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Longtime Trump Executive Details Rampant Tax Fraud at NYC Trial

Jeff McConney took the stand Nov. 10 and acknowledged illegal practices at the Trump Organization.

Nov. 11, 2022



A longtime Trump Organization senior executive painted himself Thursday as a lowly accountant who followed the boss's orders and kept his head down, unaware he was engaging in rampant tax fraud.

Jeff McConney's testimony at the Manhattan Supreme Court trial of former President Donald Trump's family real estate business came more than a week after he [tested positive for COVID-19](#). Judge Juan Merchan put the proceedings on ice after he got the virus, too.

Back on the stand, McConney acknowledged illegal practices at the Trump Organization, like the company's habit of paying longtime employees as independent contractors when they got their hefty Christmas bonuses—saving the staffers' tax deductions and the company on Medicare taxes.

McConney also admitted that top executives got away without paying New York City taxes because he left company-provided rent-free apartments in Manhattan off their returns.

The balancing act was to subtract apartment costs from their sky-high salaries. McConney said Former Trump Chief Financial Officer Allen Weisselberg once told him Trump was aware of the practice, which is illegal.

“Mr McConney, did you try to help (employees) evade their income tax?” Assistant District Attorney Joshua Steinglass asked on direct examination.

“‘Evade’ is a very strong word. I tried to help them in any way I could,” said McConney.

The Trump Organization controller and senior vice president, who's worked at the company for 35 years, is not charged in the case. McConney testified eight times before the grand jury. Prosecutors tried in vain to declare him a hostile witness when it emerged that Trump's company was paying his legal bills, and their lawyers were coaching him.

The Trump Organization and Trump Payroll Corporation attorneys argue that Weisselberg, who's worked for the Trumps since the 1970s, worked alone and cheated on his taxes unbeknownst to anyone.

Weisselberg is expected to take the stand next week. He was charged in June 2021 alongside the two Trump entities with orchestrating a 15-year tax fraud scheme. Prosecutors said he and the companies [dodged more than \\$1 million in taxes](#) through untaxed fringe benefits. The 75-year-old pleaded guilty to all charges in August for a reduced prison sentence.

On cross-examination with Trump Organization lawyer Susan Necheles, McConney sounded more like a witness for the defense. He said that the buck stopped with Weisselberg, whose micromanaging meant he oversaw every company transaction, no matter how small.

During one line of questioning under ADA Steinglass, the prosecutor asked McConney if he was sure about an answer he gave last week when he said that the company [cleaned up its books](#) when Trump became president in 2017.

“Is that your testimony?” asked Steinglass, “that it was a coincidence?”

“Yes,” said McConney. “Nobody told me specifically that this change was because Mr. Trump became President Trump.”

The Trump companies have pleaded not guilty to all charges. Donald Trump has not been criminally charged.

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