

**From:** "Dlugash, Alan" <[REDACTED]>

**To:** Jeffrey Epstein <jeevacation@gmail.com>

**CC:** Richard Kahn <[REDACTED]>

**Subject:** FW: grantor trust reporting

**Date:** Mon, 14 Sep 2015 03:13:12 +0000

**Attachments:** APO2\_DECLARATION\_-\_ATTACHMENT\_TO\_1041\_(2014)\_REVISED\_COURIER.pdf

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## Alan J. Dlugash

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**From:** Richard Joslin [REDACTED]

**Sent:** Sunday, September 13, 2015 4:36 PM

**To:** Dlugash, Alan

**Subject:** grantor trust reporting

Alan:

We have discussed in past that disregarded entities, ie single member LLC's should not have tax ID's and not file tax returns. Similarly, grantor trusts that own disregarded entities should not report the underlying income of the disregarded entities. The grantor would report all underlying income on the grantor individual tax return. As the grantor trusts have tax ID's, we got sign off from Paul Weiss on the above (see email below), ie grantor trust disclose that underlying entity K-1 income is not reported on grantor trust return and will be reported on grantor's tax return. Attached is a 1041 rider that I'd like to see (one page) that states that grantor will report K1 items for a list of entities.

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**From:** Halperin, Alan S <[REDACTED]>

**Sent:** Friday, August 7, 2015 7:32 AM

**To:** Richard Joslin

**Cc:** John Castrucci; Bronstein, Richard J; Brad Wechsler

**Subject:** RE: floating an idea re grantor trust reporting

Rich, it was good seeing you yesterday and discussing this issue.

I wish to confirm that we agree with your analysis of the rules concerning the reporting of grantor trusts and disregarded entities. We further agree with your proposal for 2014. As we discussed, we recommend that, for 2015 and future years, so long as the entities continue as grantor trusts and disregarded entities, you proceed with the approach described for 2014 (rather than the procedure described in the memo for 2015). While your suggested approach for 2015 is permitted, it may create additional work once the trusts cease to be grantor trusts and/or upon a disregarded entity becoming a partnership for tax purposes.

I am happy to discuss. Alan

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**From:** Richard Joslin [mailto: ]  
**Sent:** Wednesday, August 05, 2015 10:06 AM  
**To:** Halperin, Alan S  
**Cc:** John Castrucci; Bronstein, Richard J  
**Subject:** floating an idea re grantor trust reporting

Alan:  
I hope this finds you well. I prepared a one page analysis and proposal to deal with income tax reporting for disregarded entities, LLC's owned by grantor trusts, and single grantor owner grantor trusts. We have discussed this in the past and I hope you can take a look at the attached in advance of the Thursday meeting.

Thanks  
RJ

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