

Exhibit B



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

JUN 04 2007

Ms. Carol Gruenburg
Miller & Chevalier
655 Fifteenth Street, NW, Suite 900
Washington, DC 20005-5701

Dear Ms. Gruenburg:

This is in response to your Freedom of Information (FOIA) Act request dated April 6, 2005 and received in our office on April 8, 2005 (copy enclosed).

We have been advised by the Chief, Disclosure & Litigation Support Branch that the requested information relating to a transmittal memorandum dated April 9, 1968 (29 pages) which accompanied T.D. 6952 is being withheld in their entirety, pursuant to the Freedom of Information Act 5 U.S.C. 552, in accordance with subsection (b)(5).

Subsection (b)(5) of the Freedom of Information Act exempts from disclosure 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. The three primary privileges covered by this exemption are the deliberative process privilege, the attorney work product privilege and the attorney-client privilege.

The deliberative process privilege protects documents which reflect advisory opinions, recommendations, and deliberations comprising the process by which decisions and policies are formulated. The attorney work product privilege protects memorandums prepared by an attorney in contemplation of litigation which sets forth the attorney's theory of the case and litigation strategy.

The attorney-client privilege protects confidential communications between an attorney and a client relating to a legal matter for which the client has sought professional advice.

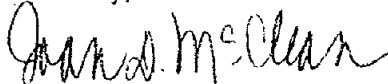
You also requested a copy of a memorandum containing more detail on this subject from this office to the office of the Assistant Commissioner (Technical), which was originally attached to the transmittal memorandum for T.D. 6998. A search was conducted by the Chief, Disclosure Litigation Support Branch and they were unable to locate the document specifically responsive to your request.

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Ms. Gruenburg

Notice 393, which describes the exemption and provides information concerning appeal rights, is enclosed

Should have any questions regarding this correspondence, you may contact Senior Disclosure Specialist, Sharon E. Baker, ID #50-00267, by calling (202) 238-0308 or by writing to: Internal Revenue Service, Baltimore Disclosure Office, SE:S:CLD:GLD:D3-FOIA, George Fallon Fed. Bldg., Room 940, 9th Floor, 31 Hopkins Plaza, Baltimore, MD 21201. Please refer to case number: 20-2005-01690.

Sincerely,



Joan D. McClean
Disclosure Manager
ID# 52-00489
Baltimore Disclosure Office

Enclosures

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 35 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
5045 E. Butler Ave.
M/Stop 55201
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