



NJ father, daughter sentenced in UBS tax fraud case

5/24/2011

COMMENTS (0)

NEW YORK, May 24 (Reuters) - A New Jersey father and daughter who were former UBS AG clients were sentenced to probation after pleading guilty to criminal charges for concealing money in Swiss bank accounts.

Harry Abrahamsen, of Oradell, New Jersey, was sentenced on Tuesday to three years of probation, including one year of home confinement with electronic monitoring, following his April 2010 guilty plea to hiding more than \$1 million.

Abrahamsen will pay more than \$900,000 in fines, back taxes and interest, U.S. Attorney Paul Fishman in New Jersey said.

"I am very glad he can now put this episode behind him and get on with his life," said the defendant's lawyer Caroline Rule, a partner at Kostelanetz & Fink.

On Monday, Abrahamsen's daughter Lucille Abrahamsen Jackson, of Hillsdale, New Jersey, was sentenced to one year of probation following her November 2010 guilty plea. She agreed to pay a \$380,000 penalty.

Both defendants were sentenced by U.S. District Judge Dennis Cavanaugh in Newark, New Jersey.

UBS avoided U.S. criminal prosecution in February 2009 by agreeing to pay a \$780 million penalty and hand over names of holders on more than 250 client accounts. It later agreed to reveal data on roughly 4,450 accounts.

Prosecutors said Abrahamsen admitted to failing to disclose UBS accounts he had opened for himself and his daughter.

They said he admitted funding the accounts with \$1.3 million of "false and inflated expenses" from his printing business, letting him underreport income from 1999 to 2003.

The daughter admitted that the failure to disclose their UBS account, whose value topped \$759,000 in 2003, allowed her to underreport income from 2000 to 2007, prosecutors said.

Many former UBS clients have been sentenced in U.S. tax evasion cases to terms ranging from probation to one year in prison, prosecutors have said.

The cases are U.S. v. Abrahamsen, U.S. District Court, District of New Jersey, No. 10-cr-00254; and U.S. v. Jackson in the same court, No. 10-cr-00797.

For Lucille Jackson: Robert Mintz of McCarter & English.

For Abrahamsen: Caroline Rule of Kostelanetz & Fink.

(Reporting by Jonathan Stempel in New York)