

What's News

Business & Finance

The most significant changes to global tax rules in a century will take longer than planned, negotiators said, as they struggle to reach a formal agreement on how countries with large consumer markets could collect more corporate tax revenue. **A1**

◆ **The Justice Department** is investigating whether the PGA Tour engaged in anticompetitive behavior as it battles the Saudi-backed LIV Golf circuit, the PGA Tour confirmed to The Wall Street Journal. **A1**

◆ **Gap replaced** its CEO, Sonia Syngal, after a little more than two years on the job and warned that its profits would slide amid a continued sales slump. **A1**

◆ **Twitter sent** a letter to Musk saying his effort to abandon his takeover is "invalid and wrongful" and that Twitter hasn't breached any of its obligations. **B1**

◆ **Musk's move** to terminate his deal to buy Twitter sent the company's shares down 1%, as investors prepare for what is expected to be a messy courtroom battle. **E10**

◆ **U.S. stocks fell** to start the week, with the S&P 500, Nasdaq and Dow industrials losing 1.2%, 2.3% and 0.5%, respectively. **B1**

◆ **Netflix is searching** for an executive to spearhead the creation of an ad-supported tier of its service, according to people familiar with the matter, and has interviewed external candidates. **B1**

◆ **Frontier said** it is done bidding against rival JetBlue for Spirit Airlines and wants Spirit to delay its shareholder vote once again. **B1**

World-Wide

◆ **Health officials** preparing to broaden the reach of a national mental-health crisis line are working to strengthen an overstretched call-center network that didn't connect with about one in six callers in recent years, a Wall Street Journal data review showed. **A3**

◆ **Federal law requires** doctors and hospitals to perform abortions when a woman diagnosed with an emergency medical condition needs the procedure to stabilize her health, Biden administration officials said, even if abortion is restricted in their state. **A5**

◆ **France's HRA Pharma**, owned by Perrigo, asked the FDA to approve what it says would be the first over-the-counter birth-control pill in the U.S. **A5**

◆ **The Justice Department** told a judge that Bannon's last-minute offer to testify to the Jan. 6 panel is no reason for the ex-Trump strategist to avoid trial for defying the committee's subpoena seeking testimony and documents. **A4**

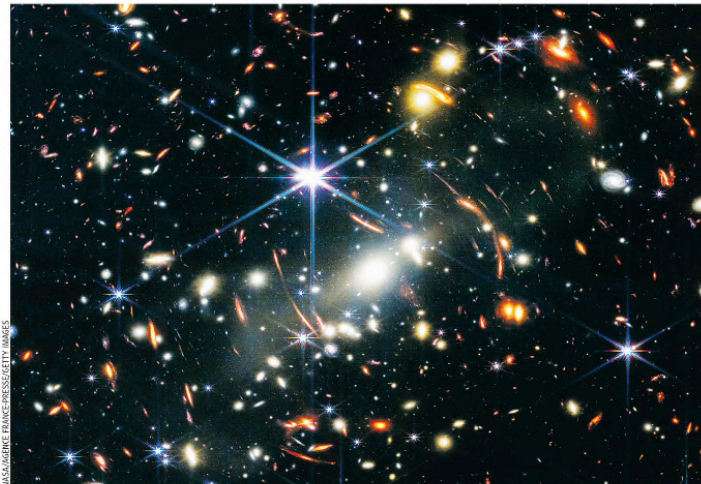
◆ **The race to succeed** British Prime Minister Johnson intensified Monday, with several senior Conservative Party politicians making pitches. **A18**

◆ **The death toll** from a Russian missile attack Saturday on a residential building in Ukraine's Donetsk region rose to 31 people, Ukrainian President Zelensky said. **A7**

◆ **Moderna said** it is developing two potential Covid-19 booster shots targeting different Omicron subvariants, citing differences in market preferences among the U.S. and other countries. **A5**

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NASA Shows First Images of Space's Deepest Reaches



STAR LIGHT, STAR BRIGHT: Officials released the first images captured by the James Webb Space Telescope, displaying a galaxy cluster that includes the faintest objects ever observed in infrared. More images will be released Tuesday. **A6**

PGA Tour Faces DOJ Inquiry Into Fight With Saudi Rival

By LOUISE RADNOFSKY AND ANDREW BEATON

The Justice Department is investigating whether the PGA Tour engaged in anticompetitive behavior as it battles the upstart, Saudi-backed LIV Golf circuit, the PGA Tour confirmed to The Wall Street Journal. Players' agents have received inquiries from the DOJ's antitrust division involving both the PGA Tour's by-laws governing players' participation in other golf events, and the PGA Tour's actions in

recent months relating to LIV Golf, according to a person familiar with those inquiries.

The questions send a clear signal that the Justice Department is watching the fight that has divided professional golf, which both sides expect to end up in U.S. courts at some point.

A spokesman for the PGA Tour said it was aware of the investigation—and was confident it would prevail. The Justice Department declined to comment.

Since the debut last month of LIV Golf, which is financed

by Saudi Arabia's sovereign-wealth fund, the Public Investment Fund, the PGA Tour has suspended players who have chosen to participate—a punishment that LIV has assailed as anticompetitive. Some of those players have opted to resign from the PGA Tour.

The emergence of LIV Golf and the extraordinary money behind it has plunged the sport into tumult and financial upheaval. LIV offers \$25 million in prize money at its tournaments—far more than is currently offered on the PGA

Tour—in addition to the seemingly massive sums the top pros are receiving for simply signing on.

The PGA Tour has responded by upping its purses at select tournaments and creating alternate routes, including new proposed international events, to further line players' pockets. But even the Tour's boss concedes it can't match the Saudis' coffers.

"If this is an arms race and if the only weapons here are dollar bills, the PGA Tour can't

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Global Tax Talks Run Into Another Delay

Holdup could sink proposals, which will need approval from a divided U.S. Congress

By PAUL HANNON AND RICHARD RUBIN

The most significant changes to global tax rules in a century will take longer than planned, negotiators said Monday, as they struggle to reach a formal agreement on how countries with large consumer markets could collect more corporate tax revenue.

The new rules, initially promised by mid-2022 as part of a multilateral deal negotiated under the auspices of the Organization for Economic Co-operation and Development, won't be completed until next year. After that, countries will need to vote to approve them. The delay increases the risk that some governments will lose patience with the process and press ahead with their own national taxes on the big U.S.-based technology companies that are the prime targets of the effort.

The slower timeline adds to the political uncertainty in the U.S. For the global deal to take effect, U.S. lawmakers would need to approve any agreement reached by the Biden administration, but Congress might be under full or partial Republican control in 2023.

Nearly 140 nations agreed last year to an overhaul of the rules governing the taxation of profits made by companies that operate in more than one country. The overhaul is in-

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When Parents Report a Child to Avert a Shooting

Troubling behavior leads to difficult decision

By TANNIEL D. HORNS AND SARA RANDAZZO

SPENCER, Okla.—Even on the day Alania Vasquez reported her 14-year-old son to police, the enormity of the decision hadn't fully hit her. She told an officer who came to her apartment that she believed her son would hurt people, likely at a school. He had a growing obsession with guns and vio-

lence, and she had discovered him watching videos of school shootings. He'd been in trouble for making threats at school and bringing in a pocketknife. A teacher had overheard him telling his classmates how to construct pipe bombs. He'd had an angry outburst earlier that day, which was in September 2019.

Officers searched her

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Shampoo Eschewers Raid Pantry

Some trust locks to eggs, vinegar, chickpea flour

By ELAINE YU

It's been more than two years since Laura Curtis-Moss last shampooed her hair. Ms. Curtis-Moss is part of the "no poo" movement, a backlash against modern haircare. Making the switch takes serious commitment, with a few hair-raising weeks for converts and their families before the benefits start to shine through.

The 35-year-old environmental charity worker, who lives in Edinburgh, wanted to use less plastic, and her scalp had been feeling dry and sore. Remote working gave her a chance to experiment, and so she lathered

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INSIDE



PERSONAL JOURNAL

There are deals aplenty for cruise getaways this summer. **A11**

BUSINESS & FINANCE

Twitter tells Musk his effort to abandon takeover is 'invalid and wrongful.' **B1, B10**

Investors Dump Bonds Of China Policy Banks

By REBECCA FENG

HONG KONG—International investors are rapidly unwinding what was once a popular trade in Chinese bonds as Russia's invasion of Ukraine prompts a rethink of those investments.

Foreigners for years loaded up on debt from Chinese state-owned lenders known as policy banks, which fund domestic and overseas projects like dams, roads and airports. The easy-to-trade yuan-denominated bonds were viewed as almost as safe as China's sovereign debt and paid higher interest rates.

Two of the three Chinese policy banks, China Development Bank and the Export-Import Bank of China, lent billions of dollars to Russian borrowers that needed funding for uses including energy projects. They have been mostly silent about their exposures to

Russia since the war broke out. The two banks didn't respond to requests to comment.

Since February, global investors unloaded \$27 billion in yuan-denominated Chinese policy-bank bonds, or about a sixth of their total holdings of such debt. The selling pace picked up sharply in May, according to data from China Central Depository & Clearing. The outflow is part of a \$61 billion exodus from yuan bonds since February, spurred in part by weakness in China's currency and a shrinking yield advantage over U.S. debt. It suggests that private-sector investors, like fund managers, have been faster to sell down than public ones such as central banks.

Since the invasion, some investors have been redeeming

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Gap Replaces Its CEO, Issues Profit Warning

By SUZANNE KAPNER

Gap Inc. replaced Chief Executive Sonia Syngal after a little more than two years on the job and warned that its profits would slide amid a continued sales slump, making her the latest leader who has been unable to help the casual-clothing company regain its status among U.S. shoppers.

The apparel retailer said Monday its executive chairman, Bob Martin, a former Walmart Inc. executive, would serve as interim CEO effective immediately while it searches for a permanent successor. The company also said it hired former Walmart executive

Horacio Barbeito to take over as CEO of the Old Navy chain. Gap said Ms. Syngal also resigned from the company's board.

The leadership shake-up comes after years of slumping sales at the flagship Gap brand and, more recently, problems at the Old Navy chain, which accounts for more than half of total revenue.

Old Navy last summer introduced a range of sizes to make its clothing more inclusive but the effort backfired, leaving the chain with too many very small and very large sizes and not enough of the middle sizes, which are the most popular. In May, the

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More work. Without hiring more workers.

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