

WHAT LIES BENEATH THE TURF

[NB: check the byline, thanks! /~Rayne]

We learned this past week that the Westchester County, NY district attorney is investigating the Trump National Golf Club Westchester.

... The full scope of the investigation could not be determined, but the district attorney, Mimi E. Rocah, appears to be focused at least in part on whether Mr. Trump's company, the Trump Organization, misled local officials about the property's value to reduce its taxes, one of the people said. ...

While in the White House Trump declared on mandatory financial disclosure statements the Westchester golf course was worth \$50 million; however the Trump org claimed the 140-acre property with its 75,000 square foot clubhouse was worth only \$1.4 million for local tax purposes.

For comparison, nearby residential homes (currently listed for sale) are assessed at much higher rates:

Home A, 1.12 acres, listed at \$1.5M,
assessed at \$1.03M (\$2543/month taxes)
Home B, 2.75 acres, listed at \$2.3M,
assessed at \$1.4M (\$3768/month taxes)
Home C, 3.52 acres, listed at \$2.7M,
assessed at \$2.5M (\$4,400/month taxes)

While there may be some rationale for a commercial property assessed at such ridiculously low value compared to these residential properties within walking distance, it doesn't make sense when golf courses are being converted to residential property during a contraction of the golf industry, and when the municipality and neighbors have had a history of

sewer and drainage problems caused by the golf course, resulting in damage to individual and community property.

The gap between the local tax assessment and the financial report valuation has been known for years now, noted well before Election Day 2016.

The possibility of tax and insurance fraud by the Trump organization has been clear for years now as well, in no small part because of testimony before the House Oversight Committee in February 2019 by Trump's former attorney, Michael Cohen (beginning at 4:43:30):

Transcript:

Ms. Ocasio-Cortez: OK. Thank you.

Second, I want to ask a little bit about your conversation with my colleague from Missouri about asset inflation. To your knowledge, did the President ever provide inflated assets to an insurance company?

Mr. Cohen: Yes.

Ms. Ocasio-Cortez: Who else knows that the President did this?

Mr. Cohen: Allen Weisselberg, Ron Lieberman, and Matthew Calamari.

Ms. Ocasio-Cortez: And where would the committee find more information on this? Do you think we need to review his financial statements and his tax returns in order to compare them?

Mr. Cohen: Yes, and you would find it at The Trump Org.

Ms. Ocasio-Cortez: Thank you very much. The last thing here. The Trump Golf organization currently has a golf course in my home borough of the Bronx, Trump Links. I drive past it every day going between The Bronx and Queens. In fact, The Washington Post reported on the Trump Links Bronx course in an article entitled "Taxpayers Built This New York Golf Course and Trump Reaps the Rewards."

That article is where many New Yorkers

and people in the country learned that taxpayers spent \$127 million to build Trump Links in a, quote, "generous deal allowing President Trump to keep almost every dollar that flows in on a golf course built with public funds." And this doesn't seem to be the only time the President has benefited at the expense of the public.

Mr. Cohen, I want to ask you about your assertion that the President may have improperly devalued his assets to avoid paying taxes. According to an August 21, 2016, report by The Washington Post, while the President claimed in financial disclosure forms that Trump National Golf Club in Jupiter, Florida, was worth more than \$50 million, he had reported otherwise to local tax authorities that the course was worth, quote, "no more than \$5 million."

Mr. Cohen, do you know whether this specific report is accurate?

Mr. Cohen: It's identical to what he did at Trump National Golf Club at Briar Cliff Manor.

Ms. Ocasio-Cortez: To your knowledge, was the President interested in reducing his local real estate bills, tax bills?

Mr. Cohen: Yes.

Ms. Ocasio-Cortez: And how did he do that?

Mr. Cohen: What you do is you deflate the value of the asset, and then you put in a request to the tax department for a deduction.

Ms. Ocasio-Cortez: Thank you.

Now, in October 2018, The New York Times revealed that, quote, "President Trump participated in dubious tax schemes during the 1990's, including instances of outright fraud that greatly increased the fortune he received from his parents." It further stated for Mr. Trump, quote, "He also helped formulate a strategy to undervalue his parents'

real estate holdings by hundreds of millions of dollars on tax returns, sharply reducing his tax bill when those properties were transferred to him and his siblings.”

Mr. Cohen, do you know whether that specific report is accurate?

Mr. Cohen: I don't. I wasn't there in the 1990's.

Ms. Ocasio-Cortez: Who would know the answer to those questions?

Mr. Cohen: Allen Weisselberg.

Ms. Ocasio-Cortez: And would it help for the committee to obtain Federal and State tax returns from the President and his company to address that discrepancy?

Mr. Cohen: I believe so.

Ms. Ocasio-Cortez: Thank you very much. I yield the rest of my time to the chair.

Here's the rub: Trump's dispute with local tax authorities in Westchester County, NY and the disparity in its property valuation goes back more than five years; this is publicly known, amply reported, even discussed here at emptywheel.

Why is it only after the August 2021 election of a new district attorney, Mimi Rocah, took office was the possibility of tax and insurance fraud finally investigated?

The Westchester course is only one of 11 in the U.S., though. They include:

- Trump National Golf Club, Bedminster, NJ
- Trump National Golf Club, Charlotte, NC
- Trump National Golf Club, Colts Neck, NJ
- Trump National Golf Club, Hudson Valley, NY
- Trump National Golf Club, Jupiter, FL
- Trump National Golf Club, Los Angeles, CA
- Trump National Doral Golf Club, Miami, FL
- Trump International Golf Club, West Palm Beach, FL
- Trump National Golf Club, Pine Hill, NJ
- Trump National Golf Club, Washington, DC

In reports to the Federal Election Commission, Trump reported more than half of these were worth \$50 million or more while regularly suing the snot out of local tax authorities who dared to assess Trump golf courses for values higher than a million or two.

Again, this has been known and reported for years. Trump has and continues to treat every real estate asset as it were the reason for a SLAPP-type suit to cow government to his demands. It's a pattern.

Why have the local, state, or federal governments failed to investigate these courses in the same way Westchester County is now investigating Trump National Golf Club Westchester?

Especially after Michael Cohen not only testified that golf courses came up as a means to launder payments to Stormy Daniels, and that asset valuations were skewed artificially to reduce Trump's insurance premiums? It's not as if there hasn't been adequate reason to investigate this pattern of deflated asset valuations.

It's been more than two and a half years since Michael Cohen testified before the House Oversight Committee that the Trump org reported deflated assets to reduce tax exposure while making false statements to the FEC and the public about golf course market value.

How many more years will pass before another domestic Trump golf course is investigated?