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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

KOLAN DAVIS, STAFF DIRECTOR AND CHIEF COUNSEL
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

Ms. Lisa Brooks
Executive Director
Alabama Real Estate Appraisers Board



July 18, 2019

Dear Ms. Brooks:

We are writing to you as the Chairman and Ranking Member of the Committee on Finance of the United States Senate. The Committee has exclusive jurisdiction within the Senate over matters of Federal taxation, and we are conducting a bipartisan inquiry into syndicated conservation-easement transactions that are identified in IRS Notice 2017-10. That IRS Notice designated certain transactions involving conservation easements as “listed transactions,” meaning all participants in the transactions must disclose their involvement in them to the IRS.

This past December, the U.S. Department of Justice filed a lawsuit against various individuals associated with these transactions seeking injunctive and other relief against them, and one of those individuals is the appraiser Claud Clark III. In that lawsuit, the Department of Justice alleges Mr. Clark participated in 58 syndicated conservation-easement transactions involving grossly overvalued appraisals resulting in over \$1.8 billion worth of federal tax deductions. We recently learned Mr. Clark surrendered his appraisal license this past April to the Alabama Real Estate Appraisers Board in lieu of an administrative hearing into allegations that he violated the State of Alabama Real Estate Appraisers Board Administrative Code and the Uniform Standards of Professional Appraisal Practice.

The Committee seeks information regarding the circumstances surrounding Mr. Clark’s decision to surrender his license. Specifically, we are requesting that your office provide the Committee with a copy of Mr. Clark’s case file, including but not limited to the complaint against Mr. Clark; information substantiating the allegations contained in that complaint; any communications between your office and Mr. Clark and/or his representatives, including but not limited to letters, memoranda, emails, and notes, however formal or informal; and a copy of the appraisal that is the subject of the complaint.

We are requesting that you provide us with this information electronically by Thursday, August 15, 2019. Should you have any questions, please contact John Schoenecker of the Chairman's staff and Chris Arneson of the Ranking Member's staff at 202-224-4515. Thank you for your attention to this important matter.

Sincerely,



Charles E. Grassley
Chairman
Senate Committee on Finance



Ron Wyden
Ranking Member
Senate Committee on Finance