

RPTR BRYANT

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HEARING WITH THE IRS WHISTLEBLOWERS:
HUNTER BIDEN INVESTIGATION OBSTRUCTION
IN THEIR OWN WORDS

Tuesday, December 5, 2023

House of Representatives,
Committee on Ways and Means,
Washington, D.C.

The Committee met, pursuant to call, at 10:35 a.m., in Room 1100, Longworth House Office Building, Hon. Jason Smith [Chairman of the Committee] presiding.

Chairman Smith. The Committee will come to order.

Mr. Smith, you are recognized for a motion.

Mr. Smith of Nebraska. Chairman Smith, I ask unanimous consent that if the Committee votes to submit to the House any information, the entire transcript of today's executive session proceedings be made public upon completion of our meeting.

Chairman Smith. Without objection, so ordered.

Oh, Mr. Richie.

Mr. Neal. Thank you, Mr. Chairman.

I don't know if this is the appropriate moment, but I would like to move right now that the proceedings of the Ways and Means Committee as it relates to our witnesses be made public.

Chairman Smith. That was the motion that Mr. Smith just made.

Mr. Neal. He said afterwards. I would like the hearing with the testimony to be made public for the media and others now.

Chairman Smith. You are not recognized for that motion.

At this time, we have the motion before us.

Mr. Neal. May I question the chair, Mr. Chairman?

Chairman Smith. Yes.

Mr. Neal. I would like to request then a vote to

override the ruling of the chair.

Chairman Smith. Does the ranking member want to have a vote on appealing the ruling of the chair?

Mr. Neal. Yes.

Chairman Smith. All right.

Clerk, call the roll.

The Clerk. Mr. Buchanan?

Mr. Buchanan. No.

The Clerk. Mr. Buchanan, no.

Mr. Smith of Nebraska?

Mr. Smith of Nebraska. No.

The Clerk. Mr. Smith of Nebraska no.

Mr. Kelly?

Mr. Kelly. No.

The Clerk. Mr. Kelly, no.

Mr. Schweikert?

Mr. Schweikert. No.

The Clerk. Mr. Schweikert, no.

Mr. LaHood?

Mr. LaHood. No.

The Clerk. Mr. LaHood, no.

Dr. Wenstrup?

Mr. Wenstrup. No.

The Clerk. Dr. Wenstrup, no.

Mr. Arrington?

Mr. Arrington. No.

The Clerk. Mr. Arrington, no.

Dr. Ferguson?

Mr. Ferguson. No.

The Clerk. Dr. Ferguson, no.

Mr. Estes?

Mr. Estes. No.

The Clerk. Mr. Estes, no.

Mr. Smucker?

[No response]

The Clerk. Mr. Hern?

Mr. Hern. No.

The Clerk. Mr. Hern, no.

Mrs. Miller?

[No response.]

The Clerk. Dr. Murphy?

Mr. Murphy. No.

The Clerk. Dr. Murphy, no.

Mr. Kustoff?

Mr. Kustoff. No.

The Clerk. Mr. Kustoff, no.

Mr. Fitzpatrick?

Mr. Fitzpatrick. No.

The Clerk. Mr. Fitzpatrick, no.

Mr. Steube?

Mr. Steube. No.

The Clerk. Mr. Steube, no.

Ms. Tenney?

Ms. Tenney. No.

The Clerk. Ms. Tenney, no.

Mrs. Fischbach?

Mrs. Fischbach. No.

The Clerk. Mrs. Fischbach, no.

Mr. Moore?

Mr. Moore of Utah. No.

The Clerk. Mr. Moore, no.

Mrs. Steel?

Mrs. Steel. No.

The Clerk. Mrs. Steel, no.

Ms. Van Duyne?

Ms. Van Duyne. No.

The Clerk. Ms. Van Duyne, no.

Mr. Feenstra?

Mr. Feenstra. No.

The Clerk. Mr. Feenstra, no.

Ms. Malliotakis?

Ms. Malliotakis. No.

The Clerk. Ms. Malliotakis, no.

Mr. Carey?

Mr. Carey. No.

The Clerk. Mr. Carey, no.

Mr. Neal?

Mr. Neal. Yes.

The Clerk. Mr. Neal, yes.

Mr. Doggett?

Mr. Doggett. Yes.

The Clerk. Mr. Doggett, yes.

Mr. Thompson?

Mr. Thompson. Aye.

The Clerk. Mr. Thompson, yes.

Mr. Larson?

Mr. Larson. Yes.

The Clerk. Mr. Larson, yes.

Mr. Blumenauer?

Mr. Blumenauer. Aye.

The Clerk. Mr. Blumenauer, yes.

Mr. Pascrell?

Mr. Pascrell. Yes.

The Clerk. Mr. Pascrell, yes.

Mr. Davis?

Mr. Davis. Yes.

The Clerk. Mr. Davis, yes.

Ms. Sanchez?

Ms. Sanchez. Aye.

The Clerk. Ms. Sanchez, yes.

Mr. Higgins?

Mr. Higgins. Yes.

The Clerk. Mr. Higgins, yes.

Ms. Sewell?

Ms. Sewell. Yes.

The Clerk. Ms. Sewell, yes.

Ms. DelBene?

Ms. DelBene. Aye.

The Clerk. Ms. DelBene, yes.

Ms. Chu?

Ms. Chu. Aye.

The Clerk. Ms. Chu, yes.

Ms. Moore?

Ms. Moore of Wisconsin. Aye.

The Clerk. Ms. Moore, yes.

Mr. Kildee?

[No response.]

The Clerk. Mr. Beyer?

[No response.]

The Clerk. Mr. Evans?

Mr. Evans. Yes.

The Clerk. Mr. Evans, yes.

Mr. Schneider?

Mr. Schneider. Yes.

The Clerk. Mr. Schneider, yes.

Mr. Panetta?

Mr. Panetta. Yes.

The Clerk. Mr. Panetta, yes.

Mr. Smucker?

Mr. Smucker. No.

The Clerk. Mr. Smucker, no.

Mrs. Miller?

[No response.]

The Clerk. Mr. Kildee?

[No response.]

The Clerk. Mr. Beyer?

[No response.]

The Clerk. Chairman Smith?

Chairman Smith. No.

The Clerk. Chairman Smith, no.

Chairman Smith. Report the vote.

The Clerk. The ayes are 16, the noes are 24.

Chairman Smith. There being 16 ayes and 24 noes, the motion to appeal the ruling of the chair fails.

Mr. Schweikert, you are recognized for a motion.

Mr. Schweikert. Mr. Chairman, given the sensitivity surrounding the confidential tax information, pursuant to House Rule XI(2)(g)(1), I move that the Committee enter into closed executive session for the consideration of materials protected under the Internal Revenue Code Section 6103.

Mr. Doggett. Mr. Chairman, I would like to be heard on the motion.

Chairman Smith. It is not debatable.

Mr. Doggett. Under what rule is it not debatable?

Chairman Smith. The clerk will call the roll.

The Clerk. Mr. Buchanan?

Mr. Buchanan. Yes.

The Clerk. Mr. Buchanan, yes.

Mr. Smith of Nebraska?

Mr. Smith of Nebraska. Yes.

The Clerk. Mr. Smith of Nebraska, yes.

Mr. Kelly?

Mr. Kelly. Yes.

The Clerk. Mr. Kelly, yes.

Mr. Schweikert?

Mr. Schweikert. Yes.

The Clerk. Mr. Schweikert, yes.

Mr. LaHood?

Mr. LaHood. Yes.

The Clerk. Mr. LaHood, yes.

Dr. Wenstrup?

Mr. Wenstrup. Yes.

The Clerk. Dr. Wenstrup, yes.

Mr. Arrington?

Mr. Arrington. Yes.

The Clerk. Mr. Arrington, yes.

Dr. Ferguson?

Mr. Ferguson. Yes.

The Clerk. Dr. Ferguson, yes.

Mr. Estes?

Mr. Estes. Yes.

The Clerk. Mr. Estes, yes.

Mr. Smucker?

Mr Smucker. Yes.

The Clerk. Mr. Smucker, yes.

Mr. Hern?

Mr. Hern. Yes.

The Clerk. Mr. Hern, yes.

Mrs. Miller?

[No response.]

The Clerk. Dr. Murphy?

Mr. Murphy. Yes.

The Clerk. Dr. Murphy, yes.

Mr. Kustoff?

Mr. Kustoff. Yes.

The Clerk. Mr. Kustoff, yes.

Mr. Fitzpatrick?

Mr. Fitzpatrick. Yes.

The Clerk. Mr. Fitzpatrick, yes.

Mr. Steube?

Mr. Steube. Yes.

The Clerk. Mr. Steube, yes.

Ms. Tenney?

Ms. Tenney. Yes.

The Clerk. Ms. Tenney, yes.

Mrs. Fischbach?

Mrs. Fischbach. Yes.

The Clerk. Mrs. Fischbach, yes.

Mr. Moore?

Mr. Moore of Utah. Aye.

The Clerk. Mr. Moore, yes.

Mrs. Steel?

Mrs. Steel. Yes.

The Clerk. Mrs. Steel, yes.

Ms. Van Duyne?

Ms. Van Duyne. Yes.

The Clerk. Ms. Van Duyne, yes.

Mr. Feenstra?

Mr. Feenstra. Yes.

The Clerk. Mr. Feenstra, yes.

Ms. Malliotakis?

Ms. Malliotakis. Yes.

The Clerk. Ms. Malliotakis, yes.

Mr. Carey?

Mr. Carey. Aye.

The Clerk. Mr. Carey, yes.

Mr. Neal?

Mr. Neal. No.

The Clerk. Mr. Neal, no.

Mr. Doggett?

Mr. Doggett. No.

The Clerk. Mr. Doggett, no.

Mr. Thompson?

Mr. Thompson. No.

The Clerk. Mr. Thompson, no.

Mr. Larson?

Mr. Larson. No.

The Clerk. Mr. Larson, no.

Mr. Blumenauer?

Mr. Blumenauer. No.

The Clerk. Mr. Blumenauer, no.

Mr. Pascrell?

[No response.]

The Clerk. Mr. Davis?

Mr. Davis. No.

The Clerk. Mr. Davis, no.

Ms. Sanchez?

Ms. Sanchez. I would just like to remind the Chairman that he wields a gavel, not a cudgel, and that when you cut off debate you demean the House.

Chairman Smith. Would the lady vote?

Ms. Sanchez. I am not a lady. There are no lords or ladies in this House. We are Members of Congress.

Chairman Smith. Would the gentlelady vote?

Ms. Sanchez. Thank you.

No.

The Clerk. Ms. Sanchez, no.

Mr. Higgins?

Mr. Higgins. No.

The Clerk. Mr. Higgins, no.

Ms. Sewell?

Ms. Sewell. No.

The Clerk. Ms. Sewell, no.

Ms. DelBene?

Ms. DelBene. No.

The Clerk. Ms. DelBene, no.

Ms. Chu?

Ms. Chu. No.

The Clerk. Ms. Chu, no.

Ms. Moore?

Ms. Moore of Wisconsin. No.

The Clerk. Ms. Moore, no.

Mr. Kildee?

[No response.]

The Clerk. Mr. Beyer?

[No response.]

The Clerk. Mr. Evans?

Mr. Evans. No.

The Clerk. Mr. Evans, no.

Mr. Schneider?

Mr. Schneider. No.

The Clerk. Mr. Schneider, no.

Mr. Panetta?

Mr. Panetta. No.

The Clerk. Mr. Panetta, no.

Mrs. Miller?

[No response.]

The Clerk. Mr. Pascrell?

Mr. Pascrell. No.

The Clerk. Mr. Pascrell, no.

Mr. Kildee?

[No response.]

The Clerk. Mr. Beyer?

[No response.]

The Clerk. Chairman Smith?

Chairman Smith. Yes.

The Clerk. Chairman Smith, yes.

Chairman Smith. The clerk will report the vote.

The Clerk. The ayes are 24, the noes are 16.

Chairman Smith. There being 24 ayes and 16 noes, the

motion is agreed to.

At this point, I ask that all members of the public, press, members' office staff, and non-designated committee staff leave the room so we can enter into closed executive session.

Mr. Doggett. Mr. Chairman I have a privileged motion in writing at the desk.

Chairman Smith. The gentleman will suspend while we clear the room.

[Pause.]

Chairman Smith. Mr. Doggett, proceed.

Mr. Doggett. Thank you very much.

Mr. Chairman, at this time I move that this Committee stand in recess today from 12:45 to 2 p.m. to permit members to attend the bipartisan classified member briefing on Ukraine that was previously noticed to hear from the Secretary of State, the Secretary of Defense, the Director of National Intelligence, the Chairman of the Joint Chiefs of Staff, and the Deputy Administrator of USAID.

This is not just any classified briefing. It concerns the fate of thousands of lives and billions of taxpayer dollars. This will not prevent you from completing your hearing, but it will permit members who care about these issues and have a rare opportunity to hear from these particular officials for us to do that.

And, it will also be a recognition that not the only business of this Congress is the protection of Donald Trump but that there are some other, more important issues that we need to consider.

Mr. Smith of Nebraska. Mr. Chairman?

Chairman Smith. Mr. Smith.

Mr. Smith of Nebraska. I move to table the previous motion.

Chairman Smith. The question is on the table. Mr. Smith from Nebraska moves to table the motion.

All those, signify by saying aye.

All opposed, say no.

Mr. Doggett. On that, Mr. Chairman, I would ask for a recorded vote.

Chairman Smith. The clerk will call the roll.

The Clerk. Mr. Buchanan?

Mr. Buchanan. Yes.

The Clerk. Mr. Buchanan, yes.

Mr. Smith of Nebraska?

Mr. Smith of Nebraska. Yes.

The Clerk. Mr. Smith of Nebraska, yes.

Mr. Kelly?

Mr. Kelly. Yes.

The Clerk. Mr. Kelly, yes.

Mr. Schweikert?

Mr. Schweikert. Yes.

The Clerk. Mr. Schweikert, yes.

Mr. LaHood?

Mr. LaHood. Yes.

The Clerk. Mr. LaHood, yes.

Dr. Wenstrup?

Mr. Wenstrup. Yes.

The Clerk. Dr. Wenstrup, yes.

Mr. Arrington?

Mr. Arrington. Yes.

The Clerk. Mr. Arrington, yes.

Dr. Ferguson?

Mr. Ferguson. Yes.

The Clerk. Dr. Ferguson, yes.

Mr. Estes?

Mr. Estes. Yes.

The Clerk. Mr. Estes, yes.

Mr. Smucker?

Mr. Smucker. Yes.

The Clerk. Mr. Smucker, yes.

Mr. Hern?

Mr. Hern. Yes.

The Clerk. Mr. Hern, yes.

Mrs. Miller?

[No response.]

The Clerk. Dr. Murphy?

Mr. Murphy. Yes.

The Clerk. Dr. Murphy, yes.

Mr. Kustoff?

Mr Kustoff. Yes.

The Clerk. Mr. Kustoff, yes.

Mr. Fitzpatrick?

Mr. Fitzpatrick. Yes.

The Clerk. Mr. Fitzpatrick, yes.

Mr. Steube?

Mr. Steube. Yes.

The Clerk. Mr. Steube, yes.

Ms. Tenney?

Ms. Tenney. Yes.

The Clerk. Ms. Tenney, yes.

Mrs. Fischbach?

Mrs. Fischbach. Yes.

The Clerk. Mrs. Fischbach, yes.

The Clerk. Mr. Moore?

Mr. Moore of Utah. Yes.

The Clerk. Mr. Moore, yes.

Mrs. Steel?

Mrs. Steel. Yes.

The Clerk. Mrs. Steel, yes.

Ms. Van Duyne?

Ms. Van Duyne. Yes.

The Clerk. Ms. Van Duyne, yes.

Mr. Feenstra?

Mr. Feenstra. Yes.

The Clerk. Mr. Feenstra, yes.

Ms. Malliotakis?

Ms. Malliotakis. Yes.

The Clerk. Ms. Malliotakis, yes.

Mr. Carey?

Mr. Carey. Yes.

The Clerk. Mr. Carey, yes.

Mr. Neal?

Mr. Neal. No.

The Clerk. Mr. Neal, no.

Mr. Doggett?

Mr. Doggett. No.

The Clerk. Mr. Doggett, no.

Mr. Thompson?

Mr. Thompson. No.

The Clerk. Mr. Thompson, no.

Mr. Larson?

Mr. Larson. No.

The Clerk. Mr. Larson, no.

Mr. Blumenauer?

Mr. Blumenauer. No.

The Clerk. Mr. Blumenauer, no.

Mr. Pascrell?

Mr. Pascrell. No.

The Clerk. Mr. Pascrell, no.

Mr. Davis?

Mr. Davis. No.

The Clerk. Mr. Davis, no.

Ms. Sanchez?

Ms. Sanchez. No.

The Clerk. Ms. Sanchez, no.

Mr. Higgins?

Mr. Higgins. No.

The Clerk. Mr. Higgins, no.

Ms. Sewell?

Ms. Sewell. No.

The Clerk. Ms. Sewell, no.

Ms. DelBene?

Ms. DelBene. No.

The Clerk. Ms. DelBene, no.

Ms. Chu?

Ms. Chu. No.

The Clerk. Ms. Chu, no.

Ms. Moore?

Ms. Moore of Wisconsin. No.

The Clerk. Ms. Moore, no.

Mr. Kildee?

[No response.]

The Clerk. Mr. Beyer?

[No response.]

The Clerk. Mr. Evans?

Mr. Evans. No.

The Clerk. Mr. Evans, no.

Mr. Schneider?

Mr. Schneider. With all due respect, I believe we are voting here not to go to the classified hearing. With all due respect, I will go to the hearing. I vote no.

The Clerk. Mr. Schneider, no.

Mr. Panetta?

Mr. Panetta. No.

The Clerk. Mr. Panetta, no.

Mrs. Miller?

[No response.]

The Clerk. Mr. Kildee?

[No response.]

The Clerk. Mr. Beyer?

[No response.]

The Clerk. Chairman Smith?

Chairman Smith. Yes.

The Clerk. Chairman Smith, yes.

Chairman Smith. The clerk will report the vote.

The Clerk. The ayes are 24, the noes are 16.

Chairman Smith. There being 24 ayes and 16 noes, the motion is tabled.

The Committee is now in executive session and under House Rule XI, clause (2)(k)(7), evidence taken in executive session may not be released or used in public sessions without authorization of the Committee.

We are in executive session because the matters and materials under discussion contain confidential taxpayer information protected by Section 6103 of the Internal Revenue Code. Pursuant to Section 6103(f)(4)(A), as Chairman, I have designated the members and staff in this room as my agents for the duration of this executive session.

At this point, designated staff will distribute the hearing materials protected by Section 6103 of the Internal Revenue Code.

[Pause.]

Chairman Smith. Good morning and welcome to our hearing with Gary Shapley and Joseph Ziegler, the IRS whistleblowers who have exposed the truth about the two-tiered justice system in America.

In a markup immediately following this hearing, we will examine 56 new pages of evidence Mr. Ziegler has provided to the Committee. These documents provide further proof that

President Biden was not truthful when he told the American people he knew nothing about his son's business dealings, which involve selling the Biden brand around the world.

In fact, this new evidence shows Joe Biden exchanged more than 50 emails one-on-one with his son's business partner, Eric Schwerin, while Vice President. That activity increased around the times Vice President Biden traveled to Ukraine.

Since these whistleblowers came forward in June, many of our members, Republican and Democrat, have requested to speak with them directly about the evidence that they have presented. Others have taken the opportunity to question their motives and credibility.

I have designated this hearing under 6103 authority so members from both sides have an opportunity to ask any question of these witnesses, who have agreed to appear voluntarily and set the record straight.

Both witnesses are public servants who stood up for the truth and put their careers on the line when it would have been easier to be quiet and say nothing.

Through months of testifying for hours and producing hundreds of pages of documentation and just as many months of baseless attacks against them, their story has remained the same and their credibility intact. The same cannot be said for President Biden.

So far, our witnesses have produced over 1,100 pages of evidence, sat for 14 hours of closed-door testimony with counsel from the majority and minority on this committee, testified publicly before the Oversight Committee, and today have provided us with new evidence.

If it were not for these two whistleblowers, we would still be in the dark about the Biden family's international business dealings that today's evidence seems to show happened with Joe Biden's knowledge and participation.

Vice President Biden appears to have treated Air Force Two like a corporate jet, traveling to Ukraine and Mexico to advance Hunter Biden's business interests. Evidence from today's documents show right around the time of international trips, like those to Ukraine, Joe Biden was emailing his son and his son's business partner from private email accounts using aliases while Vice President.

The Biden family got checks from Ukraine, China, Romania, to name a few. But it wasn't just checks. Hunter Biden got a Porsche and an \$80,000 diamond.

These were not payments for legitimate business and legal services but selling access to his family's only asset -- Joe Biden -- as Hunter Biden revealed in a message to a business partner.

Despite these facts uncovered by the investigation into Hunter Biden's apparent tax crimes, the Department of

Justice impeded that investigation, particularly when evidence began to lead investigators to Joe Biden.

The list is long. Tipping off Hunter Biden's lawyers the day before a potential search of his storage unit. Delaying the investigation to run out the statute of limitations on the tax years concerning Burisma while Joe Biden was still Vice President. Denying David Weiss, the attorney in charge of the investigation, special counsel status and the ability to bring charges. Shutting down routine investigative steps simply because it would have involved Joe Biden's relatives or his Delaware home. Refusing to investigate potential Joe Biden criminal campaign finance violations.

That is not to mention the sweetheart plea deal that appears to have been more motivated by electoral politics than by the equal application of justice.

These are the facts supported by evidence and testimony from these whistleblowers who spent years working on this investigation. These whistleblowers are also the only Federal investigators who have produced contemporaneous notes to support these claims.

The evidence they have produced clearly shows Joe Biden was not just aware of his son's business dealings but was actually involved. It also shows that the Department of Justice worked hard to make sure that the extent of that

involvement never saw the light of day.

Thanks to these two whistleblowers, Congress and the American people have now learned the truth.

Gentlemen, thank you for both coming voluntarily and taking the time to shed more light on the documents you have provided.

Thank you.

I will now recognize Ranking Member Neal for his opening statement.

Mr. Neal. Mr. Chairman, the last time the Republican majority called a meeting behind closed doors, Speaker Kevin McCarthy was still leading their conference, their first impeachment inquiry was on the horizon, and we were staring at another Republican government shutdown.

And in the 10 months since they began this fishing expedition, they still have no evidence of wrongdoing or political interference by Joe Biden and/or his Administration.

The same rings true today. Nothing new and nothing that would tie it to the President.

Since then, we are staring down again another Republican government shutdown, which we should be talking about, at the beginning of the tax filing season. My colleagues may have an obsession with one particular taxpayer, but Ways and Means Democrats are concerned with

the ease and experience of all our taxpayers. I think that is called governing.

House Republicans wasted weeks of legislative days in search of a new leader. Their first hearing flopped, and they are no closer to convincing anyone, including themselves, that this is anything but a partisan stunt.

Their own witnesses conceded there isn't any evidence to warrant moving forward. The new Speaker said the quiet part out loud, saying last month, quote, "There is a political imperative," end of quote, to push ahead, a political imperative to do this.

But what about the facts? What about the evidence? Well, he also conceded there is insufficient evidence, and that is a direct quote.

Since our last executive session, our House Republican colleagues took the Speaker votes. They elected a new Speaker, who has flip-flopped on the legitimacy of their own inquiry, launched a website, and ultimately remain no closer to evidence of wrongdoing or political interference.

The American people question why we are wasting time on this when the government is facing another shutdown, plus aid to Ukraine, Israel, and a host of other challenges on the horizon. In fact, Americans believe that House Republicans have prioritized the wrong things in this Congress by 48 percentage points.

The plot has been lost and today is a last-ditch effort to reignite a process ahead of an election year. It is nakedly partisan, as I have said many times. It is not the work of the American people and certainly not the work of the Ways and Means Committee.

I want to be clear in my distaste for this process. It lies solely with our Republican colleagues, who tend to investigate like they legislate, without regard for reality.

If they cared so much about transparency and oversight of the President's tax returns they would have supported my Presidential Tax Filings and Audit Transparency Act of 2022 that passed the House at the end of the last Congress or, even better, bring it up again for a vote.

If they had faith in the investigation, they wouldn't deny the key subject the opportunity to testify before the American people in public.

But this exercise boils down to a needless distraction meant to kick up doubt and trade on recycled, debunked conspiracy theories, repeating lies that will never make them facts for sure, and today we aren't being presented with anything new.

The American people want to govern. They want to legislate. They want the child tax credit. There should be room here for a tax extenders package at the end of the session. And here we are doing this again. They want to

bring down costs, and they certainly want to advance their own economic opportunities.

Instead, the House majority would rather wear "the least productive Congress since the Great Depression" as a badge of honor and continue down this path without any evidence of wrongdoing.

And, with that, I yield back the balance of my time.

Chairman Smith. Thank you, Mr. Neal.

I will now introduce our witnesses.

Gary Shapley is a supervisory special agent in charge at the Internal Revenue Service and Joseph Ziegler is a special agent in charge at the Internal Revenue Service.

Thank you for joining us today. Your written statements will be made part of the hearing record, and you each have 10 minutes to deliver remarks.

Mr. Shapley, you may begin when you are ready.

STATEMENT OF GARY SHAPLEY

Mr. Shapley. Thank you.

When I was assigned to the Hunter Biden case at the beginning of 2020, I wish I could have seen the future. It quickly became apparent that DOJ was slow-walking the case to get past the 2020 Presidential election.

I raised that issue through my chain of command just

like the IRS trains every employee to do. I flagged DOJ's unethical conduct in monthly case reports to the chief of IRS Criminal Investigation.

As the issues grew worse, in October 2020 I attempted to tell my special agent in charge we needed to ensure the IRS Criminal Investigation chief was made aware. Special Agent in Charge Kelly Jackson's response was he didn't need to know any of the details.

When I attempted to inform her of the issue, she interrupted me and said, "I don't want to know anything that I don't need to know." She then directed me to take over direct communications with the United States Attorney Weiss, something that normally would have been her job as the special agent in charge.

A supervisory special agent like me being the point of contact for a United States Attorney is virtually unheard of, but IRS leadership abandoned me and my team to deal with this controversial case as best we could.

For the next couple of years I did my best to carry out those orders of IRS senior leadership by filling the role they should have filled themselves.

In early 2021, Special Agent in Charge Jackson retired and Special Agent in Charge Darrell Waldon took over, but I remained the IRS point of contact for Mr. Weiss.

The IRS' absentee leadership put me and my team at the

tip of the spear to lead the investigation of the President's son that others at the IRS just wanted to avoid and it has left us out to dry when we raised serious questions in good faith about DOJ's improper handling of the case.

In my transcribed interview with this Committee, I shared evidence of how DOJ let politics infect the Hunter Biden case, resulting in preferential treatment and the investigation being slow-walked for years.

After President Biden took office, Attorney General Merrick Garland swore to Congress that politics would not affect the case, because a Trump-appointed U.S. Attorney, David Weiss, was calling the shots alone -- except that was not true. Now DOJ has chosen to mislead Congress and the American people to cover up the malfeasance that they never expected to be held accountable for.

DOJ leadership directed Mr. Weiss to consult with Biden-appointed United States Attorneys in D.C. and California, despite their obvious conflict of interest. Just as I initially testified, when Mr. Weiss asked for the special authority he needed to charge a President's son outside Delaware, he was instead told to follow the process, which meant involving Biden political appointees.

Career IRS professionals had recommended felony tax charges against Hunter Biden. Mr. Weiss and his staff had

agreed with that recommendation. Some of those charges were for the 2014 and 2015 income tax years, when Hunter Biden evaded Federal taxes on income from Ukrainian energy company Burisma, taxes that are still not paid to the best of my knowledge.

Yet, after Weiss went to the Biden-appointed U.S. Attorney, the statute of limitations on the 2014 and 2015 tax years was allowed to expire. Why? That is the key question Congress needs answered. It has asked Mr. Weiss. He refused to answer. To date, he has not been compelled to answer.

My disclosures were about much more than just what authority Mr. Weiss actually had and when, yet that seems to be the only part DOJ wants to talk about.

Among other things, DOJ has refused to explain to Congress why they required that Mr. Weiss include the President Biden-appointed U.S. Attorneys in D.C. and California; why, if Mr. Weiss had ultimate authority, he did not charge in D.C. or California after those U.S. Attorneys declined to partner; why Mr. Weiss allowed Biden family attorneys to write the guilty plea agreement on behalf of the government; why Mr. Weiss pressured IRS senior leadership into retaliating against us by removing us from the investigation; why Mr. Weiss allowed intervention by Main DOJ on this investigation; why the Biden Presidential

Transition Office was tipped off about a planned law enforcement operation related to his son; why the Biden legal defense team was tipped off about the planned search warrants while other warrants weren't pursued, despite the lead prosecutor agreeing there was ample probable cause.

At the time I made my protected disclosures to Congress, it appeared the case was headed for no prosecution at all. We now know that after my attorneys sent an initial letter to Congress with a broad outline of my disclosures, prosecutors offered Hunter Biden a deferred prosecution agreement that would have required no guilty plea whatsoever. About a month later, just as my interview with this Committee was about to be released to the public, the government announced a misdemeanor plea deal for Mr. Biden.

After Hunter Biden's plea deal fell apart, Mr. Weiss again requested special charging authority, authority Attorney General Garland had previously claimed Mr. Weiss did not need because he already had, quote, "more authority than a special counsel," end quote. But Mr. Weiss' authority is what DOJ would like to distract us with instead of answering any of the questions raised by my original disclosure.

The heart of my disclosures focused on how the Hunter Biden case was tainted by preferential treatment due to actions and inaction by DOJ, including Mr. Weiss and his

office throughout the investigation.

Mr. Weiss cannot credibly investigate the actions his own office took prior to his appointment as special counsel, and he clearly has no plans to do so.

So, who will investigate the conduct of David Weiss and the Delaware U.S. Attorney's Office?

No report written by Mr. Weiss can be taken seriously as it will be full of self-serving justifications to defend himself against the allegations that he engaged in unethical conduct and allowed Hunter Biden preferential treatment.

We need a special counsel to investigate Mr. Weiss, the Department of Justice, and the IRS' handling of the Hunter Biden investigation.

Congress has not required any clarity from the Inspectors General for Justice or the IRS about the scope and status of their investigations initiated in response to my disclosures.

Unfortunately, 7 months after we sat for transcribed interviews, Congress has not compelled DOJ or the IRS to produce documents about my disclosures, and Congress has allowed DOJ and IRS witnesses to define the scope of their own voluntary testimony so that they avoid the toughest questions about why they pulled punches in the investigation for the benefit of the President's son.

To exacerbate this dynamic, there are no documents to

confront witnesses with beyond those that have been provided by Agent Ziegler and I.

Congress and the Inspectors General need to focus on the evidence and what actually happened rather than the carefully crafted narrative from DOJ lawyers. The facts are simply incompatible with the Department of Justice's official narrative offered to Congress.

While I understood that some would only focus on playing political offense or defense with my disclosures, my conscience forced me to do what was right out of an honest, perhaps naive, expectation that enough people of good faith on both sides of the aisle in Congress would see the evidence and do what was right.

It has been an extremely rude awakening. Elected officials who believe my disclosures helped their political party have hailed me as a hero. Elected officials who believe my disclosures hurt their political party have obfuscated and spun the evidence, doing virtually everything they can to hide the truth on this issue from the public.

Worse, Members of this body have actively worked to discredit the two career government agents who believed they were honoring the rule of law and their oath to the Constitution by providing this evidence to Congress. This unquestionably deters any future whistleblowers who may be considering making protected disclosures.

While it had already become clear to me through the Hunter Biden investigation how some seek to protect powerful individuals, when I made my disclosures, I still wouldn't have believed that some of my colleagues would work with attorneys at DOJ to carefully craft a patchwork of contradictory testimonies that has the effect of misleading Congress.

Many tried to cast doubt on our disclosures before the witness interviews occurred, but after it became clear that we were right about all these details the goalpost moved. Then new narratives developed to claim there is nothing to see here. As DOJ positions are proven false, they simply come up with another talking point to peddle to the American people.

For instance, various witnesses interviewed by the House followed the lead of statements made by the Attorney General that acted as if it would have been unnecessary for Mr. Weiss to request additional charging authority from DOJ. Yet, Mr. Weiss recently confirmed he had done just that, an admission that he clearly did not have ultimate authority. Even with this acknowledgement, many brush it off as no big deal.

As more and more IRS and IRS CI employees contact me to thank me for doing the right thing or ask me advice on how to blow the whistle on something, I am encouraged that the

risk I took coming forward is not for nothing. We have many extraordinary agents and some outstanding leaders at the agency, and they deserve better.

To all the IRS employees who know exactly what I am talking about and support me, either publicly or privately, thank you. Your support has helped me more than you know.

When I came forward to make my disclosures to Congress, I put my career on the line. I put my trust in this institution. Each of you have taken the same oath to the Constitution that I have taken as a government agent.

Please honor that oath by obtaining the facts the American people deserve.

I will walk out of here today knowing, regardless of either side's political agendas, excuses, or rationalizations, what I witnessed was wrong. As a career law enforcement officer with no agenda but the truth, I did my best to right that wrong. The country is the greatest the Earth has ever seen, and I will fight to my last breath for it.

[The statement of Mr. Shapley follows:]

***** COMMITTEE INSERT *****

Hearing Before the U.S. House of Representatives
Committee on Ways and Means

Opening Statement of IRS Supervisory Special Agent Gary Shapley
December 5, 2023

This last spring, when I put my career on the line to make whistleblower disclosures to Congress, I wish I could have seen the future. In my transcribed interview with staff from this committee I shared evidence documenting the Justice Department's actions that let politics infect the Hunter Biden case resulting in preferential treatment. The Justice Department slow-walked the investigation for years, and after President Biden took office, his Attorney General Merrick Garland swore to Congress that politics would not affect the case because a Trump-appointed U.S. Attorney, David Weiss, was calling the shots alone.

Except that was not true. Now DOJ has chosen to mislead Congress and the American people to cover up the malfeasance they never expected to be held accountable for.

We now know that DOJ leadership directed Mr. Weiss to consult with Biden-appointed U.S. Attorneys in D.C. and California despite their obvious conflict of interest. Just as I initially testified, when Mr. Weiss asked for the special authority he needed to charge the President's son outside Delaware, DOJ did not grant him that authority. Instead he was told to "follow the process," which meant involving Biden political appointees.

Career IRS professionals had recommended felony tax charges against Hunter Biden. Mr. Weiss and his staff had agreed with that recommendation. That is why he sought special charging authority before the statute of limitations expired on the charges in D.C.

Those D.C. charges were for the 2014 and 2015 income tax years, when Hunter Biden evaded federal income taxes on income from Ukrainian energy company Burisma—taxes that are still not paid, to the best of my knowledge.

But DOJ did not grant Mr. Weiss special authority to bring those, or any, charges outside Delaware until after the case was presented to the Biden-appointed U.S. Attorney in D.C. and after the statute of limitations on those charges expired.

Why not? That's the key question Congress needs to have answered. It has asked Mr. Weiss. He refused to answer. He has not been compelled to answer.

My disclosures were about much more than just these procedural questions about what authority USA Weiss actually had and when. Yet that seems to be the only part DOJ wants to talk about. Among other things, DOJ has refused to explain to Congress:

1. Why did DOJ require that Mr. Weiss include the President Biden-appointed U.S. attorneys in D.C. and CA?

2. Why, if Mr. Weiss had ultimate authority, did he not pursue charges in D.C. and CA after those USA's declined to partner, when the sole purpose of engaging with those U.S. Attorneys was to seek the permission needed to charge in those districts?
3. Why did Mr. Weiss allow Biden family attorneys to write the guilty plea agreement on behalf of the government?
4. Why did Mr. Weiss pressure IRS senior leadership into retaliating against me and Special Agent Ziegler by threatening that the case would not be moving forward unless we were removed from the investigation?
5. Why did Mr. Weiss allow intervention by Main DOJ on this investigation?
6. Why was the Biden presidential transition office tipped off about a planned law enforcement operation related to his son?
7. Why was the Biden legal defense team tipped off about planned search warrants?
8. Why were search warrants of the Biden Delaware residence not pursued despite the lead prosecutor's agreeing that there was ample probable cause?

At the time I made my protected disclosures to Congress, it appeared the case was headed for no prosecution at all. We now know that after my attorneys sent an initial letter to Congress with a broad outline of my disclosures, prosecutors offered Hunter Biden a deferred prosecution agreement that would have required no guilty plea whatsoever. About a month later, just as my interview with this committee was about to be released to the public, the government announced a misdemeanor plea deal for Mr. Biden.

Attorney General Garland then made several statements that began the ever-evolving narrative from DOJ. News accounts reported he "scoffed" at the idea Mr. Weiss would ask for additional authority,¹ claiming: "Mr. Weiss had, in fact, more authority than a special counsel would have."²

Then that plea deal fell apart, and Mr. Weiss finally requested the very authority Mr. Garland had previously claimed he did not need. Only then did Mr. Garland finally grant Mr. Weiss special counsel authority.

Mr. Weiss's authority is what DOJ would like to distract us with instead of answering any of the questions raised by my original disclosures. The heart of my disclosures focused on how the Hunter Biden case was tainted by preferential treatment due to actions and inaction by DOJ to include Mr. Weiss himself and his office throughout the investigation.

Mr. Weiss cannot credibly investigate the actions his own office took prior to his appointment as special counsel, and he clearly has no plans to do so. So who will investigate the conduct of David Weiss and the Delaware U.S. Attorney's Office? No report written by Mr. Weiss can be taken seriously, as it will be a document full of self-serving justifications to defend himself against the allegations that he engaged in unethical conduct and allowed Hunter Biden preferential treatment. We need a special counsel to investigate Mr. Weiss, the DOJ, and the IRS's handling of the Hunter Biden investigation.

¹ <https://www.nytimes.com/2023/06/23/us/politics/garland-irs-weiss-hunter-biden-investigation.html>.

² <https://www.c-span.org/video/?c5075852/ag-garland-maintains-david-weiss-full-authority-hunter-biden-case>.

Congress has not required any clarity from the inspectors general for Justice or the IRS about the scope and status of their investigations initiated in response to my disclosures. Congress has not compelled DOJ or the IRS to produce documents about my disclosures. And Congress has allowed DOJ and IRS witnesses to define the scope of their own voluntary testimony, so that they avoid the toughest questions about why they pulled punches in this investigation for the benefit of the President's son.

While I understood that some would only focus on playing political offense or defense with my disclosures, my conscience forced me to put my career on the line out of an honest, perhaps naive, expectation that enough people of good faith on both sides of the aisle in Congress would see the evidence and do what was right.

It has been an extremely rude awakening.

Elected officials who believed my disclosures helped their political party have hailed me as a hero. Elected officials who believed my disclosures hurt their political party have obfuscated and spun the evidence, doing virtually everything they can to hide the truth on this issue from the public. Worse, members of this body have actively worked to discredit the two career government agents who believed they were honoring the rule of law and their oath to the Constitution by providing this evidence to Congress. This unquestionably deters any future whistleblowers who may ever consider making protected disclosures to Congress.

For example, the Ranking Member of this committee recently issued a press release incorrectly claiming SAC Darrell Waldon took responsibility for the decision to remove my team from the Hunter Biden case when in fact Mr. Waldon told Congress nothing about the conversations with USA Weiss that led to our removal. This is central to my retaliation case because USA Weiss had only recently before those conversations read my protected disclosures to IRS leadership for the first time—and then refused to work with me any longer.

While it had already become clear to me through the Hunter Biden investigation how some seek to protect powerful individuals, when I made my disclosures I still wouldn't have believed that some of my colleagues would work with attorneys at DOJ to carefully craft a patchwork of contradictory testimony that has the effect of misleading Congress.

Nevertheless, various congressional interviews and media reports have corroborated the following:

- Contrary to DOJ's continued talking point that a "Trump-appointed U.S. Attorney" was in charge, USA Weiss was forced to seek the cooperation of two President Biden-appointed U.S. Attorneys.
- USA Weiss could not charge in D.C. or California because both U.S. Attorneys declined to partner, and contrary to USA Weiss's June 30, 2023 letter to Congress, he was not given the special authority he needed to charge outside of Delaware.
- USA Weiss took steps to charge in both D.C. and California, but after his interactions with those President Biden-appointed U.S. Attorneys, he did not charge there.

- USA Weiss could not charge Hunter Biden with criminal violations of the tax code without the approval of the Biden administration DOJ Tax Division, which answers to the politically-appointed Deputy Attorney General.
- When USA Weiss was preparing to bring those charges in the District of Columbia in early 2022, he requested special charging authority from the Biden Justice Department. Justice Department leadership instead directed that he go through the “normal” process, requiring him to contact the U.S. Attorneys appointed by President Biden to request their participation in charging the President’s son.
- The investigation into Hunter Biden took longer than it should have.
- Biden family attorneys pressured DOJ to retaliate against Agent Ziegler and I, even being so brazen as to demand we be criminally investigated and prosecuted.
- In the fall of 2020, the Delaware U.S. Attorney’s Office repeatedly refused a briefing from the Pittsburgh U.S. Attorney’s Office that we now know included allegations Vice President Joe Biden might have been bribed by Burisma.
- In December 2020, the Biden Presidential Transition team was tipped off about plans to approach Hunter Biden.
- The Justice Department limited what investigators were able to ask some witnesses and prevented IRS investigators from interviewing multiple other key witnesses, including some adult relatives of Hunter Biden.
- In early 2022, IRS senior leadership and DOJ prosecutors concurred with charging multiple felonies and/or misdemeanors for tax years 2014 through 2019.
- Hunter Biden’s defense counsel told prosecutors it would be “career suicide” to bring a case against the President’s son, that DOJ’s reputation would be harmed by charging the son of the President, and that defense would call President Biden as a witness if they charged. Mr. Weiss himself refused to deny this occurred.
- On October 7, 2022, USA Weiss told me and several other witnesses about having requested special charging authority from Justice Department headquarters and being told to follow the normal process, something USA Weiss himself has confirmed in closed-door testimony.
- Mr. Weiss also told us that he intended to let the statute of limitations expire on charges against Hunter Biden for the 2014 and 2015 tax years, which included felony charges for evading taxes on Burisma income obtained during the time Joe Biden was Vice President. He did this even after he told Mr. Graves, per Mr. Graves’ testimony, that he wanted to bring the case against Hunter Biden to D.C., and took the steps necessary to do so until Mr. Graves refused to join the case bringing charges against the President’s son.
- I objected in that meeting to allowing the statute of limitations expire on those charges because it would result in the unequal treatment of American taxpayers to the benefit of the President’s son.
- USA Weiss, after reviewing protected disclosures I made to IRS leadership, refused to communicate with me, resulting in my retaliatory removal from the case.

Many tried to cast doubt on our disclosures before the witness interviews occurred. But, after it became clear that we were right about all of these details, the goalposts moved. Then new narratives developed to claim there is nothing to see here.

For instance, when the *New York Times* independently confirmed that Weiss's office presented felony charges against Hunter Biden in the Central District of California, it corroborated our disclosures and contradicted claims that USA Weiss had the sole and unfettered authority to make charging decisions without the involvement of the President Biden's political appointees. Mr. Weiss and both Biden-appointed U.S. Attorneys in D.C. and California have now confirmed that Mr. Weiss approached them to charge in their districts. So, now apologists changed their tune to claim that for these Biden appointees to decline to bring the case didn't technically prevent Mr. Weiss from bringing charges there if he truly wanted to because he could always go back to get the special authority he had been promised but never given.

Similarly, various witnesses interviewed by the House echoed the Attorney General's "scoff[ing]" that Mr. Weiss would have requested additional charging authority from the Justice Department. Yet when Mr. Weiss recently confirmed he did just that, many brushed it off as no big deal.

Meanwhile, witness after witness has contradicted themselves before Congress or provided highly improbable testimony.

- A fellow IRS official and two leaders from the FBI's Baltimore Field Office testified that they did not "recall" whether USA Weiss in the October 7, 2022 meeting talked about asking for special authority from the Justice Department and being told to "follow the process" instead. Yet Mr. Weiss admitted to Congress he had done just that, something I would never have known had we not been told in the October 7 meeting.
- Those same witnesses said they did not recall USA Weiss saying in that meeting that he was "not the deciding person" and that DOJ Tax had to approve first. But witness testimony from the head of DOJ Tax, and others, confirmed that USA Weiss required DOJ Tax approval before he could charge.
- Witness recollections concerning the main points of the October 7 meeting have all been contradicted by other witnesses and by what actually occurred during the investigation. Specifically, DOJ leadership required Mr. Weiss go to Biden appointees in D.C. and CA to be able to charge there rather than giving him special authority to do it himself, and D.C. had already declined to join before the October 7 meeting.
- The FBI Assistant Special Agent in Charge claimed to congressional staff her boss had never asked at that meeting if anyone thought the case had been politicized. However, the FBI SAC acknowledged to investigators he had, just as I described in my protected disclosures.
- Both FBI officials claimed they took no notes in the meeting, despite the FBI's well-known reputation and law enforcement standard practice for documenting meetings. The IRS official, Darrell Waldon, testified he did take notes at the meeting, but despite learning not long thereafter that I was blowing the whistle on the issues raised in that meeting, said he destroyed the notes.
- Although Mr. Waldon said that he recommended in February of this year that I be removed from the Hunter Biden case, he testified that he played no role in the actual decision to reassign me. Yet when staff interviewed Mr. Waldon's supervisor Michael Batdorf, Batdorf revealed that he and Waldon had already made the decision in December 2022 to remove me from the case because of U.S. Attorney Weiss's refusal to work with

me after my protected disclosures. No one informed me of that decision at the time and I've seen no corroborating documentation.

- Mr. Waldon testified his recommendation in February 2023 was due to what he “perceived to be unsubstantiated allegations about motive, intent, [and] bias,” but Mr. Batdorf specifically testified that my removal had nothing to do with any sort of misconduct on my part, and last month I received the highest rating on my performance evaluation—just as I have in previous years.
- Mr. Batdorf told Congress the IRS would only remove me if Delaware prosecutors decided to move forward with the case, but instead, I now know I was removed the very day prosecutors reached out to offer Hunter Biden a deferred plea agreement requiring *no* guilty plea to *any* charge. Therefore Mr. Batdorf’s assertion that he would not assign a new team until he knew the case was moving forward was clearly not accurate.

Of course, the most glaring contradictions are the representations to Congress of U.S. Attorney Weiss himself.

- Mr. Weiss has repeatedly told Congress he had ultimate authority over the Hunter Biden case, but admits his charging authority was limited to his home district and required the approval of Tax Division officials at Justice Department headquarters *plus* other U.S. Attorneys or Justice Department leadership approval.
- Mr. Weiss wrote to Congress on June 30 of this year that “common” Departmental practice when venue lies outside of a U.S. Attorney’s district is to contact the relevant U.S. Attorney and determine whether it wants to partner. Yet U.S. Attorney Graves called such an approach “exceedingly rare” and something he had never seen done before.
- U.S. Attorney Graves testified that USA Weiss told him it was his intention to bring felony tax charges against Hunter Biden in D.C. This corroborates what he and prosecutors said to investigators in countless meetings. USA Weiss testified that his communications with USA Graves did not change his mind in any respect. Yet, he provided no explanation for why he didn’t bring the felony charges against Hunter Biden in D.C. before the statute of limitations expired.

These and other contradictions have not been resolved because, seven months after we sat for transcribed interviews, Congress has obtained no documents from the government regarding our disclosures other than what we provided. As investigators, Special Agent Ziegler and I are trained to conduct interviews and write reports based on documentary evidence rather than allowing witnesses to simply spin their own narratives of past events. But Congress doesn’t have any documents to confront these witnesses with beyond those that have been provided by myself or Special Agent Ziegler.

To be clear, we have provided significant evidence of our allegations. In my last submission to this committee, which it voted to release on September 27, 2023, I provided documentation of:

- How the case was delayed at various times surrounding elections, including even mid-term elections with no Biden on the ballot;
- The obstruction and preferential treatment to Hunter Biden perpetrated by Assistant U.S. Attorney Lesley Wolf;

- The tipoff to Hunter Biden’s legal team;
- The role DOJ Tax Division played in approving or disapproving even basic investigative steps;
- The support IRS leadership and various DOJ entities showed for bringing felony charges against Hunter Biden, only for the charges to have to go through Biden political appointees; and
- How USA Weiss retaliated against me after I voiced objections in the October 22, 2022 meeting and after Weiss reviewed in discovery the protected disclosures I had made about his office’s handling of the case.

Unfortunately, although my disclosures focused primarily on DOJ misconduct, the hard truth is that IRS leadership has failed to support Agent Ziegler and me in overcoming DOJ hurdles to move the Hunter Biden case forward. This failure occurred even though we continually reached out to them *for years* disclosing unethical conduct in this case by DOJ. IRS leadership abandoned me and my team to deal with this controversial case as best we could. As early as October 2020, I attempted to tell then-Special Agent in Charge Kelly Jackson that the Chief of IRS-CI should be made aware of certain issues leading up to the day of action planned for after the election. Her response was, “He doesn’t need to know any of the details.” When I attempted to inform *her* of the issues, she interrupted me and said, “I don’t want to know anything that I don’t need to know.” She further directed me to take over direct communications with USA Weiss. When SAC Jackson retired and SAC Darrell Waldon took over in early 2021, that dynamic did not change. I remained the IRS-CI leader charged with communicating with USA Weiss directly.

As memoranda and emails provided have shown, I attempted to raise issues on a continual basis up through my chain of command, having no success with SAC Waldon or his reports. This is why I began communicating directly to DFO Batdorf on the Hunter Biden investigation. I routinely worked directly with Mr. Batdorf and the other two DFOs on a recurring basis, as was directed by Chief Jim Lee on other issues. Mr. Batdorf’s testimony to Congress, which every IRS-CI agent should read when it is available, notes that I was the “only” Supervisory Special Agent who communicated with him directly, implying that was something unusual that I chose to do. However, he knew why I was going straight to him. He had encouraged me to do so, but he omitted that context from his testimony.

Mr. Batdorf’s story is that on a call with USA Weiss and SAC Waldon on December 22, 2022, he decided to remove me from the investigation. SAC Waldon’s story is that he recommended I be removed in February 2023. The IRS did not formalize or communicate this decision until May of 2023, a month after I had approached Congress to blow the whistle. Why would SAC Waldon “recommend” I be removed in February 2023 if the decision had already been made in December 2022? What kind of leaders remove an entire team from a high-profile case without telling them? How seriously could the case really be worked with no action and no transition from the old team to the new team for months on end? Despite all the evidence obtained over a five-year investigation, I fear the new IRS investigative agents will only be shown the evidence that supports DOJ’s conclusions.

Mr. Batdorf's testimony is also contradicted by the fact that even though he said he wasn't going to tell me he removed me until he was sure the case was going to move forward, we since learned the Delaware USAO had offered Hunter Biden a deferred prosecution agreement on May 15, 2023. That happened to be the exact day I was removed, meaning the case was *not* moving forward and would have needed *no* further agent support.

Congress and the inspectors general need to focus on the evidence and what actually happened rather than the carefully crafted narrative from DOJ lawyers. The facts are simply incompatible with DOJ's official narrative offered to Congress.

The gross mismanagement by IRS-CI leadership was what put me and my team at the tip of the spear to lead the investigation of the President's son that others just wanted to avoid. That is the dynamic that left us hanging out to dry when IRS leaders should have been more supportive of their hardworking agents who were raising serious questions in good faith about improper handling of the case at DOJ.

As more and more IRS and IRS-CI employees contact me to thank me for doing the right thing or ask me advice on how to blow the whistle on something, I am encouraged that the risk I took coming forward is not for nothing. We have extraordinary agents and some outstanding leaders as well at the agency and they deserve better. To all the IRS employees who know exactly what I'm talking about and support me either publicly or privately—thank you. Your support has helped more than you know.

As I've said from the beginning, I'm not asking you to take my word for it. What about registered Democrat SA Ziegler here? What about the FBI agent who corroborated that the President Biden transition team was tipped off about law enforcement plans to interview Hunter Biden and other witnesses in December 2020? What about AG Garland saying USA Weiss had everything he needed—but then for some reason feeling it necessary to give a person with "ultimate authority" Special Counsel authority after a generous plea deal fell apart?

There are countless other examples if you objectively look at the facts.

I will walk out of here today knowing—regardless of either side's political agendas, excuses, or rationalizations—what I witnessed was wrong. As a career law enforcement officer with no agenda but the truth, I did my best to right that wrong. This country is the greatest the earth has ever seen and I will fight for it until my last breath.

When I came forward to make my disclosures to Congress, I put my career on the line. I put my trust in this institution. Each of you have taken the same oath to the Constitution that I have taken as a government agent. Please honor that oath by obtaining the facts the American people deserve. The American people deserve elected officials who honor that oath and faithfully put the interests of the American people ahead of their political party. For those who don't, American's should hold them accountable at the ballot box.

Chairman Smith. Thank you. Thank you, Mr. Shapley.
Mr. Ziegler, you are recognized.

STATEMENT OF JOSEPH ZIEGLER

Mr. Ziegler. Honorable Members of Congress, I want to thank you again for allowing me to support and expand my testimony to include affidavits and evidence I have presented to the committees which I believe further supports my claim of misconduct at the direction and supervision of the Department of Justice.

I have turned over a few slides, which I will be referencing those as a part of my opening.

This is truly about doing the right thing, standing up for what is right. This is much bigger than the Hunter Biden investigation. This was not a personal attack on Hunter Biden but a call for change.

Before we begin, let me briefly touch on the perception of unauthorized access of taxpayer information, exhibit 602.

I received guidance through my management that, as a Federal employee, it is your duty and obligation to answer/support the claim you have made.

Let's discuss some of the documents, including some of

the new documents I had recently turned over to the Committee. I will cover three areas in discussing these documents: the tax investigation, not following the normal steps, and then believed interference from political appointees.

As shown in exhibits 1A through 1D, they show the summary of the tax charges allegedly committed by Hunter Biden and recommended to DOJ. I would point you to exhibit 1D, which shows that we considered and further investigated any potential defense, some of which reduced the actual unreported income amount.

Evidence of willfulness. I would like to point the Committee back to exhibit 1D. Again, at the time Hunter was drafting and was sober in drafting chapters of his memoir as he was having delinquent tax returns prepared. Those statements made in the memoir contradict the statements he is making on his tax return filed with the IRS.

Hunter appeared to follow a pattern of attempting to avoid paying taxes on relevant income. This first started with Hunter not reporting Burisma income 2014 and allegedly falsely claiming it as a loan to him. He later tried to claim millions in income earned from Hudson West III was a loan to him, which was refuted by the evidence and denied by his accountant.

This continued in 2020 through 2022, in which Hunter

received approximately \$4.9 million in payments for personal expenses, again in the form of a loan or gift from Democratic donor Kevin Morris. Hunter did not pay his delinquent taxes. Kevin Morris did.

Exhibit 1J, Hunter's tax accountant was questioned about the tax liabilities and payments made by Morris. The tax accountant responded that the tax liabilities were discussed with Hunter in 2020 and that he elected to not remit them because he did not have the resources to pay them. The month prior to this, Morris made a \$160,000 tax payment in an attempt to pay off Hunter Biden's delinquent 2015 tax debt.

The tax accountant further stated that tax notices were sent to counsel and if there was urgency that those were prioritized, as they were concerned about media attention at the time.

Exhibit 607A, I would like to draw your attention to this one. This was further noted directly by Morris' own words in his email in February of 2020 regarding the urgent need to file Hunter Biden's delinquent tax returns as it could affect them, quote, "personally and politically," end quote.

A second item, not following the normal investigative process. Exhibits 202 and 203, I had provided the Committee a one-off example of the constant concern of including any

investigative leads that could lead to the former Vice President. As previously stated, this email asked the agents to remove anything about Political Figure 1, which we know is identified as Joseph Biden in the affidavit.

Included in the draft of the affidavit was excerpts and references to emails and documents which were turned over to the Committee, exhibits 302 through 313.

Exhibit 304 is an email from Vadym Pozharsky, adviser of the Burisma board of directors, to Hunter Biden. Vadym thanks Hunter for the opportunity to meet his father and spend some time together.

Exhibit 305B, proposal sent October 2015 from Blue Star to Burisma Holdings to provide government relation support. The agreement states that part of the scope of the work was the closure of the file against Mr. Zlochevsky, CEO of Burisma.

Exhibit 306, in response to this email and proposal from Blue Star, Vadym calls out the scope of the work and states that it lacks concrete tangible results that we set out to achieve in the first place and states that if this was done deliberately to be on the safe side that he understands, and that if all parties understand the, quote/unquote, true purpose of the engagement, that they should proceed immediately.

He further stated that it does not offer any names of

U.S. officials in Ukraine or Ukrainian officials calling, out the prosecutor general as a key target for improving Zlochevsky's case in Ukraine.

Exhibit 309, Hunter responded and said that he felt comfortable with what Blue Star was going to deliver.

As an investigator, I would interpret these emails to mean that they didn't want to show the true purpose of the agreement in writing but that everyone involved knew the unstated goal was to have the Ukrainian Prosecutor General Shokin removed, in an effort to close the criminal case against Zlochevsky.

Exhibit 310A was an email in December of 2015 from Blue Star. Attached to this email was a memorandum of minutes from a White House conference call regarding the VP's upcoming visit to Ukraine.

Exhibit 310B, in a question-and-answer session with reporters two officials stated that on this trip VP Biden will stress that it is not enough to set up a separate prosecutor for anticorruption within the prosecutor general's office, which has already been done. Rather, the entire institution needs serious reforms to overhaul its corrupt practices.

As we know, that has been publicly reported, the Vice President threatened to withhold funding from the Ukrainian Government unless the prosecutor general was fired.

Exhibit 313, Eric Schwerin forwards an email of the article referencing the closure of the criminal investigation related to Zlochevsky and states -- and congratulates Blue Star on winning in less than a year.

Even with all this evidence from the various individuals in the administration, at the direction of Hunter Biden and his associates, the assigned prosecutors did not want to include reference to Political Figure 1. Not including Political Figure 1 in the emails, emails related -- emails included the Vice President and his alias email accounts would have potentially been filtered out of the email review.

Exhibit 606, there were multiple emails found with Hunter Biden and his associates with the suspected email accounts of the aliases, alias email accounts associated with Vice President Joe Biden.

I would like to reiterate something to the Committee. There were multiple points in time throughout the Hunter Biden investigation where the normal investigative process and procedures were not followed. The Hunter Biden investigative team, including myself, had asked the assigned prosecutors to conduct an actual interview of Bobulinski but were denied this request and were never able to interview him. Interviewing Bobulinski would have been a part of the normal process.

Affidavit 1, exhibit 400, this is an interview of Gal Luft. Gal Luft recalled payments between Hunter Biden and CEFC. The retainer agreement between Hunter Biden, James Biden, and CEFC discussed in the interview directly reconciles the HW3, LLC agreement found in exhibit 2A. Luft further stated that Ye was willing to make these payments because Ye was trying to build a political asylum request and parachute for himself and the Biden family could assist him.

Lastly, I wanted to walk through a timeline of the documentation provided to the Committee, what happened after the IRS referral of the recommended criminal charges in February 2022.

After referral of the prosecution of the case to DOJ, we were told by the assigned prosecutors that they were first going to Washington, D.C., because the statute of limitations were expiring. Again, the D.C. U.S. Attorney told us that he was not going to join the prosecution team, but had also said that we shouldn't bring charges in that district. At this point in the case, this was another roadblock put up in front of us.

Exhibit 501, in an email August 2022 Mark Daly discussed setting up a conference call to discuss charging decisions. On this conference call, the assigned prosecutors agreed to recommend the approval for the felony

tax charge for the 2018 year and the misdemeanor tax charges for the 2017, 2018, and 2019 tax years.

The intention of charging to move forward was seen in exhibit 211 a few days later, where DOJ Tax Attorney Mark Daly talks about working in Los Angeles and Delaware the week of September 19th. We now know that the California U.S. Attorney, Martin Estrada, declined joining the prosecution team and put another roadblock in front of us.

Exhibit 503, Gary and I had scheduled a meeting with U.S. Attorney David Weiss to discuss the 2014 and 2015 tax years. Again, I can recall Weiss telling us at that meeting that he completely agreed with our theory of the tax charges.

Looking back at that meeting in hindsight, U.S. Attorney Weiss did not have the ultimate authority to bring forward the charges and DOJ employees were actively -- or were telling him no and were creating hurdles and roadblocks for the prosecution team.

Now, lastly, let's move forward to the failed plea agreement.

Reporting has indicated that U.S. Attorney Weiss and his team discussed not bringing any tax charges and initially offered a deferred prosecution agreement that would have included no criminal charges.

They only brought forward misdemeanor tax charges and a

statement of facts that I believe contained misrepresented information and the ability for Hunter Biden to receive immunity from conduct cited in the statement of facts.

I would point the Committee to one statement made in the statement of facts, the million dollars paid for the representation of Patrick Ho. If this plea agreement went through, Hunter Biden would have received immunity relating to this payment, and I have reason to believe that at the time this was still under the investigation of another judicial district.

This case at the end of the day was about access and introductions to high-level government and political officials for wealthy foreign individuals, access for individuals in Ukraine, Romania and China, in exchange for money to enrich a well-known political family, of which Hunter Biden had failed to finally pay his taxes as required by law and allegedly filed a false tax return with the IRS.

At the end of the day, it appears that the Department of Justice attempted to sweep everything under the rug. This is a call for Congress to continue investigating the claims we have brought forward on a bipartisan basis.

[The statement of Mr. Ziegler follows:]

***** COMMITTEE INSERT *****

Testimony of Special Agent Joseph Ziegler
“IRS Whistleblowers About the Biden Criminal Investigation”
Before The Committee on Ways & Means
U.S. House of Representatives
December 5, 2023

Honorable Members of Congress, I want to thank you again for allowing me to defend my testimony, to include affidavits and evidence I have presented to the committees, which I believe further supports my claim of Maladministration and Misconduct at the direction and supervision of the Department of Justice, that has been under your purview.

I can tell you that as a fellow democrat, who has previously voted for your democratic colleagues, I am extremely disappointed and hurt by some of your comments and actions. I have read the recent comments, concerns and attacks lodged by some of you during your most recent executive session, and I fear how those comments might chill and intimidate future Whistleblowers from coming forward again in the future. Those comments you have lodged have impacted me and my family. My husband’s business has been attacked, and I have been personally attacked by the Biden family attorneys and members of the media. Do you want to be another “mouthpiece” for the Biden family attorneys, or do you want to take some time to understand what went wrong here and make a bipartisan attempt to prevent it from happening again?

At the end of the day, this is truly about doing the right thing and standing up for what is right. I will say this again and again, that this is much bigger than the Hunter Biden investigation. This was not a personal attack on Hunter Biden, but a call for change. What we are presenting in our whistleblower complaints should scare and give concern to every American, regardless of your political affiliation, providing evidence that our justice system is broken and is not treating everyone the same. I have a love for my country, I have a commitment to a higher morality, and I have been taught as a public servant and law enforcement officer to always act ethically. This creed and morality were a foundation established through my parents and small community of Kirtland, Ohio and reinforced through my advanced education at Ohio University and John Carroll University. We need to restore an open environment that allows individuals to stand up to bad actors, no matter which side of the aisle they are on. When this happens, maybe then we can start to heal the scars and divisions that have been created over the last few years and move towards a country that will work together once again.

I wanted to take some time to talk with you about the complaints and concerns made at the September 27th, executive committee hearing, regarding the affidavits and documents I submitted to your committee over the last few months. In addition to those documents, I have already provided a few additional documents which I believe address some of the most troubling complaints.

I would first point you to the first pages of the newly provided **Affidavit 6, Exhibit 600A & Exhibit 600B (PowerPoint)**. I have included my most recent performance evaluations spanning

this last April of 2021 through March of 2023. As you can see, each year I have received some of the highest performance ratings. I am not a disgruntled employee with perceived performance issues. I am still working active cases that I have mentioned on multiple occasions. One of the other investigations that I am continuing to work on is larger in scope and significantly more complex, just not as sensitive as the Hunter Biden investigation.

There have been multiple comments made from the minority members of this committee regarding a perception of unauthorized access of taxpayer information and that we have broken the law in doing so. When I was removed from the Hunter Biden investigation and the case was reassigned to a new agent, I didn't receive any instructions on how to proceed from my senior leadership, to include the DFO, SAC or ASAC, and was only told to work with the new agents and investigative team in getting the case file transferred. I have provided the committee with **Affidavit 6, Exhibit 601**, which were recent emails regarding the transfer of the investigation to the new IRS team. Since our removal from the case in May of 2023, we have continued to work with the new investigative team in getting the entirety of the physical and electronic case file transferred.

I would like to be clear on this issue. I have been and remain in full compliance with the law regarding the treatment of taxpayer information. When an investigation is closed or comes to a conclusion, we do not "lose our access" to that taxpayer information and the transferring of the case files is an extensive undertaking.

In addition, I have received guidance from my IRS leadership, regarding my duties as a whistleblower. I would refer you to **Exhibit 602 (PowerPoint)** – On or about May 31, 2023, I received guidance through my management, which he had received from the Director of Field Operations, Michael Batdorf, that "as a federal employee, it is your duty and obligation to answer / support the claim you have made".

I would further point you to **Exhibit 603 (PowerPoint)**, an email from IRS Commissioner Werfel sent on July 7, 2023, which provided updated Whistleblower guidance to all IRS Employees that encouraged a "see something, say something" philosophy and further stated that we can raise our concerns to the relevant authorities to include the relevant Oversight Committees of the U.S. Congress. He further stated that upon belief that a return and/or return information may relate to possible misconduct, maladministration or taxpayer abuse, IRS employees may also disclose such return or return information to the chairman of the House Ways and Means Committee, the chairman of the Senate Finance Committee and/or the chairman of the Joint Committee on Taxation, or the examiners or agents as the chairmen of these committees may designate or appoint. Again, under the Whistleblower provisions set forth under 6103(f)(5), we have followed the law and continue to support and defend our whistleblower claims regarding that return and/ or return information relate to misconduct and maladministration from the Department of Justice and the IRS. **In addition, I am continuing to provide documents and testimony related to my whistleblower complaint to the Department of Justice OIG, Treasury IG, and the Office of Special Counsel.**

When I turned over the affidavits and documents to the committee, we did that in response to questions from the various congressional committees as well as the need to provide further documentation and support of our whistleblower claims. As I read the whistleblower statute, there is no requirement for the committee to request records from me but based on guidance I have received from my leadership, I have a duty and responsibility to support my whistleblower claims. In the now six affidavits I have turned over to the committee, I have made redactions to the documents with guidance and advice from my counsel to protect potential ongoing criminal investigations that I was aware of prior to my removal, as well as potential sensitive information.

The evidence I turned over to the committee was not cherry-picked and again, further supports my claims I brought forward to the committee. There have been critics on the committee who have tried to impeach some of the interview memos turned over and it is apparent that they do not understand how interviews in criminal investigations occur. Some of the interviews were recorded and have a transcription of the interview, some of the interviews were not, and agents would have taken notes during those interviews and would have used those notes to draft an FBI 302 or an IRS Memorandum of Interview. Each of these interviews provided to you were done in the presence of Special Agents. I would point the committee to the first pages of **Affidavit 4, Exhibit 401 & Exhibit 402 (PowerPoint)**. The Interview memorandum and FBI 302 of the interviews of James Biden and John Robinson Walker. At some point during the interviews, the witnesses would typically be told, as seen in these documents, that lying to the federal officer during the interview is against the law and they could be prosecuted under Title 18 USC Section 1001 - False Statements.

I would point the members of the committee to **Affidavit 4, Exhibit 400A (PowerPoint)**. I think that some of the members missed the point regarding this memorandum from the FBI intake of information provided by Anthony Bobulinski. You'll notice that this is not an FBI 302 but is just a written document drafted by the Washington DC FBI agents from this interaction. The interview was not recorded and Bobulinski was voluntarily providing information to the FBI Agents. Since Bobulinski is providing the information in the presence of FBI Special Agents, he would still be criminally liable under Title 18 USC Section 1001 if he were to make any false statements. The Hunter Biden investigative team, including myself, had asked the assigned prosecutors to conduct an interview of Bobulinski but we were denied that request, and were never able to interview him. Interviewing Bobulinski would be normal process and procedure as a part of a criminal investigation for the team to corroborate evidence obtained in the investigation, elaborate on investigative leads, challenge some of the allegations made, and ask pertinent questions regarding the investigation. Again, this was not done!

I would like to point the committee to **Affidavit 1, Exhibit 400 (PowerPoint)**. I was not involved in this interview of Gal Luft because it occurred prior to the IRS and FBI investigations being combined. Information from this interview was corroborated with different documents obtained throughout the investigation. In this interview, Luft recalled payments between Hunter Biden and CEFC, all of which were validated in evidence obtained throughout the investigation, even though

his timing was slightly off. I would further point to the retainer agreement between Hunter Biden, James Biden and CEFC discussed in this interview which directly reconciles with the Hudson West III LLC Agreement found at **Affidavit 1, Exhibit 2A (PowerPoint)**. Luft further stated that he believed Ye was willing to make these payments because he was generally aware of a corruption investigation by Chinese Authorities and that Ye was trying to build a political asylum request or parachute for himself and that the Biden “family” could assist him **Affidavit 1, Exhibit 400 (PowerPoint)**.

Let’s discuss some of the documents I had recently turned over to the Committee. I will cover three areas in reviewing the documents. **1) Evidence provided related to the Tax Investigation of Hunter Biden 2) Evidence provided in not following the normal investigative steps and process and lastly, 3) believed interference from President Biden political appointees in bringing the case to prosecution.**

SECTION 1: TAX INVESTIGATION

As Shown in **Affidavit 1, Exhibits 1A through 1D (PowerPoint)**, these exhibits show the summary of the Felony tax charges allegedly committed by Hunter Biden and recommended to DOJ for the tax years 2014 and 2018 and the misdemeanor tax charges allegedly committed by Hunter Biden and recommended to DOJ for the tax years 2015 through 2019. I would point you to **Exhibit 1D (PowerPoint)**, which I believe shows that we considered and further investigated the potential defenses presented by Hunter Biden’s defense counsel, some of which reduced the total unreported income amount. You can also see as presented on **Affidavit 1, Exhibit 1K (PowerPoint)**, that other defenses were proffered by Hunter’s attorneys to the assigned prosecutors and were rebutted by evidence uncovered throughout the investigation. This included a claim that Hunter was in “business” with his alleged drug dealer and was in “business” with his former girlfriend. These schedules and amounts were believed to be used by the assigned prosecutors to support their recommended approval for the 2018 felony tax charge and the 2017, 2018 and 2019 misdemeanor tax charges. **Again, this alleged additional taxable income of approximately \$598,955 was not reported to the IRS and the alleged additional taxes of at least approximately \$231,790 was not paid to the IRS.**

Another area I would like to point to is the relevant tax loss of the investigation compared to what was included in the statement facts of the failed Hunter Biden plea agreement filed in the District of Delaware - **Affidavit 1, Exhibits 1A & 1B (PowerPoint)**. As shared with the Delaware US Attorney’s Office, the tax loss of the entire investigation, including the alleged felony tax charges was at least approximately \$1,795,989. The tax loss stipulated in the filed plea agreement, which states that it “includes relevant conduct” was no greater than \$1,593,329. This tax loss amount appears to be understated by at least \$230,000 and I would argue was misrepresented to the court.

Evidence of willfulness. This, again, is a matter of having the necessary and relevant evidence of the felony tax charges and the fact that it wasn’t included in the charging documents a few months

ago. I would point everyone back to **Affidavit 1, Exhibit 1D (PowerPoint)**. Again, at the time Hunter Biden was sober and drafting chapters of his memoir, he was having his delinquent tax returns prepared. During this return preparation, Hunter Biden was reviewing schedules and claiming business deductions while making conflicting statements in his memoir. One specific item I can point you to related to Personal Travel Expenses claimed. In Hunter's memoir he stated, "I drove my rental to the Chateau Marmont, in West Hollywood, where I checked into a bungalow and by 4 a.m. had smoked every crumb of crack I'd brought." Included as business deductions on Hunter's tax return was a deduction for a Lamborghini he rented as well as hotel payments related to the Chateau Marmont. As seen on **Affidavit 1, Exhibit 1E (PowerPoint)**, Hunter's tax accountant was questioned about the representation letter that Hunter signed regarding his 2018 tax return and Hunter's accountant stated that Hunter was told in reviewing the representation letter that "deductions he was claiming had to actually be related to business expenses".

I would point the committee to **Affidavit 3, Exhibit 300 (PowerPoint)**, a WhatsApp message Hunter sent to his assistant on November 16, 2018. At the time, Hunter realized that Lunden Roberts, the mother of his child, was still on his payroll even though he hadn't talked with Lunden in 7 months. This no-show employee was taken as a deduction on Hunter's tax return. In a December 20, 2018 message with Hunter's ex-wife, Hunter admits that his "tax returns are not completed". Hunter didn't end up filing his delinquent tax returns until 13 months after this text message was sent and was forced to provide the delinquent tax returns to the Arkansas court.

Hunter appeared to follow a pattern of attempting to avoid paying taxes on relevant income. This first started with Hunter not reporting the Burisma income in 2014 and allegedly falsely claiming that it was a loan to him. He, again, tried to claim the millions in income earned from Hudson West III was a loan to him, which was refuted by the evidence and was not allowed by his tax accountants. This continued into 2020, 2021 and 2022, in which Hunter received approximately \$4.9 million in payments for personal expenses, again in the form of a loan and gift from Democratic Donor Kevin Patrick Morris.

I would further point the committee to the fact that Hunter didn't pay his delinquent taxes, a 3rd party Kevin Patrick Morris paid them. As stated in my previous testimony, I read a note from Hunter Biden's 2020 tax return that Hunter Biden received a loan from a 3rd party, known to be Kevin Patrick Morris, in paying off Hunter Biden's delinquent taxes. **Affidavit 1, Exhibit 1J (PowerPoint)**, Hunter's tax accountant was questioned about the tax liabilities and payments made by Morris. The tax accountant responded that the 2017 and 2018 tax liabilities were discussed with Hunter Biden on February 11, 2020, and that he elected to not remit the tax payments because he did not have the resources to pay them. It is noted that the month prior to this, Morris made a \$160,000 tax payment, in an attempt to pay off Hunter Biden's delinquent 2015 tax debt, which was a point of contention with Hunter's ex-wife at the time. Hunter may have been in breach of his marital separation agreement and Hunter's ex-wife at the time was having an issue renewing her passport due to the delinquent tax debt. The tax accountant further stated that tax notices were sent to counsel and if there was urgency, for example if the notice said there was going to be a

lien, that those were prioritized and that they were concerned about media attention at the time. **Affidavit 6, Exhibit 607A (PowerPoint)** - This was further noted directly by Morris in his email on February 7, 2020, regarding the urgent need to file Hunter Biden's delinquent tax returns as it could affect them "personally and politically".

SECTION 2: NOT FOLLOWING NORMAL PROCESS / INVESTIGATIVE STEPS

As seen in **Affidavit 2, Exhibit 202 & 203 (PowerPoint)**, I had provided the committee with a "one off example" of a constant concern with including and following any investigative leads that could lead to the former Vice President, Joseph Biden. The email from the Assistant U.S. Attorney was in response to the draft of the BlueStar FARA Burisma email search warrant that the FBI investigators had drafted. I believe that the FBI agents had drafted the affidavit believing that there was enough evidence included in the affidavit to include a reference to Political Figure 1. As previously stated, this email asks for the agents to remove anything about "Political Figure 1" which we know was identified as Joseph Biden in the affidavit.

Included in that draft of the affidavit was excerpts and references to emails, documents which were turned over to the committee and included in **Affidavit 3, Exhibits 302 – 313**, which related to the probable cause of possible FARA violations. I'd like to take some time and walk through some of those documents at a high level so you can see for yourself that there was a clear involvement between Hunter Biden, Burisma Officials, individuals with Bluestar, the Vice-President's Office, and current and former individuals with the administration.

Exhibit 304 (PowerPoint) is an email from Vadym Pozharskyi, advisor to the Burisma Board of Directors, to Hunter Biden on April 17, 2015. Vadym thanks Hunter for the "opportunity to meet your father and spent (sp) some time together". The investigators were never given an opportunity to interview Joseph Biden to find out what they discussed at that meeting.

Exhibit 305B (PowerPoint) was a proposal sent on October 31, 2015, from Blue Star to Burisma Holdings to provide "government relations support", which was shared with Hunter Biden and Vadym. The agreement states that part of the scope of work was the "closure of the file against Mr. Zlochevsky" – CEO of Burisma. **Exhibit 306 (PowerPoint)** - In a response to this email and proposal from Blue Star on November 2, 2015, Vadym calls out the scope of work and states that it lacks concrete tangible results that we set out to achieve in the first place, and states that if this was done deliberately to be on the safe side, that he understands. And that if all parties understand the "true purpose" of the engagement, then they should proceed immediately. He further states that it does not offer any names of US Officials in Ukraine or Ukrainian Officials, calling out the prosecutor general, as key targets for improving Nikolay's (Zlochevsky's) case in Ukraine. He further states that the scope of work should also include organization of a visit of a number of widely recognized and influential current and / or former US policy-makers to Ukraine ... to close down for any cases/ pursuits against Nikolay in Ukraine. **Exhibit 307 (PowerPoint)** – Hunter responded and stated that he will verify with BlueStar that they understand the scope and Vadym

indicated that they should disregard the wording of the scope. **Exhibit 309 (PowerPoint)** - Hunter responded to Vadym a few days later and said that he felt comfortable with BlueStar Strategies and the ability of Sally & Karen to deliver. As an investigator, I would interpret these emails to mean that they did not want to put the true purpose of the agreement in writing, but that everyone involved knew that the unstated goal was to have the Ukrainian Prosecutor General (Shoken) removed, in an effort to close the criminal case against Nikolay Zlochevsky.

At this time, Hunter Biden and his associates were assisting Burisma CEO Zlochevsky on multiple fronts. **Affidavit 3, Exhibit 308 (PowerPoint)**, is an email in November of 2015 from John Sandweg, Former Acting Director of US Immigration and Customs Enforcement, to Eric Schwerin, which was then forwarded to Hunter Biden and Devon Archer. In this email, Sandweg was having an individual query and provide information about Zlochevsky from Department of Homeland Security and Customs Databases as well as State Department Databases. Those databases are believed to be non-public / secret databases and was another way Hunter Biden and his associates were providing governmental access for Burisma and it's CEO.

Exhibit 310A (PowerPoint) was an email sent on December 2, 2015, from Sean Keeley of Blue Star to various individuals to include Hunter Biden and Vadym (of Burisma). Attached to this email was a memorandum of minutes from a conference call from the White House regarding the Vice-President's upcoming trip to Ukraine. **Exhibit 310B (PowerPoint)** were the attached call notes which included reference to a conference call with Michael Carpenter, the Vice-President Biden's Special Advisor for Europe and Russia AND Dr. Colin Kahl, the Vice-President's National Security Advisor. In a question-and-answer session with reporters, the two officials stated that on this trip, Vice-President Biden "will stress that it is not enough to set up a separate, special prosecutor for anti-corruption within the Prosecutor General's Office, which has already been done. Rather, the entire institution needs serious reforms to overhaul its corrupt practices". As we know that has been publicly reported, Vice-President Biden threatened to withhold funding from the Ukrainian Government unless the Prosecutor General was fired. As seen on **Exhibit 313 (PowerPoint)**, Eric Schwerin forwards an email of an article referencing the closure of the criminal investigation of the Burisma CEO (Zlochevsky) to Sally Painter of BlueStar on October 11, 2016, and congratulates Sally and Karen on winning "in less than a year".

Even with all of this evidence of involvement from various individuals within the administration at the direction of Hunter Biden and his associates, the assigned prosecutors did not want to include reference to Political Figure 1 in the search warrant affidavit. In not including Political Figure 1 in the FARA Blue Star search warrant affidavit, emails that would have included the Vice-President and his potential alias email accounts would have potentially been filtered out of the email review as seen in the relevant search terms included in **Affidavit 3, Exhibit 315D (PowerPoint)**. As seen in **Affidavit 6, Exhibit 606**, there were multiple emails found with Hunter Biden and his business associates with the suspected email accounts of aliases associated with former Vice-President Joseph Biden. As a part of the investigative team, I was not aware of these alias accounts for the Vice President, and I do not recall reviewing any of these emails as a part of the investigative procedures.

SECTION 3: ALLEGED POLITICAL INTERFERENCE

Lastly, I wanted to walk through a timeline of the documentation provided to the committee of what happened after the IRS referral of the recommended criminal tax charges in February of 2022 and the Hunter Biden failed plea agreement filed during the Summer of 2023. After our referral of prosecution of the tax case to DOJ, we were told by the assigned prosecutors that we were first going to Washington DC to charge the case because the statute of limitations regarding the earlier years were expiring. Again, I was told by the DOJ-Tax Attorney in March of 2022 that the DC U.S. Attorney's office had not only decided to not join the prosecution team but had also told the prosecutors that the tax charges shouldn't be brought in their District. At this point in the case, this was another roadblock that was put in place by a presidential appointee, DC U.S. Attorney Matthew Graves, and had caused the team, to include U.S. Attorney David Weiss, to question the relevant charges.

Even after this declination to not join the prosecution team and after receiving additional evidence from Hunter's defense counsel, we decided to reinvestigate the 2014 and 2015 tax years and to solidify our theory on the tax case and rebut all defenses provided at that point. In May of 2022, we presented our tax theory and findings for the 2014 and 2015 tax years to our DFO, Michael Batdorf and SAC, Darrell Waldon. They both agreed with our findings in proceeding forward with the prosecution of the 2014 and 2015 tax years in the District of DC – The felony and misdemeanor tax charges. At this meeting, I can recall Gary and I discussing the potential of the need to call on an independent 3rd party (A Special Counsel outside of the government) and the process for the IRS requesting a Special Counsel to come in and bring the case to conclusion. You can see in **Affidavit 6, Exhibit 605 (PowerPoint)**, in the days following the meeting, Gary Shapley sent an email to DFO Batdorf and SAC Waldon. Gary pointed out that “This tactic ... to move things down the road backing us up against a statute ... appears to be purposeful at this point.” Gary was clearly pointing out his objectivity concerns and it does not appear that IRS leadership did anything to alleviate our concerns or to follow up with the Special Counsel request.

I would refer the committee to **Affidavit 5, Exhibit 501 (PowerPoint)**. In an email from DOJ-Tax Attorney Mark Daly on August 11, 2022, he discussed setting up a conference call with the team and said that they wanted to “discuss charging decisions”. As seen on **Affidavit 5, Exhibit 502 (PowerPoint)**, a conference call was held the next day and on that phone call, the assigned prosecutors had told the investigative team that they had completed their draft of the prosecution memorandum and that all four assigned attorneys had agreed to recommend for approval the felony tax charge for the 2018 tax year, and the misdemeanor tax charges for the 2017, 2018 and 2019 tax years. The intention to move the charging forward for these tax years was further seen in DOJ-Tax Attorney Daly's email at **Affidavit 2, Exhibit 211 (PowerPoint)** on August 18, 2022, in which DOJ-Tax Attorney Daly talks about the week of September 19th and working in two separate districts and further stated: “Los Angeles: Intro case and possible read back”. This again, should show the committee that the Department of Justice had full intention to charge the tax case, the misdemeanor and felony tax charges, in the Central District of California as early as September of

2022. We now know that California U.S. Attorney Martin Estrada declined joining the prosecution team and put another roadblock in front of the team.

I would point the committee to **Affidavit 6, Exhibit 503 (PowerPoint)**. Gary and I had scheduled a meeting with U.S. Attorney David Weiss on August 16, 2022. The plan for that meeting was to discuss the 2014 and 2015 tax year charges. Again, I can recall U.S. Attorney Weiss at that meeting telling us that we had completely investigated the tax years and that he agreed with what we had found including our theory for the tax charges. He further stated that the attorneys with DOJ-Tax had been telling him that charging the earlier tax years could have an impact on the jury for the later years (which were the slam-dunk charges). Looking back at that meeting in hindsight, I would like to point out a couple things. If the tax charges were brought in two separate districts, there would be two separate juries. The argument that the jury would be affected by the charges in another district does not make any sense to me. Also, looking back, at that time U.S. Attorney Weiss didn't have the authority to bring the charges in the District of DC but was only "promised" he would be given that authority. U.S. Attorney Weiss was operating under an environment where politically appointed DOJ employees were telling him no and were actively creating hurdles and roadblocks for the prosecution team. DOJ should have given U.S. Attorney Weiss in writing in February of 2022 the authority he needed to bring the charges wherever and whenever he wanted to, but they continued to slow the process and place hurdles in front of U.S. Attorney Weiss. Ultimately, this past August he was granted Special Counsel status further proving the fact that he didn't have the "ultimate authority" all along.

Affidavit 5, Exhibit 505 (PowerPoint) – This was an email that was sent the day before the October 7th meeting. In this email, I was confirming through the assigned prosecutor at the request of US Attorney Weiss, that DOJ-Tax stated that they didn't expect the case to be indicted until 2023. I believe that this further shows that U.S. Attorney Weiss at the time wasn't the deciding person and contradicts his later letters to Congress that he had ultimate authority on "when" charges were brought forward in the case. Again, this shows further roadblocks, hurdles and slowing the process with bringing charges in this case.

Now, let's lastly move forward to our removal from the investigation and the failed plea deal. Reporting has indicated that U.S. Attorney Weiss and his team had initially discussed not bringing any tax charges and had initially offered a deferred prosecution agreement that would have included no criminal charges. They then brought forward only misdemeanor tax charges, a statement of facts that I believe contained misrepresented information, and the ability for Hunter Biden to receive immunity for any conduct cited in that statement of facts. In addition to the underreporting of the tax loss amount in the statement of facts I had previously mentioned, there was another statement that gave me concern. I would point the committee to this statement made in the statement of facts – "On or about March 22, 2018, Biden received a \$1,000,000 payment into his Owasco LLC bank account as payment for legal fees for Patrick Ho ...". If this plea agreement went through, Hunter Biden would have received immunity relating to this payment and I have a reason to believe at the time that this payment was still under investigation by another

Judicial District. I would further point the committee to one of the documents turned over - **Affidavit 1, Exhibit 1i (PowerPoint)**. In this email, sent on August 2, 2017, Hunter stated that his understanding with the Director (of CEFC) was for consulting fees based on “introductions alone” at a rate of \$10 million per year for a 3-year total of \$30 million. Based on the evidence obtained as a part of the investigation, it is believed that the \$1 million payment was not for legal fees and was misrepresented in the failed plea agreement.

CONCLUSION

I want to thank the members of the committee for having me here today and for allowing me to clarify some of the documents I have presented to you and to afford you with the opportunity to respond to questions you might have. I would like to thank my husband, my family and my friends for their support through this process.

This case at the end of the day was about access and introductions to high level government and political officials for wealthy foreign individuals – access for individuals in Ukraine, Romania and China, in exchange for money to enrich a well-known political family – of which, Hunter Biden had failed to file and pay his taxes timely as is required by law on millions of dollars of income and had allegedly willfully filed false tax returns to the IRS. And at the end of the day, it appears that Department of Justice attempted to sweep everything under the rug.

As I have previously testified in my closing, I wish to state it once again. I think about all of this, the difficult and grinding path that I and my colleagues have had to take in this matter, and how best it could be avoided.

I humbly view my role here today and response to the committee's request was to provide the facts as I best understood them, and to let Congress, the administration, and the public consider those facts and determine the best path forward.

Again, I would encourage Congress and the administration to consider establishing an official channel for Federal investigators to pull the emergency cord and raise the issue of the appointment of a special counsel for consideration by your senior officials. I do not want my colleagues at the IRS, FBI, and other Federal law enforcement agencies to go through my frustrating and disheartening journey. I believe having such a path will strengthen the public's confidence in their institutions and the fair and equal treatment of the Americans under law.

Testimony of Special Agent Joseph Ziegler
“IRS Whistleblowers About the Biden Criminal Investigation”
Before The Committee on Ways & Means
U.S. House of Representatives

December 5, 2023

Excerpts from Exhibit 600A and 600B

EXHIBIT 600B Non-Bargaining Unit Performance Appraisal

(Review instructions before completing this form)

1. Name of employee (Last, first, middle initial) Ziegler, Joseph A	2. Last 4 Digits of SSN [REDACTED]	3. Reason for Appraisal <input checked="" type="checkbox"/> Annual Rating <input type="checkbox"/> Other Reason for other:	
4. Office symbols/Organization 932339683902060000/GROUP 68-02	5. Pay plan, series and grade GS-1811-13	7. Period covered From: 01-APR-2022 To: 31-MAR-2023	
6. Position title Spec Agt (CS)	8. Mandatory progress review was conducted on 09-NOV-2022		
9. Fair and Equitable Treatment of Taxpayers Retention Standard Rating <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met			
10. Critical Job Elements (CJEs)	11. Performance Aspects	12. Performance Aspects Rating Exceeds Meets Falls N/A	13. CJE Ratings
I. Employee Satisfaction - Employee Contribution	A. Workplace Interaction B. Workgroup Involvement C. Workplace Environment	X X X	Outstanding
II. Customer Satisfaction - Knowledge	A. Legal and Accounting Principles B. Enforcement Activities C. Court Related Activities D. Procedural Requirements E. Technical Assistance	X X X X X	Outstanding
III. Customer Satisfaction - Application	A. Written Communication B. Oral Communication C. Interviewing and Official Contacts	X X X	Exceeds Fully Successful
IV. Business Results - Quality	A. Research and Analytical Methods B. Planning Investigations and Other Activities C. Implementing Plans and Other Activities	X X X	Outstanding
V. Business Results - Efficiency	A. Workload Management B. Completes Work Timely C. Workload Implementation	X X X	Outstanding
14. Overall rating <input checked="" type="checkbox"/> Outstanding <input type="checkbox"/> Fully Successful <input type="checkbox"/> Unacceptable <input type="checkbox"/> Exceeds Fully Successful <input type="checkbox"/> Minimally Successful <input type="checkbox"/> Not Ratable Reason for Not Ratable:		15. Average CJE Score 4.80	

A. Certification of Rating - By signing below, each Rater and Reviewer certifies that records of tax enforcement results (ROTERTs) were not used to prepare this appraisal.

16a. Rater name/title/signature/date
Shapley Jr, Gary A / SSA (CS) / /s/ Gary A Shapley Jr / April 25, 2023

16b. Reviewing Official name/title/signature/date
Watson, Lola B / ASAC(CS) / /s/ Lola B Watson / April 27, 2023

16c. Employee signature/date (Signature only indicates copy has been received, not agreement)
/s/ Joseph A Ziegler / April 28, 2023

17a. Revalidation of Rating of Record (Period covered)
From: To:

17b. Mandatory progress review was conducted on

EXHIBIT 600A Non-Bargaining Unit Performance Appraisal

(Review instructions before completing this form)

1. Name of employee (Last, first, middle initial) Ziegler, Joseph A	2. Last 4 Digits of SSN [REDACTED]	3. Reason for Appraisal <input checked="" type="checkbox"/> Annual Rating <input type="checkbox"/> Other Reason for other:	
4. Office symbols/Organization 932339683902060000/GROUP 68-02	5. Pay plan, series and grade GS-1811-13	7. Period covered From: 01-APR-2021 To: 31-MAR-2022	
6. Position title Spec Agt (CS)	8. Mandatory progress review was conducted on 01-DEC-2021		
9. Fair and Equitable Treatment of Taxpayers Retention Standard Rating <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met			
10. Critical Job Elements (CJEs)	11. Performance Aspects	12. Performance Aspects Rating Exceeds Meets Falls N/A	13. CJE Ratings
I. Employee Satisfaction - Employee Contribution	A. Workplace Interaction B. Workgroup Involvement C. Workplace Environment	X X X	Outstanding
II. Customer Satisfaction - Knowledge	A. Legal and Accounting Principles B. Enforcement Activities C. Court Related Activities D. Procedural Requirements E. Technical Assistance	X X X X X	Exceeds Fully Successful
III. Customer Satisfaction - Application	A. Written Communication B. Oral Communication C. Interviewing and Official Contacts	X X X	Outstanding
IV. Business Results - Quality	A. Research and Analytical Methods B. Planning Investigations and Other Activities C. Implementing Plans and Other Activities	X X X	Outstanding
V. Business Results - Efficiency	A. Workload Management B. Completes Work Timely C. Workload Implementation	X X X	Outstanding
14. Overall rating <input checked="" type="checkbox"/> Outstanding <input type="checkbox"/> Fully Successful <input type="checkbox"/> Unacceptable <input type="checkbox"/> Exceeds Fully Successful <input type="checkbox"/> Minimally Successful <input type="checkbox"/> Not Ratable Reason for Not Ratable:		15. Average CJE Score 4.80	

A. Certification of Rating - By signing below, each Rater and Reviewer certifies that records of tax enforcement results (ROTERTs) were not used to prepare this appraisal.

16a. Rater name/title/signature/date
Puglisi, Christine A / SSA (CS) / /s/ Christine A Puglisi / April 29, 2022

16b. Reviewing Official name/title/signature/date
Watson, Lola B / ASAC(CS) / /s/ Lola B Watson / April 29, 2022

16c. Employee signature/date (Signature only indicates copy has been received, not agreement)
/s/ Joseph A Ziegler / April 29, 2022

17a. Revalidation of Rating of Record (Period covered)
From: To:

17b. Mandatory progress review was conducted on

EXHIBIT 602

Ziegler Joseph A

From: Shapley Gary A Jr
Sent: Wednesday, May 31, 2023 10:14 AM
To: Ziegler Joseph A
Subject: FW: For Review/Approval: Administrative Leave Request for Protected Whistleblower Activities - Shapley

Joe,

The DFO provided the below guidance to me. You should be afforded the same. Please operate under this guidance.

Thank you.

There is no need for you to incur admin leave as this is your duty to file and support your claim as you see fit. Further, there is no need to provide any updates, written or verbal of your meetings, testimony and work being done on this claim. Again, as a federal employee, it is your duty and obligation to answer/support the claim you have made.



Gary A. Shapley Jr.
Supervisory Special Agent
International Tax and Financial Crimes - ITFC



Exhibit 602

EXHIBIT 603

Ziegler Joseph A

From: *Commissioner Werfel [REDACTED]
Sent: Friday, July 07, 2023 11:30 AM
To: &&Employees All
Subject: Updated Whistleblower Guidance



IRS colleagues:

I am writing to you to provide updated guidance and clarify questions that have arisen concerning where and how IRS employees may report whistleblower concerns.

As employees, you are the first line of defense to call out issues that raise concerns, and I want it to be clear that we will always encourage a “see something, say something” philosophy. And in the event that you believe that the best course of action is not to raise issues up your IRS chain of command, but to raise the issue with an independent authority, there are a number of different options for raising concerns, including but not limited to:

- Treasury Inspector General for Tax Administration (TIGTA)
- Relevant Oversight Committees of the U.S. Congress
- U.S. Office of Special Counsel (OSC); and/or
- U.S. Department of Justice Office of Inspector General

The option(s) you may choose for reporting whistleblower concerns depend on the circumstances of a given matter. We have received questions from employees on what the right approach is if the issue to be reported might include taxpayer information protected by Section 6103 of the IRC or information protected by Federal Rule of Criminal Procedure 6(e).

In light of this, below you will find some helpful, detailed information intended to respond to these questions.

–Danny Werfel

**

IRS employees may be entrusted with access to information that includes materials subject to protection under the Federal Tax laws, e.g., Section 6103, and Federal Rule of Criminal Procedure 6(e). As such, if you become aware of potential wrongdoing involving activities where information is subject to protection under either or both Section 6103 and/or 6(e), you have options for reporting this wrongdoing.

Employees who believe, with respect to a **grand jury matter**, that there is evidence of a (1) violation of law, rule, or regulation; (2) gross mismanagement; (3) a gross waste of funds; (4) an abuse of authority; or (5) a substantial and specific danger to public health or safety, should: (i) report such evidence to their supervisor; (ii) report such evidence to any management official; and/or (iii) report such evidence to the Department of Justice Inspector General (DOJ IG) and notify Treasury Inspector General for Tax Administration (TIGTA) that

1

a referral of a grand jury matter has been made to DOJ IG. Such employees are authorized to disclose return and return information, as necessary, in such communications with the DOJ IG. Before sharing any information concerning a grand jury matter with a supervisor or manager who is not in IRS – Criminal Investigation (IRS-CI), please confirm that the supervisor/manager is authorized to receive relevant Rule 6(e) information. If you have any questions about whether evidence contains Rule 6(e) information, you may contact a supervisor or manager (provided that they are authorized to receive relevant Rule 6(e) information), IRS Chief Counsel – Criminal Tax (CT), or the DOJ IG.

Employees who believe, with respect to a **non-grand jury matter**, that there is evidence of a (1) violation of law, rule, or regulation; (2) gross mismanagement; (3) a gross waste of funds; (4) an abuse of authority; or (5) a substantial and specific danger to public health or safety, should: (i) report such evidence to their supervisor; (ii) report such evidence to any management official; and/or (iii) report such evidence to TIGTA. In certain circumstances, employees may also report such evidence to the Office of Special Counsel (OSC), which is an independent federal investigative and prosecutorial agency, and is distinct from DOJ offices that are sometimes referred to as “special counsel”. Specifically, if IRS employees believe that they have been subjected to a prohibited personnel practice, such as reprisal for whistleblowing, they are authorized to disclose relevant 6103 information to OSC. Finally, upon belief that a return and/or return information may relate to possible misconduct, maladministration or taxpayer abuse, IRS employees may also disclose such return or return information to the chairman of the House Ways and Means Committee, the chairman of the Senate Finance Committee and/or the chairman of the Joint Committee on Taxation, or the examiners or agents as the chairmen of these committees may designate or appoint. If you have any questions about whether evidence contains Section 6103 information, or whether you may disclose 6103 information, you may contact a supervisor, manager, IRS Chief Counsel – Procedure & Administration (P&A), or TIGTA.



**-DEPARTMENT OF THE TREASURY
Internal Revenue Service
Criminal Investigation**

Memorandum of Interview

Investigation #: [REDACTED] **Location:** **Arnold & Porter**
Investigation Name: Robert DOE 250 West 55th Street
Date: September 29, 2022 New York, NY 10019-9710
Time: Approx. 2:25PM – 5:20PM
Participant(s): James Biden, Relative / Business Associate of RHB
Paul Fishman, Attorney for James Biden
Gelsey Beaubrun, Attorney for James Biden
David Hibey, Attorney for James Biden
Joseph A. Ziegler, Special Agent (IRS-CI)
Christine Puglisi, Special Agent (IRS-CI)
Michelle Hoffman, Forensic Accountant FBI
Lesley Wolf, Assistant United States Attorney (DE)
Carly Hudson, Assistant United States Attorney (DE)
Mark Daly, Attorney DOJ-Tax Division

On the above date and time, James Biden ("James B"), with his counsel Paul Fishman, Gelsey Beaubrun and David Hibey, met at the above location to meet for a scheduled interview with the above participants. SA Ziegler and SA Puglisi identified themselves as Special Agents with the IRS-CI and Michelle Hoffman as a Forensic Accountant with the FBI. DOJ-Tax Attorney Daly identified himself as well and AUSA Wolf and Hudson identified themselves. Prior to the interview, James B confirmed that he was doing the interview voluntarily and that he did not need a proffer agreement. If a proffer agreement was needed in the future, they would let the government know. DOJ-Tax Attorney Daly told James B that they had some questions about his interactions with RHB and the business activities they participated in together, flow of funds and mental state.

[REDACTED] Paul Fishman stated that James B remembers some stuff and some stuff is not as clear as it was five years ago. DOJ-Tax Attorney Daly told James B that he needed to be truthful and that if he wasn't truthful that he would be in violation of 1001 – False Statements, and the relevant penalties from violating it. DOJ-Tax Attorney Daly told James B that he could take a break at any time and can stop at any point to have conversations with his counsel. James B stated that he had no questions and provided the following information:



FEDERAL BUREAU OF INVESTIGATION

Date of entry 02/22/2022

John Robinson Walker (Walker), 2200 Country Club Lane, Little Rock, AR, date of birth [REDACTED], was interviewed at the law offices of DLA Piper, 500 Eighth Street, NW, Washington, DC 20004. Walker was accompanied by his attorneys, Edward McAndrew and Evan North. Assistant U.S. Attorney Lesley Wolf, Attorney Mark Daly with the U.S. Department of Justice, Tax Division, Trial Attorney Matthew McKenzie with the U.S. Department of Justice, National Security Division, Special Agent (SA) Joseph Ziegler, Internal Revenue Service - Criminal Investigation, SA [REDACTED] Dzielak and Forensic Accountant [REDACTED] Hoffman of the FBI, were present for the interview. Prior to starting the interview, Walker was advised of his requirement to be truthful when answering questions per Title 18 U.S.C. 1001. After being advised of the identities of the interviewers and the nature of the interview, Walker voluntarily provided the following information:

Walker attended the University of Arkansas, graduating in 1996 or 1997 with a Bachelor of Science degree in Business Administration. He does not have any professional licenses, but he had a secret clearance with the U.S. government. Walker did perform some volunteer work for the Clinton-Gore campaign. After graduation he worked for the real estate company Lindsey and Associates, then worked for a development company near Fort Worth, TX. Walker worked on the Clinton campaign in 1996 while finishing up college.

EXHIBIT 400A

ANTHONY “TONY” BOBULINSKI, cellular telephone number [REDACTED], was interviewed at the Federal Bureau of Investigation (FBI) Washington Field Office (WFO), located at 601 4th Street NW, Washington, D.C., on October 23, 2020. Present for the interview were FBI Special Agent (SA) William [REDACTED] and SA Garrett [REDACTED], who reported to WFO at approximately 12:55 P.M. to meet BOBULINSKI in response to a request for intake related to a walk-in complainant. Also present for the interview was counsel to BOBULINSKI, STEFAN PASSANTINO (“PASSANTINO”). WFO Special Agent in Charge (SAC) James Dawson and Acting Assistant Special Agent in Charge (A/ASAC) Giulio Arseni were present at the outset of the interview. SAC Dawson and A/ASAC Arseni left the interview room after making introductions to the interviewing agents. After being advised of the identity of the interviewing agents and the nature of the interview, BOBULINSKI voluntarily provided the following information:

At the start of the interview, BOBULINSKI was asked if he had recently been exposed to the Covid-19 virus. BOBULINSKI received a negative Covid-19 test result the previous day at the White House. BOBULINSKI did not have any symptoms associated with Covid-19.

The interviewing agents specifically advised BOBULINSKI that his presence was voluntary and that he was not required to answer any questions or provide any materials to the interviewing agents. BOBULINSKI acknowledged his participation was voluntary. The interviewing agents asked BOBULINSKI and PASSANTINO if they had any recording devices and whether they were recording the interview. BOBULINSKI and PASSANTINO both stated that they had no recording devices and that they were not recording the interview. BOBULINSKI asked the interviewing agents whether they were recording the interview, and he pointed to a security camera in the corner of the room. The interviewing agents advised BOBULINSKI that the interview was not being recorded. The interviewing agents further advised BOBULINSKI that while the interviewing agents were willing to accept any information he wanted to provide, BOBULINSKI was under no obligation to provide the FBI with any information.

Excerpt from Exhibit 400

In total, LUFT believes that HUNTER BIDEN has received the following payments through YE and/or CEFC CHINA ENERGY:

- Three million dollars - December 2016
- Five million dollars - May 2017
- One million dollars - October 2017 (via HO)
- Additional monthly retainer payments

Excerpt from Exhibit 400

CHINA ENERGY employees who were later disclosed in this report. HUNTER was believed to have met with YE in Miami, Florida in about May of 2017. HUNTER was accompanied by his girlfriend, HALLIE BIDEN, on this trip. During this trip, HUNTER was provided with a five million dollar payment from CEFC CHINA ENERGY and a monthly retainer was agreed to with which HUNTER and JAMES BIDEN would each receive monthly payments of one hundred thousand dollars and sixty-five thousand dollars, respectively, from CEFC CHINA ENERGY.

Excerpt from Exhibit 2A

Section 4.6 Retainer, Salary and Bonus. The Managers shall be paid a discretionary bonus determined by the Board of Managers from at the end of each fiscal year. Owasco Manager R. Hunter Biden ("H. Biden") shall entitle a compensation of \$100,000 a month and, James Biden shall entitle a compensation of \$65,000.00 a month. Compensations of other staffing persons shall be determined by the Board of Managers. Furthermore, R. Hunter Biden shall be paid a one-time retainer fee of \$500,000.00.

Section 4.7 Resignation. A Manager may resign at any time by giving prior written notice to both of the Members.

Excerpt from Exhibit 400

LUFT believes YE was willing to make these payments because he was generally aware of a corruption investigation of his activities by Chinese authorities. LUFT believes that YE was trying to build a political asylum request or parachute for himself from this investigation and that the BIDEN family could assist with this. YE had previously relocated his wife and son to NYC in September of 2016. YE's son attends Columbia Preparatory School and HO previously told LUFT that YE paid one million dollars to Columbia to ensure that his son was admitted. YE had asked LUFT directly in April or May of 2017 about the difficulty of obtaining passports from other countries like Portugal or Cyprus. In retrospect, LUFT believes all

UNCLASSIFIED// [REDACTED]

EXHIBIT 1D

Hunter Biden Summary of 2018 Tax Year Recommended Charges - Allegations			
EXHIBIT 1D			
Item	Particulars (Based on Evidence Gathered in Investigation)	2018 Personal	
Computation of Corrected Taxable Income & Unreported Taxable Income for Charging Purposes:			
Forms W2 Wages			
1	Owasco PC	\$ 159,000	
2	Boies Schiller	-	
3	Total W2 Income	159,000	
Other IRS Forms			
4	Taxable Interest - Skanenteles Form K1	108	
5	Form 1099 - Robinson Walker LLC	-	
6	Form 1099 - National Railroad	1,029	
7	Hudson West Passthrough to Owasco LLC	1,000,000	
8	Distribution from Owasco PC	955,665	
9	Schedule C Income	1,956,694	
10	Schedule D Income - Skanenteles K1	60,816	
11	Other gain / loss - Skanenteles K1	9,966	
12	Other gain / loss - RSTP	702	
13	Total Skanenteles K1	71,484	
14	TOTAL REPORTED INCOME	2,187,286	
**Unreported Personal Distributions from Owasco PC			
15	Personal Wages, Salaries and Other Paid	126,173	
16	Personal Travel Paid	171,905	
17	Personal Children Expenses Paid	68,362	
18	Personal Other Expenses Paid	57,891	
19	TOTAL UNREPORTED PERSONAL DISTRIBUTIONS	424,331	
20	Adjustment to RHB's Schedule C (Based on Defense Presented)	157,062	
21	TOTAL UNREPORTED INCOME	267,269	
22	Corrected Total Income	2,454,555	
23	Less: Adjustments to Income	475,372	
24	Less: Adjustments	3,579	
25	Corrected Adjusted Gross Income	1,975,604	
26	Less: Itemized / Other Deductions	23,419	
27	Corrected Taxable Income for Criminal Purposes	1,952,185	
28	Reported Taxable Income	1,688,495	
29	Unreported Taxable Income	263,690	
Additional Tax Due & Owing Computation			
30	Unreported Income Tax Liability (TAX)	766,311	
31	Total Tax Reported on Return / Paid	659,366	
32	Additional Tax Due and Owing	\$ 106,945	

13	Total Skanenteles K1		71,484
14	TOTAL REPORTED INCOME		2,187,286
**Unreported Personal Distributions from Owasco PC			
15	Personal Wages, Salaries and Other Paid		126,173
16	Personal Travel Paid		171,905
17	Personal Children Expenses Paid		68,362
18	Personal Other Expenses Paid		57,891
19	TOTAL UNREPORTED PERSONAL DISTRIBUTIONS		424,331
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21	TOTAL UNREPORTED INCOME		267,269
22	Corrected Total Income		2,454,555
23	Less: Adjustments to Income		475,372
24	Total Tax Due & Owing		106,945

Excerpt from Exhibit 1K

[REDACTED]

- At around the same time, Mr. Biden was also evaluating and funding a venture with Ms. Zoe [REDACTED], who was an entrepreneur starting a clothing line business. Mr. Biden also understood that he was or would be a 10% owner in that potential venture and funded expenses he believed would help Ms. [REDACTED] launch that clothing line. Those efforts were primarily undertaken in California. We understand that like many other such dealings during this period of Mr. Biden's life, this venture did not come to fruition, and also involved a romantic relationship with Ms. [REDACTED].
- [REDACTED]
- Beginning in or around August 2018, Mr. Biden began discussions with Michael [REDACTED] regarding starting a music production company. Mr. Biden and Mr. [REDACTED] had several in-person meetings regarding establishing and furthering this business. Many of those meetings were held in person, including in California and Nevada in August and September 2018. We understand Mr. Biden and [REDACTED] also rented space in or around this time for music recording and/or production. In connection with this venture, the company Biden Enterprise, LLC was formed in or around November 2018.

Hunter Biden Overall Summary of Evasion and False Return - Allegations				
EXHIBIT 1A				
		Venued in the District of DC	Venued in the Central District of California	
Item:	Particulars (Based on Evidence Gathered in Investigation)	2014 - Personal Scenario A	2018 - Personal	TOTAL
Computation of Corrected Taxable Income & Unreported Taxable Income for Charging Purposes				
1	Unreported Taxable Income	\$ 335,265	\$ 267,269	\$ 602,534
2	Additional Tax Due and Owing	\$ 124,845	\$ 106,945	\$ 231,790
* These amounts do not include Applicable Penalties & Interest				

Hunter Biden Summary of Failure to Timely File / Pay (Misdemeanor Charges) - Allegation									
EXHIBIT 1B									
Item:	Particulars (Based on Evidence Gathered in Investigation)	2015	2016 - Personal	2017 - Personal	2017 - Corp	2018 - Personal	2018 - Corp	2019 - Personal	TOTAL
Computation of Unreported Taxable Income & Taxes Not Timely Paid for Charging Purposes									
1	Unreported Total Taxable Income (If not Timely Filed)	\$ -	\$ 1,276,499	\$ 1,956,003	\$ 38,942	\$ 1,688,495	\$ 20,224	\$ -	\$ 4,980,163
2	Total Tax Not Timely Paid (If Not Timely Paid)	\$ 100,675	\$ 45,661	\$ 581,713	\$ 13,630	\$ 620,901	\$ 4,247	\$ 197,372	\$ 1,564,199
3	Approx. Due Date for Tax Return / Tax Payment	4/15/2016	4/18/2017	4/17/2018	4/17/2018	4/15/2019	4/15/2019	7/15/2020	
4	Date Tax Return Received by IRS	10/25/2016	6/12/2020	2/18/2020	2/20/2020	2/18/2020	2/20/2020	10/15/2020	
5	Date Taxes Paid to The IRS	1/28/2020	10/18/2021	10/18/2021	Unknown	10/18/2021	Unknown	10/18/2021	

a. Pursuant to U.S.S.G. § 2T1.1, the amount of loss as to Counts One and Two, including relevant conduct as defined in U.S.S.G.

§ 1B1.3, is no less than \$1,199,524 and no greater than

\$1,593,329;

EXHIBIT 1D

Hunter Biden Summary of 2018 Tax Year Recommended Charges - Allegations			
EXHIBIT 1D			
Item:	Particulars (Based on Evidence Gathered in Investigation)	2018 Personal	
Computation of Corrected Taxable Income & Unreported Taxable Income for Charging Purposes:			
Forms W2 Wages			
1	Owasco PC	\$ 159,000	
2	Boies Schuller	-	
3	Total W2 Income	159,000	
Other IRS Forms			
4	Taxable Interest - Skanenteles Form K1	108	
5	Form 1099 - Robinson Walker LLC	-	
6	Form 1099 - National Railroad	1,029	
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11	Other gain / loss - Skanenteles K1	9,966	
12	Other gain / loss - RSTP	702	
13	Total Skanenteles K1	71,484	
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17	Personal Children Expenses Paid	68,362	
18	Personal Other Expenses Paid	57,891	
19	TOTAL UNREPORTED PERSONAL DISTRIBUTIONS	424,331	
20	Adjustment to RHB's Schedule C (Based on Defense Presented)	157,062	
21	TOTAL UNREPORTED INCOME	267,269	
22	Corrected Total Income	2,454,555	
23	Less: Adjustments to Income	475,372	
24	Less: Adjustments	3,579	
25	Corrected Adjusted Gross Income	1,975,604	
26	Less: Itemized / Other Deductions	23,419	
27	Corrected Taxable Income for Criminal Purposes	1,952,185	
28	Reported Taxable Income	1,688,495	
29	Unreported Taxable Income	263,690	
Additional Tax Due & Owing Computation			
30	Unreported Income Tax Liability (TAX)	766,311	
31	Total Tax Reported on Return / Paid	659,366	
32	Additional Tax Due and Owing	\$ 106,945	

13	Total Skanenteles K1	71,484
14	TOTAL REPORTED INCOME	2,187,286
**Unreported Personal Distributions from Owasco PC		
15	Personal Wages, Salaries and Other Paid	126,173
16	Personal Travel Paid	171,905
17	Personal Children Expenses Paid	68,362
18	Personal Other Expenses Paid	57,891
19	TOTAL UNREPORTED PERSONAL DISTRIBUTIONS	424,331
20	Adjustment to RHB's Schedule C (Based on Defense Presented)	157,062
21	TOTAL UNREPORTED INCOME	267,269
22	Corrected Total Income	2,454,555
23	Less: Adjustments to Income	475,372
24	Less: Adjustments	3,579

Excerpt from Exhibit 1E

AUSA Daly: Um, so, at that meeting it's you, Troy, Hunter, and Melissa. Did you go over this— did you or Troy go over this letter with him?

Gelfound: Yes.

AUSA Daly: OK, describe that process to me, what happened?

Gelfound: It was a brief conversation related to this aspect because there was other items on the agenda—

AUSA Daly: And we are going to go back to that, so don't- we'll revisit it because we're going to look through the bills as we go through the return but just as it relates to this representation letter.

Gelfound: It was [inaudible 00:29:38] my recollection.

AUSA Daly: Do you know if Troy went over each of the representations with him?

Gelfound: I don't remember line by line, I know for each of them. I—

AUSA Daly: Do you recall what they- what he discussed?

Gelfound: I don't remember the exact- [00:30:00] I just remember it was brief because it was reviewed by counsel at first and then Hunter already, so he already saw the document, so I don't know if... My recollection was that it was brief conversation, I don't remember too much about it [inaudible 00:30:20].

AUSA Daly: Well did you remember whether- did you have any discussion about whether Hunter provided you with all the information about his income? Did he, was he asked like, questions or...?

Gelfound: Absolutely.

AUSA Daly: OK.

Gelfound: He was asked questions... on a number, to make sure that he was very forthcoming, try to give us everything that he was asked about.

AUSA Daly: Would you have had a- at this meeting, would you have had a discussion about whether he had the deductions he was taking or claiming were actual business expenses?

Gelfound: Yes.

AUSA Daly: That would've been discussed at this meeting?

Gelfound: Yes.

AUSA Daly: In regard to the signing of the representation letter or in regard to the other things at the meeting?

Gelfound: Can you repeat the question?

AUSA Daly: About deductions.

Gelfound: Yes.



AUSA Daly: Did you have, in signing this engagement letter, did you have a discussion about that this is deductions he was claiming had to actually be related to business expenses?

Gelfound: It was not when we were reviewing the document, but it was during the course of that meeting.

AUSA Daly: But you do recall of the discussion about that with Hunter then?

Gelfound: Absolutely.

Excerpt from Exhibit 300

11/16/2018	 O'WASCO	Computer iCloud Backup	<p>11/16/2018: iMessage between SM and Dodge, Dodge sends SM a listing of Payroll for November 2018, which includes Lunden Roberts. SM asks, "just don't pay me. Can you do that. And is Lunden still on payroll???" and Dodge responds, "Yes Lunden is still on payroll. I can't change this payroll at this point. I can try but it is already trying to go through. Do I remove Lunden from payroll & health insurance? They go hand in hand." in which SM responds, "(...) take Lunden off payroll I thought you said she decidedly dint want to work and didn't need health insurance anyway. Remember that conversation?" and Dodge responds, "No. I do not remember that conversation. I remember a conversation where I was disappointed that you wanted to pay her the same rate as me. But I am over that. Maybe she told you that but I wasn't involved." and SM responds, "regardless Katie thats was if she was working a 40 hour week full time for me. I haven't talked to Lunden in 7 months?????????"</p>
12/20/2018	 PERSONAL TAX	Computer iCloud Backup	<p>12/20/2018: iMessage between SM and Kathleen B., SM says, " Kathleen I'm trying to raise the money to make these payments. You engaging your lawyer to tell me I need to pay her fee for writing me a letter is less than helpful. (...)" in which Kathleen responds, "Please just answer your emails. You told me to use a lawyer. This isn't personal. You refuse to comply with the divorce agreement. I have no choice. I may lose the opportunity to refinance the lake house. I need to make decisions based on expected income. Give my accountant permission to review your tax returns, sign the Quit Claim, give me an answer re the tax lien. If your financial situation has changed, we can amend but that will happen in court. You just need to comply with the agreement. I don't want to communicate with you because you are too combative and rude." in which SM later responds, "No I can't Kathleen - I can't pay \$450+450 an hour for lawyers. Bill Morgan wants \$15k now for any work. And I have not filed the taxes and have been extending.... so again keep thinking you know best" and again Kathleen asks for access to the tax returns, in which SM responds, "My tax returns aren't completed. Bill is going off information from Eric that is not accurate at all. I don't understand. I will call him now." and again SM, "Regarding bill I have no prepared tax returns to send you now." and again SM, "There is no accurate tax return document to give you access to." in which Kathleen responds, "Please email Bill. Per the agreement, I have access to your tax returns. Just email him. If they aren't prepared, he can let me know. I don't want to have to keep asking."</p>

Excerpts from Exhibit 1J

17

DOJ-Tax Daly: OK. Yeah. [REDACTED] a schedule of tax due and owing. Is that your handwriting [REDACTED]?

Jeff Gelfound: It is.

DOJ-Tax Daly: OK [00:40:00]. It says, "the 2017 and '18 estimated tax liabilities were discussed with Hunter on 2/11".

Jeff Gelfound: Yeah.

DOJ-Tax Daly: And he elected not to remit the tax payments. Did he explain why he didn't remit them?

Jeff Gelfound: It was... It was implied that he had no resources to pay.

DOJ-Tax Daly: How was it implied?

Jeff Gelfound: Just... He could've told- I mean, I know from the get-go there was- I couldn't understand.

DOJ-Tax Daly: Did he explain to you, outside the presence of counsel, what expenses Kevin Morris would cover and what he wouldn't cover?

SA Ziegler: Mark asked a question about the ability to pay the taxes. How did you-how did you determine which taxes that Kevin was going to pay and which ones he was not going to pay? Outside the presence of counsel.

□

19

Jeff Gelfound: I didn't make that- I don't know how that determination was made. I was not involved in the process. I mean, I was not involved in the process- well... Outside the presence of counsel, I mean that- I think that would've all gone through counsel [00:44:00]. There was tax notices that came out, the notices were sent to counsel and if there was urgency, if the notices said there was going to be a lien or if there's other—

SA Ziegler: So those might've been paid first?

Jeff Gelfound: They would be prioritized—

SA Ziegler: OK.

Jeff Gelfound: Yeah, if there was going to be media attention because they were going to lien but I was not involved in, at least I don't remember, being involved in helping make the- I didn't have a discussion with Kevin, so I don't know beyond that.

[REDACTED]

Excerpt From Exhibit 607A

-----Original Message-----

From: Kevin Morris [REDACTED]

Sent: Friday, February 07, 2020 12:19 PM

To: Troy Schmidt [REDACTED]

Cc: Lindsay Wineberg [REDACTED]; George R. Mesires [REDACTED]; Shep Hoffman

[REDACTED]; Hunter B [REDACTED]

Subject: Return

Emergency is off for today. Still need to file Monday- we are under considerable risk personally and politically to get the returns in. Sorry for the pressure earlier. Please send the issues list ASAP.

Thanks for all.

EXHIBIT 202

[REDACTED]

From: Wolf, Lesley (USADE) [REDACTED]
Sent: Friday, August 07, 2020 7:41 PM
To: Wilson, Joshua J. (BA) (FBI); Hudson, Carly (USADE)
Cc: Roepcke, Susan C. (BA) (FBI); Hoffman, Michelle A. (BA) (FBI); Ziegler Joseph A; Gordon, Joseph P. (BA) (FBI)
Subject: RE: BS SW Draft

As a priority, someone needs to redraft attachment B. I am not sure what this is cut and pasted from but other than the attribution, location and identity stuff at the end, none if it is appropriate and within the scope of this warrant. Please focus on FARA evidence only. **There should be nothing about Political Figure 1 in here.**

Thanks.

From: Wilson, Joshua J. (BA) (FBI) [REDACTED]
Sent: Wednesday, August 5, 2020 5:39 PM
To: Wolf, Lesley (USADE) [REDACTED] Hudson, Carly (USADE) [REDACTED]
Cc: Roepcke, Susan C. (BA) (FBI) [REDACTED] Hoffman, Michelle A. (BA) (FBI) [REDACTED] Joe Ziegler IRS [REDACTED] Gordon, Joseph P. (BA) (FBI) [REDACTED]
Subject: [Not Virus Scanned] [WARNING: MESSAGE ENCRYPTED]BS SW Draft

This message has not been virus scanned because it contains encrypted or otherwise protected data. Please ensure you know who the message is coming from and that it is virus scanned by your desktop antivirus software.

Hello all,

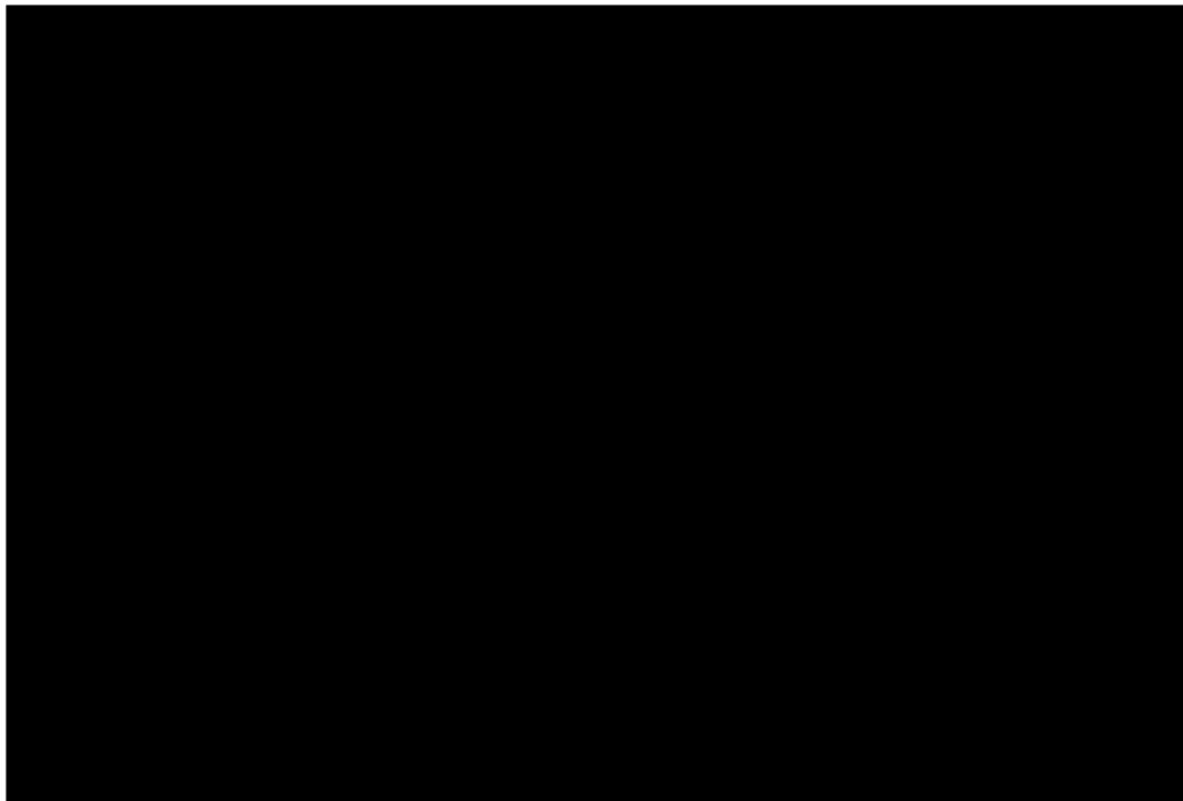
Please see attached draft for BS SW. Joe Z pwd.

Thanks to Sue and Michelle who contributed fully to this, we talked enough for one week during a single day today.

Josh

Special Agent Joshua J. Wilson
Federal Bureau of Investigation
Baltimore Division/Wilmington, DE
[REDACTED]

EXHIBIT 203



18. POLITICAL FIGURE 1 - FORMER VICE PRESIDENT JOSEPH

ROBINETTE BIDEN JR. - VP BIDEN is currently the Democratic Party Presidential candidate for the United States and served as the 47th officeholder for the position of the Office of the Vice President of the United States (VPOTUS) in the Barack Obama Administration from January 20, 2009 to January 20, 2017. He is the father of SUBJECT 1.



EXHIBIT 304

From: Vadym Pozharskyi <v.pozharskyi. [REDACTED]>
To: Hunter Biden <hbiden@ [REDACTED]>
Sent: 4/17/2015 9:00:51 AM
Subject: Meeting for coffee?

Dear Hunter, thank you for inviting me to DC and giving an opportunity to meet your father and spent some time together. It's really an honor and pleasure.

As we spoke yesterday evening, would be great to meet today for a quick coffee. What do you think? I could come to you office somewhere around noon or so, before or on my way to airport.

Best ,
V

Отправлено с iPhone

Scope of Work

To address Burisma's concerns and leverage our experience, Blue Star Strategies proposes the following scope of work for your consideration:

1. Create the Narrative

Our initial task would be to create a compelling narrative to provide government relations assistance to the Company in the U.S. and Ukraine, focusing on crisis communications during the first two months of the annual contract.

Our starting point will be to educate key officials in Washington, DC, followed by a trip to Kiev proposed for mid-December 2015.

In Kiev, we will work to educate key officials within the U.S. and Ukrainian governments on the important role the Company plays in economic development, job creation, and as a significant taxpayer. We will also reach out to colleagues in various circles in both countries to reinforce our efforts.

Relatedly, we would underscore the importance of respecting the rule of law and judicial decisions by courts of competent jurisdiction, citing the Company's recent win in the U.K. court system. Earlier this year, Burisma had defended itself successfully against the U.K.'s Serious Fraud Office (SFO) in a criminal case brought against the Company and an original shareholder, Nikolay Zlochevsky, the former Deputy Secretary of National Security and Defense Council of Ukraine. In 2014, Mr. Zlochevsky was accused by the SFO and Ukraine's Main Investigation Department of the Prosecutor General's Office of unlawful enrichment and money laundering related to Burisma Holdings and another company, Brociti Investments Limited, in which Mr. Zlochevsky was registered as a beneficial owner in both companies. In January 2015, the UK judge dismissed the case against Mr. Zlochevsky due to SFO's lack of evidence, unblocked his frozen UK assets, and in July 2015, Mr. Zlochevsky and Burisma were awarded their costs.

In Ukraine, the criminal case against Mr. Zlochevsky by the Prosecutor General's Office is ongoing, but has been suspended twice, most recently in August 2015. We will follow the proceedings in the case and look for opportunities to promote the facts about Burisma overall and closure of the file against Mr. Zlochevsky.

Excerpt
from 305B



Excerpts from Exhibit 306

From: Vadym Pozharskyi <vadym.pozharskyi [REDACTED]>
Date: November 2, 2015 at 4:35:51 PM EST
To: Devon Archer <darcher [REDACTED]>
Cc: Hunter Biden <hbiden [REDACTED]>, "Eric D. Schwerin" <eschwerin [REDACTED]>
Subject: Re: Revised Burisma Proposal, Contract and Invoice

Dear colleagues,

Hope, you are well. Thank you for the docs provided. I have analyzed them most carefully and came up with the following observations: the first thing is that the suggested **scope of work is largely lacking concrete tangible results** that we set out to achieve in the first place, mostly focusing on the process. Also, **it doesn't offer any names of top US officials here in Ukraine (for instance, US Ambassador) or Ukrainian officials (the President of Ukraine, chief of staff, Prosecutor General) as key targets for improving Nikolay's case and his situation in Ukraine.**

1

If, however, this is done deliberately to be on the safe and cautious side, I can understand the rationale. And if all parties in fact understand the true purpose of the BS engagement and all our joint efforts, it's ok and we should proceed immediately.

My only concern is for us to be on the same page re our final goals. With this in mind, I would like us to formulate a list of deliverables, including, but not limited to: a concrete course of actions, incl. meetings/communications resulting in high-ranking US officials in Ukraine (US Ambassador) and in US publicly or in private communication/comment expressing their "positive opinion" and support of Nikolay/Burisma to the highest level of decision makers here in Ukraine :President of Ukraine, president Chief of staff, Prosecutor General, etc

The scope of work should also include organization of a visit of a number of widely recognized and influential current and/or former US policy-makers to Ukraine in November aiming to conduct meetings with and bring positive signal/message and support on Nikolay's issue to the Ukrainian top officials above with the ultimate purpose to close down for any cases/pursuits against Nikolay in Ukraine.

Looking forward to your feedback!
Vadym

○

Excerpts
from Exhibit
307

From: Burisma <vadym.pozharskyi@burisma.com>
To: Hunter Biden <hbiden@burisma.com>
CC: Devon Archer <darcher@burisma.com>; Eric D. Schwerin <eschwerin@burisma.com>
Sent: 11/3/2015 11:35:18 AM
Subject: Re: Revised Burisma Proposal, Contract and Invoice

Thank you Hunter!

And of course, if you and Devon feel comfortable that they will deliver what in real terms we are talking about, we should disregard the wording of the scope and move further with signing and starting actual work.

Also, Eric, have you got any feedback from Sandwig with regard to visas issue and also with regard to his possible involvement in the trip to Kiev event?

Best regards
V

Отправлено с iPhone

3 нояб. 2015, в 18:24, Hunter Biden <hbiden@burisma.com> написал(а):

Vadym-

Let me have one final call with them and verify once more that they understand the scope so we can all feel that the retainer is in line with the work required. I trust Sally and Karen implicitly so I believe we are all aligned but I want to have one last conversation with them to confirm before we proceed.

We'll be back to you ASAP.

Best,
Hunter

Excerpt from
Exhibit 308

From: John Sandweg <john.sandweg [REDACTED]>
Date: November 2, 2015 at 6:36:56 PM EST
To: Eric Schwerin <eschwerin [REDACTED]>
Subject: Visa Denial

Eric-

1

Attached is a short report outlining why the visa was cancelled.

I realize we previously told you that a search of Department of Homeland Security and Customs databases did not reveal any prohibitions on Mr. Zlochevskiy's ability to enter the United States. Unfortunately, after receiving the initial report, I suspected that the individual I asked to run the search only queried DHS/Customs databases and not State Department databases. As such, I asked another individual to query both databases. This search revealed the cancellation of the visa and the legal basis for the cancellation.

The good news is that there has been no application of an immigration bar - meaning the client is able to re-apply and is not currently subject to any legal prohibitions on obtaining a visa. That said, the reason State cancels visas in situations like this is to force the visa holder to come into the embassy/consulate and answer questions related to the issues that are concerning State. As we discussed I do not recommend that the client make any effort to obtain a new visa until the other matters are resolved.

Let me know if you have any questions or concerns.

JS

EXHIBIT 310A

From: Sean Keeley <Sean.Keeley[REDACTED]>
To: hbiden[REDACTED]; Devon Archer
<darcher[REDACTED]>; Burisma
<vadym.pozharskyi[REDACTED]>; eschwerin[REDACTED]
<eschwerin[REDACTED]>; smomtazi[REDACTED]
<smomtazi[REDACTED]>
CC: Sally Painter <Sally.Painter[REDACTED]>; Karen Tramontano
<Karen.Tramontano[REDACTED]>; Pero Jolevski
<Pero.Jolevski[REDACTED]>; Jessica Lindgren
<jessica.lindgren[REDACTED]>
Sent: 12/2/2015 2:28:11 PM
Subject: VP Biden trip briefing
Attachments: BSS Memo Burisma - VP Biden Trip Briefing.doc

Dear all,

This morning the White House hosted a conference call regarding the Vice President's upcoming trip to Ukraine. Attached is a memo from the Blue Star Strategies team with the minutes of the call, which outlined the trip's agenda and addressed several questions regarding U.S. policy toward Ukraine.

We hope this is helpful; please let us know if you have any questions.

Best,
The Blue Star team



Exhibit
310A


Questions and Answers

In a question-and-answer session with reporters, the two officials responded to a number of questions about the U.S.-Ukraine relationship and policy toward Russia.

When asked about the recent Russian proposal for restructuring Ukraine's \$3 billion debt to Russia, the U.S. officials maintained that this was a bilateral matter between Ukraine and Russia. Dr. Kahl also remarked that Russia's proposals have only been made in the media but nothing has been formally proposed.

With regard to Russia's involvement in Syria, the White House officials stressed that dialogue with Russia in Syria is compartmentalized and will not affect U.S. policy toward Ukraine. Mr. Carpenter said that sanctions against Russia will hold until the Minsk agreement is fully implemented, and that sanctions with regard to Crimea will stay as long as Russia occupies the peninsula. He stressed that European partners previously agreed to this linkage in writing and will maintain solidarity with the U.S. on sanctions.

In response to questions about Ukraine's anti-corruption efforts and reforms of the Prosecutor General's Office, Dr. Kahl said that Mr. Biden will reiterate the message that Geoffrey Pyatt, the U.S. Ambassador to Ukraine, has been saying: more needs to be done to enable anti-corruption reforms and not have the Prosecutor General's Office stand in the way of those efforts. During his trip, Mr. Biden will stress that it is not enough to set up a separate, special prosecutor for anti-corruption within the Prosecutor General's Office, which has already been done. Rather, the entire institution needs serious reforms to overhaul its corrupt practices.



Excerpt
from
Exhibit
310B

EXHIBIT 313

From: Sally Painter <Sally.Painter [REDACTED]>
To: Eric Schwerin <eschwerin [REDACTED]>
Sent: 10/11/2016 11:43:48 AM
Subject: Re: Zlochevsky article in UKR press

Thanks. U brought us in so take a victory lap ♦♦

Sent from my iPhone

On Oct 11, 2016, at 11:39 AM, Eric Schwerin <eschwerin [REDACTED]> wrote:

Awesome work! Congrats to you and Karen!

Eric D. Schwerin
Rosemont Seneca Advisors, LLC
1010 Wisconsin Ave., NW
Suite 705
Washington, DC 20007
[REDACTED]

♻️ Consider the environment before printing this email.

On Oct 11, 2016, at 11:24 AM, Sally Painter <Sally.Painter [REDACTED]> wrote:

We won and in less than a year. Yea!!!!

Sent from my iPhone

Begin forwarded message:

From: Pero Jolevski <Pero.Jolevski [REDACTED]>
Date: October 11, 2016 at 11:16:33 AM EDT
To: Karen Tramontano <Karen.Tramontano [REDACTED]>, Sally Painter <Sally.Painter [REDACTED]>
Subject: Zlochevsky article in UKR press

The Interior Ministry confirmed that Zlochevskiy is no longer wanted

20:28, 10 October 2016

An adviser to the Minister of Internal Affairs, Zorian Shkiryak, confirmed that the former Minister of Ecology and Natural Resources Mykola Zlochevskiy is no longer wanted. He stated this on the TV channel "[112 Ukraine](#)".

"Yes, in fact, today it has been implemented. MIA performed a technical function, as was the decision of the GPU. As procedural heads they have provided a package of documents. In this situation, we have fulfilled the

Exhibit 313

EXHIBIT 315D

APPENDIX A

III.B. Search and Filter Team Process

1. Suggested "relevance" search terms include:

Search Terms	
.gov	Lindgren
"Blood Money"	Lowdermilk

"Blue Star"	Lucas
Alek	Lutsenko
Aleksander	mlstrategies
Alex	Monaco
Amb.	Mykola
Ambassador	N.Z.
Amos	Nikolai
Apter	Nikolay
Archer	Norvik
Avakov	Nykola
Blinken	Nykolay
bluestarstrategies	NZ
Brace	Painter
BS	Pero
BSS	Poroshenko
Burisma	Portman
Cofer	Pozharskyi
Como	Sally
Corrupt	Sarsour
Cyprus	Shaheen
Devon	Shokin
FARA	Tony
Hochstein	Toohey
Jessica	Tramontano
Jolevski	Turchinov
Kapur	Tymoshenko
Karen	Ukraine
Karloutsos	Vadim
Kiev	Vadym
Kwasniewski	Wade
Kyiv	Yaceniuk
LDA	Yatsenyuk
Lieter	Zlochevsky

Excerpt from Exhibit 605

From: Shapley Gary A Jr

Sent: Friday, May 13, 2022 5:09 PM

To: Batdorf Michael T [REDACTED] Waldon Darrell J [REDACTED]

Subject: Sportsman - 3rd DOJ Tax - Taxpayer Conference Delayed

Mike/Darrell,

We learned today that the new tentative date for the 3rd taxpayer conference (that we believed was scheduled for next week) is tentatively planned for 5/31. I stress tentatively.

As a result of the new time frame, I wanted to ask if you thought it may be better to request to present to Jason Poole/David Weiss in advance of that meeting. It made sense to wait when the meeting was next week but the delay might change your mind.

This tactic...to move things down the road backing us up against a statute...appears to be purposeful at this point.

We will make ourselves available when you determine the preferable timeframe to offer to present.

Thanks and have a great weekend.

Excerpts from Exhibit 501 & 502

From: Daly, Mark F. (TAX) [REDACTED]
Sent: Thursday, August 11, 2022 1:04 PM
To: Ziegler Joseph A [REDACTED]; Puglisi Christine A [REDACTED];
Dzielak, Michael (BA) (FBI) [REDACTED]; Hoffman, Michelle Ann (BA) (FBI) [REDACTED];
Roepcke, Susan C. (BA) (FBI) [REDACTED]
Cc: Morgan, Jack A. (TAX) [REDACTED]; Hudson, Carly (USADE) [REDACTED]; Wolf, Lesley (USADE) [REDACTED]
Subject: [EXTERNAL EMAIL] - Meeting

Are people available for a brief call tomorrow to discuss the case? We want to discuss charging decisions.

Are people free 9:30 to 10:30 tomorrow morning?

Otherwise, are people free at 1?

Mark

Mark Daly
Senior Litigation Counsel
Criminal Enforcement Section
Tax Division
U.S. Department of Justice
[REDACTED]

Ziegler Joseph A

Subject: [EXT]Sportsman- Call re Charging

Start: Fri 08/12/2022 2:00 PM

End: Fri 08/12/2022 3:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Daly, Mark F. (TAX)

Required Attendees Dzielak, Michael (BA) (FBI); Hoffman, Michelle Ann (BA) (FBI); Roepcke, Susan C. (BA) (FBI); Morgan Jack; Wolf, Lesley (USADE); Hudson, Carly (USADE); Ziegler Joseph A; Puglisi Christine A

Exhibit 211

From: Daly, Mark F. (TAX) [REDACTED]
Sent: Thursday, August 18, 2022 12:54 PM
To: Ziegler Joseph A; Dzielak, Michael (BA) (FBI); Hoffman, Michelle Ann (BA) (FBI); Puglisi Christine A; Wolf, Lesley (USADE); Hudson, Carly (USADE)
Cc: Morgan, Jack A. (TAX); Poole, Jason H. (TAX); Kane, John N. (TAX)
Subject: [EXT]Going forward

All

I spoke with Lesley yesterday regarding a tentative schedule moving forward.

We have three upcoming interviews (remind me if I have forgotten any):

September 8: George Mesires (DC)
September 12: Mervin Yan (tentative) (NY)
September 13: Uncle Jim (tentative) (NY)

The week of September 19 we may be [REDACTED] [REDACTED] in two separate districts:
Delaware: [REDACTED]
Los Angeles: Intro case and possible read back

We need to start planning for the interviews [REDACTED] [REDACTED]

Joe is reaching out about Yan. We will need to [REDACTED] [REDACTED] as well.

We are coordinating Uncle through his ¹¹counsel and SDNY.

Mark

Excerpt from Exhibit 503

From: Ziegler Joseph A [REDACTED]
Sent: Monday, August 8, 2022 8:25 AM
To: Wolf, Lesley (USADE) [REDACTED]
Subject: [EXTERNAL] RE: [EXT]Meeting with David

Thank you Lesley – Tuesday 8/16 will work for us. I think we will plan on being there in person (Myself, Pugs and Gary). Let me know what time works for him that day so I can plan my travel accordingly.

Thank you for the kind words.

Joe

Exhibit 505

Ziegler Joseph A

From: Ziegler Joseph A
Sent: Thursday, October 06, 2022 6:51 PM
To: Carly.Hudson [REDACTED]
Subject: RE: [EXT]Sportsman Uncle question

Hey Carly -

They heard from DOJ-Tax that they don't expect the case to be indicted until 2023 as they still have various levels of approval. I think this is what you are asking about.

Joe

From: "Hudson, Carly (USADE)" [REDACTED]
Sent: Oct 6, 2022 10:07 AM
To: Ziegler Joseph A [REDACTED]
Subject: [EXT]Sportsman Uncle question

Hi Joe,

David asked me to remind him what you said "regarding the call you received from management after the James Biden meeting." I'm not 100% sure what he means. Would you mind reminding me about that call so I can remind him?

Thank you!

Carly

Excerpt from Filed Hunter Biden Failed Plea Agreement

Despite his large outstanding tax liability and profligate spending, on or about April 17, 2018, the due date for 2017 tax payments, Biden did, in fact, have the funds available to pay his outstanding 2017 tax liability for both his personal and corporate returns. On or about March 22, 2018, Biden received a \$1,000,000 payment into his Owasco, LLC bank account as payment for legal fees for Patrick Ho and \$939,000 remained available as of tax day. Over the next six months Biden would spend almost the entirety of this balance on personal expenses, including large cash withdrawals, transfers to his personal account, travel, and entertainment.

Excerpt from Exhibit 1i

From: Robert Biden [REDACTED]
To: Gongwen Dong [REDACTED]
CC: Mervyn Yan [REDACTED]; Robert Biden [REDACTED]
Sent: 8/2/2017 7:54:57 PM
Subject: Re:

My Understanding is that the original agreement with the Director was for consulting fees based on introductions alone a rate of \$10M per year for a three year guarantee total of \$30M. The chairman changed that deal after we me in MIAMI TO A MUCH MORE LASTING AND LUCRATIVE ARRANGEMENT to create a holding company 50% percent owned by ME and 50% owned by him. Consulting fees is one piece of our income stream but the reason this proposal by the chairman was so much more interesting to me and my family is that we would also be partners inn the equity and profits of the JV's investments. Hence I assumed the reason for our discussion today in which you made clear that the Chaireman would first get his investment capital returned in the profits would then be split 50/50. If you saying that is not the case then please return us to the original deal 10M per year a guaranteed 3 years plus bonus payments for any successful deal we introduce. let's discuss thank you

Chairman Smith. Mr. Ziegler, your time is expired. We appreciate your testimony. We look forward to following during the question-and-answer session.

Mr. Neal, do you seek recognition?

Mr. Neal. I do, Mr. Chairman.

I wish to assert a point of personal privilege since Mr. Shapley's testimony made specific allegations about me.

Chairman Smith. Proceed.

Mr. Neal. Thank you.

In Mr. Shapley's written testimony, he stated that I incorrectly claimed that SAC Darrell Waldon took responsibility for the decision to remove Mr. Shapley's team from the Hunter Biden case.

But on page 107 of Mr. Waldon's transcribed interview, he clearly states that he recommended the team's removal. Here is a direct quote: "I recommended to Mr. Batdorf that Gary Shapley be removed as SSA for the Hunter Biden investigation, primarily due to what I perceived to be unsubstantiated allegations about motive, intent, bias. And, again, my goal was to protect the integrity of the investigation and figure out a way forward," unquote.

Mr. Shapley's testimony goes on to state that, quote, "Mr. Waldon told Congress nothing about the conversations with USA Weiss that had led to the team's removal," unquote.

However, in his transcribed interview Mr. Waldon

discusses his conversations with Mr. Weiss specifically on pages 109 through 111 of his transcribed interview. For instance, Mr. Waldon discussed a conversation between Mr. Weiss and himself that Mr. Weiss was no longer going to be emailing with Mr. Shapley.

Here is a direct quote from page 109: "I recall more vividly him stating that he was not going to be responding to Mr. Shapley's emails anymore and at some point he said he would be talking to me," unquote.

Mr. Waldon states further that, on pages 110 and 111, quote, "The U.S. Attorney's Office was no longer working or talking with Mr. Shapley. I didn't think that that would be resolved quickly. And in order to move the investigation forward, I recommended that he be removed so that he could push forward the investigation," unquote.

It is clear that Mr. Waldon did tell Congress about the conversations with Mr. Weiss that led to your removal.

I ask for unanimous consent to enter pages 107 and 109 through 111 from Mr. Waldon's testimony into the record, Mr. Chairman.

Chairman Smith. Without objection.

[The information follows:]

***** COMMITTEE INSERT *****

1 Mr. Waldon just has a point of clarification he'd like to raise regarding some of
2 the -- one of the topics that was discussed in the last round of inquiry. He knows that it
3 might open up some more questions, but go ahead.

4 Mr. Waldon. Yeah. So before I left the special agent in charge position, in
5 February, I recommended to Mr. Batdorf that Gary Shapley be removed as the SSA from
6 the Hunter Biden investigation, primarily due to what I perceived to be unsubstantiated
7 allegations about motive, intent, bias. And, again, my goal was to protect the integrity of
8 the investigation and figure out a way forward.

9 When I left, Mr. Shapley was still on the case, and as I understand it, was on it until
10 May. So in my mind, my recommendation was just that, a recommendation.

11 Mr. Clerget. Okay. Appreciate it.

12 It's your time. But we may come back to that.

13 Mr. Waldon. Yeah.

14 MINORITY COUNSEL 1. Thank you.

15 BY MINORITY COUNSEL 1:

16 Q I just wanted to go over your career at IRS a little bit. By my numbers, I
17 think you have been at the IRS approximately 17 years. Is that correct?

18 A About 17 and a half. That's correct.

19 Q You started as an SA. Is that correct?

20 A Special agent. Correct.

21 Q You've been promoted through a number of different positions going up the
22 chain, correct?

23 A That's correct.

24 Q Have you received any awards or commendations or placement into any
25 executive management programs during your time at IRS?

1 work?

2 A Well, for instance, I mean, just generally speaking, what comes to mind,
3 if -- you know, oftentimes it's turf wars between the different offices due to, you know,
4 the investigation. You know, if there are multiple subjects on an investigation, maybe
5 you guys take one, we take another. Or, you know, accommodations is -- it can be
6 something like that. Without specifics, it's -- you know, I could go on for a while.

7 Q Are you generally able to resolve the differences or at least get the
8 employees to a point where they can work collegially with their coworkers?

9 A You know, you make a decision. Some people like it, some people don't.
10 But you give it a good effort. You explain the rationale for moving forward, and we go
11 from there. But, yeah, we've been able to resolve problems, myself and the team.

12 Q Okay. Thank you.

13 MINORITY COUNSEL 1_ [REDACTED]?

14 MINORITY COUNSEL 3_ Yeah. Thanks.

15 MINORITY COUNSEL 3:

16 Q A few follow ups on some topics that were touched on in the last round of
17 questioning.

18 First, I'd like to talk about the conversation that you had with Mr. Weiss regarding
19 you becoming the primary point of contact for DOJ and IRS CI.

20 Did Mr. Weiss specifically say to you that he didn't want to meet with Mr. Shapley
21 and/or Mr. Ziegler, or did he just simply say, assert affirmatively that he wanted you to be
22 the primary contact from here on out?

23 A I recall more vividly him stating he was not going to be responding to
24 Mr. Shapley's emails anymore, and at some point, he said he would be talking to me.

25 Q Did he offer any reasons why he would no longer be responding to

1 Mr. Shapley's emails?

2 Mr. Rillotta. Of course, in answering the question, Agent Waldon, please refrain
3 from characterizing any evidence in the case or strategic discussions.

4 Mr. Waldon. I just believe that it was around the time there was a conflict
5 around discovery and just getting discovery.

6 MINORITY COUNSEL 3. But presumably, in [a] relationship between the IRS CI
7 and DOJ and the U.S. Attorney's Office, there are often conflicts around discovery,
8 correct? I mean, there are often professional disagreements around discovery, correct?

9 Mr. Waldon. I generally have -- in recent memory, that's the one time that -- I
10 mean, generally the U.S. Attorney's Office tell us what they need and we give it to them.

11 MINORITY COUNSEL 3. I guess what I'm asking -- was there something beyond
12 the disagreement in terms of how the discovery process was going? Was there an
13 element of a lack of professionalism, perhaps, that Mr. Weiss was concerned about?

14 Mr. Landrigan. And to the extent it calls for speculation, don't answer.

15 Mr. Waldon. Yeah, I would hate to speculate on that.

16 BY MINORITY COUNSEL 3:

17 Q Understood -- understanding that you've offered some clarification on the
18 point of the investigative team and changing the investigative team. As a general
19 matter, why would someone in your position -- what are examples of reasons that
20 someone in your position or the director of field operations would reassign either a
21 member of an investigative team or the entirety of investigative team? Can you give
22 some examples of reasons why that might occur?

23 A I could speak to this particular instance. The U.S. Attorney's Office was no
24 longer working or talking with Mr. Shapley. And there was no immediate -- I didn't think
25 that that would be resolved quickly. And in order to move the investigation forward, I

1 recommended that, you know, he be removed so that we could continue to push the
2 investigation forward.

3 Q So to sort of generalize, there was a breakdown in communication between
4 the investigative team and the Justice Department, essentially, and so from your
5 perspective, a personnel shift was needed?

6 A From my perspective, a personnel shift was needed because there was no
7 longer any communication going on between the team.

8 Q In your experience, have you seen examples of that happening before?

9 A Not -- I've not witnessed that personally. I've heard of it.

10 Q You were anticipating my next question.

11 Had you consulted with other colleagues who had potentially experienced
12 something similar and sought a similar solution?

13 A I don't know that I consulted with other colleagues, but I certainly heard
14 that, you know, this was done before. There might have been one special agent in
15 charge that I did talk with, but I can't -- you know, as I sit here right now, it's kind of fuzzy.

16 MINORITY COUNSEL 3. I don't think I have anything else.

17 BY MINORITY COUNSEL 1:

18 Q I just have a couple quick questions.

19 Going back to when you first became the SAC in this position and you were briefed
20 and you were kind of caught up to speed, I guess, on the case, did anyone mention the
21 first SSA that was on the case before Shapley? Was there mention of that person in
22 your briefings? Do you recall?

23 A I do believe that the prior SSA was brought up in briefings generally.

24 Q Do you remember the prior SSA's name? Would it be Matthew Kutz, or do
25 you remember?

Mr. Neal. Also, Mr. Shapley submitted another form of his testimony this weekend, and I ask unanimous consent to submit this document for the record.

Chairman Smith. Without objection.

[The information follows:]

***** COMMITTEE INSERT *****

This last spring, when I put my career on the line to make whistleblower disclosures to Congress, I wish I could have seen the future. In my transcribed interview with staff from this committee I shared evidence documenting the Justice Department's actions that let politics infect the Hunter Biden case resulting in preferential treatment. The Justice Department slow-walked the investigation for years, and after President Biden took office, his Attorney General Merrick Garland swore to Congress that politics would not affect the case because a Trump-appointed U.S. Attorney, David Weiss, was calling the shots alone.

Except that was not true. Now DOJ has chosen to mislead Congress and the American people to cover up the malfeasance they never expected to be held accountable for.

We now know that DOJ leadership directed Mr. Weiss to consult with Biden-appointed U.S. Attorneys in D.C. and California despite their obvious conflict of interest. Just as I initially testified, when Mr. Weiss asked for the special authority he needed to charge the President's son outside Delaware, DOJ did not grant him that authority. Instead he was told to "follow the process," which meant involving Biden political appointees.

Career IRS professionals had recommended felony tax charges against Hunter Biden. Mr. Weiss and his staff had agreed with that recommendation. That is why he sought special charging authority before the statute of limitations expired on the charges in D.C.

Those D.C. charges were for the 2014 and 2015 income tax years, when Hunter Biden evaded federal income taxes on income from Ukrainian energy company Burisma—taxes that are still not paid, to the best of my knowledge.

But DOJ did not grant Mr. Weiss special authority to bring those, or any, charges outside Delaware until after the case was presented to the Biden-appointed U.S. Attorney in D.C. and after the statute of limitations on those charges expired.

Why not? That's the key question Congress needs to have answered. It has asked Mr. Weiss. He refused to answer. He has not been compelled to answer.

My disclosures were about much more than just these procedural questions about what authority USA Weiss actually had and when. Yet that seems to be the only part DOJ wants to talk about. Among other things, DOJ has refused to explain to Congress:

1. Why did DOJ require that Mr. Weiss include the President Biden-appointed U.S. attorneys in D.C. and CA?
2. Why, if Mr. Weiss had ultimate authority, did he not pursue charges in D.C. and CA after those USA's declined to partner, when the sole purpose of engaging with those U.S. Attorneys was to seek the permission needed to charge in those districts?
3. Why did Mr. Weiss allow Biden family attorneys to write the guilty plea agreement on behalf of the government?

4. Why did Mr. Weiss pressure IRS senior leadership into retaliating against me and Special Agent Ziegler by threatening that the case would not be moving forward unless we were removed from the investigation?
5. Why did Mr. Weiss allow intervention by Main DOJ on this investigation?
6. Why was the Biden presidential transition office tipped off about a planned law enforcement operation related to his son?
7. Why was the Biden legal defense team tipped off about planned search warrants?
8. Why were search warrants of the Biden Delaware residence not pursued despite the lead prosecutor's agreeing that there was ample probable cause?

At the time I made my protected disclosures to Congress, it appeared the case was headed for no prosecution at all. We now know that after my attorneys sent an initial letter to Congress with a broad outline of my disclosures, prosecutors offered Hunter Biden a deferred prosecution agreement that would have required no guilty plea whatsoever. About a month later, just as my interview with this committee was about to be released to the public, the government announced a misdemeanor plea deal for Mr. Biden.

Attorney General Garland then made several statements that began the ever-evolving narrative from DOJ. News accounts reported he "scoffed" at the idea Mr. Weiss would ask for additional authority,¹ claiming: "Mr. Weiss had, in fact, more authority than a special counsel would have."²

Then that plea deal fell apart, and Mr. Weiss finally requested the very authority Mr. Garland had previously claimed he did not need. Only then did Mr. Garland finally grant Mr. Weiss special counsel authority.

Mr. Weiss's authority is what DOJ would like to distract us with instead of answering any of the questions raised by my original disclosures. The heart of my disclosures focused on how the Hunter Biden case was tainted by preferential treatment due to actions and inaction by DOJ to include Mr. Weiss himself and his office throughout the investigation.

Mr. Weiss cannot credibly investigate the actions his own office took prior to his appointment as special counsel, and he clearly has no plans to do so. So who will investigate the conduct of David Weiss and the Delaware U.S. Attorney's Office? No report written by Mr. Weiss can be taken seriously, as it will be a document full of self-serving justifications to defend himself against the allegations that he engaged in unethical conduct and allowed Hunter Biden preferential treatment. We need a special counsel to investigate Mr. Weiss, the DOJ, and the IRS's handling of the Hunter Biden investigation.

¹ <https://www.nytimes.com/2023/06/23/us/politics/garland-irs-weiss-hunter-biden-investigation.html>.

² <https://www.c-span.org/video/?c5075852/ag-garland-maintains-david-weiss-full-authority-hunter-biden-case>.

Congress has not required any clarity from the inspectors general for Justice or the IRS about the scope and status of their investigations initiated in response to my disclosures. Congress has not compelled DOJ or the IRS to produce documents about my disclosures. And Congress has allowed DOJ and IRS witnesses to define the scope of their own voluntary testimony, so that they avoid the toughest questions about why they pulled punches in this investigation for the benefit of the President's son.

While I understood that some would only focus on playing political offense or defense with my disclosures, my conscience forced me to put my career on the line out of an honest, perhaps naive, expectation that enough people of good faith on both sides of the aisle in Congress would see the evidence and do what was right.

It has been an extremely rude awakening.

Elected officials who believed my disclosures helped their political party have hailed me as a hero. Elected officials who believed my disclosures hurt their political party have obfuscated and spun the evidence, doing virtually everything they can to hide the truth on this issue from the public. Worse, members of this body have actively worked to discredit the two career government agents who believed they were honoring the rule of law and their oath to the Constitution by providing this evidence to Congress. For example, by the Ranking Member of this committee recently issued a press release essentially calling me and Special Agent Ziegler liars, based on blatantly false information from others and misrepresentations of their testimony. This unquestionably deters any future whistleblowers who may ever consider making protected disclosures to Congress.

While it had already become clear to me through the Hunter Biden investigation how some seek to protect powerful individuals, when I made my disclosures I still wouldn't have believed that some of my colleagues would be so brazen as to mislead Congress. Yet their transcribed congressional testimony is a patchwork of carefully crafted contradictions.

Despite their best efforts to avoid confirming the truth of our protected disclosures, various witnesses and media reports have corroborated the following:

- Contrary to DOJ's continued talking point that a "Trump-appointed U.S. Attorney" was in charge, USA Weiss was forced to go through two President Biden-appointed U.S. Attorneys.
- USA Weiss could not charge in D.C. or California because both U.S. Attorneys declined to partner, and contrary to USA Weiss' June 30, 2023 letter to Congress, he was not given the special authority he needed to charge outside of Delaware.
- USA Weiss took steps to charge in both D.C. and California, but after his interactions with those President Biden-appointed U.S. Attorneys, he did not charge there.
- USA Weiss could not charge Hunter Biden with criminal violations of the tax code without the approval of the Biden administration DOJ Tax Division.

- When USA Weiss was preparing to bring those charges in the District of Columbia in early 2022, he requested special charging authority from the Biden Justice Department. Justice Department leadership instead directed that he go through the “normal” process, requiring him to contact the U.S. Attorneys appointed by President Biden to request their participation in charging the President’s son.
- The investigation into Hunter Biden took longer than it should have.
- Biden family attorneys pressured DOJ to retaliate against Agent Ziegler and I, even being so brazen as to demand we be criminally investigated and prosecuted.
- In the fall of 2020, the Delaware U.S. Attorney’s Office resisted a briefing on allegations Vice President Joe Biden might have been bribed by Burisma.
- In December 2020, the Biden Presidential Transition team was tipped off about plans to approach Hunter Biden.
- The Justice Department limited what investigators were able to ask some witnesses and prevented IRS investigators from interviewing multiple other key witnesses, including some adult relatives of Hunter Biden.
- In early 2022, IRS senior leadership and DOJ prosecutors concurred with charging multiple felonies and/or misdemeanors for tax years 2014 through 2019.
- Hunter Biden’s defense counsel told prosecutors it would be “career suicide” to bring a case against the President’s son, that DOJ’s reputation would be harmed by charging the son of the President, and that defense would call President Biden as a witness if they charged. Mr. Weiss himself refused to deny this occurred.
- On October 7, 2022, USA Weiss told me and several other witnesses about having requested special charging authority from Justice Department headquarters and being told to follow the normal process, something USA Weiss himself has confirmed in closed-door testimony.
- Mr. Weiss also told us that he intended to let the statute of limitations expire on charges against Hunter Biden for the 2014 and 2015 tax years, which included felony charges for evading taxes on Burisma income obtained during the time Joe Biden was Vice President. He did this even after he told Mr. Graves, per Mr. Graves’ testimony, that he wanted to bring the case against Hunter Biden to D.C., and took the steps necessary to do so until Mr. Graves refused to join the case bringing charges against the President’s son.
- I objected in that meeting to allowing the statute of limitations expire on those charges because it would result in the unequal treatment of American taxpayers to the benefit of the President’s son.
- USA Weiss, after reviewing protected disclosures I made to IRS leadership, refused to communicate with me, resulting in my retaliatory removal from the case.

Many tried to cast doubt on our disclosures before the witness interviews occurred. But, after it became clear that we were right about all of these details, the goalposts moved. Then new narratives developed to claim there is nothing to see here.

For instance, when the *New York Times* independently confirmed that Weiss's office presented felony charges against Hunter Biden in the Central District of California, it corroborated our disclosures and contradicted claims that USA Weiss had the sole and unfettered authority to make charging decisions without the involvement of the President Biden's political appointees. Mr. Weiss and both Biden-appointed U.S. Attorneys in D.C. and California have now confirmed that Mr. Weiss approached them to charge in their districts. So, now apologists changed their tune to claim that for these Biden appointees to decline to bring the case didn't technically prevent Mr. Weiss from bringing charges there if he truly wanted to because he could always go back to get the special authority he had been promised but never given.

Similarly, various witnesses interviewed by the House echoed the Attorney General's scoffing that Mr. Weiss would have requested additional charging authority from the Justice Department. Yet when Mr. Weiss recently confirmed he did just that, many brushed it off as no big deal.

Meanwhile, witness after witness has contradicted themselves before Congress or provided highly improbable testimony.

- A fellow IRS official and two leaders from the FBI's Baltimore Field Office testified that they did not "recall" whether USA Weiss in the October 7, 2022 meeting talked about asking for special authority from the Justice Department and being told to "follow the process" instead. Yet Mr. Weiss admitted to Congress he had done just that, something I would never have known had we not been told in the October 7 meeting.
- Those same witnesses said they did not recall USA Weiss saying in that meeting that he was "not the deciding person" and that DOJ Tax had to approve first. But witness testimony from the head of DOJ Tax, and others, confirmed that USA Weiss required DOJ Tax approval before he could charge.
- Witness recollections concerning the main points of the October 7 meeting have all been contradicted by other witnesses and by what actually occurred during the investigation. Specifically, DOJ leadership required Mr. Weiss go to Biden appointees in D.C. and CA to be able to charge there rather than giving him special authority to do it himself, and D.C. had already declined to join before the October 7 meeting.
- The FBI Assistant Special Agent in Charge claimed to congressional staff her boss had never asked at that meeting if anyone thought the case had been politicized. However, the FBI SAC acknowledged to investigators he had, just as I described in my protected disclosures.
- Both FBI officials claimed they took no notes in the meeting, despite the FBI's well-known reputation and law enforcement standard practice for documenting meetings. The IRS official, Darrell Waldon, testified he did take notes at the meeting, but despite learning not long thereafter that I was blowing the whistle on the issues raised in that meeting, said he destroyed the notes.
- Although Mr. Waldon said that he recommended in February of this year that I be removed from the Hunter Biden case, he testified that he played no role in the

actual decision to reassign me. Yet when staff interviewed Mr. Waldon's supervisor Michael Batdorf, Batdorf revealed that he and Waldon had already made the decision in December 2022 to remove me from the case because of U.S. Attorney Weiss's refusal to work with me after my protected disclosures. No one informed me of that decision at the time and I've seen no corroborating documentation.

- Mr. Waldon testified his recommendation in February 2023 was due to what he "perceived to be unsubstantiated allegations about motive, intent, [and] bias," but Mr. Batdorf specifically testified that my removal had nothing to do with any sort of misconduct on my part.
- Mr. Batdorf told Congress the IRS would only remove me if Delaware prosecutors decided to move forward with the case, but instead, I now know I was removed the very day prosecutors reached out to offer Hunter Biden a deferred plea agreement requiring *no* guilty plea to *any* charge. Therefore Mr. Batdorf's assertion that he would not assign a new team until he knew the case was moving forward was clearly not accurate.

Of course, the most glaring contradictions are the representations to Congress of U.S. Attorney Weiss himself.

- Mr. Weiss has repeatedly told Congress he had ultimate authority over the Hunter Biden case, but admits his charging authority was limited to his home district and required the approval of Tax Division officials at Justice Department headquarters *plus* other U.S. Attorneys or Justice Department leadership approval.
- Mr. Weiss wrote to Congress on June 30 of this year that "common" Departmental practice when venue lies outside of a U.S. Attorney's district is to contact the relevant U.S. Attorney and determine whether it wants to partner. Yet U.S. Attorney Graves called such an approach "exceedingly rare" and something he had never seen done before.
- U.S. Attorney Graves testified that USA Weiss told him it was his intention to bring felony tax charges against Hunter Biden in D.C. This corroborates what he and prosecutors said to investigators in countless meetings. USA Weiss testified that his communications with USA Graves did not change his mind in any respect. Yet, he provided no explanation for why he didn't bring the felony charges against Hunter Biden in D.C. before the statute of limitations expired.

These and other contradictions have not been resolved because, seven months after we sat for transcribed interviews, Congress has obtained no documents from the government regarding our disclosures other than what we provided. As investigators, Special Agent Ziegler and I are trained to conduct interviews and write reports based on documentary evidence rather than allowing witnesses to simply spin their own narratives of past events. But Congress doesn't have any documents to confront these witnesses with beyond those that have been provided by myself or Special Agent Ziegler.

To be clear, we have provided significant evidence of our allegations. In my last submission to this committee, which it voted to release on September 27, 2023, I provided documentation of:

- How the case was delayed at various times surrounding elections, including even mid-term elections with no Biden on the ballot;
- The obstruction and preferential treatment to Hunter Biden perpetrated by Assistant U.S. Attorney Lesley Wolf;
- The tipoff to Hunter Biden's legal team;
- The role DOJ Tax Division played in approving or disapproving even basic investigative steps;
- The support IRS leadership and various DOJ entities showed for bringing felony charges against Hunter Biden, only for the charges to have to go through Biden political appointees; and
- How USA Weiss retaliated against me after I voiced objections in the October 22, 2022 meeting and after Weiss reviewed in discovery the protected disclosures I had made about his office's handling of the case.

Unfortunately, although my disclosures focused primarily on DOJ misconduct, the hard truth is that IRS leadership has failed to provide any support to Agent Ziegler and I even though we continually reached out to them *for years* disclosing unethical conduct by DOJ. IRS leadership abandoned me and my team to deal with this controversial case as best we could. As memoranda and emails provided have shown, I attempted to raise issues on a continual basis up through my chain of command, having no success with SAC Waldon or his reports. This is why I began communicating directly to DFO Batdorf on the Hunter Biden investigation. I routinely worked directly with Mr. Batdorf and the other two DFOs on a recurring basis, as was directed by Chief Jim Lee on other issues. Mr. Batdorf's testimony to Congress, which every IRS-CI agent should read when it is available, notes that I was the "only" Supervisory Special Agent who communicated with him directly, implying that was something unusual that I chose to do. However, he knew why I was going straight to him. He had encouraged me to do so, but he omitted that context from his testimony.

Mr. Batdorf's story is that on a call with USA Weiss and SAC Waldon on December 22, 2022, he decided to remove me from the investigation. SAC Waldon's story is that he recommended I be removed in February 2023. The IRS did not formalize or communicate this decision until May of 2023, a month after I had approached Congress to blow the whistle. Why would SAC Waldon "recommend" I be removed in February 2023 if the decision had already been made in December 2022? What kind of leaders remove an entire team from a high-profile case without telling them? How seriously could the case really be worked with no action and no transition from the old team to the new team for months on end? Despite all the evidence obtained over a five-year investigation, I fear the new IRS investigative agents will only be shown the evidence that supports DOJ's conclusions. Special Agent Ziegler and I have offered to brief the new team, but that offer has not been accepted.

Mr. Batdorf's testimony is also contradicted by the fact that even though he said he wasn't going to tell me he removed me until he was sure the case was going to move forward, we since learned the Delaware USAO had offered Hunter Biden a deferred prosecution agreement on May 15, 2023. That happened to be the exact day I was removed, meaning the case was *not* moving forward and would have needed *no* further agent support.

As DOJ, FBI and IRS witnesses offer selective, self-serving, carefully crafted narratives in response to our disclosures, Congress and the inspectors general need to focus on the evidence and what actually happened.

The facts are simply incompatible with the official narrative offered to Congress.

The gross mismanagement by IRS-CI leadership was what put me and my team at the tip of the spear to lead the investigation of the President's son that others just wanted to avoid. That is the dynamic that left us hanging out to dry when IRS leaders should have been more supportive of their hardworking agents who were raising serious questions in good faith about improper handling of the case at DOJ.

As more and more IRS and IRS-CI employees contact me to thank me for doing the right thing or ask me advice on how to blow the whistle on something, I am encouraged that the risk I took coming forward is not for nothing. We have extraordinary agents and some outstanding leaders as well at the agency and they deserve better. To all the IRS employees who know exactly what I'm talking about and support me either publicly or privately—thank you. Your support has helped more than you know.

As I've said from the beginning, I'm not asking you to take my word for it. What about registered Democrat SA Ziegler here? What about the FBI agent who corroborated that the President Biden transition team was tipped off about law enforcement plans to interview Hunter Biden and other witnesses in December 2020? What about AG Garland saying USA Weiss had everything he needed—but then for some reason feeling it necessary to give a person with "ultimate authority" Special Counsel authority after a generous plea deal fell apart?

There are countless other examples if you objectively look at the facts.

I will walk out of here today knowing—regardless of either side's political agendas, excuses, or rationalizations—what I witnessed was wrong. As a career law enforcement officer with no agenda but the truth, I did my best to right that wrong. This country is the greatest the earth has ever seen and I will fight for it until my last breath.

When I came forward to make my disclosures to Congress, I put my career on the line. I put my trust in this institution. Each of you have taken the same oath to the Constitution that I have taken as a government agent. Please honor that oath by obtaining the facts the American people deserve. The American people deserve elected officials who honor

that oath and faithfully put the interests of the American people ahead of their political party. For those who don't, American's should hold them accountable at the ballot box.

Mr. Neal. Thank you, Mr. Chairman.

"The testimony stated that Ranking Member of this Committee recently issued a press release essentially calling me and Special Agent Ziegler liars, based on blatantly false information from others and misrepresentation of their testimony," end of quote.

This line was subsequently revised in the testimony now before us. The word "liar" does not appear in that press release.

I have carefully guarded my reputation on this Committee to members on the Democratic side and Republican side as to how I use word choice to make a point.

Is it still your position, Mr. Shapley, that I called you a liar, or Mr. Ziegler?

Mr. Shapley. Could you tell me what the title of your press release was?

Mr. Neal. Did I call you a liar in that press release?

Mr. Shapley. Did you --

Mr. Neal. Did I call you a liar in the press release, Mr. Shapley, which you directly attributed to me?

I haven't in 50 years of elected office called anybody a liar and have used it against opponents along the way when they have called me a liar, using the word "liar."

I did not call you a liar under any circumstances, Mr. Chairman, and I want the record to demonstrate that.

Chairman Smith. So ordered. The record definitely demonstrates that. Thank you.

Mr. Thompson, did you seek recognition?

Mr. Thompson. Mr. Chairman, I was trying to get recognized just to ask you a procedural question.

As noted before by some of our colleagues, we have a pretty important classified briefing. What is your plan to accommodate members so we can receive that classified briefing?

Chairman Smith. Thank you.

Knowing the interests of the members on both sides of this topic, we have already worked with the Speaker's Office and the Intelligence Committee to secure an additional briefing. For any members of this Committee interested, please just let me or the staff know, and we will get you connected with that information and make it happen.

Mr. Thompson. And will that include all the briefers that the rest of the House will receive a briefing from today?

Chairman Smith. The Speaker's Office didn't give me any like absolute definite. He just said the material that would be covered would be --

Mr. Thompson. You know, this is a pretty high-level briefing by pretty high-level folks. The Secretary of State, the Secretary of Defense are there.

Chairman Smith. We are working with the Speaker's Office on that. Thank you.

Mr. Buchanan is recognized for question and answers.

Mr. Buchanan. Thank you, Mr. Chairman.

I want to thank both of our witnesses.

Mr. Shapley, you mentioned -- I want just a couple of points of clarity -- that they were slow-walking a lot of the activity that you were involved in. Who is "they" slow-walking? Tell me what you meant by that.

Mr. Shapley. So specifically, the Department of Justice as a whole. I mean, the Department of Justice Tax Division, United States Attorney Weiss, his team, every single chance they had to invoke some part of the process that would delay items or would push things down the road, they took full advantage of that process.

Mr. Buchanan. And then you made another comment about they hung you out to dry. What did you mean by that? Who is "they"?

Mr. Shapley. My agency. IRS Criminal Investigation provided no support for us. And during the actual investigation it is well-documented, and I have turned over plenty of evidence and emails that show that I was raising concerns very early in this investigation, just because I was the point person in charge of this investigation for all of IRS CI. And I continued to tell them what was going on.

And then when it came time to it, they allowed David Weiss to retaliate against me by demanding I be removed or he wasn't going to charge the case.

Mr. Buchanan. Let me ask both of you, because there is a lot of back-and-forth. A lot of it seems pretty clear to me.

But in terms of taxes, what he owed, what are we talking about here? I mean, I know it has been out there in the press, but I wanted to get your thought.

Because one of the questions I want to ask you, when people do taxes, they have got to have an outside firm. Like a big four firm or some substantial firm usually signs off on these tax returns.

So I guess I would first be interested in finding out, because that is more black and white in numbers. I understand that.

So what is your suggestion about how much did he earn and what did he pay and what does he owe and who actually affirmed those numbers? There had to be an accounting firm doing that or a tax lawyer, somebody providing that attention to detail.

Mr. Ziegler. So I would actually point you to affidavit 1, exhibit 1A and 1B, which summarizes the misdemeanor and felony tax counts. And then --

Mr. Buchanan. Well, tell me what that is, just

quickly.

Mr. Ziegler. So for 2015, 2016, 2017, 2018, and 2019, it was \$4.9 million of income and \$1.5 million of taxes owed.

And I would like to point out to the Committee that this does not include the additional income of approximately \$598,000 that was not reported to the IRS in 2018 and additional taxes of at least \$231,000 not paid to the IRS.

Mr. Buchanan. Then what was paid? You are saying -- how much did you say it was total for 3 years' income, would you say the income was?

Mr. Ziegler. It was taxable income of 4.9 -- \$4,980,163.

Mr. Buchanan. How much of that was paid? The tax should be a couple million. So what did he pay?

Mr. Ziegler. Approximately \$1.5 million in taxes.

Mr. Buchanan. Okay. So he still owes something, is that what you are saying? He still owes a million or something?

Mr. Ziegler. Yes. So it would be for the unreported income, the Burisma income in 2014 that still is not -- taxes have not been paid on that, and would also include the deductions that he took, the personal deductions that he took in 2018, taxes related to that.

Mr. Buchanan. Was there a third-party firm that

affirmed all this?

Mr. Ziegler. Yes.

Mr. Buchanan. And who was that?

Mr. Ziegler. That was Edward White & Company out in California.

Mr. Buchanan. For all 5 years?

Mr. Ziegler. For 20 -- they filed the delinquent tax returns. So they would have filed his 2016 personal return, 2017, 2018, and 2019 personal and corporate returns.

Mr. Buchanan. So total taxes owed plus penalties and all that is what, do you think?

Mr. Ziegler. So I wouldn't know the answer to how much would include -- penalties could be substantial. So it could be a significant amount.

Mr. Buchanan. Well, take that off there. How much is the tax liability that he didn't pay?

Mr. Ziegler. So for -- yes. As of early 2020, so as of January 1, 2020, it was approximately \$1.5 million of unreported taxes. And then if you include --

Mr. Buchanan. Unreported taxes or income?

Mr. Ziegler. Unpaid taxes. And then unreported income would be \$4.9 million.

Mr. Buchanan. Okay. Thank you, Mr. Chairman. I yield back.

Chairman Smith. Thank you.

The ranking member is recognized for 5 minutes for questions.

Mr. Neal. Thanks, Mr. Chairman.

Mr. Shapley or Mr. Ziegler, did any Member of Congress or staff help you prepare your testimony?

Mr. Shapley. No.

Mr. Ziegler. No.

Mr. Neal. Thank you.

Thank you, Mr. Chairman.

Chairman Smith. Mr. Smith is recognized for 5 minutes for questions and answers.

Mr. Smith of Nebraska. Thank you, Mr. Chairman.

Thank you to our witnesses here today. I appreciate your service. I appreciate the professionalism with which you have conducted yourselves.

I have not been in the -- this is the first exchange I have had with you. I appreciate this opportunity. I tried to follow your other public statements. I appreciate that and certainly, again, the way you have conducted yourselves.

And so, we have a lot of information here to process, information previously and now even more information here today. And I think it is important that we sift through this.

I am especially disturbed hearing that an investigation was taking place but then it veered in a direction that it,

in my opinion, should not have been and for political reasons.

But looking through the details, I am concerned. And so, I want to clarify here or get more clarification on a particular item going back to testimony in June.

But, Mr. Ziegler, I recall your testimony in June in which you mentioned a storage unit belonging to Hunter Biden that he used when he vacated his Washington, D.C., office.

You said that under the direction of Assistant U.S. Attorney Lesley Wolf, you prepared an affidavit in support of a search warrant for the storage unit.

Can you explain to us what happened with the search warrant for the storage unit, and did U.S. Attorney Lesley Wolf ultimately support the storage unit search warrant?

Mr. Ziegler. So, I would point everyone to the exhibit 205 that I turned over, which were notes that I had taken I think it was a week and a half after this interaction regarding the storage unit. And I took those notes because I was so kind of taken aback and disturbed at what had happened.

And at the end of the day, I did not believe that we were following the normal process. I told the Assistant U.S. Attorney that we were not following the normal process. And some of her responses back, that she thought that this was playing games and that she was concerned that this might

hurt the relationship with opposing counsel moving forward.

Those are things that you don't typically hear. I mean, if there is evidence, probable cause of evidence located in a storage locker, we put forward an affidavit. It is signed by a judge. And we execute a search warrant to get those records.

Another thing that we would look at is least intrusive means. Is this the least intrusive way of getting those records? I had pointed out to her that there is indication of foreign accounts. He might have those in the storage locker. We need to get access to this.

And I put forward the plan of let's wait, let's wait 30 days to the end of when he is supposed to turn over documents to us. If they don't access that storage unit then let's execute the search warrant, because I knew there were approvals that we would have to go through. Let's wait to get those approvals, wait the 30 days. We can have eyes on the storage unit. If they don't access it, then we move forward with a search warrant.

This was briefed out to David Weiss. David Weiss told my leadership who told me that, yes, I agree with that plan, that is what we are going to do. And I come to find out at that same time Lesley Wolf was reaching out to defense counsel to tell them, "Hey, this also includes the records that are in your -- that are in the storage unit," which

completely circumvented our plan.

So, it is David Weiss was telling us one thing, the prosecutor assigned to the case was doing another thing.

And I think if you move forward to what happened more recently, we were removed from the case. They decided to move forward on what was initially a deferred prosecution agreement, and then they decided to include misdemeanor tax charges.

Mr. Smith of Nebraska. So, in your experience, I mean, is it typical that a prosecutor would tip off the defense about a lead that could result in evidence being destroyed, manipulated, or concealed?

Mr. Ziegler. Typically, that is not the way you would want to -- that is not normal process.

Mr. Smith of Nebraska. And then you stated earlier that Ms. Wolf was fostering a relationship with the defense counsel. Is that --

Mr. Ziegler. She was concerned about the relationship with defense counsel. That is correct.

Mr. Smith of Nebraska. Wow. Thank you.

I yield back.

Chairman Smith. Thank you.

Mr. Doggett is recognized for -- oh, Mr. Thompson is recognized for questions and answers.

Mr. Thompson. Thank you, Mr. Chairman.

I don't see anything new here. We have been down this road before, and it seems like we are rehashing the same information that we had the last time we wasted a lot of Committee time and resources looking at half-baked or maybe quarter-baked material.

I don't see anything, nor does anyone else any place I have read seen anything, that ties any of this to the President of the United States. I am troubled that we are taking this time when we have a lot of important work that this Committee should be doing, that the House should be doing, including the classified hearing that I am hopeful that everybody on the dais wants to participate in today.

And it is more troubling that this is uncharted ground for this Committee. This is the most significant Committee in the United States Congress, and to be running around doing political hearings, I think, is problematic.

And it strikes me as supportive of what one of our Republican colleagues said on the floor just this last week, and that was the gentleman from Texas who asked any Republican in this institution to come to the floor and point out one thing that the majority party has done where Republican members can go home and talk about and run on in the next election.

This is turning this Committee into a do-nothing committee, just like the do-nothing Congress, and I think we

should get back to regular order and do the work of the Committee and to address the public policies that our constituents want us to work on.

I yield back.

Chairman Smith. Mr. Kelly is recognized for questions.

Mr. Kelly. Thank you, Mr. Chairman.

Mr. Shapley and Mr. Ziegler, thank you for coming forward. We have watched this before but on opposite situations.

I am going to thank you for your courage, first of all, because we know how this affects your career. More importantly is your patriotism to do this. As you read through some of the things -- and this is the first time I have seen some of it.

There was one thing I think -- and I think it is where, Agent Ziegler, you say, "We need to restore an open environment that allows individuals to stand up to bad actors no matter which side of the aisle they are on. When this happens, maybe then we can start to heal the scars and divisions that have been created over the last few years and move towards a country that will work together once again."

I don't know of anything -- I watched in the last session, and I never quite understood the fear of the previous President possibly being elected again and the legal -- the so-called legal actions that have been taken to

try and do something to make sure that can't happen, even discourage him from being able to run in any States.

I find this, though, to be really disturbing because we are talking about a family that is so engaged in so much under the table that puts us -- puts them in a very vulnerable position. I can't imagine how open they are to being blackmailed by anybody at any time for anything that they want to get done because of past actions on this current President when he was Vice President and his son.

The fact that some people don't have to stand up to the law, that sometimes people will slow-walk whatever the investigation is to prevent it from coming forward and say, Oh, hey, you know what? Doggone it, time has run out.

For the two of you, if you could just help me -- because I have listened to you, and I have got to tell you, I can't thank you so much for having the courage that you have. This is an overwhelming position that you put yourself in.

So, Mr. Shapley and Mr. Ziegler, looking at your futures right now, what is the cost of bringing this forward to the American people so they can see what exactly has happened?

And I think it is a very sad day. I think we all need to be aware of just how much this cost as far as what the American people -- the confidence, the faith, and the trust

that they have to have in this system.

So either one of you because what you went through to be able to do this is incredible.

Mr. Shapley. Yeah. Thank you for the opportunity to talk about this.

So, you know, it was an incredible experience when I actually made the decision I had to come forward. And it really wasn't a decision. I had to do the right thing. And what precipitated that was the October 7th meeting where basically every fact that I put in that email to my supervisor that day has been confirmed and corroborated by all these other witnesses, to include Mr. Weiss, Department of Justice, U.S. Attorneys, et cetera, et cetera.

So, yeah, I mean, I don't know if I am going to make it at IRS. I mean, the way that the leadership has treated me since then -- they have completely isolated me. I used to brief the chief every month. They cancel that every single month now. Every single month. They leave it on the calendar, but they cancel it every month since the month that I told my leadership I was blowing the whistle.

I was a senior leader with the agency as assistant special agent in charge. I was planning on moving into a position at headquarters. It went to someone that clearly wasn't as well as I could have done the job.

Mr. Kelly. How many years have you worked in the IRS?

Mr. Shapley. Around 15 years.

Mr. Kelly. Fifteen years.

Mr. Ziegler?

And I know we are running out of time, but I can't imagine what you two have been through.

Mr. Ziegler. I will be real quick.

Guys, I am a Democrat. I am a Democrat, and I expected that we would want to work on a bipartisan basis. That there is preferential treatment at the hands of the Department of Justice. If you have got money, if you have got political favor, there is preferential treatment there.

And then I hoped -- I hoped that Congress would have wanted to act on this. And I hope you guys understand, the impact to me and my husband, to our family. It has not been an easy process. We have been attacked.

And we brought forward the facts. We backed it up with now six affidavits. And it is new information that we brought forward. I would be happy to answer any questions related to Affidavit 6, if anyone has any questions for me.

Mr. Kelly. I want to thank both of you for doing that.

In the previous session, the whistleblowers that came forward -- they were the heroes. They were the heroes that came forward and were able to stand up to what was going on to expose what the previous administration had done. This is incredible to me. You do the same thing as they do, and

all of a sudden, you are cast aside.

I want to thank you for your courage. I want to really thank you for your patriotism for being here today. You restore the faith and trust and confidence the country has to have.

Chairman Smith. Thank you, Mr. Kelly.

Mr. Larson is recognized.

Mr. Larson. Thank you, Mr. Chairman.

I can't help but express my concern that this is not a hearing that is open to the public. What is there to hide? I have no doubt that these gentlemen believe strongly in what they saw and observed, but believe it or not, there have been other witnesses who have come forward and told an entirely different story.

And behind closed doors, I guess I can't decide whether I am part of Saturday Night Live or we have just been told by Dean Wormer that the little-known codicil within the Ways and Means Committee allows us to go down this path of political -- how should I phrase it -- theatrics for the purpose of excoriating the President of the United States.

And yet, overwhelming testimony saying there is no there there, except there is a there here behind closed doors. I guess we are in double-secret probation phase right now where double secret things are going on now within the Committee.

I agree with the [Ranking Member]. This hearing should have been open and to the public.

I thank these gentlemen for their service, et cetera, and I am glad they are there. But, you know, you mentioned the IRS. You mentioned the DOJ, et cetera. I imagine that they have a side of the story, also, that they would like to tell. And why that wouldn't be heard? What are we hiding here? What is the double secret that is going on here? Everybody in this room knows what it is. Everyone.

With that, I will yield back.

Chairman Smith. Thank you.

Mr. Schweikert is recognized for 5 minutes.

Mr. Schweikert. Thank you, Mr. Chairman.

And to both of you, look, for all of us up here, we live in sort of a time of don't beat your opponent. Destroy them personally. And I can only imagine some of the inbound you have received. It is the nature of modern politics. We are not going to debate you. We will destroy you personally.

To Mr. Ziegler, help me understand. I have been trying to build a timeline. And don't make fun of me. I almost built a chart. It is a running joke here.

And part of the flowchart is -- okay. I have all these different -- we will call them corporations. We have 20 on our list. There was a reference in one of the documents

there may be more.

So my questions to you are basically threefold: Are there more than 20? Did each one pay their taxes? Did they file on time? Did they disclose the things they need to disclose?

And when you studied -- built the matrix of all these little companies to move money through, in other investigations you have done, how much of this looks like it is designed for obfuscation of information of tax liabilities, disclosure of ownership, or beneficial interests?

Mr. Ziegler. I appreciate the question. And I think you are referring to exhibit 508A and 508B, which were hierarchical -- they were charts that we created.

And in response to your first question, yes, there are other entities of Hunter Biden and his associates that were not included on those charts. I just tried to give, at a point in time, representations of what the entity setup looked like. So that is just a formal thing that we would go through.

The second answer, whether they filed timely tax returns, that would be a part of our investigation. We would want to look at that and see whether they were filing returns accurately and timely paying taxes. I specifically don't know the answer to the question right now without

looking at the details.

And then a third answer to the third question that you had, it is not normal. So, in our investigations, we work complex international money laundering. It is very common for people to set up different entities to obfuscate the normal reporting requirements. That is typical of what we see.

And I don't know if Gary wants to answer about the third component of this, whether it is normal.

Mr. Shapley. Yeah. I mean, there could be some legitimate business reasons. But that is the whole point here in this investigation. There were no legitimate business reasons for all these entities to be set up. There really weren't many services being provided by some of them, and some of them were just flow-through entities that were high on the list of red flags for potential tax evasion or tax noncompliance.

Mr. Schweikert. Gentlemen, if you still had the resources and the timing and the mechanisms, what else would you be wanting to vet? Where should the investigation be going now?

Mr. Ziegler. So, as you can see, it was an affidavit. There was an exhibit that I turned over that related to the spin-off investigations, and it was redacted. There were other investigations that we were continuing to pursue,

and --

Mr. Schweikert. Could you define a spin-off investigation?

Mr. Ziegler. So a spin-off investigation would be if we are looking into one person, and then there is another potential payment of money to another person, and then that person might not have filed their tax returns, and they might not have reported the income. So then that could potentially be a spin-off investigation.

Mr. Schweikert. Okay. And so where would you be going right now if you still had the support of your hierarchy?

Mr. Shapley. So, I mean, the investigative steps for the tax investigation against Hunter Biden were largely completed, and there couldn't have been too much more in terms of the tax investigation of Hunter Biden.

But, you know, the rest is -- as you have seen, there is lots of things on spin-off investigations that we should have been following, and some of those leads included what we talked about previously that discussed the involvement of his father, President Biden.

Mr. Schweikert. Okay. Thank you, gentlemen.

Mr. Chairman, look, I know we will get into the partisan this and that, but at some point, we are going to all have to have a communal conversation on we don't believe in institutions anymore. And it is hard to have a

functioning republic unless somehow, we can find some way to build faith in institutions. And I am not smart enough to know how to do it, but it is necessary for our future.

Chairman Smith. Thank you.

Mr. Pascrell is recognized.

Mr. Pascrell. Mr. Ziegler, thank you for being here today.

I am very familiar, for other reasons, with 6103. In fact, when I brought it up in 2017, there were 18 resolutions introduced by myself and other members of this Committee. It was another case altogether. Nobody had ever heard -- many of the people, rather -- on this Committee never heard of 6103 and what it entailed.

Now, there are different parts of 6103. One dealt -- 6103(f) -- with very specific income and how it was covered. You know, when you compare things with what we are working on now and what you were working on as you were assigned it, as I understand, correct? You were assigned it?

Mr. Ziegler. Assigned the investigation?

Mr. Pascrell. Yeah.

Mr. Ziegler. Yes.

Mr. Pascrell. Thank you.

When you look at 6103, you are concerned about whether people are paying their fair share on taxes, what they

should be paying. It goes into detail not only to protect the taxpayer, but to make sure the public understands that, if we don't have fairness in taxes, we are not going to have a democracy.

We found out in 2017 that somebody didn't pay their taxes for 8 years. 8 years. That was further identified in a New York Times article which occurred several years later. So this is serious business. I agree with both of you.

What you told us today, we knew 5 months ago. June, July. We knew 5 months ago.

I want to talk about serious business. This all started -- in terms of what we need to do to find out whether people paid their fair share on whatever the income, this all started with the Teapot Dome scandal back in the 1920s. Very interesting. It involved Democrats and Republicans. Crooks on both sides.

We are talking about some very serious stuff here, dragged out with another case in 2017, further identified specifically. Whether those taxes have been paid since, I can't tell you. I don't know.

I am not interested in whether you are a Democrat or Republican. That is none of my business. It doesn't, in any manner, shape, or form influence my thought. There are Republicans who I deeply respect because they tell the truth, and it may not be nice sometimes, just like

Democrats. That is all we are interested in.

But you did make a statement, Mr. Ziegler, because when you said we are here to sweep things under the rug. I don't know of anybody on this Committee on either side that wants to sweep anything under the rug. I can assure you that is not going to happen. But we didn't learn anything new. And I am very disappointed. I will tell you that. But thank you for coming here today.

Mr. Shapley, your testimony seems partisan since you referenced the integrity of the Ranking Member on this Committee.

Mr. Shapley. I am sorry. I can't hear you, sir. I am sorry.

Mr. Pascrell. Oh, I am sorry.

Your testimony seems partisan since you referenced the integrity of the Ranking Member of this Committee. Did you hear me?

Mr. Shapley. Yes, I did. Thank you.

Mr. Pascrell. To me, this does not advance claims that you came forward for the best interest of the government overall rather than a political agenda. That is how I perceive what you said and what you wrote. Why else would you attack the ranking member? That is rhetorical. We all know why.

If you aren't here due to political motives, then the

only other plausible explanation is you are here for your own reputation. If I had to defend my reputation, I would be up here, too. I don't fault you for that.

There was nothing new, however. There is nothing groundbreaking in your exhibits. I read it all. Nothing. Zero. This is not about helping the American people. I can tell you that. I believe you are here to help yourselves to try to rehabilitate your credibility.

Chairman Smith. Mr. Pascrell, you are 30 seconds over. Can you close?

Mr. Pascrell. Can I finish?

Chairman Smith. Quickly.

Mr. Pascrell. Thank you. I appreciate that.

Why else would you submit performance reviews, one of which is signed by the other? This is an embarrassment and a waste of taxpayer dollars. There is no evidence of political motivation. And remember, we are talking about the possibility of the --

Chairman Smith. All right. Mr. Pascrell, we need to move on. That is 57 seconds.

Mr. LaHood is recognized.

Mr. LaHood. Thank you, Mr. Chairman.

And I want to thank both witnesses for your service to the IRS and to the government.

I want to focus on the plea agreement. And I would

just, at the outset, state that, as a former Federal prosecutor who has litigated in Federal court, how unusual it is to reject a plea agreement in Federal court?

Depending on the particular year, roughly 96 percent of plea agreements are approved by the Federal judge in cases that are brought before a Federal judge. So, it is only in rare, unique, and uncommon situations when the plea agreement is rejected.

I would also point out, the scheduling of the plea agreement back in June was so unusual in the district in Delaware. If you remember, this Committee, on a Friday, announced that we were releasing the transcripts of the whistleblowers from you two that following Thursday and were having a hearing.

So, on that Monday, unbeknownst to anybody, they schedule a plea agreement in Delaware. This case had been going on for 8 years, investigations, there had been no light at the end of the tunnel, and then immediately, there is a plea agreement scheduled on that Monday. And they went before an independent Title III judge in the District of Delaware, and that was Judge Maryellen Noreika. And so that plea agreement was presented.

Now, when plea agreements are rejected in very rare instances, why is that done? Because it does not serve the interest of justice. That is a criteria. Number two, the

punishment is not appropriate in light of the seriousness of the charge, and they look at the defendant's character.

So this independent Title III judge had the opportunity to look at that plea agreement, and she made the decision to reject that.

Now, I want to submit for the record an article by John Malcolm, who is the vice president for the Institute for Constitutional Government and the director of the Meese and Simon Center. It is titled, "Why a Federal judge refused to rubber-stamp the shady Hunter Biden plea deal." I would like to submit that for the record.

Chairman Smith. Without objection.

[The information follows:]

***** COMMITTEE INSERT *****

COMMENTARY **Crime And Justice**

Aug 1, 2023

7 min read

John Malcolm

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Vice President, Institute for Constitutional Government*John is Vice President for the Institute for Constitutional Government and Director of the Meese Center and Simon Center.*

Hunter Biden exits J. Caleb Boggs Federal Building in Delaware after his plea deal on federal tax and gun charges collapses. July 26, 2023.

RYAN COLLERD / Contributor / Getty Images

KEY TAKEAWAYS

- 1 **Plea agreements are generally straightforward.**

- 2 **But this plea agreement was anything but straightforward.**

- 3 **More disturbing allegations involving the Bidens are forthcoming. President Joe Biden has now switched his story.**

A funny thing happened in the courtroom of U.S. District Court Judge Maryellen Noreika last week. [Hunter Biden's](#) lawyers and the Department of Justice tried to pull a fast one on her, but she refused to play her designated part, declining to “rubber stamp” an intentionally opaque plea agreement.

[Plea agreements](#) are generally straightforward. The terms are, with perhaps minor modifications, standard and set forth the complete agreement between the government and the defendant: What rights the defendant will waive, the charges to which he will plead guilty, any charges that the government will forgo in return for the defendant's guilty plea, what the potential sentence will be, and what recommendations (if any) the government will make at the time of sentencing.

After the judge has established the defendant is competent to enter the plea and is knowingly and voluntarily doing so and has established that there is a factual predicate for the plea, the judge, pursuant to [Federal Rule of Criminal Procedure](#) 11(c)(1)(A), makes a determination about whether accepting the plea agreement serves the interests of justice. If she concludes that it does, she accepts the plea and sets a future date for sentencing.

Of course, if the judge concludes that the agreement is not in the interests of justice because, oh, let's speculate, the government conducted a shoddy

investigation and the deal is excessively lenient—which would certainly accord with the views of the two whistleblower IRS agents who were assigned to the case, [Gary Shapley](#) and [Joseph Ziegler](#)—then the judge can refuse to accept the plea.

But this [plea agreement](#) was anything but straightforward.

Here, the government actually entered into two agreements with Biden, one which would normally require judicial approval and one which wouldn't, and the parties hid material terms that should have been included in the one requiring judicial approval by putting them into the one that didn't. Confused? Let me unpack this.

The first agreement—the one which would normally require judicial approval—was Biden's agreement to plead guilty to two misdemeanor charges of tax evasion in return for the government's agreement to recommend a sentence of probation, which the judge would be free to accept or reject. The plea agreement set forth all the rights that Biden would be waiving and included, as Exhibit 1, a recitation of the factual predicate for the plea, which included a synopsis of the millions of dollars that he was paid over the course of several years with various foreign entities, including ones connected with the Chinese government.

There was, however, nary a word about any agreement by the government not to prosecute Biden for any additional crimes in that plea agreement. Because on the face of it, this was just a plea agreement in return for a non-binding sentencing recommendation, the plea would fall under Federal Rule of Criminal Procedure 11(c)(1)(B), which does not give the judge the ability to reject the plea as not being in the interests of justice.

Ah, but here's the rub. The government was promising not to prosecute Biden for additional crimes; it is just that this promise was set forth in a separate agreement over which, again, under normal circumstances, a judge would have no say.

The second agreement, also between the government and Biden, was a [diversion agreement](#), which would permit him to agree to a recommended two-year term of probation subject to certain standard conditions in return for an agreement by the government not to prosecute him for a separate gun charge—the facts of which were detailed in Attachment A to the agreement. Under the terms of that agreement, if Biden were to complete probation successfully, the government would agree to drop the charge.

Although it is unusual for the government to enter into a diversion agreement with a defendant on a felony gun charge (in this case, the government is charging that Biden lied about his drug use when he purchased a firearm), such deals do not involve a judge. And it is the government, working in cooperation with the probation office, that gets to decide whether the defendant has abided by the terms of the agreement or has breached them, thereby subjecting himself to prosecution on the original charge and possibly other crimes known to the government.

But like the plea agreement, the diversion agreement was also unusual in at least two major respects. First, rather than having the government as the sole arbiter of Biden's compliance with the agreement's terms, this agreement required, in paragraph 14, that if the government ever came to believe that Biden had materially breached the agreement, it would first have to ask Noreika to make a "final determination" by "a preponderance of the evidence" that he had done so before seeking to bring charges against him.

Second, the agreement said in paragraph 15 that if Biden complied with the terms of the agreement, the government would not prosecute him "for any federal crimes encompassed by the attached Statement of Facts (Attachment A) and the Statement of Facts attached as Exhibit 1 to the Memorandum of Plea Agreement filed this same day" (my emphasis added).

It became quite clear to Noreika that the government was agreeing not to prosecute Biden for additional crimes as a condition of his guilty plea to the two (dramatically reduced) tax charges and that, unlike all other normal diversion agreements, she was being called upon to play a critical gatekeeper role—should the government conclude that Biden had breached the terms of his probation—

in deciding whether the government could file additional charges against him. Moreover, it was clear as mud what potential offenses were covered by paragraph 15 of the diversion agreement. None of this sat well with her, and for good reason.

Noreika **told** the parties that she had no intention of being “a rubber stamp” to this arrangement, and she clearly meant it. Once she started inquiring, things unraveled quickly.

The first thing she established was that the government’s promises contained in the diversion agreement were indeed material to Biden’s decision to plead guilty to the two tax charges, even though those promises were not contained in the plea agreement itself.

The second thing she established is that the parties did not, in fact, agree on the scope of the immunity that he was being offered—a shocking thing given how long the parties had been dealing with each other to try to hammer out this sweetheart deal.

While the government’s attorney stated that the investigation against Biden for possible violations of the Foreign Agents Registration Act (more commonly referred to by the acronym FARA) was ongoing and that he could be prosecuted for such violations, Biden’s attorney made it crystal clear that he believed that any potential FARA charges related to the extensive connections Biden had and payments he received from foreign entities outlined in Exhibit 1 to the plea agreement would be covered by the immunity agreement.

After the judge called an extended break, the two sides returned to her courtroom and appeared to agree that the government could charge Biden with FARA violations. Color me extremely skeptical that the current set of prosecutors would pursue such charges.

Noreika was, however, still troubled by the potential role she was supposed to play in determining whether Biden had breached the terms of his probation, potentially subjecting him to prosecution on the gun charge and other offenses.

While the government acknowledged that this feature of the diversion agreement was unique and unprecedented, the parties suggested that it was necessary because a future Justice Department under a Republican president might decide, for political reasons, to allege that Biden had breached the terms of his agreement in order to file additional charges against him. Given the sweetheart deal that the court was being asked to swallow as well as the whistleblowers' allegations that higher-ups at the Justice Department interfered with the investigation in order to protect Biden and his father, this assertion is pretty galling.

Nonetheless, once more, Noreika was having none of it. She expressed concern that she was being cast in the role of essentially deciding whether additional charges could be brought against Biden and opined that putting a federal judge in that role may violate separation of powers principles of the Constitution. She asked the parties if Biden would still enter into the plea agreement if this particular provision was stricken from the agreement. Everyone knew what the answer to that question would be.

So where does that leave us? For the moment, the plea deal is on hold, and the parties have been asked to brief the constitutional question that Noreika raised. Of course, the parties may reach a new agreement and try again to sweep this all under the rug. But we'll see.

In the meantime, more disturbing allegations involving the Bidens are forthcoming. [President Joe Biden](#) has now switched his story. Having previously said that Hunter Biden never received any money from Chinese government-affiliated entities (which he clearly did, as set forth in the Statement of Facts attached to his plea agreement) and that he knew nothing about Hunter Biden's business dealings and never discussed business with him, President Biden is [now saying](#) that he was never in business with his son. Perhaps the president thought that we would never notice this sleight of hand, but this is a significant shift.

Moreover, [doubt has been cast](#) on even this new, scrubbed version of the president's narrative by, among other things, material found on Hunter Biden's laptop; past statements by Hunter Biden's business partners Tony Bobulinski and

Gal Luft; and new testimony from Devon Archer, another of Hunter Biden's former business partners; all of which suggests that President Biden, aka the "big guy," was deeply involved in Hunter Biden's business ventures and handsomely remunerated for his efforts.

As they used to say on "The X-Files," "The Truth Is Out There!" Let's hope it is uncovered.

This piece originally appeared in [The Daily Signal](#)

Mr. LaHood. And in that article, this is what Mr. Malcolm says: "It became quite clear to Judge Noreika that the government was agreeing to not prosecute Biden for additional crimes as a condition of his guilty plea to two dramatically reduced tax charges that, unlike all other normal diversion agreements, she had been called upon to play a critical gatekeeper role -- should the government conclude that Biden had breached the terms of probation -- in deciding whether the government could file additional charges against him. Moreover, it was clear as mud what potential offenses were covered by paragraph 15 of the diversion agreement. None of this sat well with her" -- as an independent arbitrator who is lifetime appointment -- "and for good reason."

Judge Noreika told the parties that she had no intention of being a rubber stamp to this arrangement. She clearly meant it. Once she started inquiring, things quickly unraveled.

The first thing she established was that the government's promises contained in the diversion agreement were indeed material to Biden's decision to plead guilty to the two tax charges, even though those promises were not contained in the plea agreement itself.

Second, she established that the parties did not, in fact, agree on the scope of the immunity that was being

offered. A shocking thing, given how long the parties had been dealing with each other to try to hammer out this sweetheart deal over 8 years.

So with those facts I just laid out there, Mr. Shapley, let me ask you this: When you look at the unusual and inappropriate nature of this plea agreement, what was your thoughts when you saw the scheduling of this?

Mr. Shapley. Yeah. I mean, I didn't really think through it too much. You know, it got announced. The timing seemed a little bit odd, but I didn't really pay much attention to it. It really wasn't until I -- as you said, 96 percent go through. I have never seen one be rejected. So I just expected it to go through. And I was actually mouth open as I saw that it was rejected.

Mr. LaHood. Mr. Ziegler?

Mr. Ziegler. Yeah. I mean, same thing as what Gary said. I mean, after reading the plea agreement and reading the statement of facts, I found that there were multiple misstatements that they made in there that I think inaccurately represented the case to the judge.

Mr. LaHood. Thank you.

I yield back.

Chairman Smith. Mr. Davis is recognized for questions.

Mr. Davis. Thank you, Mr. Chairman.

I want to thank both the gentlemen for being here and

sharing information with us.

My experiences with whistleblowers is that oftentimes, when individuals reveal information or practices, they are seeking change. That is, they would like to see something changed about the practices or the procedures, or even sometimes, maybe there would be punishment associated.

Could you share, Mr. Shapley, when you filed your report, or when you decided to blow the whistle, as we say, what changes, if any, were you seeking?

Mr. Shapley. Well, ultimately, I hoped that I brought it to a body such as this and they can help come up with those changes. I am not pretending that I can come up with a way to fix the system. I am not pretending that.

But by showing the lack of interest by my agency basically ignoring many things that they should have paid attention to, allowing the Department of Justice to lead them -- I mean, they should be autonomous agents of the IRS. The Department of Justice clearly told them what to do at every step of this investigation, even up to retaliating against me.

And one thing that I do want to see -- that I think Special Agent Ziegler is probably going to echo -- is that we raised the requesting that there be a special counsel assigned in this investigation. It was after speaking with FBI agents on the telephone with Mr. Ziegler on it as well

where they said they were wondering why our management wasn't requesting that a special counsel be assigned.

And I would like to see a different policy or procedures where someone other than the Attorney General of the United States can come up with some third party to investigate things when there are allegations of wrongdoing.

Mr. Davis. Thank you.

Mr. Ziegler, would you respond?

Mr. Ziegler. Yeah. So why I came forward? I blew the whistle internally within the IRS when I was removed from the investigation. I poured my heart out to my leadership all the way up to the Commissioner of the IRS.

You know how I was responded with? That I had potentially broken the law and that I should be quiet. So once that happened, I knew I had to come forward to Congress to the different components under the whistleblower provision.

You know what happened to that person who threatened me with -- that I might have done something wrong? That person was promoted.

So I think it is so important that, as we are going throughout this investigation, we were trying to formulate with our leadership, Hey, how do we call on a special counsel? We are in this. We are seeing not normal procedures being followed. We actually asked our

leadership, How do we call on for a special counsel? And they had no idea how to do it.

So it is a call for change to prevent this from happening again and to prevent two IRS agents from having to do what we are doing.

Mr. Davis. Thank you very much.

Mr. Chairman, I have no further questions and yield back.

Chairman Smith. Thank you.

Mr. Wenstrup is recognized for questions.

Mr. Wenstrup. Thank you, Mr. Chairman.

Thank you both for being here.

You know, I grew up watching "Superman" in black and white, and he began each show saying he is fighting for truth, justice, and the American way. And I bought in. And that is the America I grew up in.

And even during Watergate as a teenager, considering myself Republican, I was proud that Republicans were also just interested in finding the truth and making sure that justice was served. That is the America to me.

And a rug and a broom for any wrongdoing should not be on anyone's political Christmas list ever. This is about oversight. And many people on this Committee on both sides of the aisle have no problem with oversight when it comes to something -- someone like George Santos or Trump's taxes,

for that matter.

Today, in my mind, I want to talk about the agencies and oversight over the agencies that we have the responsibility of. In particular, DOJ and IRS.

You know, facts are stubborn things. At least they used to be. John Adams said that.

I served in the military. We have the UCMJ, Uniform Code of Military Justice. Within that entity, unethical is unlawful. That doesn't exist in the other agencies. Only in the military. And I believe we need that within our agencies. And that is part of the problem today.

But Congress has the moral responsibility, as representatives of the people, to every taxpayer and American citizen, to conduct oversight over this government. It should matter to all of us. Why? We created these agencies. We fund these agencies. Shouldn't we make sure that they are doing things right? And shouldn't there be measures taken when they are not?

You know, the ranking member talked today about, you know, why are we even here, basically? I don't want to put words in his mouth or be accused of saying something he didn't say.

Well, here is why we are here. Honesty and integrity matter. Honesty is nonnegotiable and always should be, as is transparency. And I know some on the other side of the

aisle feel exactly the same way, even when it is politically uncomfortable.

And, Mr. Ziegler, you are a perfect example of that. And I thank you for that. It is understanding that there is a right and a wrong in this world, and we should be held to those standards of doing things right.

So in that vein, I would like to ask both of you to reply, if you have ever seen a situation where the IRS would walk away from \$300,000 in unpaid taxes and wait 4 years to allow a felony to expire, for the statute of limitations to run out. Tell me this is not the standard operating procedure, but that is what we have seen in the Hunter Biden situation.

And I would love it if both of you could comment on that.

Mr. Shapley. Yeah. So in terms of a criminal investigation, when we are approving criminal violations of the Internal Revenue Code, I mean, there are occasions when affirmative acts have not been proven and that money might be better handled civilly. But if you owe \$300,000, the IRS is going to either come after you criminally if you commit affirmative acts, or civilly if you did not, and collect their payment.

Mr. Wenstrup. Mr. Ziegler?

Mr. Ziegler. Yeah. So I would echo what he had to

say, and I would say that this was -- in my 13 years as an IRS special agent -- I have only been a special agent -- this was completely outside the bounds of what I am normally accustomed to. And throughout this investigation, there were so many things that were not normal procedure.

But you know what I said to myself? They are going to do the right thing. At the end of the day, people will come together, and we are going to do the right thing. We have to deal with all these issues that are coming up, and we might not get our way, but they are going to do the right thing.

And when they said they were recommending for approval felony and misdemeanor tax charges, at that point, I knew that we were moving forward to prosecuting. And then to see the plea agreement that was only for misdemeanor tax charges, I knew we were not treating taxpayers the same at that point. I knew that we weren't treating taxpayers. And I think it was something that -- what we brought forward was completely -- it was righteous, I guess, would be the response to that.

Mr. Wenstrup. You know, we do a lot of casework for our constituents, and I don't know any constituents that would have gotten away with this and being able to plead down to a misdemeanor.

Thank you. I yield back.

Chairman Smith. Thank you.

Ms. Sanchez is recognized.

Ms. Sanchez. Thank you.

Mr. Shapley, I would like to ask you a little bit about your representation here today.

In all your interview transcripts, you have tried really hard to cast yourself as politically neutral, as just an average employee without a political axe to grind. But in my mind, that begs the question, why would you choose representation with such close ties to the Republican Party?

Mr. Shapley, are you aware that both the founder of Empower Oversight and its president were former staffers of a Republican Senator? Are you aware of that fact?

Mr. Shapley. Yes, I am aware. And I am aware that Tristan Leavitt was actually appointed by President Biden to be a board member of the Merit Systems Protection Board --

Ms. Sanchez. It is a simple yes or no question. It is a simple yes or no question.

Mr. Shapley. -- showing he was clearly bipartisan and supported by President Biden.

Ms. Sanchez. You are aware that they were both former Republican staffers.

And are you aware that Empower Oversight has been described as -- and I am quoting here -- "a critical part of the Republican investigative ecosystem"?

Mr. Shapley. Described by who? I am sorry.

Ms. Sanchez. It has been described in numerous articles, one of which I will submit for the record, as a critical part of the Republican investigative ecosystem.

If you are not aware of it, that is fine, but a yes or no answer will do.

Mr. Shapley. No.

Ms. Sanchez. You are not aware. Okay.

I ask unanimous consent to enter into the record an article titled, "Former Republican aides shepherd whistleblowers through Congress."

Chairman Smith. Without objection.

[The information follows:]

***** COMMITTEE INSERT *****

Former Republican Aides Shepherd Whistle-Blowers Through Congress

Empower Oversight, a group of lawyers including former aides to Senator Charles E. Grassley, Republican of Iowa, is part of a constellation of groups facilitating G.O.P. investigations in Congress.



By Luke Broadwater

Reporting from Washington

July 23, 2023

When Gary Shapley, a longtime I.R.S. investigator, wanted to air his accusations that the federal government had mishandled the tax investigation into President Biden's son Hunter, the information he had was so sensitive he couldn't even provide it to his own lawyer without potentially committing a felony.

So through his attorney, he approached Empower Oversight, a small group mostly composed of Republican lawyers with deep experience in Capitol Hill investigations — including years spent as aides to Senator Charles E. Grassley, Republican of Iowa — who coached him on what to do.

Armed with intricate knowledge of Congress's byzantine procedures and various whistle-blower statutes, some written by Mr. Grassley decades ago, the men developed a strategy for how to get the information to Congress lawfully.

Months later, Mr. Shapley and a fellow I.R.S. investigator, Joseph Ziegler, were testifying in open session before the House Oversight and Accountability Committee, detailing their claims that the president's son had received preferential treatment, which many in the Republican Party eagerly publicized as proof of their frequent accusations that President Biden and the Justice Department are corrupt.

It was not the first time that Empower Oversight had played a key role in facilitating some of the many Republican investigations into Mr. Biden's family, his administration, and federal law enforcement. As the G.O.P. presses forward with inquiries aimed at uncovering wrongdoing by the president, the group has become a critical part of the Republican investigative ecosystem, using its knowledge of Capitol Hill to shepherd through Congress witnesses who can put names, faces and crucial details to the allegations being made.

In addition to the I.R.S. whistle-blowers, Empower Oversight also represents two F.B.I. agents who have harshly criticized the agency in appearances before the Republican-led select House committee on the weaponization of government.

House Republicans have made no secret their goal is to use their investigative powers to scrutinize President Biden and defend former President Donald J. Trump from the myriad criminal cases he faces. They've had no shortage of help from outside groups, such as the Heritage Foundation and the Conservative Partnership Institute, which bring in tens of millions in contributions a year to fuel conservative causes. Empower Oversight operates on a much smaller budget and pays salaries to just two employees.

Despite the outside help, the efforts of House Republicans have rarely produced clean hits during this Congress, and they have struggled to surface proof of any misconduct by the president despite months of effort. Some of the whistle-blowers who have appeared on Capitol Hill have had their security clearances revoked, and have been criticized by Democrats as aggrieved former officials who are being backed financially by Mr. Trump's allies.

Others have been more problematic. One highly touted potential Republican witness turned out to be a fugitive from justice who was indicted on charges of arms trafficking and working corruptly for foreign countries.

Getting Mr. Shapley and Mr. Ziegler before Congress was a tricky task because unauthorized disclosure of tax information is a felony punishable by up to 5 years in prison. Members of the Empower Oversight team asked lawmakers from both parties to deputize two of Mr. Shapley's lawyers to act as agents of the legislative branch, allowing them to review Hunter Biden's private tax information.

Cognizant of the legal boundaries, Mr. Shapley and his lawyers were careful never to say Hunter Biden's name publicly during that time.

House Republicans then arranged for Mr. Shapley to testify behind closed doors before the Ways and Means committee, the only panel in the House to which he could legally report such information. Using the same process as Democrats did when they released former President Donald J. Trump's tax returns, Representative Jason Smith, a Missouri Republican who won the chairmanship of the committee in part by pledging to investigate Hunter Biden's taxes, then led a contentious vote to make the allegations public.

The result was perhaps the most impactful testimony from any of the witnesses the G.O.P. has produced this Congress. Mr. Shapley claimed that Justice Department officials had stymied and slow-walked the investigation, and produced text messages, obtained through a search warrant, in which the younger Mr. Biden appeared to have engaged in a shakedown of a Chinese business associate by claiming that his father was sitting next to him awaiting confirmation of a deal.



Gary Shapley, left, and Joseph Ziegler of the Internal Revenue Service testified before the House Committee on Oversight and Accountability. Kenny Holston/The New York Times

The testimony prompted hours of unflattering media coverage of Hunter Biden, including a grilling of the White House press secretary about President Biden's ties to the situation.

It also drew fierce pushback from Democrats, Justice Department officials and Hunter Biden's legal team, which accused the Republican-led Ways and Means committee of releasing materials that "violated the spirit, if not the letter, of the tax laws and federal rules governing investigations" and told the Justice Department that Mr. Shapley has broken federal laws.

"It is no secret these interviews were orchestrated recitations of mischaracterized and incomplete 'facts' by disgruntled agents who believed they knew better than the federal prosecutors who had all the evidence as they conducted their five-year investigation of Mr. Biden," Mr. Biden's lawyer, Abbe Lowell, wrote to the Ways and Means committee.

Representative Sheila Jackson Lee, Democrat of Texas, railed against Empower Oversight, arguing that its role suggested that the charges were part of a partisan operation to tear down the president.

“Here is what I think is the most interesting piece of this whole puzzle,” she said at a recent Judiciary Committee hearing, noting that Empower Oversight is run by former Republican staffers. “Does anyone need any further proof that these allegations are ginned up, corrupt political stunts advanced by those who don’t want to see us follow the law?”

Empower Oversight rejects the suggestion its work is partisan in nature. While its leaders are Republicans, they say their job is to offer legal advice and support to whistle-blowers who approach them.

Tristan Leavitt, the group’s president and a former aide to Mr. Grassley and other Hill Republicans, said his organization’s “nonpartisan work stands for itself.”

Although Mr. Leavitt worked on the House inquiry into Operation Fast and Furious, a disputed gun trafficking investigation during the Obama administration, he has worked under a Democratic staff member, given presentations to left-leaning groups, and earned praise from other whistle-blower rights advocates. Empower Oversight is also a member of the Make It Safe Coalition, a group of organizations representing whistle-blowers across the political spectrum.

One of the I.R.S. whistle-blowers the group represents said he is a Democrat.

“We are lawyers and subject matter experts offering help to people who need it. We don’t ask them their partisan affiliation — it’s irrelevant,” Mr. Leavitt said in a post on Twitter. “The merits of the case are what’s relevant.”



Tristan Leavitt, right, is the president of Empower Oversight and a former aide to Mr. Grassley and other Hill Republicans. He has also given presentations to left-leaning groups and earned praise from other whistle-blower rights advocates. Haiyun Jiang/The New York Times

Empower Oversight was started in 2021 by Jason Foster, a former aide to Mr. Grassley known for his aggressive tactics investigating the Justice Department. Mr. Foster was the subject of a ProPublica article that detailed posts he made in the mid-2000s on an anonymous blog under the name “Extremist.” ProPublica reported that they included posts “expressing worry about a Muslim takeover and whether Joe McCarthy got a bum rap.”

The blog has since been taken down, and Mr. Foster apologized, saying his “pen name” had been satirical and that his writings had been “stupid and wrong.”

In an interview, Mr. Foster said he started Empower Oversight because wanted to “help people make protected disclosures in the right way.”

“People can make all kinds of mistakes and it can cost them tremendously, even when they have the right motivations,” Mr. Foster said. “Exactly when, where and how you disclose something is often not well understood. We want to help them do it the right way and follow the rules.”

Much of the group's appeal to whistle-blowers stems from the men's experience working for Mr. Grassley, who during his 42 years in the Senate, became a magnet for them. While Mr. Grassley and his staff were known to investigate both Republican and Democratic administrations — he targeted the Reagan defense budget in the 1980s and helped expose the F.B.I.'s crime lab scandal in the 1990s — in recent years Mr. Grassley has become intensely focused on Hunter Biden's international business dealings.

On Thursday, he released a document obtained from a whistleblower containing unverified allegations that both Hunter and President Biden had accepted bribes. The F.B.I. accused Mr. Grassley of risking “the safety of a confidential source” by releasing the document, and Lev Parnas, an associate of Mr. Trump's personal lawyer Rudolph W. Giuliani, who was tasked with digging up dirt on the Bidens in Ukraine, said Mr. Grassley was spreading “conspiracy theories.”

A former top investigator for Mr. Grassley recently urged him in an op-ed in *The Hill* to abandon his current “political battles” and return to his roots.

Empower Oversight is not the only group on the right that has jumped in to assist Republican-led investigations on Capitol Hill. Kash Patel, who served as an aide to Mr. Trump, has provided money or covered legal fees for some witnesses who have come forward to testify to the weaponization panel about alleged abuses inside the Federal Bureau of Investigation.

And a former F.B.I. agent turned critic of the department, Kyle Seraphin, has cut checks for more than \$255,000 to two of the witnesses with the subject line “Hold the Line.”

One of Empower Oversight's clients, Marcus Allen, has been offered money by Mr. Seraphin but has yet to accept it, because he is awaiting legal guidance as to whether he can do so while remaining employed by the F.B.I., his lawyers said.

Representative Jim Jordan, Republican of Ohio and the chairman of the Judiciary Committee who is leading the weaponization inquiry, has said the payments were needed so the men could feed their families after being disciplined by the bureau.

The Heritage Foundation, a conservative think tank, also has launched a group dedicated to aiding the Republican investigations. Its latest actions were to file a motion attempting to force the Justice Department to turn over records about the Hunter Biden investigation in an attempt to derail his plea agreement.

The Conservative Partnership Institute, which counts Mark Meadows, the former Republican congressman who served as Mr. Trump's chief of staff, among its leaders, held oversight trainings for Republican investigators. The Center for Renewing America, run by Russell T. Vought, Mr. Trump's influential former budget director, employs one of the witnesses against the F.B.I. And Marco Polo, headed by Garrett Ziegler, a former aide in Mr. Trump's White House, has been publishing material from Hunter Biden's laptop and was poised to enter his child support case.

To be sure, there is a well-financed array of groups on the left that have sprung up to push back on the Republican-led investigations. Facts First USA, run by the Democratic activist David Brock, says it has a \$5 million-a-year “SWAT team” focused on defending the Biden administration and Hunter Biden. The Congressional Integrity Project, which is associated with SKDK, a political consulting firm with close ties to the Biden White House, has a team of 15 people who have spent months countering the Republican investigations and attacking Mr. Trump.



Hunter Biden at the White House in June. Doug Mills/The New York Times

“One of the biggest successes of this organization has been to unify the Democratic message against the failed investigations,” said Kyle Herrig, the director.

Christopher J. Armstrong, a former chief oversight counsel for Republicans on the Senate Finance Committee, noted that some of the Republican investigations have been harmed by overstatements, hyperbole and wild accusations.

But he said the I.R.S. whistle-blowers have generally presented themselves as sober and serious, with firsthand knowledge of the events they’re describing.

“What’s harmed oversight of the Biden administration is the vast amount of hucksters that are out there,” Mr. Armstrong said. “At the same time, I think there are real professionals who are doing amazing work.”

Luke Broadwater covers Congress. He was the lead reporter on a series of investigative articles at The Baltimore Sun that won a Pulitzer Prize and a George Polk Award in 2020. [More about Luke Broadwater](#)

A version of this article appears in print on , Section A, Page 13 of the New York edition with the headline: Former G.O.P. Aides Help Facilitate Congressional Investigations

Ms. Sanchez. Thank you.

Mr. Shapley, are you aware that Empower Oversight is a tax-exempt organization?

Mr. Shapley. I believe so, yes.

Ms. Sanchez. Okay. And do you know on what basis they are considered a tax-exempt organization?

Mr. Shapley. I do not, no.

Ms. Sanchez. Do you think that they are charitable? Do you think that they are operating for charitable purposes?

Mr. Shapley. I did not research Empower Oversight, no.

Ms. Sanchez. Okay. So you don't know?

Mr. Shapley. No.

Ms. Sanchez. Okay. And I am assuming -- and I could be wrong, but I am assuming they haven't charged you for any of the services that they have provided for you. Is that correct?

Mr. Shapley. That is correct.

Ms. Sanchez. Okay. So maybe that is why they are charitable.

So, you have received basically free representation from them, yes?

Mr. Shapley. And Mark Lytle, yes.

Ms. Sanchez. Okay. And do you know who is funding their operation? Who is paying the folks behind you to sit

there right now as you testify? Because somebody has to fund that organization. Is that correct?

Mr. Shapley. I do not know who is funding.

Ms. Sanchez. You don't know who is funding the organization?

Mr. Shapley. No.

Ms. Sanchez. I would think that if you wanted to remain politically neutral, or if you were in fact politically neutral, that might be something you would want to know. If you are asserting and insisting that you have no political axe to grind, I would think that one would want to know that your representation wasn't being paid for with tax-deductible dollars. I might add, by donors who also don't have a political axe to grind, or is that not important to you at all?

Mr. Shapley. For someone who is sitting in front of the House Ways and Means Committee today and needed competent counsel to help them along the way, to follow the law along the way, and didn't have the money to do so, I was very happy that they decided to represent me as well as Mark Lytle.

Ms. Sanchez. Okay. So it doesn't matter to you who funds it, so long as they are providing the representation that you need?

Mr. Shapley. I have nothing to do with their funding.

I know nothing about their funding.

Ms. Sanchez. But I am asking if you care who funds them. It doesn't matter to you as long as you get the representation you need. Is that correct?

Mr. Shapley. Representation to follow the legal process to blow this whistle is what I needed, and I am very thankful that they have provided that service.

Ms. Sanchez. Okay. And I am not exaggerating. You say you don't know who funds them, and it doesn't really matter to you?

Mr. Shapley. I don't know who funds them.

Ms. Sanchez. And it doesn't really matter to you?

Mr. Shapley. If I don't know who funds them, I don't know how to answer your question.

Ms. Sanchez. Okay. Have you ever asked Empower Oversight who their funders are, or would you ever commit to asking them to publish their funders as a condition of allowing them to continue to represent you? After all, they have gotten a lot of press and publicity off of your name. I would think that if you wanted to burnish your credentials as a politically-neutral actor, at the very least, you would want to let the public know who is bankrolling your representation.

So, my question to you is, would you ask that they publish their donors, or does that not matter to you?

Mr. Shapley. I don't work for Empower Oversight, and I am --

Ms. Sanchez. But they provide you with free legal representation, and you are asserting that you are politically neutral, and yet, the funders of that organization are not.

Mr. Shapley. I did not know that.

Ms. Sanchez. Okay. Well, as much as you would like to claim that you are a political innocent, it is pretty clear to me that you went running to Republican operatives to help gin up your case here, because no one is making donations to Empower Oversight because they think that Empower Oversight is doing anything charitable or educational.

I doubt that people are sitting around thinking around Christmastime, [saying] "Hmm, let's see. Who can I make charitable donations to? I could give to my local soup kitchen or to the BTA. Oh, I know. I could give to Empower Oversight because that seems like a really good use of charitable giving," right?

I think that it is not an accident that you are here today testifying and doing the bidding of wealthy Republican --

Chairman Smith. Ms. Sanchez, you are 30 seconds over.

Ms. Sanchez. -- donors.

I would just say, it is pretty clear the political bent

that you come from.

And I will yield back. Thank you, Mr. Chairman.

Chairman Smith. Thank you.

Mr. Arrington.

Mr. Shapley. May I add something, Mr. Chairman, or no?

Chairman Smith. Maybe Mr. Arrington will allow you to finish your response.

Mr. Arrington. You bet, Mr. Chairman.

Go ahead, Mr. Shapley.

Mr. Shapley. Very quickly.

There are nonprofit groups that assist whistleblowers on a pro-bono basis on both sides of the aisle. And, you know, in my first testimony, I even referenced Whistleblower Aid, which is known to be a group with a more left-leaning position, so --

Mr. Arrington. Mr. Shapley, I am not surprised that my colleagues -- not all of them -- that are trying to, once again, vilify and discredit you all as witnesses.

We just heard a colleague spend her entire 5 minutes trying to connect the dots and imply that this is purely political. Not one second was dedicated to a sincere inquiry about the prospect of what seems to be preferential treatment. At best, it is most likely obstruction of justice, and certainly as retaliation, but nobody wants to talk about that.

You have courage in coming forward. And the way we protect this institution, and this republic, is for us to do our job in oversight, and for good people like you all to do the right thing. And it seems to me you are just trying to do the right thing.

Richie Neal is a dear friend, our ranking member, and he is not a guy that would call you all liars. I don't believe he did. But I do look at this press release, and it said, "Republicans" -- this is a press release from Mr. Neal -- "Republicans are just doing a fishing expedition here and peddling their conspiracy theories and that the public" -- "in hopes that the public will start to believe their lies."

I take exception that we are peddling lies. Once again, discrediting what I think are serious allegations. These aren't minor tax infractions that we are talking about.

But maybe you can help -- with your expertise and experience -- shed light on the fact that these are serious criminal allegations. Felony and misdemeanor charges -- is that correct -- that you all had prepared to bring to the Department of Justice? Yes or no?

Mr. Shapley. That is correct.

Mr. Arrington. And the size of the tax issues -- we are not talking about tens of thousands. We are talking

about millions of dollars. Is that true or false?

Mr. Shapley. Yes, it is.

Mr. Arrington. Okay. And we are talking about Federal gun charges. I know they care about gun control and enforcing gun laws. It seems like that is something we could all applaud you for doing, but we are talking about Federal gun laws being violated by Mr. Hunter Biden. Is that true?

Mr. Shapley. Yes.

Mr. Arrington. The Mann Act violations where you traffic prostitutes across State lines, is that in question here in terms of the allegations that were brought against one Hunter Biden?

Mr. Shapley. They were included in the -- well, they came up in the investigation.

Mr. Arrington. Were there allegations of violating Foreign Agent Registration Act?

Mr. Shapley. That came up in the investigation, yes.

Mr. Arrington. Campaign finance violations?

Mr. Shapley. Yes.

Mr. Arrington. I just -- I don't know. I am disheartened.

When we sat through the 6103 authority exercise on account of concerns about President Trump and his tax returns, which were released to the public -- because I

heard the rhetoric repeatedly that there should be no two-tiered system of justice in this country. Well, I agree with that.

Nobody up here with any credibility can listen to these men and read their testimony and not be concerned that there is a two-tiered system of justice in this case. One for the politically connected, and one for everybody else. We have seen it before. I am not saying it is the first time.

But how discouraging it is that we would have the last 5 minutes all about connecting the dots between your lawyers and some affiliation with another Republican. Instead of dealing with this, my constituents want me to deal with the conflicts and the corruption. I have heard it said that the President is not implicated in this. How could the President not be implicated with the hundreds of emails that he used with alias names? He said he wasn't even aware or knowledgeable about any business dealings of his son. That is not just hard to believe, that cannot be true with all of the communiques through alias emails.

I mean, this is too long to dig into and unearth in one hearing, but I will say, the reason you are here is to defend yourselves and your credibility, and you put your whole careers and livelihoods on the line. And you are getting a whole lot more of what happened when it was just written testimony. But you were men enough to come up here

and step up and sound off for the sake of truth and justice and protecting and preserving our great institution. God bless both of you for doing it.

Chairman Smith. Mr. Arrington, you are 30 seconds over. Thank you.

Dr. Ferguson is recognized.

Mr. Ferguson. Thank you.

For all the members on this dais that have said there is nothing new under the sun, I am going to ask you all to open tab number nine for my 5 minutes here.

Mr. Ziegler, I have got several questions for you. Please try to be as succinct so we can get through these.

Would you please explain, under tab nine, what Exhibit 606 is? And tell us what we are looking at there.

Mr. Ziegler. So this is a summary of the results of what is called a 2703(d) order. So emails between Hunter Biden and his associates and what are believed to be alias accounts of the former Vice President Joseph Biden.

Mr. Ferguson. Okay. So if you knew about these aliases during the investigation, would that have aided you in your investigation?

Mr. Ziegler. Yes. I would have gone to the prosecutors and said, hey, we have these alias accounts. We have communication. I would have timed it up with other things that were going on.

Mr. Ferguson. Okay. So you would have put that -- you would have looked at the relevant time periods and matched those up, correct?

Mr. Ziegler. That is correct.

Mr. Ferguson. Okay. Let's talk about Eric Schwerin. Going back to 606, who is this in relation to Hunter Biden?

Mr. Ziegler. That is his business partner, friend, business associate.

Mr. Ferguson. Okay. So it appears 54 times in this exhibit that he, Mr. Schwerin, is emailing Joe Biden -- a Joe Biden alias -- with one-on-one and nobody else is copied? Does that sound close?

Mr. Ziegler. That sounds correct.

Mr. Ferguson. Okay. And many of these emails occur while Joe Biden, using an alias, was the Vice President?

Mr. Ziegler. That is correct.

Mr. Ferguson. Okay. Given Mr. Schwerin's role in Hunter Biden's businesses, did you find this back-and-forth of interest?

Mr. Ziegler. At the time I didn't know about it, but looking back at this now, yes, it is of interest.

Mr. Ferguson. And so you would have -- at that point, you would have had time -- you would have followed up on this, and you would have further investigated this relationship?

Mr. Ziegler. Well, that is the complex part about this. At the end of the day, any questions that might have led to the former Vice President, they were kind of off the table.

I brought forward multiple exhibits that showed that even questions that I wanted to ask weren't asked. And if those questions led to the former Vice President, they weren't asked. And that was a part of not following the normal process. That we would want to find out what the interaction was.

Mr. Ferguson. Mr. Ziegler, it appears also in this document that there are 38 emails from White House email accounts to a Joe Biden alias, where Hunter Biden is copied at that email address on his business email. So basically, 38 emails from a White House email to a Joe Biden alias with Hunter Biden attached.

Why would Hunter Biden -- do you have any idea why he would have been copied on these emails?

Mr. Ziegler. I have no idea. We were never able to be given that opportunity.

Mr. Ferguson. If you had been given the opportunity, would you have followed up on this information?

Mr. Ziegler. So I think it goes to the whole remove political figure one from the affidavit. If we are removing political figure one from the affidavit, it is going to be

removed from our relevancy review of those emails, so it is going to be filtered out before it comes to the investigative team.

Mr. Ferguson. So, prior to today, to you all being here, we did not know about these Joe Biden alias email accounts, correct? This is new information that has been provided to this Committee?

Mr. Ziegler. Yeah. Everything in Affidavit 6 is new information.

Mr. Ferguson. Okay. So there is new under the sun.

Real quickly, early on in this hearing, you made mention that there were loans -- fake loans set up. Is that correct?

Mr. Ziegler. That loans appear to be used in multiple different scenarios, yes.

Mr. Ferguson. All right. And real quickly, going back to the very beginning of this investigation, if I remember correctly, there was a point where Hunter Biden was tied to an OnlyFans account.

Mr. Ziegler. That, I am not sure what you are referring the relationship to.

Mr. Ferguson. Okay.

Mr. Shapley, do you remember that at all?

Mr. Shapley. No. I don't want to comment on that, sir.

Mr. Ferguson. All right.

I looked at what we did last week. Many of my colleagues on the other side of the aisle voted, as I did, to remove a Member of Congress for unethical behavior, and a big portion of that was the creation of fictitious loans where money was moved around to actually pay him. And that was reported out in Ethics.

I would certainly hope that these fictitious loans and the movement of money around in those from cloudy sources at best would be of deep concern to my friends on the other side of the aisle.

With that, Mr. Chairman, I yield back.

Chairman Smith. Thank you.

Mr. Higgins is recognized.

Mr. Higgins. Thank you, Mr. Chairman.

Nearly 1 year ago, the House Oversight and Accountability Committee, with the power to investigate and full subpoena authority, had been digging through Hunter Biden's records in search of something -- anything incriminating that would tie the President to his son's chaotic business practices. In nearly 1 year, the same committee has not succeeded in showing anything illegal or any wrongdoing by the President.

It seems as though this Committee could be undertaking more serious issues, and as has been said previously,

Members of our Republican colleagues have gone to the floor and basically confirmed that nothing has been done. It seems like this is not only a waste of time, but it is also redundant.

If there is a committee that should look at something like this, Oversight and Accountability seems to be the appropriate committee. They have gone through this with what I believe is a purely political motivation, and they have come up with nothing.

I yield back.

Chairman Smith. Mr. Estes is recognized.

Mr. Estes. Thank you, Mr. Chairman.

And thank you both for being here to talk through this issue. I can only imagine what kind of heat you are getting as whistleblowers being able to talk about this, particularly in this politically-charged environment that we are in today.

And, you know, there has been a lot of things talked about, even in this hearing room as we talk through things. But a couple things stood out to me before I go into questions.

One, that no one has really rebutted that this case wasn't being handled in a special way that -- because of this political figure, "being involved" -- or decide another case that was handled in this special way and excluding what

kind of evidence and what kind of trails you could go down.

And, you know, earlier, it was mentioned that, you know, nobody from the Department of Justice has talked about and confirmed what you are doing. Well, it is because we can't get the people from the Department of Justice to come here and talk about why they made those decisions, why they didn't prosecute the way they should have and/or explained their actions for what they took.

Mr. Ziegler, some folks have tried to paint you and your colleague, Mr. Shapley, as having an axe to grind, and in recent testimony, there have been references to Mr. Shapley's potential to turn things into a "five-alarm fire," quote-unquote.

Do you have any comments regarding this and how this affects the investigation?

Mr. Ziegler. Yeah. So, I want to point the committee to one of the exhibits that I turned over. So give me 1 second while I pull it up. I believe it was in the 200 series.

All along in this investigation to our leadership -- to include the DFO, Mike Batdorf -- we had been raising issues. I actually sent an email to him about my lack of confidence for my leadership and that I have nowhere else to turn.

So when you are in a leadership position and you hear that, I mean, that should hit a chord. It should be like,

okay, this person needs to come to me.

So the fact that they are trying to paint my boss with -- that everything is a five-alarm fire, I am sorry. When you bring the issue the first time and it is not figured out by the tenth time, you continue to get louder and louder, and no one ends up hearing us.

We go back to my boss bringing up to our leadership that, Hey, we need to -- what is the process for us requesting a special counsel? And I have these objectivity concerns with this case.

Could you imagine if we said, Hey, we are no longer talking with David Weiss? Would our agency stick up for us? You know what they would say? No, we will just find someone else who will do it.

But the fact that David Weiss came in and said, I am no longer talking to Gary, he shouldn't have been talking to Gary in the first place. He should have been dealing directly with the SAC. That is the way that the structure of a case works.

And looking back on all of this, it seems like the IRS and Department of Justice is trying to mitigate their responsibility in this, when it should be, Guys, we messed up. We didn't do the right thing, but here is how we are going to try and fix this, but that is not what is being done.

Mr. Estes. And I know a lot of our discussion -- our Committee of jurisdiction has responsibility for the IRS and discussions around the work that you do and a lot of your colleagues do on a day-to-day basis, and the process that the IRS should follow around through that process.

So I don't know, Mr. Shapley, if there is anything you want to add in reference to that?

Mr. Shapley. Yeah. So, you know, I want to thank Mr. Batdorf for saying I was a fantastic agent and saying that I am extremely great at what I do and being put in a position where I was in charge of this investigation.

But, you know, I raised issues over several years to leadership up to the chief of my organization, and they stuck their head in the sand. If I was operating at a five-alarm fire, I should have been operating at a seven-alarm fire because they simply did nothing to support us.

Mr. Estes. Thank you.

And that is what we should expect from all Federal employees to be able to do their job and support and focus on the things they are doing. And as Americans, we should expect to report our income. We should expect to pay taxes on an income. Everybody, whether you are a political figure or whether you are just an average Joe on the street. And Federal Government departments like the IRS and the

Department of Justice should follow their regular processes, and they should treat everybody in a consistent manner.

I want to thank you all for bringing this to our attention that that hasn't been the case here.

Thank you, and I yield back.

Chairman Smith. Thank you.

Mr. Hern is recognized.

Mr. Hern. Thank you, Mr. Chairman.

Gentlemen, I would like to offer my time for you to be able to respond to Mr. Pascrell's statements regarding your actions and your character, about why you are here, about signing each other's -- or one of you signing the other's performance review, that your intent to be here was not to seek justice but to rebuild your character.

If you would like to, Mr. Shapley, you can go first if you would like.

Mr. Shapley. Yeah. I am not really sure where he was going with that, but I came forward because I was doing -- I didn't have a choice, but I had to do the right thing.

I think there are many objective individuals out there that agree that what I brought forward and what Special Agent Ziegler brought forward raises serious concerns about the fairness in the way we treat taxpayers.

And, you know, nothing that I am doing here today has anything to do with me. It doesn't matter. Run your bus

over me. Back up over me. It is irrelevant.

At the end of the day, I love this country. That is why I am a Federal law enforcement agent for this country, and I put my life on the line when I put my badge and my bulletproof vest and I go out there and do my job.

So my reputation is fine. I am going to walk out of here with my head high.

Mr. Hern. Thank you.

Mr. Ziegler, would you like to respond to that?

Mr. Ziegler. Yes.

So to respond to the performance review, the actual deciding official was my ASAC, Lola Watson at the time. So the person who decided on my performance review was the same person who made the response of that I had potentially broken the law and that I should cease and desist from sending anything further.

The reason why I turned over my performance reviews were -- I am not a disgruntled employee. I love my job. I love the IRS. Like, I used to work for Ernst & Young. I used to be -- like I have gone -- I am 12 years in this job. I worked some pretty high-profile cases. So I know what is right and what is wrong.

And I can tell you, what I brought forward, the allegations and my claims that I brought forward was wrongdoing at the hands of Department of Justice.

Mr. Hern. Thank you.

Also, just a couple other statements have been made.

Director of Field Operations Michael Batdorf testified that he made the decision to remove you and Mr. Shapley from the investigation at David Weiss' request in December of 2022, but didn't tell you until May of 2023 because there were no other, quote, "investigative steps," end quote, regarding this investigation.

Mr. Ziegler, what is your view of that statement?

Mr. Ziegler. Okay. So I wanted to -- I appreciate you bringing up this question.

So exhibit 604, Mr. Waldon, SAC Waldon actually refers to that conference call that Mike Batdorf and U.S. Attorney Weiss had a couple weeks ago. He tells us there is no update.

But from the DFO, Mike Batdorf, his transcript, he actually decided -- at that point -- he decided that he was going to remove Gary Shapley and, in effect, remove me as well from the case.

So, there was an update. It was the removal of us.

And what I would also point you to is in this email, it says we still have active tax investigations related to redacted, redacted, and redacted, which have essentially stopped since at least November of 2022. That should concern everyone.

I have more things that we need to talk about with the prosecutors in moving these cases forward. So those essentially stopped for 7 months. And I could point you, there is a presentation that I gave to the U.S. Attorney. Here are the spin-off tax investigations that we are still working.

So there was -- the whole notion -- they were correct in that the Hunter Biden tax investigation --

Mr. Hern. I would like to give Mr. Shapley my remaining time.

But I would like to say it is astonishing that in your line of work that the people that you are fighting against the most is usually, in the normal course of business, is American citizens that are out trying to do bad things to the government, shirk their responsibility in paying their taxes.

Did you ever in your wildest imagination think it would be your own Federal Government that you were arguing this case? And you are having to defend your own characters against that of the Federal Government. That has got to be the most shocking thing that has ever happened when you came forward.

Mr. Shapley, do you want to respond to Batdorf's statement?

Mr. Shapley. Yeah. So learning that was incredibly

shocking to me. It was just a complete abdication of the duties and responsibilities of leadership of IRS Criminal Investigation.

You know, he even mentions that he didn't replace us because he didn't know if the case was moving forward.

The exact day that they did remove me, on May 15, 2023, they said that they removed me because, as Batdorf had said, it was because the case was moving forward. That exact same day, May 15, 2023, Lesley Wolf offered a deferred prosecution agreement to Hunter Biden, which would have meant that there was no more agent that was needed on the case.

And then you have December 22 of 2022, Mr. Batdorf in his transcript says that he had the call with Weiss and Mr. Waldon, and that is when they decided to remove me.

Mr. Waldon doesn't say anything about December 22, 2022, in his testimony to this -- to the Committee. He actually is asked if he had any conversations with the U.S. Attorney's Office between October 7 and February of 2022 -- February of 2023, to which he says, "I don't recall. I might have had a phone call. I don't recall."

So this goes back to a previous issue about Mr. Neal and his press release, when the press release title says "Repeating lies won't make them facts," and then the first piece of information he gives is that Darrell Waldon

stressed that it was his --

Mr. Estes. [Presiding.] The gentleman's time is expired. Maybe we can bring that up at an additional time.

Mr. Shapley. Sure. Thank you.

Mr. Estes. Hold onto that thought. There may be time later.

Now I would like to recognize the gentlewoman from Alabama, Ms. Sewell.

Ms. Sewell. Thank you so much, Mr. Chairman.

I really have just one question. It requires a yes-or-no answer from both of our witnesses.

Can either of you point to information, facts, or information that you have uncovered as whistleblowers that directly prove that Joe Biden has done something illegal, yes or no?

Mr. Shapley. There is evidence that exists.

Ms. Sewell. I just -- it is yes or no.

Mr. Shapley. Yes, there is.

Ms. Sewell. Direct, direct evidence. Please show me the direct evidence that is not being refuted by your supervisor or by other people that actually proves that Joe Biden did something unlawful, illegal.

Mr. Ziegler. So in exhibit 1I, Hunter Biden states in his email that his original agreement --

Ms. Sewell. Yes or no, sir.

Mr. Ziegler. -- with the director was for consulting fees -- can I respond, Mr. Chairman?

Ms. Sewell. No. This is my time. I am reclaiming my time.

Mr. Ziegler. That the original agreement with the director --

Ms. Sewell. I am reclaiming my time.

Mr. Ziegler. -- was for consulting fees, based on introductions alone at a rate of \$10 million per year for --

Ms. Sewell. Please. You both were very sympathetic witnesses. Now you are not. You don't come to this body, which is the House Ways and Means Committee, and run over a Member of Congress who simply asked one question.

Now --

Mr. Ziegler. Mr. Chairman, can I respond?

Ms. Sewell. No. I am reclaiming my time. I have 3 minutes and 30 seconds. And in that time, I would like to say the following.

We have seen no new information here today. All of the 38 emails, many of which -- or not all of which were in the National Archives. We have seen refutable claims, refuted by supervisors and by others, of the witnesses' claims.

We are not a law enforcement agency, Mr. Chairman. We are a legislative body. And with all due respect, there is plenty of [the] people's business that we should be doing.

This Committee has jurisdiction over trade, over tax, over healthcare.

Now, we do have jurisdiction over tax, but a private citizen being explored? I am not saying that what Hunter Biden did was proper. What I am saying is that we have seen no direct proof that Joe Biden has done anything illegal.

I would like to go back to doing the people's business on this Committee. That is what we were elected to do, and that is what we were chosen to do by our colleagues when we got on this Committee.

So, with all due respect, I would like to get back to the business of doing the people's business, and I don't see how any of this relates directly to Joe Biden, either as Vice President or as President, doing anything illegal.

We need to use our time wisely. We have budgets to pass but we haven't passed. We have a farm bill that needs to be passed, a national defense authorization bill, foreign aid packages. There is so much that we can be doing instead of spending all these hours on this particular matter.

Now, before I give up my time, I would like to just say this information that was brought forward by these witnesses should not be before this body. It just should not be. And I would like to get back to the people's work.

I yield back the balance of my time.

Mr. Estes. I appreciate our Committee has

responsibility for taxes. You mentioned it. I don't know if the gentlemen would like to make any comments and respond to her question.

Mr. Ziegler. Congresswoman Sewell, I apologize. I didn't mean to offend you at all. What I was -- I apologize.

Ms. Sewell. I am going to reclaim the rest of my time if he is going to be talking.

Mr. Ziegler. So what I would --

Ms. Sewell. I really don't want to -- I mean, this is my time. I yield back that time. I would like to go on to the next Member of Congress who should ask questions.

Mr. Estes. The gentlewoman's time is expired.

Now I would like to call on the gentleman from North Carolina, Dr. Murphy.

Mr. Murphy. Thank you, Mr. Chairman.

Go ahead, Mr. Ziegler, you can go ahead and respond.

Mr. Ziegler. Yeah. So the email that I was referring to was exhibit 1I, and it says the original agreement with the director believed to be CEFC was for consulting fees based on introductions alone at a rate of \$10 million per year for a guaranteed total of \$30 million.

He goes on and says that this agreement is so much more interesting to me and my family. And I would like to remind you there is the WhatsApp message that was presented a few

days prior to this email which says, "I am sitting here with my father and we are ready to make the deal."

And then you would go back a few months before that, and there is the SinoHawk deal, where there is the email regarding 10 percent held by H for the big guy.

So those things altogether, when you put them all together, I mean it says a lot.

Mr. Murphy. All right. Thank you, Mr. Ziegler.

You know, guys, what happened in Congress last week, we are trying to clean up the House. People ask me whether I prefer to be called by Doctor or Congressman, but I think I like Doctor a whole lot better because nobody has any faith in Congress or in this institution of government.

We sit here and we talk about Ukraine corruption, China's corruption and Russia's corruption. This place is blatant. It is infiltrated. It is putrefied with corruption. We are just trying to get to the bottom.

And the fact that there is connection with the President now and the Vice President previously of doing -- of dereliction of duty is factual. It is factual.

Mr. Shapley, you actually got interrupted in something you wanted to say earlier. Please go ahead with what you were going to say.

Mr. Shapley. Yes. So going back to the press release from the ranking member on Friday, when you sit there and

you show a little bit of emotion about it, imagine how I felt when I read the title "Repeating lies won't make them facts."

And then the very first fact that you tried to say in here is that Darrell Waldon stressed that it was his decision to remove me from the case, when on page 107 he clearly says, it was my recommendation -- or so in my -- my recommendation was just that, a recommendation, not his decision. Now --

Mr. Neal. Mr. Murphy, would you yield to me for 30 seconds?

Mr. Shapley. On page 78 of Darrell Waldon's transcript, he says -- he was asked if he had spoken to the U.S. Attorney's Office between October 7 and February of 2023, to which he said, "I don't recall. I might have had a phone call. I don't recall."

Darrell Waldon doesn't bring up December 2022 conversation in his transcript. And you say in here that he also stressed that it was his decision, along with Supervisor Mike Batdorf, to remove IRS whistleblower from the investigation in December of 2022, when Darrell Waldon doesn't even mention December 2022 and says that he didn't even speak -- he doesn't recall speaking to Mr. Weiss at the U.S. Attorney's Office during that time period.

So, sir, once again, I apologize. This is not my

world. I am not a Congressman. I work on facts and evidence.

Mr. Neal. Would the gentleman yield?

Mr. Shapley. I apologize if you -- if I did something improper. But at the end of the day, you are going to be okay and I am going to go home and I am going to have a press release out there in the public that says "Repeating lies won't make them facts."

Mr. Murphy. All right. I am just going to reclaim my time.

Thank you, guys.

And I am just going to say this. One Republican, one Democrat. Facts are very sterile things. You don't get opinions about them. You don't get hurt emotions about them. Fact are facts. And the facts are that if you and I had done what Hunter Biden had done, number one, we would be in jail, period.

Number two, there was obvious influence by the Vice President of the United States at the time regarding his son's dealing. There was obvious Vice President's knowledge of what his son was doing.

And so, I just tell you, I am sorry that members of the Committee are attacking you guys personally. You are doing your damn job, and you are doing it well. As a Member of Congress of the United States House of Representatives, I

want to thank you for doing your job well.

With that, I will yield back.

Mr. Estes. The gentleman yields.

I now call on the gentleman from Tennessee, Mr. Kustoff.

Mr. Kustoff. Thank you, Mr. Chairman.

Mr. Ziegler, can you tell me who Kevin Morris is?

Mr. Ziegler. Kevin Morris is -- he is a well-known person in the media who lives in California. Yeah.

Mr. Kustoff. Did you have an opportunity to interview him?

Mr. Ziegler. I did not, but Gary actually did.

Mr. Kustoff. Mr. Shapley, did you agents have -- did you have an opportunity to interview Kevin Morris?

Mr. Shapley. Very briefly, at his residence, he offered to submit to an interview, but then said he wanted his lawyer very early on in that discussion.

Mr. Kustoff. Mr. Ziegler, did you produce an exhibit 607A?

Mr. Ziegler. Yes, I did.

Mr. Kustoff. What is that exhibit?

Mr. Ziegler. It is an email from -- correspondence between Troy Schmidt, Kevin Morris, Lindsay Weinberg, Shep Hoffman, and then Hunter Biden.

Mr. Kustoff. And what is the substance of 607A?

Mr. Ziegler. The need for filing the tax returns or the need for filing the delinquent tax returns.

Mr. Kustoff. And the email talks about the need for filing the tax returns. And I believe the language is, "We are under" -- this is from Kevin Morris to Troy Schmidt -- "We are under considerable risk personally and politically to get the returns in."

First of all, you told me about Kevin Morris. Who is Troy Schmidt?

Mr. Ziegler. Troy Schmidt was one of Hunter Biden's return preparers.

Mr. Kustoff. And when Kevin Morris says to Troy Schmidt on February 7, 2020, "We are under considerable risk personally and politically to get the returns in," do you know what that means?

Mr. Ziegler. Yeah. So Hunter Biden isn't running for office. The fact that it puts them at risk personally and politically, it would be something that I would want to investigate further.

Mr. Kustoff. Did you also provide exhibit 607?

Mr. Ziegler. I did.

Mr. Kustoff. What is that exhibit?

Mr. Ziegler. That is an interview memorandum of Troy Schmidt.

Mr. Kustoff. And the date of this is November 16th of

2021. Is that correct?

Mr. Ziegler. That is correct.

Mr. Kustoff. That is after Joe Biden is already President.

What is the significance of this memorandum of interview?

Mr. Ziegler. So this memorandum of interview goes through and talks about different issues with the tax filings. Briefly talks about Kevin Morris.

They actually talk about -- if you go to page 4 of this -- Schmidt stated that there were notes from a crisis management meeting at Kevin Morris' home in the Pacific Palisades. Either Morris or Morris' assistant had invited Schmidt to that meeting.

Schmidt didn't recall the exact purpose of that meeting. Schmidt originally thought that they were going to discuss Hunter's tax returns, but that they didn't end up discussing anything about the return preparation at all.

That meeting was held I believe in January of 2020.

Mr. Kustoff. And Kevin Morris is the individual who personally paid some of Hunter Biden's tax liability. Is that right?

Mr. Ziegler. Paid a significant amount of Hunter Biden's tax liability.

Mr. Kustoff. Thank you.

Special Agent Shapley, if I can, going back to your prepared testimony, you have talked about this a lot, but you note that on October 7 of 2022 that the United States Attorney Weiss told you and several other witnesses about having requested special charging authority from DOJ and that was not granted. Is that correct?

Mr. Shapley. That is correct.

Mr. Kustoff. Some of the charges you would have recommended were outside of the Delaware jurisdiction or venue. Is that right?

Mr. Shapley. I believe all of them were. And the only reason he could bring the plea deal in Delaware was because defense counsel waived venue.

Mr. Kustoff. Let me ask you another way. Were some of the charges that you were recommending, were they to be brought in the District of Columbia?

Mr. Shapley. Yes, sir.

Mr. Kustoff. And would Weiss have had the authority to charge in the District of Columbia?

Mr. Shapley. No.

Mr. Kustoff. Were some of the charges that you were recommending in the State of California?

Mr. Shapley. Yes.

Mr. Kustoff. Would Weiss have had the authority to charge in the State of California?

Mr. Shapley. No. And he confirmed this with his June 30, 2020, letter to Congress.

Mr. Kustoff. Thank you. That is all the questions I have. I yield back.

Mr. Estes. The gentleman yields.

And now the Representative of California, Ms. Chu, is recognized for 5 minutes.

Ms. Chu. I would like to yield now to our ranking member, Richie Neal.

Mr. Neal. Thank you very much. Thank you, Ms. Chu.

Mr. Shapley, I accept your acknowledgement that I did not call you a liar.

I yield back.

Ms. Chu. Reclaiming my time.

Let me say we are 20 minutes and 34 slides later, double the time for testimony as witnesses generally have, and I am struggling to figure out what is new. It seems like nothing.

Only five slides contain information from documents that the Committee will consider this afternoon. Two of those are already in public. Let's walk through these five slides.

Mr. Ziegler, the first slide, exhibit 600A and 600B, contain your performance appraisals, one of which is signed by Mr. Shapley, who is sitting right next to you, when you

were both on your way to Congress. This performance evaluation is dated April 25, 2023, correct?

Mr. Ziegler. That is correct.

Ms. Chu. And, Mr. Shapley, you sent a letter through your counsel to the Committee on April 19, 2023, indicating a desire to come to Congress, correct?

Mr. Shapley. Yes.

Ms. Chu. Well, let me point out that the performance evaluation was done after you expressed your desire to go to Congress, and that basically, one, both of you wanted to come and one evaluated the other. In fact, Supervisor Batdorf did describe you two as one and the same.

And so I question how objective that is for you to do a performance evaluation after you express your desire to come to Congress, and 6 days later do this performance evaluation.

Mr. Ziegler, the second slide, exhibit 602, is an email forwarded by Mr. Shapley to you, correct?

Mr. Ziegler. That is correct.

Ms. Chu. This email is merely an excerpt from attachment 9 released by the Majority on September 27, 2023, and is already available, actually, on the Committee's website.

Now let's move to the third slide, exhibit 603. This is an email from the IRS Commissioner dated July 7, 2023,

correct?

Mr. Ziegler. That is correct.

Ms. Chu. While this email was sent to all IRS employees and is actually reprinted in the press. I saw it in Tax Notes, a tax publication. Nothing new there.

And so, let's keep going. The next slide, slide 4, exhibit 607A, is an email, a whole three sentences that takes up two lines and does not say much.

And finally, we come to the last slide being considered in the afternoon, exhibit 605, another short email. And let me point out there is nothing about President Biden or his Administration in here.

The rest of these documents are all things already released by the Committee. So 20 minutes of testimony, 34 slides to sift through, to find two short emails about nothing and to see your performance reviews signed by Mr. Shapley after already saying that you wanted to come to Congress.

I do not know why we are here wasting the people's time when actually the people's work needs to get done, and this is clearly not it.

I yield back.

Mr. Ziegler. Can I --

Chairman Smith. [Presiding.] Did you -- did Ms. Chu yield back her time?

Ms. Chu. I yielded back.

Chairman Smith. Okay. Hopefully, Mr. Fitzpatrick would give you an opportunity to respond.

Mr. Fitzpatrick is recognized.

Mr. Fitzpatrick. Yes. Thank you, gentlemen. I was a special agent, a supervisory special agent and a Federal prosecutor, so I can totally relate to your experience.

Thank you for your service.

I want to take off the table what I believe is not in dispute. I think it is not in dispute that Hunter Biden violated Federal law. I think it is not in dispute that the U.S. Attorney's Office did not handle this case the way they should.

I want to get to the real question for me and I think for everybody, is the involvement of the then-Vice President, now President.

When you were conducting your investigation and you saw them shut you down on things like taking any reference to him out of an affidavit, was it your sense, was it your gut that they were just trying to shield him from political embarrassment, or was it your gut telling you that they were afraid that the investigation would ultimately lead to him?

Mr. Ziegler. So I don't know their intent or their motives. I always think good of people. But all I can do is present to you, to the Committee here are the

circumstances, the facts of when there were times where we wanted to go down that investigative route of Joe Biden, his involvement, and here are the roadblocks that were put in front of us. And we never got to go down those avenues.

Mr. Fitzpatrick. What was the predication that led you to want to go down that road that you were then stopped doing?

Mr. Ziegler. So there are multiple things. There are -- I mean, you can see in affidavit 3, the exhibit 300 series, that there were multiple emails that show involvement from administration officials during the time.

There was the call from the White House that I mentioned in my opening, the call from the White House with meeting minutes prior to the Vice President going to Ukraine.

So, there was a multitude of things that showed the administration involvement.

Mr. Fitzpatrick. Right. Investigators always have a hunch, and it is not out of the clear blue sky. It is based on your investigative experience and the facts that you are seeing.

Did your gut tell you that President Biden was in any way benefiting from any of Hunter's criminal proceeds?

Mr. Shapley. I would just have to answer that by saying that we were interested in following leads that went

to Joe Biden, President Biden, not because he was the Vice President or former Vice President or President. It was because in any normal investigation when we see financial transactions between the son and the father and email correspondence going back and forth, text messages like the WhatsApp message, in every single investigation we would ever work we would follow those leads to the father. It just so happens --

Mr. Fitzpatrick. What did they do to prevent you from doing so? Because I agree with you. I understand and agree.

Mr. Shapley. So, I mean, there are lots of things, right, so I can't -- it is tough to answer that question very succinctly. But, for example, the WhatsApp messages. We wanted to say -- go and say, location data, we want to look into that. And it just wasn't supported. And it just fell off the priority list, for example.

Mr. Ziegler. So the interview of Anthony Bobulinski. He went into the FBI and offered information. They didn't ask him questions. We were never afforded the opportunity, as the investigative team, to go in there and interview him, to find out if the things that he was saying was true and correct. And that would have been a logical step that we would have taken. So we will never know what that might have accomplished.

Mr. Fitzpatrick. So to your point, sir, absent the names, you would have obviously gone down that path. You feel like you were stopped from going down that path because of who that person was in particular, but that you can't say or even offer a hunch that you might have found this if you were given the opportunity to go down that path.

Mr. Shapley. Well, yes to your first question. But when you see 10 held by H for the big guy and we have other correspondence where they are saying, don't call dad -- you know, call dad something else, call him -- because we are trying to confuse or conceal who it is, that is issue for concern. And was there 10 percent that went to the big guy? We will never know, because we weren't allowed to investigate that.

Mr. Ziegler. Can I add one more thing?

So the money that comes in from State Energy HK March of 2017, the timing of that is so significant, I think, looking back at everything that it makes sense that maybe there was some sort of agreement there that they weren't going to pay it while -- pay that money while the former Vice President was in office.

You look at the Burisma agreement. He was paid a million dollars a year over April -- or 2014, 2015, 2016. Joe Biden is out of office. That agreement changes, and they actually lower the amount of money he received from

Burisma. That occurred April 1, 2017. So, I mean --

Mr. Shapley. The significance of the March 2017 was that they withheld payment from that Chinese company until then-Vice President Biden was no longer in office.

Mr. Ziegler. The allegation is out there, yes.

Mr. Fitzpatrick. I yield back.

Chairman Smith. Thank you.

Mr. Steube is recognized.

Mr. Steube. Thank you, Mr. Chairman.

All right. You just said something that piqued my interest.

So somebody in DOJ wouldn't allow you to interview Bobulinski.

Mr. Shapley. That is correct.

Mr. Ziegler. That would be correct.

Mr. Steube. Who?

Mr. Ziegler. Lesley Wolf.

Mr. Steube. So you guys reached out in your typical investigative activities and wanted to interview him, and she said no.

Mr. Ziegler. So as a team, as an investigative team, that was another step that we wanted to undertake, was to do an interview.

Mr. Steube. Obviously.

Mr. Ziegler. He was interviewed by another team, a

team of D.C. agents.

Mr. Steube. But not you guys who were at the time handling the Hunter Biden investigation into the businesses and the tax dealings?

Mr. Ziegler. Correct.

Mr. Shapley. That is correct.

Mr. Steube. Joe Biden claimed there was an absolute wall between his official duties and his family influence-peddling schemes. That was a lie.

There is evidence submitted today of Joe Biden directly emailing actors in the Bidens' family business using fictitious email addresses.

So I take the Committee to exhibit 606.

What is this, Mr. Ziegler?

Mr. Ziegler. Yes. So that is a summary of a 2703(d) order. So email headers regarding what we believe to be alias accounts associated with Joe Biden and Hunter Biden and his associates.

Mr. Steube. So Joe Biden was using, for example, there is a multitude of them, but one of them is robinware456 email address to communicate with Hunter Biden. And on some of these emails there are actually cc'd people in the Vice President's office on some of these email chains, correct?

Mr. Ziegler. In some of the emails, that is correct.

Mr. Steube. So for my colleagues on the Democratic

side to say that there is no new evidence before us today is not factually accurate, because I am holding a list pages long of fictitious email addresses that Joe Biden used to communicate with Hunter Biden and people directly that were doing his business dealings and not cc'ing Hunter that you provided to the Committee today, correct?

Mr. Ziegler. Yes. And I am here to respond to any questions that you guys have about affidavit 6, the exhibits there.

Mr. Steube. Well, unfortunately, I only have 3 minutes left, but I wish we could get into all this. I would spend hours digging into all this.

Joe Biden claimed his family didn't receive money from China. That was also a lie. In fact, Joe Biden himself received money from China.

The Democrats' talking point this entire hearing and on the media have been that there is no direct evidence -- we have heard it multiple times today -- there is no direct evidence that Joe Biden committed any crimes or took any of the millions of dollars that the Biden family made off Joe Biden's position and actions that he took.

Yesterday, Chair Comer released bank records revealing that Hunter Biden's entity Owasco, P.C. made direct monthly payments to Joe Biden. Owasco, P.C. received millions of dollars from CEFC China Energy pursuant to your excerpt

exhibit 400 that you provided to the Committee today.

Your excerpt exhibit 2A shows an agreement to pay Hunter and James Biden \$165,000 a month. And then we now have evidence through the Oversight Committee that was released yesterday that Joe Biden was directly receiving money from Owasco, the entity that received millions from the Chinese Communist Party company, correct?

Let me succinct it for you. Why don't you just describe your exhibit 400 and your exhibit 2A and then why they were paying this money, which is your exhibit 400. And I will give you some time to do that.

Mr. Ziegler. Okay. So exhibit 400 is the Gal Luft interview? Is that correct?

Mr. Steube. No. Exhibit 400, during this trip Hunter was provided with a \$5 million payment from CEFC. So I am on excerpt from exhibit 400.

Mr. Ziegler. Okay. So yeah, no, that was the interview of Gal Luft. So that was in reference to money that he was earning from CEFC, I believe is what you are referring to.

Mr. Steube. Right. So this company, a Chinese company, was paying Owasco millions of dollars, Joe Biden-affiliated companies.

Mr. Ziegler. It was paying Owasco, P.C., which was a Hunter Biden corporation, his law firm.

Mr. Steube. And then an excerpt from exhibit 2A, it says -- and it is just the excerpt -- "Owasco manager Hunter Biden shall be entitled to compensation of \$100,000 a month and James Biden shall be entitled to \$65,000 a month."

And my time is running out so I can't dig into this the way I would love to dig into this.

But what we just learned yesterday from what the Oversight Committee has released is that Joe Biden was getting -- and I know this isn't what we are talking about, but it is related to this company -- Joe Biden received monthly payments from Owasco, and Owasco was receiving money from the Chinese Communist Party.

Mr. Ziegler. And one thing I would -- so that agreement is signed August 3. August 2 was the email regarding the agreement with the director that it was introductions alone at a rate of \$10 million per year.

Mr. Steube. So you have evidence that Joe Biden took money from Owasco, directly from Owasco, payments that were made from a Chinese Communist Party to Owasco. You don't have to answer the question. I just made -- it is all right here.

So for everybody on the left side of the dais who says that there is no evidence that Joe Biden committed any crimes, I ask your attention to exhibit 400, exhibit 2A, and what the Oversight Committee released yesterday.

Chairman Smith. We are 30 seconds over. Thank you, Mr. Steube.

Ms. Moore.

Ms. Moore of Wisconsin. I want to thank the witnesses for appearing. I want you to know that I take the plight and protection of whistleblowers and whistleblowing very seriously. And so if you have questions that are made of you that are very penetrating, please understand how important it is for us to have the truth. I bid you a good afternoon.

I just want to start with where my colleague just left off. Excerpt from exhibit 400. I don't know what exhibit this is. But can you -- what is -- there are dates. Is there a -- oh, exhibit 400.

Mr. Ziegler. Was this in the slide show?

Ms. Moore of Wisconsin. What is the date on these exhibits that they were written?

Mr. Ziegler. So I believe if it is the exhibit 400 that you are referring to, this was the interview with Gal Luft on March 28, 2019.

Ms. Moore of Wisconsin. Okay. So I am looking at excerpts from exhibit 400.

Mr. Ziegler. Okay.

Ms. Moore of Wisconsin. \$3 million December 2016, 5 million 2017. Okay.

So who was President of the United States when these disbursements were made?

Mr. Ziegler. In December of 2016, the Vice President was Joseph Biden.

Ms. Moore of Wisconsin. Okay. This is December of 2016. May of 2017, October 2017, who was President?

Mr. Ziegler. The President at that time was President Donald Trump.

Ms. Moore of Wisconsin. Okay. Thank you so much.

Mr. Shapley, let me ask you some questions.

In your original testimony, you said that you were assigned to the case in early 2020. Would that be January or February or March?

Mr. Shapley. January.

Ms. Moore of Wisconsin. January. And you said that you saw that the process was being slow-walked. And then you were asked by another colleague who you meant when you said "they" were slow-walking it, and you said the DOJ, Weiss, and the Tax Division, right?

Mr. Shapley. Yes, that is correct.

Ms. Moore of Wisconsin. Okay. Thank you.

So when you were assigned to the case, who was President of the United States?

Mr. Shapley. President Donald Trump.

Ms. Moore of Wisconsin. Okay. And who was Vice

President of the United States?

Mr. Shapley. Mike Pence.

Ms. Moore of Wisconsin. Okay. And who was the head of the DOJ?

Mr. Shapley. I believe it was Bill Barr.

Ms. Moore of Wisconsin. Okay. And Weiss was the head of Delaware appointed by who?

Mr. Shapley. He was appointed by President Trump.

Ms. Moore of Wisconsin. Okay. And the Tax Division, were those appointees? I guess those were civil servants, right? You know, the people you said that were helping in the slow-walking, were they appointees or civil servants?

Mr. Shapley. The head of the Department of Justice Tax Criminal Division is a President-appointed position.

Ms. Moore of Wisconsin. Okay. So, who appointed him?

Mr. Shapley. I don't recall who was then the current --

Ms. Moore of Wisconsin. All right. My time is running out.

So, Mr. Ziegler, you provided us with exhibits 200 and 200 -- and I got concerned about that. I am looking at exhibits 200 and 203. And you pointed out from your testimony that this was problematic because they said Political Figure Number 1 should not be included. I am trying to find the page.

Mr. Ziegler. Yeah. It is 202 and 203.

Ms. Moore of Wisconsin. 202. Right, right, right.

So, this was written by some Lesley Wolf, and she said that there should be nothing about Political Figure 1 in whatever conveying document that this conveyed.

And so they said don't include it. Do you think that that is because -- I mean, at that point Joe Biden was not the Vice President, right? What date is on this document?

Mr. Ziegler. I believe it was August 7, 2020.

Ms. Moore of Wisconsin. Okay. So, the people who were slow-walking this investigation, according to both of you, these were Trump's appointees that were in charge. Am I wrong or right about that?

Mr. Ziegler. So that would have been a career employee that --

Ms. Moore of Wisconsin. That would have been a career employee.

So, what is the purpose of exhibit 203 where Joe Biden's face is blocked out? He is considered to be Political Figure Number 1. And what is the purpose of presenting us with exhibit No. 203? I don't understand the purpose of it.

Mr. Ziegler. That was just reference to the attached affidavit to this email. And I wanted to call out what Political Figure Number 1 referenced in that affidavit.

Ms. Moore of Wisconsin. Okay. So, we seem to conflate times. At any of the times that all of this stuff was being slow-walked, was Joe Biden either Vice President of the United States or was Trump the President?

Mr. Ziegler. Yeah. When President Biden became President, that was when we requested the --

Ms. Moore of Wisconsin. I am referring to your exhibits and your testimony that this was slow-walked during 2020, that the election had not occurred. Joe Biden had not been elected President when all this slow-walking occurred.

Chairman Smith. The gentlewoman's time is 30 seconds over.

Ms. Moore of Wisconsin. Yes or no?

Mr. Shapley. The slow-walking occurred beyond 2020 into 2021, 2022, 2023.

Ms. Moore of Wisconsin. I am talking about what you are testifying to today, slow-walking.

Mr. Shapley. My testimony is that the slow-walking occurred 2020, 2021, 2022 and 2023.

Ms. Moore of Wisconsin. And President Trump was when the slow-walking started, right, with the same actors and players?

Chairman Smith. Your time is expired. You are 55 seconds over.

Ms. Moore of Wisconsin. Thank you so much, Mr.

Chairman. I am just trying to get some -- there is nothing like --

Chairman Smith. We all need more time.

Mr. Smucker, you are recognized.

Mr. Smucker. Thank you, Mr. Chairman. I would like to yield my time to Mr. Steube.

Chairman Smith. Mr. Steube.

Mr. Steube. I thank the gentleman for yielding.

I want to pick up where I left off.

So yesterday evidence was released by the Oversight Committee that Joe Biden received financial payments from Owasco, a company owned by Hunter Biden and other associates, Hunter and James.

In your new documents, which they are new documents that you are providing the Committee today, I talked about exhibit -- saw them in your slide show -- your excerpt from exhibit 400, Owasco received millions of dollars from a Chinese company, Chinese Communist Party company, correct?

Mr. Ziegler. Yes. Well, so CEFC paid Hudson West III, which Hunter was 50 percent owner of. Hudson West III paid Owasco, P.C. out of that entity, that corporation.

Mr. Steube. And then that entity, based on the evidence that was released yesterday by the Oversight Committee, then paid Joe Biden monthly payments.

Your excerpt from exhibit 400, where it

starts -- because the American people are like, well, why would we be getting --

Ms. Moore of Wisconsin. Will the gentleman yield?
Will the gentleman yield?

Mr. Steube. No, I am not going to yield my time. I have got too much to get through.

Ms. Moore of Wisconsin. Payments were made --

Chairman Smith. Ms. Moore, you are not recognized.
Mr. Steube has the floor.

Mr. Steube. Excerpt from exhibit 400. So, can you read that? "Luft believes Ye - "

So the question then becomes why was this money being transferred to Owasco and then payments being made to Joe Biden? Could you read that sentence?

Mr. Ziegler. Yeah. "Luft believes Ye was willing to make these payments because he was generally aware of a corruption investigation of his activities by Chinese authorities. Luft believes that Ye was trying to build a political asylum request or parachute for himself from this investigation and that the Biden family could assist him with this."

Mr. Steube. So that was some of the new evidence that you provided to the Committee today.

So now in the little bit of time I have left over, let's move to Burisma and Ukraine. So, I am starting on

your -- I am still on your slide show, exhibit 304.

If you could just try to -- because, again, the narrative from the left and the mainstream media and the Democrats is that Joe Biden wasn't involved in this at all. There is no direct evidence that Joe Biden did anything as it related to this. There is evidence that Hunter Biden received money from Burisma and from Ukrainian officials, right, that is part of this? I am starting at your exhibit 304.

Mr. Ziegler. Yes, yes.

Mr. Steube. Okay. And then we do know, because it is public because Joe Biden talked about it in a press conference or at an event, that he was responsible for getting the person who was prosecuting this individual -- we are in excerpts 306 -- fired, correct?

Mr. Ziegler. That would be correct.

Mr. Steube. So, help the American people in the 2 minutes understand this, because you have excerpts 304, 305B, and 306. Because even when I look at this -- and I pay attention to the news -- it is hard to understand who these actors are.

So, in the evidence that you have given to the Committee, can you just kind of synopsis this and what was going on.

Mr. Ziegler. Yeah. It was access via Hunter Biden to

different people in the administration.

Mr. Steube. In Ukraine?

Mr. Ziegler. No --

Mr. Steube. In our administration.

Mr. Ziegler. -- in the U.S. administration, and also in Ukraine, because it lays out the both of them, in order to -- they were trying to get the CEO of Burisma off of his charges in Burisma. So that meant these different people, the access of who they could help that cause.

Mr. Steube. And these excerpts that you have provided the Committee -- there is also one on 307, 309 -- show the communication that was going on between these individuals.

Mr. Ziegler. Yes.

Mr. Steube. And ultimately, through Joe Biden's actions, this individual was fired.

Mr. Ziegler. Yes.

Mr. Steube. Which, to me, whether you receive -- and Hunter -- now, let me just tie this up one more -- and Hunter Biden and Joe Biden's family received financial compensation through Burisma?

Mr. Ziegler. Yes. So, you can actually look at there is an email that is sent from Eric Schwerin to the Blue Star people congratulating them on getting this done in less than a year.

Mr. Steube. Which exhibit was that?

Mr. Ziegler. That was exhibit 313.

Mr. Steube. 313. So, again, you have evidence of then-Vice President Joe Biden taking official actions, his family being compensated for that. And the other side is saying that we have no evidence that this is going on. And you are providing more details through these excerpts and new evidence that was released here today that this is what was happening.

Mr. Ziegler. Yeah. I mean, the thing that I pointed to was the White House call notes. I mean, these are call notes about the upcoming trip of the Vice President to Ukraine, and part of that is reform of the prosecutor's office in Ukraine.

Mr. Steube. Thank you both for being here today. My time is expired.

Chairman Smith. Thank you.

Ms. Tenney is recognized.

Ms. Tenney. Thank you, Mr. Chairman.

And I just want to thank the witnesses. I really appreciate you coming here. And I know that you have been barraged with some insults and criticism, but we appreciate your courage and being able to stand up and be such good, credible witnesses.

I want to just first set a couple things straight. The Department of Justice witnesses have refused to answer

numerous questions. So that is a fact that is not in this record today. And so far, two Department of Justice witnesses failed to show up for a deposition under subpoena, Mark Daly and Jack Morgan.

I just want to state that for the record, so people know that, as much as we are trying to get done here, there are interviews that also are being refused.

And I just wanted to say a couple things because I know my colleague here has gotten into a lot on the Burisma thing. But just a general question. During this whole situation where Hunter Biden was under contract with Burisma, is that the same timeframe as Joe Biden actually got the prosecutor fired?

Mr. Ziegler. Yeah. That would be under the same time period.

Ms. Tenney. So he was Vice President of the United States and Hunter Biden was under contract with Burisma, and the prosecutor was fired who was trying to look into the money laundering and other crimes that Burisma was committing as a corporation in Ukraine.

Mr. Ziegler. Yes. He was under a board of directors agreement.

Ms. Tenney. Are you surprised that -- and I would just -- this is going to go to a theory for either one of you. A lot of this looks sloppy. A lot of this evidence

has been able to come up.

And you, as whistleblowers, of course, did not come through until recently when we took over the majority and our chairman created a whistleblower portal where you could come forth, theoretically, under the statute to talk about these things that you witnessed as members of the -- working at the IRS in this investigative unit.

Did you think -- and this is just a theory and a theoretical question. It seems as though all this evidence is kind of sloppy, but do you think that some of this was not tied up neatly after Joe Biden -- while Joe Biden was on his way out of Vice Presidential because they figured that Hillary Clinton was going to get elected and that, therefore, some of this evidence, this was all going to go away? Because it seems like some of these things should not have been neatly put together. They should have been put together better so that this wouldn't have happened.

Would that be a theory that may have revealed why all this evidence has suddenly come out after your whistleblower testimony has come through and all the new evidence that you are presenting today?

Mr. Shapley. Yeah. I mean, I am not sure if Hillary Clinton was elected President what it would have done, but I do know that there was some conversation where Hunter Biden said that when his father became President that he would get

him off the charges.

Mr. Ziegler. Yeah. There was an email to -- or there was a -- there was a note from our director of communication from the media that Hunter Biden told the media that he -- that all this was going to go away when his dad became President.

Ms. Tenney. Can I ask a question? Thank you for that. I just want to say to Mr. Shapley, can you explain on one of the other witnesses was asking you whether or not Joe Biden conducted or committed some kind of crime throughout all this, based on the evidence that you have presented? Could you explain that?

Mr. Shapley. So, whether someone ultimately is convicted of committing a criminal violation is not up to me. We collect the evidence.

Ms. Tenney. In your estimation, is the evidence that you collected evidence of a crime, based on what you were -- you were trying to answer before, but didn't get to finish with the prior --

Mr. Shapley. Yeah. There is evidence that does show that President Biden was at least discussing business information with Hunter Biden, to include attending meetings and so on and so forth.

So, I mean, you have to understand that someone who is a Vice President -- a Senator for years, Vice President, and

President of the United States, I mean, their involvement in a business is not going to be coming up with mission statements and working on Excel spreadsheets.

Him coming across a lunch and having a glass of water would have shown his support for his son Hunter Biden.

Ms. Tenney. Could you identify like what actions, say money laundering, extortion, firing the prosecutor, could you identify what you would call that in your definition of some kind of criminal activity and how it relates to the IRS aspect of it? Because Joe Biden's tax records, from what we know, don't reflect any of this income coming to him from Owasco, or do they?

Mr. Shapley. I kind of have to go back to the 1023 and how there are some allegations that bribery was occurring with these same subjects, Hunter Biden, et cetera.

Ms. Tenney. I think my time is expired, but thanks so much. I appreciate it.

Yield back.

Chairman Smith. Mr. Kildee is recognized.

Mr. Kildee. I yield to Mr. Doggett.

Chairman Smith. Mr. Doggett.

Mr. Doggett. Am I proceeding on Mr. Kildee's time?

Chairman Smith. Yes.

Mr. Doggett. Okay.

Gentlemen, let me ask you each, when you testified

previously on these matters, you swore to tell the truth, the whole truth, and nothing but the truth, did you not?

Mr. Shapley. That is correct.

Mr. Ziegler. Yes.

Mr. Doggett. And that is what you have done today. You have given the statements that you believe to be true, and they are consistent with what you have testified to previously?

Mr. Shapley. That is correct.

Mr. Ziegler. That is correct.

Mr. Doggett. With reference to you, Mr. Ziegler, I am trying to determine what is new and what you have already testified to. The new documents are all in your affidavit and are referred to [as] 600 documents, the ones with the 600 and above numbers. We have got a lot of paper here. But everything that isn't an exhibit of 600 and above, that is all stuff that has been out previously, right?

Mr. Ziegler. So in the previous executive session, you guys had a lot of questions about the documents.

Mr. Doggett. That is right, we did. I am not complaining about your elaborating on them. I just want to be clear about what is new and what is not. As far as documents are concerned, unless it is in the 600 series, that has already been out for the public to evaluate?

Mr. Ziegler. So that is not true, because in the

removed Political Figure 1, in my previous affidavit I didn't expound on certain things. So there were certain things that I didn't put in my affidavit that I didn't bring light to.

Mr. Doggett. You have every right to do that. I am just trying to understand about any new documentation that you have.

Mr. Ziegler. So that would have been new.

Mr. Doggett. The only new documents that you are presenting to us today that have not been out for public evaluation, members of the Committee and the public at large, are in the 600 series. Is that right?

Mr. Ziegler. It would be the 600 series, my affidavit, and then my statement here today.

Mr. Doggett. Of course. All of the other documents that are referred to in your statement and otherwise are documents that have been released previously.

Mr. Ziegler. Or new documents.

Mr. Doggett. Only those that have a 600 or above are a new document. Is that right?

Mr. Ziegler. That would be correct.

Mr. Doggett. Okay. Well, let's go through those documents and be sure we understand what is new today.

So the first two documents that you have are your personnel evaluations, right?

Mr. Ziegler. Correct.

Mr. Doggett. All right. And the next one is exhibit 602, I believe this is a document that was made public previously too.

Mr. Ziegler. So there was exhibit 601, which was transferring the case to the new agents.

Mr. Doggett. Right. Well, you picked out the ones that you thought were most important for us to understand in your slides, did you not?

Mr. Ziegler. Yeah. I was limited in the amount of time, so I picked out what --

Mr. Doggett. Okay. So 602 is one that was made public in September. 603 is a public message from the Commissioner of IRS, which has been in Tax Notes and has been out publicly.

Let's see.

Mr. Ziegler. So that was internal communication to the IRS.

Mr. Doggett. Right. But the same thing, it has been out in the public arena that encourages whistleblowers to do what you say you are doing.

And then 605 is a short memo about a delayed taxpayer conference. Is that correct?

Mr. Ziegler. That is correct.

Mr. Doggett. And then 607A is another two-line email.

Mr. Ziegler. That is correct.

Mr. Doggett. So, in terms of the documents, those are the documents that we have that are new today, along with your interpretation of them and your interpretation of documents that have been previously released to the public.

Mr. Ziegler. So, there would also be the email with my SAC in January 2023, exhibit 604.

Mr. Doggett. Okay.

Mr. Ziegler. There was the exhibit 606, which is the Office of the Vice President, the suspected emails.

Then there is exhibit 607, which is an interview with Hunter's tax accountants, Troy Smith and -- Troy Schmidt. And then there is 608A and 608, which is a retainer agreement with Patrick Ho.

Mr. Doggett. Right. And I think --

Mr. Ziegler. Those are new too.

Mr. Doggett. -- those have also been released. 607 I believe has also been released previously. But let's talk about 606. That is the one with the aliases?

Mr. Ziegler. What I believe are known aliases of the former Vice President.

Mr. Doggett. Are you aware that that information is available down in the National Archives along with the subject matter of each of those emails? I am not sure if every one of them is in there, but a number that you

referenced. Are you aware that that is public information also?

Mr. Ziegler. Yeah. All I was trying to present was why this would matter to me as a part of this criminal investigation.

Mr. Doggett. My question is, are you aware that information is public also?

Mr. Ziegler. I am not aware of that.

Mr. Doggett. Okay. I believe my time is expired under Mr. Kildee, but I would move to strike the last word myself.

Chairman Smith. I will recognize you after I recognize the next couple.

Mr. Doggett. Thank you.

Chairman Smith. Mrs. Fischbach is recognized.

Mrs. Fischbach. Thank you, Mr. Chair.

I would yield my time to my good friend from Georgia, Mr. Ferguson.

Mr. Ferguson. Thank you.

Gentlemen, thank you again for enduring this and for your expert testimony. I am beginning to sense a narrative coming from my colleagues on the other side of the line, other side of the aisle here.

Mr. Ziegler, if one of my colleagues were to go out and say that there was no new information presented in this hearing, they would be incorrect?

Mr. Ziegler. That would be correct.

Mr. Ferguson. And two examples of that are the 606 document, exhibit 606, that showed the direct connection of Joe Biden to Hunter Biden's business partner and the emails coming from them, then him as a Vice President and copying Hunter Biden on that. That is new information to this Committee?

Mr. Ziegler. The believed emails of the aliases.

Mr. Ferguson. Okay. And that certainly is information that our criminal justice system and also other Committees in Congress would then have the opportunity to go pin down. But for your purposes of being here, it is to show that this information is important for the Committee to know in the context of your investigation.

Mr. Ziegler. Yeah. So, following the last executive session, I read the transcript, and there were documents that I wanted to respond to. And here are some of the documents that I have responded to.

Mr. Ferguson. Thank you. Thank you for doing that.

I find it also pretty enlightening to me that exhibit 203, 202 and 203, which there have been some conversation about here, we now know that Political Figure 1 is former Vice President Joseph Biden, correct?

Mr. Ziegler. That is correct.

Mr. Ferguson. All right. And he is the father of

subject 1, which is Hunter Biden. Is that correct?

Mr. Ziegler. That is correct.

Mr. Ferguson. So, this is new information that this Committee is seeing for the very first time.

Mr. Ziegler. So, actually, even more so, describing that in affidavit 3, those 300 series were items that were included in that affidavit of that search warrant. That wasn't known before.

Mr. Ferguson. That wasn't known before.

This is pretty significant, and I just -- I hope that my colleagues on the other side of the aisle would refrain from walking out and saying there was no new evidence presented here and that there was no -- there was no information -- that there is nothing new under the sun. That is patently false.

Also, I want to go back to and let you dig a little deeper into something that my dear friend and colleague Ms. Sewell from Alabama raised, which is, is there any information showing illegal activity with Joe Biden? And I believe, Mr. Ziegler, you were trying to respond to that.

Can you go back and talk a little bit and clarify what you were talking about there?

Mr. Ziegler. So I believe I responded to the question, but what -- so we were never able to follow those investigative leads. I would turn you to the exhibit where

it says, "For introductions alone at a rate of \$10 million."

Then you take one step back.

"I am sitting here with my father. We are ready to make a deal with you." A couple days before that.

Then you go back even 2 or 3 months prior to that in the SinoHawk deal, which is the deal that fell through. That said, "10 percent held by H for the big guy."

So you have those three things together that are kind of painting a picture. We were never able to go down those investigative routes. We were never able to find out what that might have related to.

Mr. Ferguson. Well, that sure does smell like roadkill, doesn't it? That just doesn't smell good. And to have this new information come to the Committee, I think, is pretty important.

So, with that, I will now yield my time back to the gentlelady from Minnesota.

But in closing, I would just like to say that if anyone walks out of this hearing today and says there is nothing new under the sun, they are simply being intellectually dishonest and they, in fact, would be lying to the American public.

I yield back.

Mrs. Fischbach. And, Mr. Chair -- I just wanted to thank you both for being here. I know this is, you know,

not necessarily -- it is not fun. I won't even say it is not necessarily. It is not fun. But I appreciate the effort you have made to come forward and to talk about these things -- so thank you -- and for answering all of our questions.

With that, I yield back, Mr. Chairman.

Chairman Smith. Mr. Moore is recognized.

Mr. Moore of Utah. Thank you, Chairman.

I want to just also highlight another new aspect for today in that this is the first time -- I have been looking forward to this opportunity. This is the first time getting the opportunity to speak with you both about this -- about your understanding, your experience, and the context around your testimony. That can't be understated on how important that is. So thank you for being here. And we need to make sure we are using your time as efficiently as possible.

I will take the challenge that was mentioned earlier to highlight maybe a small aspect of what our House majority has accomplished and bringing up something that took place very early on in our House majority back in early 2023.

The American people were done -- we were done with COVID. We were done with the COVID emergency. And House Republicans put on the floor and made an announcement that we were going to be voting to end the COVID emergency. This was garnering Democratic support.

And once we made the announcement that we were going to make that vote, the Biden administration came out with a statement saying, we are going to end the COVID emergency. I think that is actually a win. Congress forced the administration to do something proper.

Let's fast-forward to June. We had announced that we were going to have an executive committee with this much testimony, and maybe that much more of your two gentlemen's information that you had bravely put out. That was going to be on Thursday.

I was eating -- I was grabbing a quick breakfast on Tuesday morning when my phone buzzed that Hunter Biden had entered into a plea deal. We were going to have this meeting on Thursday.

And then on Tuesday, after years of -- was there anything going on with this Hunter Biden stuff, and everything that went on with, like, social media and Facebook not being allowed to talk about this -- and the American people are so confused at what was going on all things Hunter Biden-related.

We put a stake in the ground to have your testimony presented, which would have never happened if we weren't in the majority. If Republicans weren't in the majority, it would have never happened to have your testimony presented on Thursday. And all of a sudden, there was a plea deal out

of nowhere.

I called our counsel. I called our staff members and said, did we know this was going on? And we weren't allowed to say a word. We learned about this, like, on Friday. We had reviewed your testimony. And until Thursday, we had to be mum.

But on Tuesday morning, my phone blows up that there was a plea deal. And then the American people got to hear your testimony, and then that plea deal fell through.

So you tell me that we are not doing something in this House majority, and all we are doing is allowing you to share your testimony. And the American people owe you a debt of gratitude for that. Any whistleblower that will be willing to do something that goes against the grain.

I try to call balls and strikes back here, Mr. Ziegler. It is hard. Sometimes I have been on the minority side of my party. Sometimes I haven't always agreed with members of my party in the last 3 years. It is not a fun place to be. We can argue these things one way or the other.

Calling balls and strikes is very, very difficult in an objective way, and I just want to say how much we appreciate it, and it is respected, and the American people get what you are trying to do because, for years -- whoever is in the Presidency, whoever is in the White House, whoever is in Congress -- they feel that there is always a double

standard. It is not easy to call balls and strikes.

I am going to ask a few simple questions. From your experience, from your expertise, from your time -- and you are both tenured employees of this world and you have been involved in this more than any of us -- do you believe that the DOJ investigation against Hunter Biden has been either slow-played or given preferential treatment?

Mr. Shapley?

Mr. Shapley. Yes.

Mr. Moore of Utah. Mr. Ziegler?

Mr. Ziegler. Yes.

Mr. Moore of Utah. Okay. Do you believe that the Vice President or President Biden -- either status during that time -- was involved in any way with the Biden family business dealings with foreign governments or entities?

Mr. Shapley?

Mr. Shapley. There is evidence of involvement, yes.

Mr. Moore of Utah. Mr. Ziegler?

Mr. Ziegler. Yeah, there is evidence of involvement.

Mr. Moore of Utah. This next question, you may not actually have an opinion on, or you may not have a purview. I would love to just know.

Do you believe that if Hunter Biden was taking millions of dollars -- the family business dealings that were going on, if they were taking millions of dollars from these

foreign entities, at a minimum, should he at least have signed up as a foreign agent?

Mr. Shapley?

Mr. Shapley. Yeah, I have very little experience in that.

Mr. Ziegler. Yeah, I would agree with that as well.

Mr. Moore of Utah. Understandable. I appreciate the clarity on the first two questions. I think those are actually some of the most important, particularly for us.

This is our job. We do have to spend time on this because the American people would never, ever know this if we didn't. And this goes back to 2018, back to calling balls and strikes. I don't care who was in the White House. This has to be presented to the American people. They have to be able to see the entire trend.

You said a lot of this started in 2020, 2021. I don't care. I care that the Department of Justice has to answer for the decisions that they have made, and in cases like this, we cannot continue to give special preferential treatment. This is our job.

And to a person on this Committee, the deflection of, well, we should be focused on -- we should be focused on this, this, and this -- like, to a person, I will state as long as possible, as we deal with Medicare and Social Security and issues like -- and all of our welfare

programs -- everything that is in the jurisdiction of this Committee, I will work my tail off to work with you all. But this is important, and we have to do it.

And I thank you for allowing us to be able to review this and show this to the American people.

I yield back.

Chairman Smith. You are over 30 seconds. Thank you, sir.

Mr. Doggett is recognized for 5 minutes.

Mr. Doggett. Well, gentlemen, what I am interested in doing is being sure that I understand what new information is available here today, and you have told me I will find it in the 600 series documents.

On the face of those documents that you presented -- not speculation or what you reason from them -- but is there anything on the face of those documents that shows any wrongdoing by President Joe Biden?

Mr. Ziegler. Yeah. I would point the Committee to the Kevin Morris email where it says that it could affect them personally and politically. Hunter Biden wasn't running for any office.

Mr. Doggett. So this is one phrase. "Personally, and politically." You think that must show that Joe Biden did something wrong?

Mr. Ziegler. So that would lead you down a road of,

Why is this person saying to Hunter Biden that his tax returns -- a nonelected official -- could affect them politically?

Mr. Doggett. Other than that one phrase, is there anything in the documents that you presented to us new today that you say shows any wrongdoing by Joe Biden?

Mr. Ziegler. So, there was documents from our own investigation with the Office of the Vice President --

Mr. Doggett. Sir, reclaiming my time. I want to get a specific answer to the question. You can talk about the rest of this later.

But on the documents that you're presenting us today that are new documents, is there anything on the face of those documents, other than the one you just referenced, that you speculate involves Joe Biden -- but is there anything that shows wrongdoing by Joe Biden on the face of those documents?

Mr. Ziegler. Can I respond to your question?

Mr. Doggett. If you will answer the question. Is there or not?

First, just tell me yes or no. Is there anything on the face of the documents that you presented, other than the one you just referenced, that you believe shows wrongdoing by Joe Biden?

Mr. Ziegler. There would be in my testimony.

Mr. Doggett. All right. Not in the documents themselves?

Mr. Ziegler. Not on any other documents.

Mr. Doggett. When you were asked about this earlier, you referred to exhibits 202 and 203. You are aware that those were both made available to the public on September 27 by this Committee, weren't you?

Mr. Ziegler. I was aware of that.

Mr. Doggett. Yes, sir.

And you were asked about what would show evidence of wrongdoing by Joe Biden. You pointed not to any of the exhibits that you brought today, but to exhibits 1(i) and Exhibit 400, which had been released to the public previously also, did you not?

Mr. Ziegler. I referred the Committee to exhibit 607A, the email with Kevin Morris.

Mr. Doggett. All right. That is the two or three words you just mentioned about "politically" to me.

So it is that -- I want to be sure I have it all. All the evidence out here that shows wrongdoing by Joe Biden. There is that, there is exhibit 1(i), and there is exhibit 400 that we had publicly before you came in today. Is that right? Is there anything else of any type?

Mr. Ziegler. So there would have been the emails in exhibit 606 with the alias accounts.

Mr. Doggett. And that is just the list of the aliases that you say the President used, the ones that are available now at the National Archives?

Mr. Ziegler. Believed to be used alias accounts.

Mr. Doggett. Yes. Not knowing whether those concern Beau Biden or things that had nothing to do with this business, but you just have a list of aliases that you think are suspicious?

Mr. Ziegler. From our investigation.

Mr. Doggett. Right. So, let's be sure we have got everything on the table so that we know everything new under the sun.

We have got the documents that are 600. You have referred to these two references within them. Then we have documents that we had long before today, which were found in exhibit 400 and exhibit 1(i). Is that it?

Mr. Ziegler. So there was also reference in the last executive session, exhibit 400A, the interview of Anthony Bobulinski. I can recall that they said that the information in that was the most damning against the former Vice President.

Mr. Doggett. All right. That is not evidence that you have any personal familiarity with except what you heard in my discussion about Mr. Bobulinski.

Mr. Ziegler. Yeah. I wanted to provide clarification.

He said that to the FBI agent under 1001.

Mr. Doggett. Mr. Bobulinski then would be your other bit of evidence that there was wrongdoing by Joe Biden?

Mr. Ziegler. Those would be your words after.

Mr. Doggett. I want to be sure I have every shred of evidence because impeachment of a President is a pretty serious matter. So, I am just listing them off and being sure that there is nothing else you think shows wrongdoing by Joe Biden at any time?

Mr. Ziegler. I think we have covered a lot of --

Mr. Doggett. Thank you.

And then is Mr. Steube in the room? I don't want to refer to him really if he is not, but there are some things that need to be said about that.

And since my time is expiring -- I guess Mr. Beyer has some time.

Mr. Beyer. Mr. Chairman, I would yield the balance of my time.

Chairman Smith. Yeah. At your time, you can, but you are not recognized.

So, Mr. Doggett, your time has expired.

Mrs. Steel, you are recognized for 5 minutes.

Mrs. Steel. Thank you for both coming out, and you are very brave. And, you know, you have to go through a tough time in your office because of you came out. That is not

really fair. And I know this has nothing to do with politics, and you brought the facts to the United States -- all the taxpayers. And I really appreciate what both of you are doing.

From the testimony released before, you both felt the IRS slow-rolled to allow 2 years pass for the statute of limitations. I want to ask just very simple questions.

Do you know how often the IRS choose not to ask taxpayers to sign the expansion documents when audit is about to expire, and is this common and fair for other taxpayers?

Mr. Shapley. So, I apologize. You know, when you say the word "audit," we are distinctively separate from civil, and audit would be a civil matter. Criminal investigations are what we deal with. So, I can't answer about any audit or civil anything. Could you just change the question, maybe?

Mrs. Steel. Yeah. How about criminal? Somehow, that it has been past the statute of limitations for 2 years. That is what I am asking.

Mr. Shapley. Okay. Yeah. So as a manager at IRS Criminal Investigations, the statute of limitations expiring are one of the main data fields on our case management system, and we have to keep track of that and stay on top of that so that statutes do not blow.

So, I mean, in this particular situation, it was a conscious decision by Mr. Weiss and the Department of Justice to allow those to blow because, as I have testified before, the defense counsel for Hunter Biden was willing to extend those statutes of limitations by additional statute waivers.

Mrs. Steel. So it never really happened? Did you see any previous cases?

Mr. Shapley. I mean, if it does -- it is not a good thing if it does.

Mr. Ziegler. Yeah. I mean, after we recommended the charges, the prosecution, they were continuing to extend the statute. And normally, we are a part of that table, that decision-making, when it comes to, are we going to charge this case or are we not?

So I can say, in our experience, it is very rare that we will -- when we are planning on charging a case, that we will allow the statute of limitations to expire.

Mrs. Steel. Thank you very much.

I yield back.

Chairman Smith. Votes have been called on the House floor. The Committee will recess now and reconvene immediately upon the completion of those votes.

I will remind members that the Committee is still in executive session, and under House Rule XI, Clause 2(k)(7),

evidence taken in an executive session may not be released or used in public sessions without authorization of the Committee. Please do not discuss the information under consideration with anyone while you are out of the room. The information is still protected and will remain as such until the Committee authorizes its release.

The Committee stands in recess.

[Recess.]

Chairman Smith. The Committee will come to order.

Ms. Van Duyne is recognized for 5 minutes.

Ms. Van Duyne. Thank you very much, Mr. Chairman.

I appreciate your testimony. Obviously, you have done your service to America, and we very much appreciate it.

We have seen my colleagues on the left side of the aisle today concentrate on two things: One, that all the information that is being released today is old. All this information is public because it has been in the National Archives.

Does anybody have any idea how many text records are in the National Archives? Anybody? Anybody? I really wish there was more people on that side of the aisle who were here who were complaining about that.

There are 13.5 billion text records available in the National Archives. And I don't know about them, but the whole point of having the Freedom of Information Act -- the

whole idea of having the Freedom of Information Act is it is pulling a needle out of a haystack.

But if those materials were actually available to the public, I would ask, why is it that we have Chairman Comer, who is actually having to sue to get those records released? Because the Obama administration will not release them. I think they take for granted that information, because it is and it should be available to the public, but it is not. That is the whole reason why there is a lawsuit.

Mr. Shapley, Mr. Ziegler, do you agree that there is information that is held by the National Archives that would be helpful to this investigation, but right now, is not being released?

Mr. Shapley. It would make sense that we had access to that, yes.

Mr. Ziegler. Yeah, I would agree with Gary.

Ms. Van Duyne. And I appreciate that.

The second big argument that we have heard today is that there is nothing that links this case directly with Joe Biden.

Can you just answer yes or no, were you prevented from actually investigating whether or not there were links to Joe Biden?

Mr. Shapley. We were multiple times.

Ms. Van Duyne. And those included not being able to

ask specific questions that related to Joe Biden?

Mr. Shapley. In addition to others, yes.

Ms. Van Duyne. Not being able to actually look at and find records because you were prevented, and they were tipped off?

Mr. Shapley. Yes, that is correct.

Ms. Van Duyne. Not having access to records?

Mr. Shapley. That is correct.

Ms. Van Duyne. Any other ways that you were prevented from actually looking at these red flags and making the connection?

Mr. Ziegler. It would be obtaining records and getting actual specific records from banks, people that might lead us down a different road.

Ms. Van Duyne. And you were prevented from actually even meeting with potential witnesses that could have made that connection, too, correct?

Mr. Shapley. That is correct.

Mr. Ziegler. That is correct.

Ms. Van Duyne. So the question how we have it linked directly -- because at every opportunity to be able to continue that investigation where you saw red flags, you were prevented from doing that.

So the idea that we are somehow supposed to connect and you are supposed to have all the information and all of the

evidence when you were prevented from doing the investigation, I think, is enlightening in and of itself.

The question that was asked earlier, do you have any direct information? Do you have any direct evidence that links Joe Biden directly with some of these charges?

Mr. Ziegler, you have been prevented from answering that question all day long by the people who were asking it. What is your answer?

Mr. Ziegler. So with regards to the avenues that we should have gone down -- so I would point you to, in my testimony, Affidavit 2 -- or I am sorry -- Affidavit 3, exhibit 304. The email with the VP meeting with the Burisma -- the liaison to the board.

In that email, it says, "Thank you for giving me the opportunity to meet with your father and to discuss some things."

We were never afforded the opportunity to interview Joe Biden to find out what he had talked to Vadym about in that interaction. So there is an email right there. So there was multiple things that we weren't able to go down the certain roads as a part of this investigation.

Ms. Van Duyne. You said hundreds of thousands of dollars in repayments of loans. Do you guys have any idea if those loans were ever even made?

Mr. Shapley. No, we don't know.

Ms. Van Duyne. So Joe Biden is being paid hundreds of thousands of dollars for, quote, "repayments" to him of loans that he gave.

Were you prevented from actually finding out whether or not those checks from Joe Biden's account were ever given to those people who are now repaying him?

Mr. Shapley. I don't believe we ever obtained records that would have shown us any light on those transactions.

Ms. Van Duyne. Do you believe that those records would exist?

Mr. Shapley. Oh, yeah, absolutely.

Mr. Ziegler. And I would like to point out something that -- something that was recently reported. The \$40,000 that was paid from James Biden to Joe Biden.

Look at the time period of that. That is right around the same time that this Hudson West Three agreement was up and running, and then you have all this other indication that there was some sort of perceived involvement from the former Vice President Joe Biden. So when you put all of that together, it paints a pretty clear picture.

Ms. Van Duyne. So despite the fact that we have been accused of not introducing new information, new information is coming out today. The fact that they are assuming that because it is the National Archives, it has been made public, absolutely not because we are having to sue to get

this information available.

And the fact that we cannot show -- the argument that we can't show there is a direct link, you just told me there is absolutely a direct link. Evidence has been showed, and more evidence is available and would have been available earlier had you been allowed to actually conduct your investigation the way it should have been conducted.

I appreciate your testimony, and I yield.

Chairman Smith. Mr. Feenstra is recognized.

Mr. Feenstra. Thank you, Mr. Chair.

I would like to yield my time to Member Brian Fitzpatrick.

Mr. Pascrell. Mr. Chairman?

Chairman Smith. Yes, Mr. Pascrell?

Mr. Pascrell. Can I have a point of order?

Chairman Smith. State your point.

Mr. Pascrell. From what I just heard, you didn't interrupt one time. All hearsay. If this isn't partisan, I don't know what is.

Chairman Smith. Okay. You are going to have to get --

Mr. Pascrell. There is no direct link, sir. There is no direct link. That is what you should be asking. Not me. You are the chairman.

Chairman Smith. Mr. Feenstra is recognized.

Mr. Feenstra. I yield my time to Mr. Brian

Fitzpatrick.

Mr. Fitzpatrick. I thank the gentleman for yielding.

Just to revisit what I asked before, and I am probably going to ask the same question just in a different way.

If you can just help us enumerate chronologically, if you can, the red flags that you saw specifically regarding the President that you were not allowed to proceed on investigating.

Mr. Ziegler. All right. So I guess the first thing that would have come up as a part of this investigation was the storage -- well, I guess we can even step back even further from that. It would have been doing search warrants related to this investigation.

When we went overt, the plan all along was, let's review the emails and then let's -- we are going to have a day of action. And that day of action included doing search warrants on multiple locations. We were prevented ultimately from doing that because they didn't like the optics of what that might look like. So that is the first thing.

The second thing is the storage unit warrant. We are overt. We are going into the next steps of the investigation. We are prevented from doing that. Who knows what we might have uncovered from that storage unit? We can't go back in time and go and get those records.

Mr. Fitzpatrick. This is DOJ hindering what you were doing.

I want to know, what were the red flags you saw linking President Biden to this criminal activity? What were they?

Mr. Ziegler. So the red flags would have been the emails and documents in the 300 series, the call with the White House prior to former Vice President Joe Biden going over to Ukraine. There is the email from Vadym talking about high-ranking political officials within the administration and the U.S. that can help them with their case over in the Ukraine. There is Joe Biden admitting that he went over to Ukraine and threatened to withhold money in exchange for firing the prosecutor general. So that is specifically related to Ukraine.

You move forward to China. There is the WhatsApp message. There is the perception in that message that I am sitting here with my father waiting to make a deal. There is 10 percent held by H for the big guy. There is the financial transactions that we have seen between the associates of Hunter Biden and Joe Biden.

Mr. Fitzpatrick. And what were those financial transactions?

Mr. Ziegler. There is also the emails in -- I think it is exhibit 606 -- with Hunter Biden and his associates and the alias -- the believed alias accounts of Joe Biden.

And then the financial transactions that we are referring to -- there was the repayment of the money, the \$40,000, that went from James Biden to Joe Biden.

Mr. Fitzpatrick. So the 40K and then the series of \$1,300 checks, three of them -- that amounts to roughly \$4,000 -- which Hunter Biden's lawyer is saying was for a car repayment or some car transaction. Is that right?

Mr. Ziegler. So looking at this big-picture-wise, this wasn't about enriching one person. This was about enriching a family. A family that -- this family benefited from the last name Biden. And that is what this is about. It is not specifically one person. And then where we come in, it is pay your taxes on that money.

Mr. Fitzpatrick. Right.

Mr. Ziegler. Pay your taxes owed to the government.

Mr. Fitzpatrick. The reason I ask is because you were prevented from rounding out your investigation 360 degrees, which is what agents and prosecutors are supposed to do. You were prevented from doing that. We now to need finish that job through our investigative authority.

So the reason I am asking is, What were you prevented from doing that we can try to reconstruct to the best of our ability to get to that evidence if it so exists?

So that is why I am asking, what were the red flags that -- as an agent, you saw a red flag. You wanted to go

down that path. You were prevented from doing so. We are not prevented from doing so. We have tools at our disposal that we can see if that evidence exists or doesn't.

Mr. Ziegler. Can I respond to that?

Mr. Fitzpatrick. Sure.

Mr. Ziegler. So, in addition, this is new information. In 2020, 2021, and 2022, Hunter Biden received approximately \$4.9 million in payments for personal expenses, again, in the form of a loan or gift from Democratic donor Kevin Patrick Morris. We have a reason to believe that Kevin Morris was on phone calls with the Presidential campaign prior to Joe Biden securing the Presidency.

So you have the email. "Personally and politically." Hunter Biden wasn't running for office. So who was impacted politically by Hunter Biden's tax returns not being filed? When did he meet Kevin Patrick Morris, and when were the tax payments made? It was about 2 months [after] meeting him.

Mr. Fitzpatrick. I yield back.

Chairman Smith. Mr. Schneider is recognized.

Mr. Schneider. Thank you, Mr. Chairman.

Mr. Ziegler, a couple of questions. First, are you an attorney?

Mr. Ziegler. I am not an attorney.

Mr. Schneider. Me neither. But we are talking law. So if I maybe get something wrong, we will correct it.

But, you know, we are here talking about Section 6103.
What is the purpose of Section 6103 in the law?

Mr. Ziegler. It is protecting taxpayer information.

Mr. Schneider. From whom?

Mr. Ziegler. From disclosure.

Mr. Schneider. By whom?

Mr. Ziegler. Anyone who has access to 6103
information.

Mr. Schneider. And who has access? Does anybody in
the IRS have access, for example, to my information? Can
anyone at the IRS go and look up my tax return if they want
to?

Mr. Ziegler. So there is a difference between the
civil side and the criminal side of the IRS. So it depends
on which side of the -- there are certain rules that come
into play.

Mr. Schneider. Let's just say, you know what? He is
running for office. I want to see if I can find something
in his tax return to put him in a bad light. Can someone do
that? Could you do that?

Mr. Ziegler. So again, there are certain rules we have
to follow when accessing taxpayer information.

Mr. Schneider. Okay. And 6103 is -- my understanding
is that it is the idea to protect that.

Where in the Code does it state that someone can

access, or continually access private taxpayer information? I think that is what you were implying in your opening statement.

Mr. Ziegler. So can you ask the question again?

Mr. Schneider. Where in the Code specifically in Section 6103 does it say that you can continue to access taxpayer information -- that you have the authority to do that?

Mr. Shapley. So Title 26 6103(f)(5) says that -- it is the whistleblower part that says any information that you have or had access to that a whistleblower can bring --

Mr. Schneider. Right. And let me reclaim my time.

It does say you have or had access to. But that is different than going out and searching and seeking.

I am looking for -- and, again, I am not a lawyer -- but the authority that says you can -- if you have a suspicion that I might have done something or there might be something embarrassing for me, that you have the authority to go look for that, even though perhaps you are not assigned to a case related to my tax return?

Mr. Ziegler. So I would go based on my statement that I made to the Committee regarding the access of information, and you can see in there that I discuss transferring files, the process that comes with the information that we have related to the case and providing that information to the

new team.

Mr. Schneider. To be clear -- because I have the benefit of having it in front of me -- 6103 paragraph (h) subsection 1, which is Department of Treasury disclosure to certain Federal officers for purposes of tax administration, et cetera.

"Returns and information shall, without written request, be open to inspection by or disclosure to officers and employees of the Department of Treasury whose official duties require such inspection or disclosure for tax administration purposes."

What were your duties that required you -- after you were taken off this case -- I am just trying to understand, what were your duties that required you to access information that, under other circumstances -- at least my understanding is -- you wouldn't have been allowed to see?

Mr. Ziegler. So my DFO said to me -- in an email said, As a Federal employee, it is your duty and obligation to answer and support your claim you have made. And our commissioner of the IRS said he wants a see-something, do-something environment.

Mr. Schneider. But what you saw is one thing. You were still going into the files looking for other things. That is find something, seek something, try to do whatever you can to overturn the stone.

Mr. Shapley. You are not correct. You are implying that we are going in, looking, and seeking for new information. We have never said that.

Mr. Schneider. I believe you did. After you were pulled off the case, weren't you still going in and looking for things? Weren't many of the documents you provided documents you found after you were no longer working on this case?

Mr. Shapley. So Federal statute allows for what information a whistleblower can turn over to this closed Committee because of 6103. We followed the law. We had competent counsel that allowed us to do so. And, you know, there is really nothing up that tree --

Mr. Schneider. Where in the law does it -- and that is just what I am asking. Again, I am not a lawyer. But where does it say it? Because it looks different to me.

"Whose official duties require such inspection or disclosure for tax administration purposes."

What were your official duties?

Mr. Shapley. When the DFO tells you directly that it is your duty and obligation in an email on February 10, 2023, to support your claim, I believe that was our permission.

Mr. Schneider. To then go and rummage through other files?

Mr. Ziegler. So the Commissioner actually says, "IRS employees may also disclose such returns and return information to the chairman of the House Ways and Means Committee."

Mr. Schneider. Yes. I have that here, too. This is what you gave me.

Mr. Ziegler. From the Commissioner.

Mr. Schneider. So, it was a message from Danny. It is an email to all employees. It says, "may also disclose such information or return to the chairman or the chairman of the Finance Committee," et cetera, et cetera.

This is what you already have. It doesn't say you can go and look through the files. I don't see that. And this is a summary email saying what you can do. It says if you have information, if you see something, say something.

Which, by the way, if you see something, say something. You did. And that is the responsibility. I support protecting and making sure whistleblowers can, when they see something, say something. But I think that is different than saying, I suspect something. I am going to go look and see if I can find anything. I just don't --

Chairman Smith. Mr. Schneider, you are 30 seconds over.

Mr. Schneider. Okay. I yield back.

Chairman Smith. Thank you.

Ms. Malliotakis recognized.

Ms. Malliotakis. Thank you very much, Mr. Chairman.

And thank you both for being here. Thank you for your courage and bravery to speak out about what you were able to see firsthand in these various departments.

So how many recommendations for -- how many charges did you recommend to your higher-ups?

Mr. Ziegler. Regarding this investigation?

Ms. Malliotakis. With Hunter Biden, yes.

Mr. Ziegler. So it was to -- our leadership that recommended to DOJ was -- for 2014, was a felony tax charge false return and felony tax evasion; a misdemeanor count for 2015 for failing to pay taxes timely; a misdemeanor count for 2016 for failing to pay taxes timely and file the return; a misdemeanor tax charge for 2017; a felony tax charge for 2018; and a misdemeanor tax charge for 2018 and 2019.

Ms. Malliotakis. Okay. So how many total? 11 charges?

Mr. Ziegler. I don't know the answer to that off the top --

Ms. Malliotakis. So, anyway -- so your higher-ups agreed with you and then referred it to the DOJ. Is that correct?

Mr. Shapley. That is correct.

Mr. Ziegler. That is correct.

Ms. Malliotakis. And what happened at that point once it got to the DOJ?

Mr. Ziegler. The DOJ had reached out to the D.C. U.S. Attorney's Office to bring charges.

Ms. Malliotakis. Okay. At any point, were any of these recommendations sent back to you or your supervisors asking you to reconsider?

Mr. Shapley. No.

Ms. Malliotakis. Okay. What about any knowledge of that happening at the DOJ?

Mr. Ziegler. Not that I am aware of.

Ms. Malliotakis. Okay. Have there been other investigations that you worked on where you were also prohibited from following the facts? You mentioned that you were trying to follow the facts and you were stopped. You were stopped from being able to obtain subpoenas.

Any other investigations that you have experienced where you have had that same type of pushback?

Mr. Ziegler. There have been. But I can say, in those situations, we have been afforded a seat at the table, and we have had an opportunity to explain our side. And then there is usually a cohesion to that, and you make a decision on how to move forward.

And in this case, there were a lot of times where it

was, we didn't agree with them, and then they went forward with whatever they wanted to do.

Ms. Malliotakis. So can you expand -- just giving you guys an open opportunity to expand on how you felt that you were pushed back in this particular circumstance to protect the Biden family and also how they were able to slow-walk to allow the statute of limitations to expire.

Mr. Shapley. Sure, yeah. And I am not going to be all-inclusive.

But, you know, there are many ways in which they basically deviated from the normal process in this Hunter Biden investigation, and it starts way back in April, May, June of 2020 when we had a search warrant affidavit that probable cause was agreed to. That they just seemed to just push and push and push toward election because they -- Mr. Weiss had stated to us that it was -- you know, keeping that investigation secret was one of the most important things that he had to do.

In fact, when we had gone -- right before we had gone overt after the election, Mr. Weiss came into that room and said -- he was, like, jubilant about how we had kept the investigation secret past the election.

So, you know, you are going into the storage location, the search warrant. You have witnesses we wanted to interview. You have questions we wanted to ask. We had

document requests that we wanted to serve. It wasn't just one or two things.

Ms. Malliotakis. Did Mr. Weiss, at any time, tell you who pushed him or if anyone did push him to keep that investigation secret until after the election?

Mr. Shapley. No, he did not.

Mr. Ziegler. No, he did not.

Ms. Malliotakis. But you said that he was -- he wanted you to keep it secret past the election?

Mr. Shapley. That is correct.

Ms. Malliotakis. So what made you believe that?

Mr. Shapley. Because he specifically told us that.

Ms. Malliotakis. He specifically said -- he specifically said it to you?

Mr. Shapley. I mean, that was a common theme. That was a common theme.

They continually brought up the election and upcoming election concerning a bunch of investigative actions to include the day of action, right? Because we weren't allowed to do many of the interviews that we would have conducted much earlier in an investigation until after that election.

Ms. Malliotakis. Again, that was deviating from common practice?

Mr. Shapley. Absolutely.

Mr. Ziegler. Yeah.

Mr. Shapley. And it deviated from the May 25, 2022, election-year sensitivity memo signed by Attorney General Merrick Garland.

Ms. Malliotakis. Okay.

Mr. Ziegler, anything you would like to add in the remaining 15 seconds here?

Mr. Ziegler. Yeah, I think --

Ms. Malliotakis. You covered it?

Chairman Smith. Mr. Beyer is recognized.

Mr. Beyer. Mr. Chairman, I yield my time to Mr. Doggett.

Chairman Smith. Mr. Doggett.

Mr. Doggett. Mr. Ziegler, you have previously identified to me five documents upon which you relied to conclude that Joe Biden did something wrong, and I want to review those with you.

Two of them are brand-new documents. They are the new discovery under the sun that some have referred to today. One of those -- the first is exhibit 606, and that is the one that lists the aliases. Is that correct?

Mr. Ziegler. That is correct.

Mr. Doggett. And that document, on its face, doesn't show any wrongdoing, but to you, it creates the suspicion that there has been wrongdoing. Is that correct?

Mr. Ziegler. So, to me, this shows that there is communication between Hunter Biden, his associates, and the former Vice President.

Mr. Doggett. It does not show, on its face, any wrongdoing by Joe Biden, but it creates a suspicion that there could be such wrongdoing. Is that right?

Mr. Ziegler. So, as we stated before, we were not able to go down those leads that could lead to Joe Biden.

Mr. Doggett. You are entitled to your opinion, but if you would just kindly answer my question, which is, it does not show on its face wrongdoing. It might create the reason for some additional investigation or suspicion on your part. Is that fair?

Mr. Ziegler. So, exhibit 606 is evidence --

Mr. Doggett. All right.

Mr. Ziegler. -- from the case.

Mr. Doggett. All right. Let's look, then, at exhibit 607(a). That is the only new document that you are relying on that you allege shows wrongdoing by Joe Biden. And you refer specifically to the terms "personally and politically."

Other than those terms, there is nothing in that two-line email that mentions Joe Biden or suggests any wrongdoing on his part, does it?

Mr. Ziegler. So, there is information that I have just

testified to today that there was \$4.9 million -- that wasn't known before this -- \$4.9 million from Kevin Morris to pay personal expenditures of Hunter Biden. And I also added new today that there was --

Mr. Doggett. I am reclaiming my time, sir, because you refuse to answer question. You are entitled to provide any information you want.

But my question is about 607(a), the only other new document that you presented to us today, and 607(a) does not show on its face any wrongdoing by Joe Biden, does it?

Mr. Ziegler. And what I am trying to say is that there is information that I am testifying to today that is also new.

Mr. Doggett. You are entitled to say that.

But do you agree that 607(a) does not on its face show any wrongdoing by Joe Biden?

Mr. Ziegler. You have to look at the context of that email.

Mr. Doggett. All right. Let's go to the next one of the documents. This is not one of the new -- these were the two new documents we have covered. They are three old documents.

And the first of those and the one you referred to, Mr. Steube, is exhibit 1(i).

In exhibit 1(i), which has been out there for a good

bit of time, it also does not mention Joe Biden by name, does it?

Mr. Ziegler. It does not.

Mr. Doggett. And, in fact, it was written in August of 2017 when Donald Trump was President and Joe Biden was a private citizen?

Mr. Ziegler. That is correct.

Mr. Doggett. And it does not show on its face by itself any wrongdoing by Joe Biden, does it?

Mr. Ziegler. It shows a benefit for Hunter and his family. It says that "and his family."

Mr. Doggett. And his family. That is not my question, but you are entitled to give -- I will take your answer as being, no, it does not.

And then the next document is exhibit 2(a), and you point to it as evidence of wrongdoing by Joe Biden. In that agreement, is Joe Biden named?

Mr. Ziegler. So, in response to the question before, Joe Biden is a part of Hunter Biden's family.

Mr. Doggett. Well, I will accept your definition of that family.

But my question to you, on exhibit 2(a), does the agreement that you referred to name Joe Biden?

Mr. Ziegler. The agreement that I referred to does not name Joe Biden, but there was a belief in the investigation

that James Biden was a cover for Joe Biden.

Mr. Doggett. Yes. I understand that is your suspicion.

The agreement was signed on August 2, 2017. And, again, that is a time when Donald Trump was President and Joe Biden was a private citizen. Is that correct?

Mr. Ziegler. That is correct.

Mr. Doggett. All right. And then the final document upon which you relied is exhibit 400(a). It was in your slides. Again, it is an old document, it is not anything new.

But that slide does not contain Joe Biden's signature or reference either, does it?

Mr. Ziegler. That does not include -- but it references the Biden family again.

Mr. Doggett. The Biden family?

Mr. Ziegler. The Biden family, yes.

Mr. Doggett. You highlight that the interview is voluntary. Is that evidence of wrongdoing by Joe Biden?

Mr. Ziegler. The interview of Gal Luft was voluntary. That is correct.

Mr. Doggett. And in no way does that indicate that there was any wrongdoing by Joe Biden?

Mr. Ziegler. So, the statements made in there reference the Biden family.

Mr. Doggett. All right.

I will yield back at this time.

Chairman Smith. Thank you.

I will recognize myself for questions.

Mr. Ziegler, we have heard from some members today that we have not seen any new information. I want to focus on some of the new material you provided the Committee that has not been previously seen.

For example, you provided exhibit 607, which details an email sent by Hollywood lawyer Kevin Morris, saying that they were under, quote, "considerable risk, personally and politically, to get the returns in." Is this new information?

Mr. Ziegler. That is new information.

Chairman Smith. Thank you.

What about exhibit 608, which includes an attorney engagement letter showing Patrick Ho, a lieutenant for Chinese energy company CEFC, paying Hunter Biden \$1 million for, quote, legal fees? Is this new information?

Mr. Ziegler. That is new information.

Chairman Smith. How about exhibit 606, an 11-page spreadsheet showing 327 alias emails that then-Vice President Biden used to communicate with Hunter Biden's business associates, White House staff, and close confidants? Is that new information?

Mr. Ziegler. That is new information.

Chairman Smith. So, to confirm, all 327 lines of this spreadsheet in exhibit 606 you gave us that include Joe Biden's email address, aliases is new information?

Mr. Ziegler. That is new information.

Chairman Smith. And is it correct that it is also new to see in that same document, prior to Vice President Biden's June 2014 trip to Ukraine, he and Schwerin exchanged five emails?

Mr. Ziegler. That is new information.

Chairman Smith. After that trip and before the Vice President's November trip back to Ukraine, he and Schwerin emailed 27 times. Is that also new information?

Mr. Ziegler. That is new information.

Chairman Smith. Now, I want to turn your attention to exhibit 607(a). At the bottom of the document is an email from Kevin Morris to Troy Schmidt on February 7, 2020.

Will you please remind the Committee who Kevin Morris and Troy Schmidt are?

Mr. Ziegler. Kevin Morris was a California resident who paid Hunter Biden's delinquent taxes, and Troy Schmidt was one of the return preparers.

Chairman Smith. Okay. So, in this email, Kevin Morris tells Troy Schmidt, who is supposed to be helping Hunter Biden file his delinquent tax returns, that they, quote,

"still need to file Monday, are under considerable risk personally and politically to get the returns in."

The political risk here could only have been to Joe Biden. This conversation was occurring at the beginning of February 2020 in the midst of a close race for the Democrat nomination for the Presidency.

The Committee previously received material indicating that investigators wanted to pursue potential criminal campaign finance violations. Were those potential violations and concerns about Kevin Morris and his relationship to Joe Biden's Presidential campaign?

Mr. Ziegler. That would be correct.

Chairman Smith. Mr. Ziegler, the Biden administration has attempted to dismiss concerns over hundreds of thousands of dollars in money-exchanging hands between Biden family members - ultimately ending up in payments to Joe Biden - as stemming from loans and loan repayments.

In your investigation of Hunter Biden, did you uncover any evidence that would prove or show these payments to, in fact, be loans or loan repayments?

Mr. Ziegler. In all the different scenarios - Burisma, CEFC, all those different scenarios - there was nothing to verify that they were loans in the evidence.

Chairman Smith. Is there anything further that you feel like that - based on prior questions or statements -

that you would like to answer?

Mr. Ziegler. Yeah. So there is actually a couple things.

So, this is February 7, 2020. I think it is important for the Committee to know that Hunter didn't meet Kevin Morris until 2 or 3 months prior to this email.

The new information today. The \$160,000 payment to the 2015 taxes, that was made a couple of months after meeting Kevin Patrick Morris, okay?

There is the information that is corroborated from the other return preparer, Jeff Gelfound. Jeff Gelfound stated that they were trying to figure out which payments to make because there was a concern about this information getting into the media. If there was going to be a lien on it, that was important for them to prioritize, okay?

There is more information that we brought forward. There was the statement that was made in Hunter's book. Hunter stated that he drove his rental car to the Chateau Marmont where he smoked every last crumb of crack. That is what he stated in his book. And then new information, on his tax return, he deducted his Lamborghini and the Chateau Marmont.

So if you look at the plea agreement statement of facts, it said that he mis-accounted for information causing personal deductions to be business deductions. He signed

what is called a representation letter with his accounts stating that all his deductions on his tax return are true and correct. How can that be a mistake if you are signing to the fact that -- stating to your accountant that everything is truthful?

This hasn't come up recently, but in the Walker memorandum, the transcript -- the transcript of that interview -- there is reference to Hunter's daughter getting her bank account. She was a minor at the time. Her bank account receiving funds from Robinson Walker. It is page 170 on the transcript.

And the question asked in the interview was, do you know why he asked you to send \$59,900 to his daughter's bank account? So more money going to different people related to this, not from Robinson Walker.

And the thing is, we didn't get an opportunity to answer any questions related to the documents that we put forward. There were allegations made that the information that we were providing wasn't accurate. Where is the transcript? This isn't actual evidence. That is evidence from our case.

Chairman Smith. Thank you, Mr. Ziegler.

Mr. Evans is recognized.

Mr. Evans. I yield to Mr. Schneider.

Chairman Smith. Mr. Schneider.

Mr. Schneider. Thank you. Thanks.

I want to come back to what we were talking about. I do have one question, though, first.

I think the Chairman was talking about this document, exhibit 606, which has a long list of emails -- the email addresses are redacted. Is it the content of the emails on this exhibit as well? Do we know what they said?

Mr. Ziegler. We do not.

Mr. Schneider. So, what is redacted?

Mr. Ziegler. So, in the documents that I turned over which talks about the filter names, those were not included in there because we didn't include political figure number one. So, we would have actually not been able to get -- those would not have come through to the team.

Mr. Schneider. What is blacked out here?

Mr. Ziegler. I did not do those redactions.

Mr. Schneider. I think it is just the email addresses, but there is no substance.

So, is there evidence in this exhibit of wrongdoing of any form? I am not a lawyer, so I don't know.

Mr. Ziegler. So that is evidence of communication.

Mr. Schneider. But is it evidence of wrongdoing or deceit, or could these be, let's grab lunch? Do you have a good restaurant recommendation? Do you know what is inside?

Mr. Ziegler. Again, we were never able to go down that

road to follow the investigative leads like we should have done.

Mr. Schneider. All right. So, it is just a list of to-and-from email addresses, correct?

Mr. Ziegler. That is correct.

Mr. Schneider. Okay. And I am impressed because you have what it seems like almost a photographic memory of Hunter Biden's book, his tax returns, the transcript of the Walker memorandum.

Where in the memo from Commissioner Werfel does it say that you have indefinite access to a taxpayer's file?

Mr. Shapley. Look, we can go back and forth over this all day.

Mr. Schneider. I only have 4 minutes.

Mr. Shapley. I am not a lawyer. So, I mean, I am not going to argue the Code with you.

You haven't actually told me anything that said that I couldn't access it. And the duty of my job --

Mr. Schneider. So let me tell you. I will tell you what you can't, because it is paragraph H of Section 6103, subsection 1, Department of Treasury.

"Returns and return information shall, without written request, be open to inspection by or disclosure to officers or employees of the Department of Treasury whose official duties require such inspection or disclosure for tax

administration purposes."

Were you still assigned to this case in May after you had submitted your whistleblower?

Mr. Ziegler. So, our DFO said that it is your duty. So that is --

Mr. Schneider. It is your duty to do what? What did that email say?

Mr. Ziegler. An obligation to answer and support the claims you have made. Answer and support.

Mr. Schneider. But does that tell you to go rummage through or search through a database?

Mr. Shapley. Rummage is your word, sir. That is not what we are saying we are doing.

We also have claims with the Office of Inspector General for DOJ and IRS, as well as the Office of Special Counsel concerning our retaliation, and we received guidance from all three of those locations asking for any information on a recurring or continuing basis.

So when my DFO says that it is my duty and obligation to support my claim --

Mr. Schneider. So that overrules Section 6103?

Mr. Shapley. No, it doesn't.

Mr. Schneider. Basically, that gives you free rein to go and search the database?

Mr. Ziegler. Sir, we followed the law, and we followed

the law with regards to this. And I was very clear in my opening -- in my opening statement regarding access to taxpayer information.

Mr. Schneider. You said in your opening statement that you had --

Mr. Ziegler. No, no, no. I am sorry. In my statement. My written statement. I apologize.

Mr. Schneider. And what is it that you are pointing to? What written statement? You referenced this email from the Commissioner to everybody saying, if you see something, report it. And that is good. I support that. You should.

I am drawing a distinction between that and saying, I am no longer on a case. I no longer have --

Mr. Ziegler. So, I was still continuing to turn over records to the new team.

Mr. Schneider. Records you had or records you were authorized to go look for?

Mr. Ziegler. Records -- I guess I don't understand the question that you just asked.

Mr. Schneider. So, you were turning over records that you had obtained during your responsibilities when you were assigned to the case. After you were no longer on that case, did you have the authority to go look for additional records to turn over?

Mr. Ziegler. Again, I was very clear in my opening

statement regarding access to taxpayer information, and we followed the law.

Mr. Schneider. Okay. We are just going to agree to disagree.

I yield back.

Chairman Smith. Mr. Panetta.

Mr. Panetta. I yield my 5 minutes to Mr. Doggett.

Chairman Smith. Mr. Doggett.

Mr. Doggett. Thank you.

Mr. Ziegler, other than the five documents that we reviewed a few minutes ago, you responded to what I considered some rather outlandish comments by Mr. Steube concerning some bank accounts that were released yesterday by Mr. Comer.

Is that anything that you have been involved with personally? Are those bank accounts-- is that something that you found in your investigation?

Mr. Ziegler. There were a couple of questions there. I would ask that you clarify.

Mr. Doggett. With reference to Mr. Comer's release yesterday of some bank statements showing payments to Joe Biden, are those the result of any work that you have done?

Mr. Ziegler. The documents that he received, are you asking whether I gave those to --

Mr. Doggett. I am asking if that came up in your

investigation or you produced those documents.

I would like my time held while he confers with -- whoever he is conferring with.

I am trying to get facts instead of suspicion, but -- yes, sir.

Mr. Ziegler. So we were never afforded the opportunity to talk to Joe Biden to understand those transactions.

Mr. Doggett. All right. So you didn't produce the bank statements that Mr. Steube asked you about?

Mr. Ziegler. Again, I don't understand the question.

Mr. Doggett. Well, the question is pretty straightforward. Mr. Steube made the outrageous assertion that Joe Biden was being paid monthly from Hunter's Owasco as just a passthrough from the Chinese.

And what, in fact, Mr. Comer released yesterday was a statement -- and I will ask unanimous consent to include The Washington Post comment report today, "Comer mischaracterizes Hunter Biden car payment reimbursement to his dad."

Comer mischaracterizes Hunter Biden car payment reimbursement to his dad

The payments Hunter Biden made to his father came two years after the elder Biden had left the vice presidency

By [Jacqueline Alemany](#) and [Matt Viser](#)

December 4, 2023 at 3:22 p.m. EST

As House Republicans move toward a floor vote to authorize an impeachment inquiry against President Biden, House Oversight Chairman James Comer (R-Ky.) has again mischaracterized evidence of payments from Hunter Biden to his father.

In an email to reporters, a spokesperson for Comer claimed that the House Oversight Committee, which is investigating Biden, had obtained bank records revealing that Hunter Biden's law firm, Owasco PC, which had received payments from Chinese-state-linked companies and other foreign companies in the past, made direct monthly payments to [Joe Biden](#). The email claimed the payments "are part of a pattern revealing Joe Biden knew about, participated in and benefited from his family's influence-peddling schemes."

The three payments of \$1,380 that occurred in September, October and November 2018 — nearly two years after Biden had left the vice presidency — were actually for a 2018 Ford Raptor truck Joe Biden had purchased that Hunter Biden was using, according to an email verified by a Washington Post forensic analysis.

"There Chairman Comer goes again - reheating what is old as new to try to revive his sham of an investigation," Hunter Biden's attorney Abbe Lowell said in a statement. "The truth is Hunter's father helped him when he was struggling financially due to his addiction and could not secure credit to finance a truck. When Hunter was able to, he paid his father back and took over the payments himself."

Joe Biden signed for the truck and had it in his name — at a time when Hunter was in the depths of addiction, had a low credit score and couldn't make the purchase himself, according to a person close to the Bidens, speaking on the condition of anonymity to discuss a private matter. The truck was used only for a limited time, going back to the dealer about a year after the purchase.

Other expenses listed in the email verified by The Post included payments for health insurance, college and high school tuition for Hunter Biden's children, the Yale Club and a storage unit.

A spokesperson for the Oversight Committee used the fact that the payments came from one of Hunter Biden's accounts that also included money from a Chinese energy conglomerate to suggest something more nefarious than they have so far proved.

“There is now a pattern of members of the Biden family using their bank accounts that have been funded by Chinese and other foreign entities to send money to Joe Biden,” the spokesperson said. “Based on witness testimony, Joe Biden knew and participated in his family's influence-peddling schemes. The checks and payments we've uncovered reveal Joe Biden benefited from them.”

Comer has consistently oversold or misrepresented the committee's investigative findings as he has argued to initiate impeachment proceedings. Last month, Comer trumpeted a \$200,000 loan repayment Joe Biden received from his brother James Biden. Comer sought to paint the personal check in nefarious terms, alleging without evidence that it showed that Joe Biden had indirectly received payments from his family's foreign business dealings.

When presented with a bank record of the wire payment that showed the \$200,000 payment to James Biden had originated from the president's attorney trust account, Comer baselessly accused the law firm representing Joe Biden of money laundering.

"In an email to reporters, a spokesperson for Comer claimed the House Oversight Committee, which is investigating Biden, had obtained records revealing the Hunter Biden's law firm, Owasco, which had received payments from Chinese-state-linked companies and other foreign companies in the past, made direct monthly payments to Joe Biden. The email claimed the payments are part of a pattern revealing Joe Biden knew about, participated in, and benefited from his family's influence peddling. The three payments of \$1,380 that occurred in September, October, November 2018, 2 years after Biden had left the Vice Presidency, were actually for a 2018 Ford Raptor truck that Joe Biden had purchased that Hunter Biden was using, according to an email verified by a Washington Post forensic analysis."

You have no evidence -- nothing from your investigation whatsoever -- that suggests that Joe Biden was receiving money from China monthly. And this kind of nonsense is the difference between facts and suspicion, isn't it?

Mr. Ziegler. So, what I would tell you is we would typically want to understand the reason for the transaction. We would want to understand the nature. So, we would want to interview the witnesses and understand what happened.

Mr. Doggett. Exactly what The Washington Post did in doing a forensic analysis. I understand you are unhappy

that you were -- and perhaps justifiably -- that you feel you were stopped from doing the investigation that you think should have been done.

But what you have presented us today are documents, three new documents and reference to two old ones, that do not make the case that Joe Biden did anything wrong, and certainly not the outrageous and slanderous comment that he was being paid monthly essentially by the Chinese when, in fact, all the evidence that we have concerns three car payments of \$1,380.

This is indicative of this whole outrageous hearing and set of hearings. It is all about slandering. It is all about using suspicion and not facts to criticize and challenge this President and ultimately to impeach him.

We have absolutely nothing new today than what we had when Speaker Johnson said there was no basis, no evidence that justified impeachment.

I yield back.

Chairman Smith. Thank you.

Mr. Carey.

Mr. Carey. Thank you, Mr. Chairman. I would like to yield my 5 minutes to the gentleman from Florida, Mr. Steube.

Chairman Smith. Mr. Steube.

Mr. Steube. I thank the gentleman for yielding.

Just a point of parliamentary inquiry, Mr. Chairman. Mr. Doggett I believe your name is -- we haven't actually met -- but said I made outrageous statements.

Is that the type of behavior and attacking of one another by name that we take the words down? Or how does that typically work? Because I have seen the other side do that for statements that have been made by Republicans, naming them by name.

Chairman Smith. I will just remind everyone that be mindful of how we refer to one another in this Chamber.

Mr. Steube. Because I didn't do that.

Chairman Smith. So, hopefully, we will clean that up.

Mr. Doggett. It doesn't need to be cleaned up.

Mr. Steube. It does, actually, because the facts are what I had stated. Mr. Comer, through the Oversight Committee, released information that Joe Biden himself had received payments from that entity. What is it, Uwasco is the --

Mr. Ziegler. Owasco.

Mr. Steube. Owasco.

And in your testimony, I wasn't asking you to be a factual basis for that because it has already been released. There are financial records which you guys, as IRS investigators, would discern that as evidence, when a bank has released information that one account sent money to an

individual and that bank was the bank for Owasco -- and sent money to Joe Biden, which that information was released by the Oversight Committee.

And in the evidence that you have given us today, there is a litany list of evidence about that company receiving money from an energy company in the Chinese Communist Party, correct?

Mr. Ziegler. That is correct.

Mr. Steube. So, in your evidence, the new evidence -- which in the beginning of the hearing there was no new evidence but there is -- in the new evidence that you are giving to the Committee today, that hopefully we will release on a motion in a vote, is that Hunter Biden's company Uwasco -- am I pronouncing that correctly?

Mr. Ziegler. Owasco.

Mr. Steube. Owasco. Owasco received money from a Chinese energy company from the Chinese Communist Party that you gave us evidence of today, correct?

Mr. Ziegler. Received money through Hudson West III, which received money from the Chinese energy company.

Mr. Steube. Right. So they were laundering the money. But the bottom line is money from the Chinese Communist Party went to entities owned by the Biden family, then to Owasco. And then yesterday, due to the work of the Oversight Committee, there is evidence, financial evidence

of money going from Owasco to Joe Biden.

Mr. Ziegler. From what I saw yesterday, yes, that was released.

Mr. Steube. Which are facts, evidence, financial evidence from a financial institution that Joe Biden received money from a company owned by the Biden family, which received money from the Chinese Communist Party energy company.

Mr. Ziegler. Yes.

Mr. Steube. In my 2 minutes left, if there is anything you guys want to address, I would yield my time.

Mr. Ziegler. Yeah. So I would like to respond to -- so after the last executive session that was held, some on the minority side tried to discredit the information that we were bringing forward, that this isn't actual evidence, that these aren't -- and what I can tell you is -- and I can assure you the interview of Bobulinski, that was an interview that is done in front of FBI special agents.

Members of the minority admitted that there were statements that were made in there that link former Vice President Joe Biden. And in that, they tried to claim that the information, that we don't have the transcript of it. All we have is this written document.

That interview was done by FBI agents, and it was done

under 1001, which is false statements. So, anything that he would say in there that is a false statement he could get charged for. So that document can hold on its own as the information in there.

There are multiple things that were brought up during that executive session about not knowing the normal process of an investigation. Why transcripts are done. Why we would do an interview memo.

So, all those things matter, and we weren't able to provide that information to the Committee. That is why we are here today. And we are presenting new information under 6103.

Mr. Shapley. And if I could add something -- I alluded to it in my opening statement -- is that -- and Mr. Davis talked about it as well -- is that what do we want to see done to correct this wrong.

David Weiss cannot be the special counsel investigating Hunter Biden on this case. What we need is a special counsel to investigate David Weiss and the Department of Justice's handling of this investigation. And that is going to include me too, you know. Look into everything that I did. Look into what David Weiss did.

Whatever report he writes is going to be completely self-serving and is going to be a defense of the things that they did wrong during that investigation.

Mr. Steube. I yield back to Mr. Carey and thank the gentleman for yielding.

Mr. Carey. I yield back.

Chairman Smith. Thank you.

Mr. Neal is recognized.

Mr. Neal. Thank you, Mr. Chairman.

I have a unanimous consent request that comes from the USA Today, 12/5/23, in which Troy Nehls of Texas has said that he is in favor of impeachment so that, quote, "a little bit of ammo to fire back and say that Biden was impeached too as well as Trump." I thank the gentleman.

Chairman Smith. Without objection.

[The information follows:]

***** COMMITTEE INSERT *****

Are House Republicans getting closer to impeaching Joe Biden? GOP leaders eye significant escalation



Ken Tran

USA TODAY

Published 7:36 p.m. ET Dec. 4, 2023 | Updated 7:40 p.m. ET Dec. 4, 2023

WASHINGTON — House Republicans are gearing up for the next step in their impeachment inquiry into President Joe Biden, as GOP leaders eye a vote to formally authorize their investigation into the president and the corruption allegations he faces.

House Speaker Mike Johnson, R-La., signaled Republicans are rallying around the move as they try to strengthen the effort's legitimacy.

“A formal impeachment inquiry vote on the floor will allow us to take it to the next necessary step, and I think it is something we have to do at this juncture,” Johnson said in an interview on Fox News on Saturday. He argued that the formal vote would grant Republicans more authority and accused the White House of “stonewalling” investigators.

House Republicans allege Biden financially benefited from his family’s foreign business dealings, but they have yet to produce evidence directly implicating him in those overseas ventures.

Why are Republicans pushing for an impeachment inquiry vote?

The GOP-led House Oversight Committee on Monday released recurring payments the president’s son, Hunter Biden, made to his father in 2018. But public records from Hunter Biden’s laptop suggest that money was for a car repayment.

"There Chairman Comer goes again - reheating what is old as new to try to revive his sham of an investigation," Abbe Lowell, an attorney for Hunter Biden, said in a statement, saying that Joe Biden helped his son purchase a truck when he was financially struggling and that Hunter Biden later repaid his father.

House Republicans' latest effort goes beyond criticizing the president or his family. If they can formally green-light the inquiry on the House floor, they could bolster the probe's legal standing.

"If you have a vote of the full House of Representatives, and a majority say we are in that official status as part of our overall oversight work or constitutional oversight duty that we have, it just helps us in court," House Judiciary Chair Jim Jordan, R-Ohio., told reporters in a briefing on the inquiry.

The full authorization of the inquiry would come after former House Speaker Kevin McCarthy, R-Calif., opened the probe in September without a formal vote among the entire House. Since the inquiry began, the White House has scoffed at the investigation and argued it lacks "constitutional legitimacy" to be considered an impeachment inquiry.

That allegation rests on an opinion from the then Trump-led Justice Department, which claimed any impeachment inquiry was moot without a formal vote.

McCarthy previously vowed to hold a floor vote before opening an inquiry, criticizing House Democrats for starting their first impeachment inquiry into former President Donald Trump without a vote in the lower chamber.

But the White House still accuses Johnson of placating to Republicans' right flank.

"This baseless smear campaign is solely intended to satisfy their most extreme members and proves once again that these House Republicans are wasting time on the wrong priorities," Ian Sams, a White House spokesperson for oversight and investigations, said in a statement on Monday.

Playing politics?

"It's important we get it done as soon as possible so we can move forward with this investigation," Rep. Kevin Hern, R-Okla., said last week, noting that the GOP still has to tread carefully and convince any Republicans who could be skeptical of the inquiry, given the

party's razor-thin majority in the lower chamber. "We can only lose four votes. We have to make sure everybody's involved in that because we know the Democrats won't support it."

Rep. Dusty Johnson, R-S.D., chair of the pragmatic Main Street Caucus, told USA TODAY Friday there is still "a large gathering of members that are concerned about an inquiry vote."

"Lots of members want to make sure that it is actually legally constitutional and that we're not prejudging facts," Dusty Johnson said, adding there is a concern from members that the inquiry could appear as if the GOP was being "motivated by politics."

For what it's worth, Rep. Troy Nehls, R-Texas, one of Trump's most vocal supporters in the House, has not shied away from pushing for Biden's impeachment in part to play politics.

If Trump, who has been impeached twice, is the 2024 Republican nominee, Nehls said he wants to give Trump "a little bit of ammo to fire back" and say Biden has also been impeached.

But members who represent districts Biden won in the 2020 election, occasionally referred to as the "Biden 18," have not been as vocal with their support on impeachment. The officials have indicated they would approve authorizing the inquiry but are still keeping their cards close to their chest.

"I didn't come here to impeach anyone," Rep. Marc Molinaro, R-N.Y., told reporters last week, but also adding that the House has a "fundamental responsibility of provide accountability to the executive branch" and that he "is troubled by some of the behavior" from the White House.

Chairman Smith. Thank you to both of the witnesses. We appreciate the time that you all -- we will make sure -- yeah, that is into the record as well. We appreciate the time that you have taken and the tough questions that you had and appreciate the fact that you came forward as whistleblowers.

At this time, prior to adjourning, I ask that staff collect all the materials protected under Section 6103 of the Internal Revenue Code.

Mr. Ziegler. Thank you, Mr. Chairman. Thank you to the Committee.

Mr. Shapley. Yes. Thank you, Mr. Chairman.

Chairman Smith. The witnesses are excused. Thank you all very much.

[Pause.]

Chairman Smith. I would like to thank our witnesses, of course, if I said, for appearing today.

Before we adjourn, I will remind members that the information discussed at this hearing is protected under Section 6103 and may not be released until the Committee votes to submit the transcript of this hearing to the House during the business meeting immediately following this hearing.

With that, the Committee stands adjourned while staff sets up for the markup.

[Whereupon, the Committee was adjourned.]