part, I am recommending that all contents of the file remain private unless you make an explicit request to the contrary.

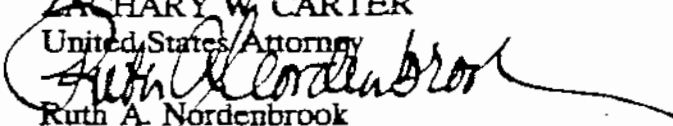
I have requested leave from the Court to disclose your address and telephone to Ms. Giordano and the case agents from this office and to counsel for Mr. s co-defendants, including Mr. Burnett, based on your candid disclosure of your with Mr. Shargel's office. If you have any objection to such a disclosure, please ne accordingly. Furthermore, if you have any additional questions regarding this please feel free to call me.

Thank you.

Respectfully submitted,

ZACHARY W. CARTER  
United States Attorney

By:

  
Ruth A. Nordenbrook  
Senior Litigation Counsel

Honorable John Gleeson

Laskar

In the late spring of 1980, when the Government  
position to obtain an indictment of Couri, Couri  
plead guilty and cooperate. A copy of his letter  
dated June 18, 1980, is submitted herewith as  
A.

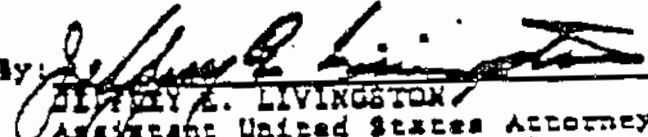
Cooperation. Couri's cooperation with this Office  
an extensive and of great value to law enforcement.  
icipation of testifying in the grand jury and in two  
he has given a tremendous amount of time on weekdays,  
and evenings. He has endeavored, we believe  
fully, to testify truthfully and to the best of his  
ability. Virtually every important aspect of Couri's testi-  
mony has been corroborated in great detail, by reference to  
any of other witnesses or to myriad trading records  
and documents. In the trial of Edward Gilbert, Couri  
testified for slightly more than five days. In the subsequent  
trial of John Ravson and Ludwig Csarhat (Gilbert's principal  
partner), Couri testified for more than ten days. As noted,  
Gilbert was convicted and sentenced to four years  
imprisonment. Ravson and Csarhat were acquitted. Despite  
a hostile and at times perhaps abusive cross-examina-  
tion in the Government's view, Couri did his best to  
answer each question properly and accurately. In short,  
his cooperation in the Conrac case has been excellent,  
it has been taxing in terms of the pressures it has  
put on him.

EXCERPT

It should be noted, however, that the cross-examina-  
tion in the Ravson trial were made more difficult for Couri

Respectfully submitted,

JOHN S. MARTIN, JR.  
United States Attorney

By:   
JEFFREY E. LIVINGSTON  
Assistant United States Attorney  
Telephone: (212) 791-0047

Williams & Connolly

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COUNTY OF NEW YORK  
ONE HOGAN PLACE  
NEW YORK, N.Y. 10012  
(212) 553-8000

HAD

May 3, 1984

James C. Couri  
2 East 42nd Street  
New York, NY 10168

Re: People v. Gregory Hipps  
Ind. No. 5114/83

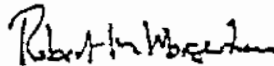
Dear Mr. Couri:

On December 6, 1983 the defendant pleaded guilty to the crime of Burglary in the Third Degree. He was sentenced on January 10, 1984.

Your cooperation was very important to the successful prosecution of this case and I would like to thank you on behalf of this Office and the citizens of the community.

Assistant District Attorney Keren Greve was in charge of the prosecution of this case. If you have any questions concerning this case, or if you need any further assistance, you may contact the Witness and Services Unit (553-9478) or Assistant District Attorney Greve (553-1006).

Very truly yours,



Robert M. Morgenthau

LT + P