

JUNE 27, 1969

MEMORANDUM REPORT - LOS ANGELES
CASE DEVELOPMENT

Subject: CHURCH OF SCIENTOLOGY

On this date a phone call was received from _____ with the _____ indicated that he had discussed the matter of the CHURCH OF SCIENTOLOGY with his superior. It was their theory that the purpose of this organization was to engage in an illegal activity in that they were trying to evade taxes - both due to the State and Federal government. _____ stated that the State has the right to dissolve any corporation that fraudulently uses its corporate structure and if, in this case, SCIENTOLOGY was set up with the idea in mind of evading the taxes, this matter would go to the heart of the corporate structure and would be grounds for dissolution. Therefore, the State of California intends looking at the CHURCH OF SCIENTOLOGY from this standpoint.

John P. Daley
Special Agent

MIRS FOI

3930-12

Ex. III-10-M