

GOVERNMENT

## Trump Organization, CFO charged with tax crimes dating to 2005

July 1, 2021



*The Trump Building at 40 Wall Street in Manhattan. Image credit: 40 Wall Street*

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By LUXURY DAILY NEWS SERVICE

Private U.S. business conglomerate the Trump Organization and its chief financial officer have been charged with felony tax crimes in New York.

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Former president Donald Trump retained an ownership stake in the Trump Organization, which has roots dating back to the 1920s, after stepping away from an executive role once he took public office. New York State prosecutors charged the Trump Organization, Trump Payroll Corp. and chief financial officer Allen Weisselberg with 15 felony counts on July 1, but the former president has not been charged.

### Criminal charges

This is the first criminal case resulting in the state's investigation into the Trump Organization.

According to [the unsealed indictment](#), the Trump Organization systemically "engaged in a scheme" to defraud the United States Internal Revenue Service, the New York State Department of Taxation and Finance and the New York City Department of Finance since at least 2005.

The 15 charges against the co-defendants include a scheme to defraud, conspiracy, grand larceny, criminal tax fraud and falsifying business records.



*Former president Donald J. Trump has not been charged. Image credit: Trump Organization*

"Today is an important marker in the ongoing criminal investigation of the Trump Organization and its CFO, Allen Weisselberg," said Letita James, New York Attorney General, in a statement. "In the indictment, we allege, among other things, financial wrongdoing whereby the Trump Organization engaged in a scheme with Mr. Weisselberg to avoid paying taxes on certain compensation.

"This investigation will continue, and we will follow the facts and the law wherever they may lead," she said.

Mr. Weisselberg is alleged to have evaded more than \$1.7 million in taxes and avoided paying city income taxes by concealing his residency.

Prosecutors also claim that the Trump Organization paid the rent and other associated expenses for Mr. Weisselberg's apartment on Riverside Blvd., paid leases expenses for Mr. Weisselberg's two Mercedes-Benz vehicles, failed to report income made to other executives or employees, misreported compensation and more.

In court, the Trump Organization, represented by lawyers, and Mr. Weisselberg plead not guilty. The CFO was ordered to surrender his passport, having been deemed a flight risk with access to private jets, and was released without bail.

"The District Attorney is bringing a criminal prosecution involving employee benefits that neither the IRS nor any other District Attorney would ever think of bringing," the Trump Organization said in a statement. "This is not justice; this is politics."

Other civil investigations into the Trump Organization are ongoing.



*Trump Golf Links at Feny Point. Image credit: Trump Organization*

As a private conglomerate, the Trump Organization does not release public financial statements and estimates of its true value vary widely.

The group manages hundreds of business entities, including office and retail space, golf courses, wineries and entertainment venues, but is best known for managing and licensing branded luxury hotels and residential properties.

The Trump Organization's commercial and residential real estate holdings alone are worth about \$1.3 billion, according to an analysis from [Forbes](#), having taken a hit by the COVID-19 pandemic. High-profile tenants of the Trump Organization include Gucci and Nike.

Since the end of his term, Mr. Trump is no longer legally protected from any potential charges stemming from ongoing state and local investigations into the Trump Organization, nor any possible criminal charges from an attack on the U.S. Capitol on Jan. 6 ([see story](#)).

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