

# FILE MANAFORT CHARGES



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Prosecutors could attempt to bring criminal charges that would not violate the state's protections against double jeopardy.

tions. But Vance's office can't cut and paste Mueller's charges into a state indictment. It must avoid New York's double jeopardy law, which provides protections for defendants even stronger than those guaranteed by the U.S. Constitution's Fifth Amendment.

Former New York Attorney General Eric T. Schneiderman

anticipated this concern last year when he urged Albany lawmakers to tweak the state's robust double jeopardy protections to allow local prosecutors to charge individuals convicted of federal crimes but pardoned by the president. The State Legislature didn't follow through on his request.

Nevertheless, Vance's office

has identified several areas where it believes Manafort can be charged with state offenses without triggering double jeopardy protections.

For example, New York law allows defendants who have already been convicted of evading federal taxes to be charged with the same conduct as it applies to state taxes. As a part-

time resident of New York, Manafort has some exposure.

Mueller's court filings also contain evidence of Manafort's manipulation of his business records as part of efforts to secure bank loans. While Mueller charged bank fraud based on this conduct, Vance could hit Manafort with state charges of falsifying books and records, ac-

ording to one of the people.

Manafort's legal team would almost certainly challenge the state's efforts, invoking constitutional protections. New York's double jeopardy provisions have frustrated state authorities in the past, said John Moscow, who prosecuted global bank fraud and money laundering cases under Vance's predecessor, Robert Morgenthau.

"My suggestion is to change the double jeopardy statute in New York to permit prosecutions with this kind of conduct in mind," said Moscow, who is now at Lewis Baach LLC and isn't involved in the matter. "As interpreted, the statute is too broad and needs to be rethought."

If convicted of state crimes, Manafort would face confinement in notoriously tough prisons. L. Dennis Kozlowski, the former Tyco International Ltd. chief executive convicted in 2005 of securities fraud, grand larceny and falsifying business records, served part of his 8 1/3-to-25-year sentence at a medium-security prison.

Along with commuting some sentences, Trump has issued seven pardons, several of them to staunch political allies including Sheriff Joe Arpaio of Arizona and conservative commentator Dinesh D'Souza. At times he has seemed to relish his clemency power, musing about a possible pardon for Martha Stewart and commuting the sentence of former Illinois governor Rod Blagojevich.

## Cuomo, 7 governors call for SALT cap repeal

BY TOM BRUNE

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WASHINGTON — Gov. Andrew M. Cuomo on Friday said he has joined with seven other governors of high-tax states to pressure the White House and Congress to scrap the new federal tax law's cap on state and local tax deductions that he said is draining their state revenues.

Cuomo, who blames a \$2.3 billion revenue shortfall and an out-migration of New Yorkers

on President Donald Trump's signature tax act, said he and other governors have formed a coalition to get the IRS to approve their states' attempts to work around the deduction cap and to lobby for repeal of it. (The New York State Office of the Budget puts the total shortfall at \$2.8 billion, because it had previously underestimated revenues by \$500 million.)

But Cuomo and the other governors acknowledged they face a wall in the Republican-

controlled Senate, where Sen. Charles Grassley (R-Iowa), the powerful Finance Committee chairman, already has said he opposes any change to the cap.

"We're here to talk about basic tax fairness," Cuomo said at a news conference held at the National Governors Association meeting in Washington, where Democratic governors from Connecticut, New Jersey, Illinois and Oregon also spoke.

Cuomo complained that the tax cap of \$10,000 for deductions

on state and local taxes, often called SALT, in the Republicans' federal tax act was "politically motivated" as part of Trump's "economic civil war" between Democratic and GOP states.

Cuomo said he would urge House Speaker Nancy Pelosi (D-Calif.) to put the repeal of the SALT cap at the top of the agenda. New Jersey Gov. Phil Murphy said a bill has been filed by Sen. Robert Menendez (D-N.J.) and Rep. Bill Pascrell (D-N.J.) to scrap the cap.

Cuomo said the decline in tax revenues, a 55 percent drop, might force program cuts if attempts to work around the tax caps don't win approval from the IRS, which he called "problematic," or if the SALT cap isn't repealed.

The coalition includes the governors, all of them Democrats, from New York, Connecticut, Hawaii, Illinois, New Jersey, Oregon, Rhode Island and Washington, according to a Cuomo news release.