

CAGLE CALLS ON REED TO FIRE CAMPAIGN MANAGER

Denounces Reed Hypocrisy for False Attacks on Payroll Taxes

Gainesville, GA - In a press release on June 30th, the Reed campaign falsely accused Casey Cagle of breaking tax law by treating campaign employees as contractors rather than full time employees. Now, new information has emerged today that Ralph Reed did the very same thing and failed to withhold payroll taxes on his campaign manager in his first and only previous campaign. According to documents filed by Reed's company, Century Strategies, with the Internal Revenue Service, Reed failed to withhold income taxes for \$12,500 in payments to his campaign manager in his run for state party chair.

Specifically, "Ralph Reed for Chairman" paid Reed's campaign manager Clint Austin \$10,000 and Reed's company, Century Strategies LLC, paid Austin another \$2,500. Reed failed to withhold a single penny in payroll taxes on either of those payments, and instead treated Austin as an independent contractor. **This is EXACTLY the same payroll practice that Reed's campaign manager has characterized as illegal.**

In a press release dated June 30th, Thomas falsely accused Casey Cagle of breaking the law for following precisely the same guidelines Reed used, saying "by failing to pay the payroll taxes on employees, Casey Cagle violated the laws." Then, in a following interview with InsiderAdvantage reporter Dick Pettys, Thomas went on to falsely accuse Cagle's Campaign Manager, Elizabeth Dewberry, of failing to follow the tax law.

In the wake of these new revelations, the Casey Cagle campaign called on Reed to fire Campaign Manager Jared Thomas for falsely and maliciously accusing Cagle and his staff of breaking the law. Thomas made the accusations despite the fact that Cagle has filed a 1099 or W-2 on every single person who has provided services to his campaign and despite the fact that Reed's own campaign for State Chairman treated its top employee as an independent contractor - just as Cagle's did.

"There is nothing wrong with the accounting procedures used by Ralph or Casey in this instance. But there is something very wrong with the hypocrisy of Ralph's false attacks and his campaign manager's slanderous insults. Ralph is desperately trying to hide his record of betraying our conservative values by lashing out with lies and personal smears. He has no legitimate issues to attack Casey on, so he is simply making them up," said Cagle spokesperson Brad Alexander. .

"If Ralph Reed still cares at all about doing the right thing, he must make it clear to the voters that he does not condone or support this kind of malicious and hypocritical lying by his campaign. Reed's campaign manager is smearing the reputations of two good people, and he deserves to be punished for it," Alexander continued.

Copies of the actual 1099 forms Reed used to pay Austin are available for inspection by members of the news media.

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