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Sent: Tuesday, July 19, 2016 5:44 PM
To: Springer, Darren; Johnson, Justin; Allen, Susan; London, Sarah; Coriell, Scott
CC: Sameroff, Rebecca
Subject: Privileged: Intuit Update, Negotiations

The good news! Signed agreements with 4/5 vendors. Publicity dying down. (Interesting interplay amongst practitioners – small group saying that equity amongst taxpayers meant the taxpayer shouldn't be let off the hook and the rejoinder from other practitioners that the affected taxpayers already suffered enough misery!) We are working through the letters to folks whose amendments we did not process, and refunds to those that we did process.

The bad news! CCH (Wolters Kluwer sub) won't pay. We talked to the North American CEO and his GC. They would not acknowledge that their software package had errors – essentially, the CEO was playing cute, saying that the software had the IN155 form, and refusing to say whether the software correctly directed practitioners to the form in the appropriate circumstances. The conversation got ugly, with him saying that it was the practitioner/taxpayer problem to file a correct return, and me pointing out that they profit mightily off the states' relationship with practitioner/taxpayers, that they advertise the value they add, that at \$130K+ they had second biggest impact revenue wise, and that they were freeloading off the accountability of their fellow companies (Rebecca can vouch – I said it more politely).

I stressed that their position was particularly problematic - since they would not acknowledge an error on their part leading to the high error rates on returns submitted from their software, we had no assurance of a fix and better integrity for future returns. I stated that we may have no choice but to call this out in our next press release (particularly since I have been asked repeatedly if all the software errors were fixed). Taxpayers need to know they must be vigilant using the CCH software, particularly on extension, and we may well be flagging all of CCH extension returns for review.

So current strategy is to draft the press release – basically outlining our progress in processing individual refunds on this issue, thanking the 2 vendors who stepped forward since the last press release, and calling out CCH. We told CCH we would share before release (basically, their last chance). Let me know if you have any thoughts.

Best,
Mary

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