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Father and Son Charged with Tax Evasion using Offshore Account

The IRS hunt for tax dodgers using offshore accounts to hide their assets continues well after the much-publicized UBS case in which the Swiss bank agreed to release thousands of its account holders suspected of tax evasion. Two hotel property developers based in Miami, the father and son team of Mauricio Cohen Assor and Leon Cohen Levy were charged with conspiracy to defraud the IRS of \$45 million in offshore bank accounts.

In 2000, Mauricio and Leon who operate under the Flatotel name made a sale of a New York hotel for \$33 million but never declared its proceeds to the IRS, according to an official complaint lodged at the federal court in Miami. In addition, the report goes on to say that they also used a nominee to conceal their ownership of a Swiss offshore bank account that contained \$45.6 million in 2004.

Father and son were arrested in New York Thursday, the deadline for filing federal tax returns in the US, and charged before Manhattan Magistrate court Judge Ronald Ellis who instructed that they be sent to Miami on Monday. Judge Ellis denied bail for both of them.

The pair also used the name of their company American Leisure Resorts to start bank accounts and pay for a 'luxury lifestyle' for themselves and members of their family. The complaint lodged at the court stated that they paid for their lavish personal expenses, living expenses and expenses related to luxury cars that included a Dodge Viper costing \$67,000, a Bentley worth \$188,000 and \$700,000 worth of other vehicles.

In the hearing, the pair's lawyer, Sharon McCarthy contended that they should be allowed bail because the crime for which they are charged is not considered 'the crime of the century' but rather it has to do with failure to file a tax return. But the contents of the complaint lodged beg to differ. According to the complaint, the men 'conspired with each other, and others, to defraud the United States by using foreign nominee entities to conceal their income and assets from the IRS, by failing to file United States tax returns, by filing false United States income tax returns, and by falsifying tax reporting forms'.

The pair owned bank accounts in tax havens such as the Bahamas, the British Virgin Islands, Switzerland, Liechtenstein and Panama under the names of various nominees.

Darrin T. Mish is a veteran, nationally recognized tax attorney who has focused on providing IRS help to taxpayers for over a decade. He regularly travels the country training other attorneys, CPAs and enrolled agents on how to handle their toughest cases with the IRS. He is highly ranked among the top attorneys in the country, with an AV rating from Martindale-Hubbell and a perfect 10 on Avvo.com. Martindale-Hubbell has also honored him with a listing in their Bar Register of Preeminent Lawyers. He is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. With clients on every continent but Antarctica, he has what it takes to solve your IRS problems no matter where you live in the world. If you would like more information about his practice and how he can help you, please call his office at (813) 229-7100 or toll free at 1-888-GET-MISH.