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June 5, 2008

VIA EMAIL AND FEDERAL EXPRESS

Ms. Theresa Pattera
Tax Counsel
Committee on Finance
United States Senate
Washington, DC 20510

Re: World Changers Church International

Dear Ms. Pattera:

I am writing to confirm our understanding of the telephone call that Chris Rizek, Natalie Fay Green and I had with you and Lynda Simmons today at 1:00 pm.

In that conversation, you explained that Senator Grassley and Senator Baucus believe that all materials provided in a Congressional investigation are public documents. Further, while acknowledging that the Senators could provide confidentiality protections if they so choose, you stated that Senator Baucus and Senator Grassley will not provide our client with a Confidentiality Agreement before our client provides any documents to the Senate Finance Committee.

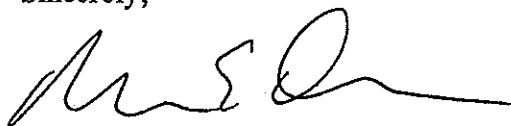
Finally, you noted that it is Senate Finance Committee's position that the investigation does not implicate the First Amendment rights of the members of World Changers Church International.

If our understanding of this conversation is incorrect, please advise us

Ms. Theresa Pattera
Tax Counsel
Committee on Finance
June 5, 2008
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immediately. We will convey this understanding to our client and provide you with their response to the points raised in this call within 10 business days.

Sincerely,

A handwritten signature in black ink, appearing to read 'MSO', with a long horizontal flourish extending to the right.

Marcus S. Owens

Cc: Lynda Simmons (Committee on Finance)
Tiffany Smith (Committee on Finance)

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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

July 2, 2008

RUSSELL SULLIVAN, STAFF DIRECTOR
FOLAN DAVIS, REPUBLICAN STAFF DIRECTOR AND CHIEF COUNSEL

Creflo and Taffi Dollar
World Changers Church International
Creflo Dollar Ministries
2500 Burdett Road
College Park, GA 30349

Dear Dr. and Mrs. Dollar:

I am writing in response to the letters dated November 27, 2007, March 31, 2008, and June 6, 2008, prepared by your attorneys; your response dated March 27, 2007, and two conference calls conducted on May 5, 2008, and June 5, 2008, by Theresa Pattara and Lynda Simmons of my staff with your attorneys. As a result, I hope that the following answers some of the questions raised in the letters and phone calls.

First Amendment Concerns

There is no question in my mind about the strength of the First Amendment protections for religious liberty. As you know, I was one of the champions of the Church Audit Procedures Act in 1983, which places a tremendous burden on the IRS to ensure that an audit is warranted. When I wrote to the six churches under review today, I did not know that some were part of the Word of Faith movement or that the ministries preached the "Prosperity Gospel." I am sensitive to balancing the distinctive religious expectations of churches to remain separate from the political process with the needs of the Senate Finance Committee to modernize tax administration.

I have been conducting investigations of tax-exempt organizations and reviewing the tax laws governing the nonprofit sector since 2001. My work has been based on information received from constituents, whistleblowers, other insiders, and news reports. The same is true in this case.

In a letter to the Members of the Finance Committee dated March 31, 2008, one of your attorneys claims that my inquiry raises First Amendment concerns. He claims that, because all six churches that received letters are members of the Word of Faith movement, I must have a "distaste for, or disagreement with, these churches' theology and religious practices." He then claims my statements to the media suggest that the basis for my concerns about these six churches may be grounded in my own theology. Unfortunately, his claims are based on his own assumptions rather than the facts of the matter.

I have asked for information based on concerns about application of the tax laws. My comments to the media are similar to comments I made in questioning the spending practices of leaders of other tax-exempt organizations, which are noted here.

"I am worried about what appears to be an "anything goes" culture by the Smithsonian Secretary and his staff that allow his champagne lifestyle to be subsidized by the taxpayer... I am shocked at what the Smithsonian is spending its money on when it comes to food, flowers, alcohol and other items ... I cannot explain to my constituents why they need to pay more taxes so that, to take one example, the Secretary and his direct reports can enjoy in September 2002 a dinner for \$1,368, eating off china and linen rented for the occasion for \$775.20 while enjoying a \$300 flower arrangement and alcohol of \$186.04 (Letter to Chief Justice John Roberts regarding spending at the Smithsonian Institution., February 21, 2007 as reported in The Washington Post, February 25, 2007, "Smithsonian Head's Expenses Lavish, Audit Says.")

"The report shows expenses that would make for a good episode of 'Lifestyles of the Rich and Famous' – a lifestyle paid for by AU students and their parents." (Letter to Chair and Vice-Chair of the Board of Directors of American University, May 17, 2006, as reported in The Washington Post, May 18, 2006 "Senator Questions School's Governance.")

"Charities shouldn't be funding their executives' gold-plated lifestyles." ("Senator Rebukes Getty," The Los Angeles Times, June 23, 2005.)

This attorney's arguments are especially disheartening since he is a Washington, DC – based attorney who specializes in tax-exempt organizations and likely is familiar with my oversight and legislative work in this area over the last several years.

Review by the Internal Revenue Service

This attorney also states in his March 31 letter that "Congress has previously considered the proper roles and responsibilities of government and religion and enacted legislation addressing the intersection of the two." While this is generally true, he also misses the fundamental point that the role of the IRS is narrowly defined to enforce the laws on the books. A separate branch of government under the U.S. Constitution, the Congress, and in particular the Senate Committee on Finance, is responsible for oversight of the IRS and for considering whether existing tax laws are adequate. Likewise, the Committee on Finance does **not** have the authority to assess taxes or revoke exemption. A Congressional investigation to review tax policy and consider tax legislation is different from an IRS examination to determine tax compliance. The IRS must work with the tools it is given, while Congress is tasked with refining the tools with which the IRS works.

My request for information is not an enforcement action but is consistent with Congressional oversight and, in particular, the Finance Committee's reviews of many tax-exempt organizations over the past several years. I have enclosed a short summary of

my work in this area for your reference. In addition, the Committee continues to review tax-exempt hospitals and 136 tax-exempt college and university endowments.

While your attorney states that "members of Congress can – and routinely do – refer information regarding taxpayers to the IRS for its consideration", this is a great mischaracterization of the situation. Members of Congress might write to the IRS on behalf of their constituents who are seeking information or assistance from the IRS. This is very different from Members of Congress urging the IRS to audit certain individuals or organizations, which is something I personally do not like to do.

Privacy and Confidentiality

I have a long history of demonstrating my commitment to protecting the privacy rights of taxpayers and whistleblowers and do not take lightly the assertion that I release information on a whim. I believe that oversight should be conducted in as open and transparent a manner as possible.

Congress has formalized certain aspects of transparency. In fact, documents provided during the course of any Congressional investigation automatically become part of the public record. While the Finance Committee has the right to determine how and when such documents are released to the public, the Chairman and Ranking member can also exercise discretion to redact information and can also decide not to release any documents.

During the May 5 conference call, my staff explained that the procedures used for the release of documents from my investigation of The Nature Conservancy and the American Red Cross would apply to the documents you supplied. In these investigations, after my staff had completed their review and analysis of the responses, they had extensive discussions with the organization and its representatives about what information would be released. My staff explained this to the representatives of the other churches who spoke directly with my staff and who then decided to respond to my information request. Your attorneys indicated they were unaware this option would be available to you and then raised two issues.

First, they raised the applicability of Senate Rule XXVI. Second, they stated that they understood, based on a conversation with a former Finance Committee staff person, that the Committee had issued confidentiality agreements in previous investigations and requested the same for you. My staff indicated that Senate Rule XXVI was inapplicable. My staff also stated that they were unaware of any such confidentiality agreements but would research the issue. Finally, my staff explained that, if the Committee issued a subpoena, we would have even less opportunity to protect information you submitted.

On the June 5 call, my staff reiterated that Senate Rule XXVI, which governs hearings, did not apply to documents. They also conveyed that they were unable to locate any confidentiality agreements issued by the Committee during my and Senator Baucus' terms as Chairman or Ranking Member. The only thing close would be the Disclosure

agreement from the Enron investigation <http://www.gpo.gov/congress/joint/jcs-3-03/vol2/a005.pdf>. They also explained that providing you with a confidentiality agreement results in different treatment for you which is unfair, particularly to those churches who have already responded.

I understand that one of the attorneys responded by erroneously comparing Congressional investigations to grand jury proceedings for which he claimed that confidentiality agreements are standard. I also understand that another attorney sought to interpret my staff's statements as a refusal by Chairman Baucus and myself to issue a confidentiality agreement. (I have enclosed the June 6 letter to my staff iterating the same. I note that the letter does not contain an explanation of the procedures followed in The Nature Conservancy and American Red Cross investigations).

My staff informed me that they also explained that the only subpoena the Committee has issued to a tax-exempt organization was in the investigation of the nonprofit organizations involved in the Jack Abramoff scandal – an investigation that had criminal implications. The same attorney then implied that the Committee's issuance of subpoenas, while I was Chairman of the Committee, was politically motivated. This phone conversation on June 5 between my staff and your attorneys troubles me.

I am concerned that any interest on your part to cooperate with a Congressional investigation is being thwarted by the efforts of high-priced Washington, DC, attorneys who provide advice in areas they are not familiar and who have a natural incentive to drag out the discussion. You should know that other attorneys with the same law firm had provided similar advice to another tax-exempt organization. They advised the organization not to comply with my investigation until the Committee issued a subpoena, to ask for section 6103 protections and to request the application of Senate Rule XXVI. This organization is not a church or church-related organization and chose to comply voluntarily with my request after my staff explained that a subpoena did not provide any additional confidentiality protections and that Senate Rule XXVI did not apply.

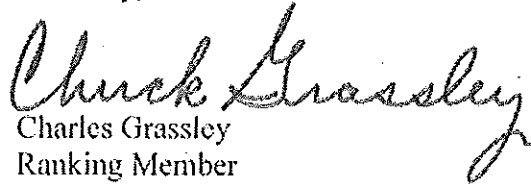
I understand that Theresa Pattara of my staff received a voice mail following up on the June 6 letter in which your attorneys indicated that your decision to not respond remains the same. I would imagine that that the attorney fees to date have been very costly to the church. Yet, after several conversations and letters between your attorneys and my staff, we are no further along in reaching an agreement and resolving this impasse than we were last November. The statements and posture of your attorneys indicate that they may be interested in litigating the issue of whether you should respond to my letter. I feel that any such litigation would only prolong the process with significant additional cost but with limited benefit to the church.

You stated in your March 27 letter that you believe "that, like every other citizen, each Christian has a religious duty to pay taxes and comply with the law." My staff has already had very encouraging conversations with David Epstein, who I understand is a trusted advisor and believes that you, like me, are committed to the integrity of your ministry. This is why I am writing to you directly. I invite you to talk directly with my

staff so that you can have an open and honest dialogue with them about my investigation. I hope that you will accept my invitation and will contact my staff to set up a meeting. I am confident that we can accommodate the religious distinctions of churches in this present case along with the needs of the Committee to help those churches have more certainty about the rules they deal with every day.

You can reach Theresa Pattara at (202) 224-4515 or via e-mail at theresa_pattara@finance-rep.senate.gov. If you do choose to speak with her, I ask that you contact her by July 14.

Sincerely,


Charles Grassley
Ranking Member

Enclosures

Caplin & Drysdale

A T T O R N E Y S

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Facsimile

To:	Senator Grassley	Client Number:	6544
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Confirmation No:		Number of Pages:	Cover + 2
From:	Marcus S. Owens	Phone:	202-862-5020
Subject:	World Changers Church	Date:	July 8, 2008
Time Sent:		Operator:	

COMMENTS:

Please see the attached letter. Thanks.

FACSIMILE COVER PAGE

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FOR ASSISTANCE PLEASE CALL (202) 862-5044

862-5020 Direct
mso@capdale.com

July 8, 2008

VIA FACSIMILE AND FEDERAL EXPRESS

The Honorable Charles E. Grassley
Ranking Member, Committee on Finance
United States Senate
135 Hart Senate Office Building
Washington, DC 20510

Re: World Changers Church International

Dear Senator Grassley:

My client, World Changers Church International (the "Church"), asked me to respond to your letter dated July 2, 2008, in which you describe your staff's communications with third parties for the purpose of contacting the Church directly. My client has instructed me to inform you that we are their sole counsel on this matter and that all communication from your office or the Senate Finance Committee should be directed to me or the other attorneys in my firm who represent the Church.

Given that we have represented the Church since you initiated this investigation in November 2007, we were surprised that you addressed the letter to Dr. and Mrs. Dollar directly. In particular, I would like to remind the lawyers in your office of Rule 4.2(a) of the District of Columbia Rules of Professional Conduct, which prohibits an attorney from contacting directly another party represented by counsel and provides that such contact constitutes unethical behavior subject to disciplinary action. Similar ethical conduct rules have been promulgated in other jurisdictions and also apply to the Internal Revenue Service.

The Honorable Charles E. Grassley
July 8, 2008
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In the future, we respectfully request that you honor the Church's wishes and our attorney-client relationship.

Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "MSO", followed by a long horizontal flourish.

Marcus S. Owens

Enclosures

cc: The Honorable Max Baucus

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WASHINGTON, DC 20510-6200

RUSSELL SULLIVAN, STAFF DIRECTOR
KOLAN DAVIS, REPUBLICAN STAFF DIRECTOR AND CHIEF COUNSEL

August 20, 2008

VIA E-mail

Marcus S. Owens, Esq.
Caplin & Drysdale, Chartered
One Thomas Circle, NW – Suite 1100
Washington, DC 20005-5802

Re: World Changers Church International

Dear Mr. Owens:

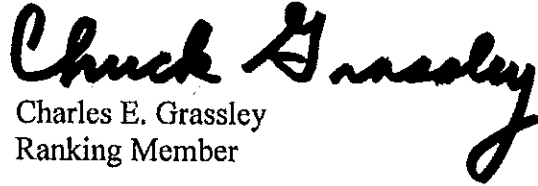
I am writing in response to your letter dated, July 8, 2008. It has been my practice to address correspondence to the subject organization or individual, even if such correspondence is delivered through a third party representative. Pursuant to your request, all correspondence now will be addressed to you.

Mr. David Epstein, an attorney who I understand advises World Changers Church International on tax issues including compensation, reached out to my staff on multiple occasions to discuss his concerns about the investigation. Mr. Epstein also spoke with Michael Carter, Executive Administrator for Dr. and Mrs. Dollar, on July 2, 2008 to discuss his concerns.

I understand that Michael Carter indicated to Mr. Epstein in that conversation that he would be receptive to receiving a letter from me and provided his personal e-mail address and mobile phone number for that purpose. It was only after receiving this message from Minister Carter, through Mr. Epstein, that my staff sent my letter to him and subsequently spoke with him. My staff had no reason to suspect that Minister Carter or Mr. Epstein may have lacked authorization to receive communication about the investigation on behalf of the organization. Minister Carter and Mr. Epstein expressed interest in facilitating a dialogue with me about the investigation and my staff acted in accordance with my instructions.

Since your response did not indicate whether your client was interested in meeting with my staff, I would like to confirm that your client does not intend to provide any of the information requested in my November 27, 2007, letter. Please provide a quick response so that the Senate Committee on Finance can continue to work with the Office of Senate Legal Counsel to consider appropriate next steps.

Sincerely,


Charles E. Grassley
Ranking Member

CC: The Honorable Max Baucus
Chairman, U.S. Senate Committee on Finance

Morgan J. Frankel, Esq.
Senate Legal Counsel