

Donald Trump Committed Tax Fraud to Receive Equivalent of \$413 Million From His Father Fred: Report

By [Greg Price](#)

News Week, 10/2/18

President Donald Trump reportedly built his vast business empire and immense wealth off of his father's millions throughout the 1990s, fully turning back Trump's long-cultivated narrative as a self-made billionaire.

From when he was as young as 3 years old Trump began to attain wealth and eventually gained at least \$413 million from his father, Fred, according to a report by *The New York Times* based on hundreds of thousands of tax and financial documents. The \$413 million figure was in present-day dollars.

The president, along with his siblings, were able to help their parents avoid taxes and thus build a treasure chest worth millions. But the Trump children reportedly engaged in some instances of tax fraud, according to the *Times*.

Trump denied the report through an attorney, Charles J. Harder.

"The *New York Times*'s allegations of fraud and tax evasion are 100 percent false, and highly defamatory," Harder said in a statement to the *Times*. "There was no fraud or tax evasion by anyone. The facts upon which the *Times* bases its false allegations are extremely inaccurate."

The president had long maintained that he had only received a \$1 million loan from his father to start his own real estate venture, but reports over the years have poked holes in that claim. Trump reportedly received \$14 million from Fred Trump, and his father even helped pay off a \$3.5 million bond by purchasing casino chips at the Trump Castle casino.

It is likely Trump or his siblings would not face criminal tax fraud charges as the statute of limitations for such charges had passed, but they could be susceptible to civil fines.

Trump and his siblings specifically tinkered with the valuation of their father's real estate empire in order to avoid taxes, according to the report. They took over Fred Trump's company in November 1997 and, the report claimed, intentionally lowered the value of the properties in order to avoid paying heavy taxes.



President Donald Trump addresses the crowd during a campaign rally at Freedom Hall on October 1 in Johnson City, Tennessee. The president's comments mocking the testimony of Christine Blasey Ford have unleashed a wide-ranging backlash. Getty Images/Sean Rayford

In another instance, according to the *Times*, Trump and his siblings used a company called All County Building Supply & Maintenance to buy supplies and equipment for Fred Trump's buildings. However, the company only claimed such purchases that had already been made by Fred Trump's company and increased how much the items cost. Effectively the money spent was untaxed gifts that the president, his siblings, as well as a cousin, gained as owners of the company.

In a statement to *Newsweek* after the publication of the *Times'* story, the New York State Department of Taxation and Finance said it was looking into the allegations.

"The Tax Department is reviewing the allegations in the NYT article and is vigorously pursuing all appropriate avenues of investigation," a spokesman for the department, James Gazzale, told *Newsweek* in an email Tuesday afternoon.

Donald Trump spent decades reaching out to the [news media to increase the public's belief](#) in his personal wealth. In 1982, Trump claimed to *Forbes* that he was worth \$900 million and had an 80 percent stake in his father's real estate company, Trump Organization. However, Trump was actually worth about \$5 million at that time.

Update: This story has been updated to include a statement from the New York State Department of Taxation and Finance.

Jessica Kwong contributed to the reporting of this story.