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Former Trump Org CFO Testifies He Kept Two Sets of Books

Allen Weisselberg described how he and other executives illegally saved hundreds of thousands of dollars on taxes.

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By Molly Crane-Newman, New York Daily News (TNS)

Allen Weisselberg, former chief financial officer at the Trump Organization, testified Thursday in Manhattan Supreme Court that he kept a handwritten list detailing the brazen tax fraud he committed in his top drawer at Trump Tower.

During his first full day on the witness stand, the convicted 75-year-old talked about keeping two sets of books when he ran the Trump company's finance department, his long-standing relationship with the famous family, and how he felt when the house of cards collapsed.

The Trump entities on trial have pleaded not guilty to an indictment alleging they helped Weisselberg and other senior executives dodge income taxes on more than \$1 million. Company lawyers say the CFO worked alone.

"Wasn't it your responsibility to protect the family from these kinds of problems?" asked Trump lawyer Alan Futerfas.

"Yes," Weisselberg replied.

Futerfas asked Weisselberg if the scam saved him pre-tax dollars.

"It was my own personal greed that led to this, yes," he admitted.

The Trump Organization is the umbrella holding company that manages around 500 Trump-owned entities, including Trump Payroll Corp., which is also charged in the case. The entities' lawyers have sought to separate them from their owners.

With his voice cracking, Weisselberg appeared to become emotional during a line of questioning about his feelings, prompting Manhattan Supreme Court Judge Juan Merchan to call an early lunch break.

"Are you embarrassed because of what you did?" Futerfas asked.

"More than you can imagine," the CFO replied.

"Are you ashamed?"

"Yes, very much so," Weisselberg said.

He said he didn't conspire with anyone but company controller Jeff McConney, his deputy, in the scam to get out of paying taxes.

On direct examination with Assistant District Attorney Susan Hoffinger, Weisselberg meekly described how he and other executives illegally saved hundreds of thousands of dollars on taxes.

Weisselberg, who's worked for the Trump family for almost 50 years, said one way the company saved money was by paying senior staffers a large chunk of their bonuses as independent contractors rather than full-time employees. That meant the executives paid Medicare tax the company would otherwise owe.

By subtracting personal expenses from hefty bonuses—for things like rent, expensive furniture, and \$100,000 in parking fees—the executives paid the company back, Weisselberg said. Like in 2014, when he subtracted \$186,000 in personal expenses from his salary and bonus.

Weisselberg said he kept track of those reductions in a handwritten list to ensure people didn't go overboard. The sheet was top of his mind when Trump won the presidency, and Weisselberg directed the company's chief operator Matthew Calamari, Sr., to fetch it from his drawer in his 26th-floor Trump Tower office. When he looked for it days later, it was gone.

“When Trump became president and everybody was looking at our company from every different angle, and going through all the practices we'd utilized over the years, we corrected everything we'd have to correct,” he later said.

“What else stopped?” Hoffinger asked.

“From my personal perspective, I started paying my rent directly, we began looking into it automatically to make sure they were handled properly. We changed things of that nature.”

Weisselberg's testimony comes two months after his August guilty plea to 15 felonies. If he testifies truthfully, Judge Merchan will sentence him to five months and five years probation. He was also fined \$1.9 million.

The CFO, demoted to a senior adviser after his summer 2021 arrest, has been working from home on Long Island since last month. He said his \$640,000 salary has not been affected. He'll learn in January whether he'll get his next \$500,000 bonus, which is up to Eric—who Weisselberg told the jury was 2 years old when they first met.

During another line of questioning, Weisselberg said the bonus scheme he got rich off of was not his to take credit for—it pre-dated his time working for Donald Trump.

“I believe it started back in the ’80s,” he said. “Before I even began to work in New York.”

Trump has not been criminally charged in the case.

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