

### Information Referral

(See instructions on reverse)

1. Taxpayer Name John S. Branam	2. Business Name John4PDX Candidate Committee
a. Street Address 4108 NE 30th Avenue	a. Street Address 3606 N Mississippi Avenue, No. 4
b. City/State/ZIP Portland, Oregon 97211	b. City/State/ZIP Portland, Oregon 97212
c. Social Security Number (SSN) Unknown	c. Employer Identification Number Unknown
d. Occupation Political Candidate/Director of Development	d. Principal Bus Activity Candidate committee established under Oregon law
e. Date of Birth	

3. Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Head of Household <input type="checkbox"/> Divorced <input type="checkbox"/> Separated	3a. Name of Spouse
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4. Alleged Violation of Income Tax Law (Check all that apply).

<input type="checkbox"/> False Exemption	<input type="checkbox"/> Unsubstantiated Income	<input type="checkbox"/> Unreported Income	<input checked="" type="checkbox"/> Failure to Withhold Tax
<input type="checkbox"/> False Deductions	<input type="checkbox"/> Kickback	<input type="checkbox"/> Narcotics Income	<input type="checkbox"/> Wagering/Gambling
<input type="checkbox"/> Multiple Filing	<input type="checkbox"/> False/Altered Documents	<input type="checkbox"/> Public/Political Corruption	<input type="checkbox"/> Earned Income Credit
<input type="checkbox"/> Organized Crime	<input type="checkbox"/> Failure to Pay Tax	<input type="checkbox"/> Failure to File Return	<input type="checkbox"/> Other (Describe below)

5. Unreported Income and Tax Years (Fill in Tax Years and dollar amount(s), if known, e.g., TY2005 \$10,000)

TY	\$	TY	\$	TY	\$	TY	\$	TY	\$	TY	\$
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a. Comments (Briefly describe the facts of the alleged violation - Who/What/Where/When/How. Attach another sheet, if needed).  
See attached continuation sheet.

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b. Are books/records available? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <b>(ATTACHED)</b>	c. Do you consider the taxpayer dangerous? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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d. Banks, Financial Institutions used by the taxpayer:	
Name:	Name:
Address:	Address:
City/State/ZIP:	City/State/ZIP:

e. Please describe how you learned and/or obtained the information in this report (Attach another sheet, if needed):

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6. Your Name:

a. Address:

b. City/State/ZIP:

c. Telephone Number (Please include the Area Code):

For Mailing Address, see Instructions

For Paperwork Reduction Act, see Instructions

Form 3949 A  
Continuation  
Item 5 a.

John S. Branam is a candidate for Portland (Oregon) City Commissioner. Branam's candidate committee, established under Oregon state law, is known as "John4PDX." See Ex. A (attached). According to the campaign finance data available on the Oregon Secretary of State's Web site at [www.sos.state.or.us](http://www.sos.state.or.us), Branam paid Phil Busse, his campaign manager, a total salary of \$20,000 during the period February 28-April 7, 2008. See Ex. B.

In a written response to a campaign finance inquiry from the City of Portland, Branam stated:

"Phil Busse has contracted with John4PDX to serve as the Campaign Manager from the date of certification through the primary election cycle (May 31, 2008; see Attachment A). My clear discussions with Phil was that I expect him to work (roughly) 60 hours per week for roughly 15 weeks (the contract runs through May 31, 2008), without vacation time. His hourly payment is (roughly) \$30/hour." Ex. C (attached).

Branam also stated to a local newspaper that "Phil [Busse] has been working 7 days a week, 12 hours a day. I believe in having people that are on my team that are willing to work their tails off, and Phil is doing that." Ex. D (attached). When asked by another newspaper about Busse's pay, Branam stated that he has "very high expectations for 'round the clock work." Ex. E (attached). Busse has also characterized his relationship with the Branam campaign as follows: "[M]y salary reflects a bundle of responsibilities and professional background – as an attorney, as a writer and, yes, as a manager. My shorthand title is Campaign Manager, but that includes duties beyond those immediate responsibilities." Ex. E (attached).

Despite these statements to the contrary, Branam has publicly maintained that Busse is an independent contractor to his campaign and that Busse's salary is therefore not subject to withholding for income or payroll taxes. Indeed, Branam's campaign finance reports reflect no payments to the IRS or Oregon Department of Revenue for tax withholding of any kind. See Ex. B.

Busse is clearly an employee of Branam's candidate committee, not an independent contractor. The IRS should therefore require Branam to withhold the proper amount of income and payroll taxes from Busse's salary.