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Payroll Corp. is a \$1.76 million fine.

Dec. 06, 2022



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

A Manhattan jury delivered a guilty verdict Tuesday in the wide-ranging tax fraud case against Donald Trump's family real estate business.

The jury started deliberating in Manhattan Supreme Court just before 1 p.m. Monday.

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Longtime Trump executives Allen Weisselberg and Jeff McConney spent days on the stand, with their testimony comprising most of the Manhattan district attorney's case.

The jury was asked to decide whether the Trump Organization's veteran chief financial officer Weisselberg, was acting as a "high managerial agent" when he cheated on his taxes over 15 years and that he did so partly on the company's behalf. He has worked for Trump's family since 1973 and as Trump's chief moneyman since 1986.

Weiseselberg pleaded guilty in August to conspiring with McConney to hide \$1.76 million in untaxed work benefits—like Mercedes-Benz car leases for him and his wife and private school tuition for his grandkids—from tax authorities. The executives subtracted the costs from Weisselberg's salary and bonus and drew up falsified employee tax forms.

McConney, a loyal company man who was declared a hostile witness for the prosecution, admitted to breaking the law when he testified under immunity. Jurors also heard of how the Trump Organization's chief operating officer, Matt Calamari Sr., benefited in the scheme much the same as Weisselberg—as well as his wife and namesake son. He has not faced criminal charges.

Per his plea deal's terms, Weisselberg testified as the district attorney's star witness, admitted the fraud and described how it benefited his employer.

The Trump entities stuck to the same defense: Weisselberg did it for Weisselberg.

But Assistant District Attorney Joshua Steinglass, in his closing argument, described the compensation scam core to the case as beneficial for Trump's senior executives and his company. Steinglass said the entities "cultivated a culture of fraud and deception" by lavishing

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"It was a win-win, a way to get more money into executive pockets while keeping their own costs as low as possible," Steinglass said in his summation.

"It is not that the folks at the Trump Organization didn't know what they were doing was illegal, it is just they didn't care."

Steinglass pushed back on assertions from Trump Organization lawyers that the company's owner was in the dark about rampant fraud. The judge allowed him to point fingers at the former president in his summation after defense lawyers brought it up first.

"This whole narrative that Donald Trump was blissfully ignorant is just not real," said Steinglass in his summation, later adding, "He is not on trial, but that doesn't mean you should believe the defense's narrative that Allen Weisselberg and Matthew Calamari went rogue."

The case stems from a broader probe by Manhattan prosecutors into the former president, launched by DA Bragg's predecessor Cyrus Vance Jr. in 2019. Trump has not been criminally charged in the case, and while rumors abound, it's unclear whether he ever will be. Bragg has described the Trump inquiry as "active and ongoing."

The district attorney's office's Monday announcement that it had hired Matthew Colangelo as Bragg's new senior counsel added to speculation that the DA might still pull the trigger on a Trump indictment. The seasoned prosecutor and former acting associate attorney general for the Department of Justice led several Trump cases and investigations.

Colangelo will focus on the DA's housing, tenant, and labor protection unit and its "sensitive and high-profile white-collar investigations," according to a press release.

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