

RELEASE IN PART
B6

From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Thursday, June 18, 2009 9:35 PM
To: H
Subject: Fw: NYT

Fyi

From: Reines, Philippe I
To: 'Capriciamarshall'; Mills, Cheryl D
Sent: Thu Jun 18 21:32:41 2009
Subject: NYT

Not great
 Not horrible

Can't get a sense of where in the paper this will be

Trying to figure out why my comment's not in, I will fix

From: Philippe Reines
To: Reines, Philippe I
Sent: Thu Jun 18 21:29:37 2009
Subject: NYT

pick for Protocol Post Corrects Failure to File Taxes in 2 Years

By ALISON LEIGH COWAN
The New York Times
 June 19, 2009

President Obama's choice as chief of protocol for the State Department, a position that carries the status of an ambassadorship, did not file tax returns for 2005 and 2006, errors she corrected last November.

The nominee, Capricia Penavic Marshall, has placed blame for the problem on the Postal Service and on miscommunication between her husband and their accountant.

Ms. Marshall, who was a social secretary in the Clinton White House, notified the Obama administration about the late filings before she was nominated on May 14. She has since provided written answers to questions about the matter from Senator Richard G. Lugar of Indiana, the top Republican on the Foreign Relations Committee, which will hold a hearing on the appointment next Wednesday. The post requires Senate confirmation.

Tax issues have bedeviled several high-level Obama appointees and cost the administration at least two of its picks.

Ms. Marshall, a graduate of Case Western Reserve University School of Law, may fare better because, after ultimately filing the 2005 and 2006 federal and local paperwork, she was entitled to \$37,259 in refunds, according to information she provided to Mr. Lugar.

The nominee and her husband, Dr. Robert Marshall, a Washington cardiologist, did not return calls seeking comment, nor did a White House spokesman.

Besides the president's support, Ms. Marshall appears to enjoy the strong endorsement of Secretary of State Hillary Rodham Clinton and former President Bill Clinton. Ms. Marshall worked on their campaigns and was most recently executive director of Mrs. Clinton's political action committee, Hillpac.

In her written answers and in accounts she gave to government officials, Ms. Marshall has said the errors were inadvertent. She has said that her husband failed to recognize that the couple's accountant had included the tax returns for 2005 in a binder he provided with copies of the returns, and that the actual paperwork was never mailed.

The couple learned something was awry, Ms. Marshall has said, when the Internal Revenue Service notified them last fall that their 2006 return had never arrived. She wrote that an agent "advised us that there were a large number of tax returns misplaced by the D.C. post office for the 2006 tax year."

That call led the couple to the discovery that the authorities had no record of their returns for 2005 and 2006. No late fees or penalties were assessed when they later submitted the returns.

The protocol chief customarily helps plan events for visiting leaders and helps oversee protocol matters for the president and vice president *abroad*.

Mark Landler contributed reporting, and Alain Delaqu erie contributed research.