

Exhibit “7”



Department of the Treasury
Internal Revenue Service
Privacy, Governmental Liaison and
Disclosure
GLDS Support Services
Stop 93A
PO Box 621506
Atlanta, GA 30362

Dentons Sirote PC
Attn: Gregory P. Rhodes
2311 Highland Avenue South
Birmingham, AL 35205

Date:
April 26, 2023
Employee name:
Danielle Higgins
Employee ID number:
1000143275
Telephone number:
801-620-2119
Fax number:
855-205-9334
Case number:
2022-06430
Re: Capital Ship, LLC

Dear Gregory P. Rhodes:

This is a final response to your Freedom of Information Act (FOIA) request dated January 7, 2022, received in our office on January 11, 2022.

You asked for the following items for tax year 2016:

1. The Examination Division Administrative File (the "Administrative File") for the Examinations. The requested file includes any worksheets, work papers, notes, emails, documents, memoranda, letters, computations, and other materials prepared or accumulated relative to the Audit by employees of the IRS and any other governmental agency. This request also includes internal documents, memoranda, memoranda of all interviews of persons regarding the charitable contributions by the Taxpayer, copies of all statements (sworn or otherwise) given by individuals in connection with the Audit, Case Activity record, written reports and recommendations concerning the proposed adjustment of partnership items and penalties, and any other information that is related to the determinations by the IRS as set forth in the Revenue Agent Audit Report.
2. Any documents (electronic or otherwise) relative to the Examination that may have been prepared by specialist agents, engineers, or valuation specialists, and materials created as specialty case files, desk files, or as group files, which are not otherwise included in the Administrative File. This request includes any emails, work papers, notes, documents, memoranda, transmittal letters, reports, documents describing or recording interviews, or other materials prepared or accumulated relevant to the Examinations.
3. Any documents (electronic or otherwise) relative to the Examination that may have been prepared by persons not employed by the Internal Revenue Service, including consultants, appraisers, economists, engineers, and any other specialists retained for this case and which are not otherwise included in the Administrative File. This request includes any emails, work papers, notes documents, memoranda, transmittal letters, reports, documents describing or recording interviews, or other materials prepared or accumulated relevant to the Examination.

4. Any documents (electronic or otherwise) relative to the Examination that include information and documents obtained pursuant to summonses or third-party requests issued to third parties which are not otherwise included in the Administrative File.
5. Any communications concerning Capital Ship, LLC's Examination, Capital Ship, LLC's Administrative File, or Capital Ship, LLC between the Internal Revenue Service and federal legislative branch officials including the Senate Finance Committee, its staff, and its interns.
6. Any communications concerning Capital Ship, LLC's Examination, Capital Ship, LLC's Administrative File, or Capital Ship, LLC between the Internal Revenue Service and any state or federal agency or official therein.

We searched for, and located, 10,001 pages responsive to your request.

Of the 10,001 pages located in response to your request, we're enclosing 10,001 pages. We're releasing 8,102 pages without exemptions, withholding 487 pages in part, and withholding 1,412 pages in full. Redacted portions of each page are marked by the applicable FOIA exemptions which are described below:

- FOIA exemption (b)(3) requires us to withhold information specifically exempt from disclosure by another law. The law supporting this exemption is Title 26 United States Code Section 6103(a).
- FOIA exemption (b)(5) exempts from disclosure inter or intra-agency memorandums which wouldn't be available by law to parties other than those in litigation with the agency. The exemption privileges covered in this response are:
 - The deliberative process privilege, which protects documents that reflect the pre-decisional opinions and deliberations on legal or policy matters.
 - The attorney work product privilege, which protects materials prepared in reasonable anticipation of litigation by an attorney or other Service employee.
 - The attorney-client privilege, which protects confidential communications between an attorney and a client relating to a legal matter for which the client has sought professional advice.
- FOIA exemption (b)(6) exempts from disclosure files that would constitute an unwarranted invasion of personal privacy. We base the determination to withhold on balancing interests between the protection of an individual's right to privacy and the public's right to access government information.
- FOIA exemption (b)(7)(A) exempts from disclosure records or information compiled for law enforcement purposes, to the extent that releasing such records could interfere with enforcement proceedings.

Disclosure of this information is also exempt under FOIA exemption (b)(3), supported by Internal Revenue Code section IRC Section 6103(e)(7), because release would impair federal tax administration.

- FOIA exemption (b)(7)(C) exempts from disclosure personal information in law enforcement records that could constitute an unwarranted invasion of personal privacy.
- FOIA exemption (b)(7)(E) exempts from disclosure records or information compiled for law enforcement purposes when their release would reveal:
 - Techniques and procedures for law enforcement investigations or prosecutions.
 - Guidelines for law enforcement investigations or prosecutions, if release could risk circumvention of the law.
- I redacted the Discriminant Information Function (DIF) score from the enclosed records. Release of the DIF score would seriously impair IRS assessment, collection, and enforcement proceedings.

FOIA exemption (b)(3), supported by Internal Revenue Code Sections 6103 (b)(2) and (e)(7), exempts this information from release. Disclosure would also reveal law enforcement techniques, procedures, and guidelines protected by FOIA exemption (b)(7)(E).

As permitted under the FOIA, we charge search, duplication, and review fees as appropriate. Below are the fees due for your request.

- Search fees are \$41.00 per hour. It took 11 hours to search for the requested records resulting in a search fee of \$369.00.
- Duplication fees are \$25.00 per CD for records provided in electronic format. There are 6,571 pages responsive to your request resulting in duplication fees of \$25.00.

The total cost to process your request is \$394.00. We received a check from you for \$419.00 on March 24, 2022. We will be issuing a refund of \$25.00.

I've enclosed encrypted electronic media that contains your records. I'll mail the password to open the files separately.

If you need printed copies, please call the telephone number at the top of this letter. Copy fees are \$.20 cents per page for records provided in hardcopy format.

While reviewing the responsive records and applying FOIA exemptions to withheld records, we considered that there is either a foreseeable harm in releasing withheld information or the information is prohibited from being released by law.

If you have questions regarding the processing of your FOIA request, please contact the caseworker assigned to your case at the phone number listed at the top of this letter.

If you are not able to resolve any concerns you may have regarding our response with the caseworker, you have the right to seek dispute resolution services by contacting our FOIA Public Liaisons at 312-292-3297. The FOIA Public Liaison is responsible for assisting in reducing delays, increasing transparency, and assisting in the resolution of disputes with respect to the FOIA.

There is no provision for the FOIA Public Liaison to address non-FOIA concerns such as return filing and other tax-related matters or personnel matters. If you need assistance with tax-related issues, you may call the IRS at 800-829-1040.

You also have the right to contact the Office of Government Information Services (OGIS). The Office of Government Information Services, the Federal FOIA Ombudsman's office, offers mediation services to help resolve disputes between FOIA requesters and federal agencies. The contact information for OGIS is:

Office of Government Information Services
National Archives and Records Administration
8601 Adelphi Road--OGIS
College Park, MD 20740-6001
202-741-5770
877-684-6448
ogis@nara.gov
ogis.archives.gov

You have the right to file an administrative appeal within 90 days from the date of this letter. By filing an appeal, you preserve your rights under FOIA and give the agency a chance to review and reconsider your request and the agency's decision. I've enclosed Notice 393, Information on an IRS Determination to Withhold Records Exempt From the Freedom of Information Act - 5 U.S.C. 552, to explain your appeal rights.

Your decision to contact the FOIA Public Liaison or OGIS for assistance resolving your dispute does not extend the 90-day period in which you can file an appeal.

Sincerely,

A handwritten signature in black ink that reads "David Nimmo". The signature is written in a cursive style with a prominent initial "D".

David Nimmo
Acting Disclosure Manager
Disclosure Office 12

Enclosures:

Responsive Documents CD

Invoice

Notice 393

Invoice

GSS Unit - Stop 93A
 PO Box 621506
 Atlanta, GA 30362

Requester Details

Gregory Rhodes
 Attorney
 Dentons Sirote, PC
 2311 Highland Avenue South
 Birmingham, AL 35205

Requester Invoice

Request No : 2022-06430
 Invoice No : 00000001151
 Invoice Date : 03/11/2022
 Requester Name : Gregory Rhodes

Fee Item	Quantity	Unit (\$)	Extended (\$)	Not Charged (\$)	Charged (\$)
Pre 2/7 Search Fee	11.00	\$41.00	\$451.00	\$82.00	\$369.00
DUPLICATION FEES					
Pre 2/7 CD Fee	2.00	\$25.00	\$50.00	\$0.00	\$50.00
Total Amount					\$419.00
Amount Paid					\$419.00
Balance Due					\$0.00

Invoice Memo

Make checks payable to United States Treasury and mail to: Internal Revenue Service
 GLDS Support Services – Stop 93A
 PO Box 621506
 Atlanta, GA 30362



Department of the Treasury
Internal Revenue Service

Notice 393

(Rev. September 2016)

Information on an IRS Determination to Withhold Records Exempt From The Freedom of Information Act – 5 U.S.C. 552

Appeal Rights

You may file an appeal with the Internal Revenue Service (IRS) within 90 days after we (1) deny you access to a record in whole or in part; (2) have made an adverse determination as to your category as a requester; (3) deny your request for a fee waiver or reduction; or (4) have advised you that no records responsive to your request exist. You may file an appeal within 10 days when a request for expedited processing has been denied.

Your appeal must be in writing, must be signed by you, and must contain:

Your name and address,

- Description of the requested records,
- Date of the request (and a copy, if possible),
- Identity of the office and contact on the response letter, and
- Date of the letter denying the request (and a copy, if possible)

Mail your appeal to:

IRS Appeals

Attention: FOIA Appeals
M/Stop 55202
5045 E. Butler Ave.
Fresno, California 93727-5136

Judicial Review

If we deny your appeal, or do not address an issue raised in your appeal within 20 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal, you may file a complaint in United States District Court in the district in which (1) you reside; (2) your principal place of business is located; (3) the records are located; or (4) the District of Columbia. A complaint may be filed within 10 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal if your appeal is from an adverse determination of a request for expedited processing. If you choose to file suit before receipt of a final determination by the Appeals office, the administrative appeals process may cease.

The rule for effecting service of judicial process upon the Internal Revenue Service is set forth in Federal Rule of

Civil Procedure 4(i). In addition to service upon the United States, as set forth in Rule 4(i)(1), service must be made upon the Internal Revenue Service by registered or certified mail as set forth in Rule 4(i)(2)(A).

The address of the Internal Revenue Service is: Internal Revenue Service, Attention CC:PA, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

Exemptions

The Freedom of Information Act, 5 U.S.C. 552, does not apply to matters that are:

(b)(1) • specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified under such executive order,

(b)(2) • related solely to the internal personnel rules and practices of an agency,

(b)(3) • specifically exempted from disclosure by statute (other than section 552b of this title), provided that the statute:

(A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or

(B) establishes particular criteria for withholding or refers to particular types of matters to be withheld.

Note: Internal Revenue Code sections 6103 and 6105 are statutes which qualify for exemption 3 treatment. Section 6103 protects the confidentiality of tax returns and information pertaining to a taxpayer collected by the IRS. Section 6105 protects information obtained from a foreign country under a tax treaty.

(b)(4) • trade secrets and commercial or financial information obtained from a person and privileged or confidential,

(b)(5) • inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency,

(b)(6) • personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy,

(b)(7) • records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information:

(A) could reasonably be expected to interfere with enforcement proceedings,