

*Risley J*

OCT 15 1982

IN THE UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF COLUMBIA

THE SYNANON CHURCH, )  
Plaintiff )  
v. ) CIVIL ACTION NO. 82-2303  
UNITED STATES OF AMERICA, )  
Defendant )

A N S W E R

Defendant, United States of America, by its attorney, Stanley S. Harris, United States Attorney for the District of Columbia, for its answer to the complaint states as follows:

First Defense

The plaintiff has demanded trial by jury, however, the trial of this action before a jury is barred by statutes of the United States. 28 U.S.C. Secs. 1346 and 2402.

Second Defense

The Court lacks subject matter jurisdiction over so much of this action as to which the plaintiff seeks a declaratory judgment that it is exempt from Federal Income Tax under Secs. 501(a) and (c)(3) of the Internal Revenue Code of 1954 (the "Code") for any period beginning after September 1, 1978. Sec. 7428 of the Code.

Third Defense

In answer to the numbered paragraphs of the complaint, the defendant states as follows:

COUNT I

1. Denies the allegations of paragraph 1, except presently lacks knowledge or information sufficient to form a belief as to whether the Internal Revenue Service ever audited or examined the plaintiff after August 31, 1978, and states that, under

:

Sec. 7428 of the Code, this Court is without subject matter jurisdiction over so much of this action that relates to the period beginning after August 31, 1978.

2. As to the first sentence of paragraph 2, denies this Court has jurisdiction under 28 U.S.C. Sec. 2201 or Rule 57 of the Federal Rules of Civil Procedure; states that, if this Court has jurisdiction, it exists pursuant to 28 U.S.C. Sec. 1346 and Sec. 7428 of the Code; and states that this Court lacks subject matter jurisdiction over so much of this action that relates to the period beginning after August 31, 1978. Denies the third sentence of paragraph 2. The remaining portions of paragraph 2 are allegations of law, and not of fact, thus requiring no answer.

3. Description Of Plaintiff Synanon:

A.-T. Presently lacks knowledge or information sufficient to form a belief as to the truth of paragraph 3 subparagraphs A through S, and Exhibit "A", inclusive, and denies paragraph 3 subparagraph T.

4. History Of Revocation Of Plaintiff's Exempt Status:

A. Admits the first sentence but presently lacks knowledge or information sufficient to form a belief as to the truth of the second sentence.

B. Admits.

C. Lacks knowledge or information sufficient to form a belief as to the truth of this subparagraph.

D. Admits the first sentence of this subparagraph, but presently lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this subparagraph.

E. Presently lacks knowledge or information sufficient to form a belief as to the truth of this subparagraph.



F. Admits the first sentence of this subparagraph, but presently lacks knowledge or information sufficient to form a belief as to the remaining allegations of this subparagraph.

G.-J. Presently lacks knowledge or information sufficient to form a belief as to the truth of subparagraphs G through J, inclusive.

K. Admits the first sentence of this subparagraph, but presently lacks knowledge or information sufficient to form a belief as to the remaining allegations of this subparagraph.

L. Denies.

M.(1)-(6). Presently lacks knowledge or information sufficient to form a belief as to the truth of the allegations of subparagraph M.(1)-(6), inclusive.

N. Admits the first sentence of this subparagraph, but presently lacks knowledge or information sufficient to form a belief as to the remaining allegations of this subparagraph.

5. Organizational Structure Of Plaintiff Synanon:

A. and B. Presently lacks knowledge or information sufficient to form a belief as to the truth of the allegations of subparagraphs A and B.

6. Financial Activities Of Plaintiff Synanon:

A. Denies.

B.-K. Presently lacks knowledge or information sufficient to form a belief as to the truth of subparagraphs B through K.

L. Denies.

7. Relief Requested:

Denies all of the allegations of paragraph 7 and subparagraphs A through F, inclusive.

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COUNT II

8. Incorporates herein its answers to paragraphs 1 through 6, above.

9. Presently lacks knowledge or information sufficient to form a belief as to the truth of this paragraph.

10. Denies all of the allegations of paragraph 10 and subparagraphs A through E, inclusive.

COUNT III

11. Incorporates herein its answers to paragraphs 1 through 9, above.

12. Denies.

COUNT IV

13. Incorporates herein its answers to paragraphs 1 through 9, above.

14. Denies.

COUNT V

15. Incorporates herein its answers to paragraphs 1 through 9, above.

16. Denies.

COUNT VI

17. Incorporates herein its answers to paragraphs 1 through 9, above.

18. Denies.

COUNT VII

19. Incorporates herein its answers to paragraphs 1 through 9, above.

20. Denies.

WHEREFORE, defendant, United States of America, having fully answered, prays that the complaint be dismissed with prejudice, that the plaintiff be awarded no declaratory judgment, stay, attorney's fees, costs, or any other relief it seeks from the defendant, and that the defendant be awarded its costs.

Respectfully submitted,

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OF COUNSEL:

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District of Columbia



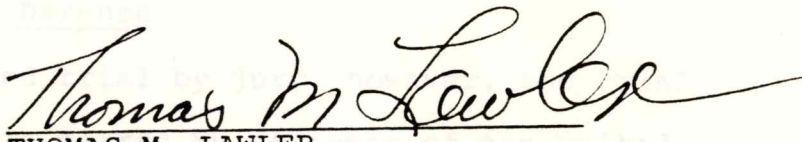
CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that a copy of the foregoing  
ANSWER has this 15th day of October, 1982, been properly  
served upon the following:

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