

Nev. gaming officials among few to have seen Trump's tax returns



Donald Trump, sitting in the rear, on his way to a fund-raising dinner at Harrah's Lake Tahoe in August. Photo Copyright 2016 Carolyn E. Wright

By Chad Day and Jeff Horwitz, AP

While Donald Trump won't publicly release his income tax returns, the New York businessman has turned them over when it suited his needs – if he stood to make a profit, needed a loan or when a judge forced him.

Pennsylvania gaming regulators were given at least five years' worth and eight boxes full of Trump's tax documents. Nevada, Michigan, Missouri, Indiana and other state gaming officials also had access to multiple years of his returns. Large banks that lent Trump money over the years have also obtained Trump's returns.

One common thread ties all those who have seen the documents: They can't talk about them.

Such legal restrictions leave the public with only small glimpses into what Trump's taxes might hold.

In Monday night's debate, Democrat Hillary Clinton cited documents unearthed by reporters to question whether Trump doesn't want to release his tax returns because he has paid little or no federal income taxes.

Trump's response? "That makes me smart," a comment he disavowed just minutes after the debate. Asked by reporters if he had admitted to not paying federal income taxes, Trump said, "I didn't say that at all."

Clinton cited documents unearthed by Politico showing Trump didn't pay any federal income tax during at least two years in the early 1990s because he lost more money than he earned. Other documents show he also didn't pay any federal income taxes in 1978, 1979 and 1984.

Voters know little about Trump's more recent finances beyond his own self-reported estimations of his wealth and listings of his business interests.

In all cases reviewed by The Associated Press, each person, organization, company or government office that has seen Trump's tax returns is barred from discussing their full contents by professional or legal restrictions.

For example, employees of the Pennsylvania Gaming Control Board could face criminal penalties if they leaked information from Trump's tax returns maintained in the board's electronic files, said board spokesman Doug Harbach.

When asked whether Trump had turned over any returns to the Missouri Gaming Commission, officials said they were barred by state law from saying what Trump turned over.

"I could not tell you whether we had them," said Edward Grewach, the commission's general counsel.

Responses like these leave the decision to publicly release the taxes solely with Trump, who has repeatedly refused. Trump has cited an IRS audit as his reason for withholding the information, but the IRS and tax experts have said an audit doesn't bar Trump from releasing his taxes. At the debate, Trump said he would release his returns – over what he described as his attorney's objections – only after Clinton released roughly 30,000 emails she had deleted from her private server that she had deemed personal.

Earlier this month, Donald Trump Jr. gave a different reason why his father wouldn't release the returns: The American people would ask too many questions.

"He's got a 12,000-page tax return that would create . financial auditors out of every person in the country asking questions that would detract from (his father's) main message," the younger Trump told the Pittsburgh Tribune-Review.

Since 1976, every major party nominee has released the returns and Clinton has publicly released nearly 40 years' worth. Even Trump's running mate, Indiana Gov. Mike Pence, released 10 years of his tax returns.

Tax returns don't measure net worth, so they wouldn't verify whether Trump is worth the \$10 billion he says he is. But the returns would reveal how much Trump earned from his assets, helping someone work back to an approximation of his net worth.

Trump's own estimates of his income and net worth have previously been scrutinized by those who had access to his tax returns.

For a decade, Trump tangled with New York City authorities over his city tax bill, a battle first reported in June by journalist David Cay Johnson in *The Daily Beast*.

In Trump's 1984 tax filings, he said he had lost money during a time in which he had just completed Trump Tower and regularly boasted about the success of his business deals. Trump also declared that he was primarily a consultant that year, and that his consulting business had \$684,000 in business expenses and no income. He provided no receipts to justify the claimed expenses.

City tax authorities didn't buy it – and after Trump appealed his tax bill, they fought with him for the next 10 years. Trump lost and was ordered to pay the taxes on more than \$1 million in income.

Trump's multibillion-dollar fortune has been questioned by banks that demanded his tax returns before lending him money. Commercial lenders generally require both personal and business tax returns as part of a loan application, and Trump provided such information to North Fork Bank in 2004 and 2005.

Though the bank's evaluations aren't public, discussion of them in a later deposition of Trump revealed they were unflattering. The deposition was taken in a defamation lawsuit Trump filed against journalist Tim O'Brien, who wrote a book that questioned Trump's net worth. Trump lost the suit.

“(North Fork) concluded in their estimation that your net worth was actually \$1.2 billion instead of \$3.5 billion as you claimed. Are you aware of that?” asked O'Brien's attorney, Andrew Ceresney.

Trump said he had not known that, but dismissed the quality of the bank's opinion.

“The numbers are wrong,” he said.

North Fork wasn't alone in marking down Trump's net worth. Deutsche Bank also reviewed Trump's finances as of 2004, deeming him to be worth “give or take \$788 million,” Ceresney said in the deposition. The attorney did not say whether

Deutsche Bank relied on Trump's tax return in its calculation.

Deutsche Bank declined to comment about its evaluation of Trump's worth, but the bank is required to keep customer information confidential by law. Capital One Bank – it bought North Fork in 2006 – did not respond to requests for comment by phone and email.

O'Brien did not respond to requests for comment, but in a story he wrote for Bloomberg, O'Brien said he was barred from discussing the contents of Trump's tax returns because they were produced under seal in the court case.

In addition to a suggestion of his worth, Trump's tax returns would reveal his charitable contributions. Despite boasting of sweeping generosity, the AP reported more than a year ago that there is little record of substantial personal philanthropy from Trump.

Trump has been dogged by questions about his personal giving and how his namesake foundation operates. The Washington Post has reported that Trump used donations given by others to pay for legal settlements, political contributions and even purchase portraits of himself.

Public disclosure would resolve many of these questions for voters.

A new Associated Press-GfK poll found that just under half of registered voters– 46 percent – say it is very important for candidates to release their tax returns, though Democrats were far more likely say it was very or extremely important than Republicans.

A recent Monmouth University poll also found that most Americans are aware that Trump has not released his tax returns, and just over half think it's because he is hiding something he does not want the public to know.