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JUSTICE NEWS**Department of Justice**

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New Jersey UBS Client Sentenced for Failing to Report More Than \$750,000 in Swiss Bank Account

NEWARK, N.J. – A Hillsdale, N.J., woman was sentenced today to probation after admitting she filed a false tax return and concealed more than \$750,000 in a Swiss bank account, New Jersey U.S. Attorney Paul J. Fishman and Principal Deputy Assistant Attorney General John A. DiCicco of the Justice Department's Tax Division announced.

Lucille Abrahamsen Jackson pleaded guilty on Nov. 18, 2010, to an information charging her with willfully subscribing to a false tax return. Jackson entered her guilty plea before U.S. District Judge Dennis M. Cavanaugh, who also imposed the sentence today in Newark federal court.

According to documents filed in this case and statements made in court, Jackson admitted that she signed and filed a false tax return for 2005 that failed to disclose her UBS account and income generated from the account's assets. Jackson also failed to file a Report of Foreign Bank or Financial Accounts (FBAR) with respect to the UBS account. The account, originally opened in 1992, was transferred in 2000 into the name of Primrose Properties S.A., a nominee Panamanian corporation. Jackson's father, Harry Abrahamsen, established Primrose in 2000 with the assistance of a foreign lawyer and a Swiss banker, in order to hide the account from the Internal Revenue Service (IRS). On April 12, 2010, Abrahamsen pleaded guilty to a federal charge of failing to file an FBAR, admitting he concealed more than \$1 million in Swiss bank accounts. He is scheduled to be sentenced on May 24, 2011, by Judge Cavanaugh.

U.S. citizens who have an interest in, or signature or other authority over, a financial account in a foreign country with assets in excess of \$10,000 are required to disclose the existence of such account on Schedule B, Part III of their individual income tax returns. Additionally, U.S. citizens must file an FBAR with the U.S. Treasury disclosing any financial account in a foreign country with assets in excess of \$10,000 in which they have a financial interest, or over which they have signature or other authority.

Jackson admitted that her failure to file the FBAR and her failure to disclose the existence of the UBS account on her personal income tax returns allowed her to underreport personal income for the years 2000 through 2007. In 2003, the account reached a high balance of more than \$759,376.

UBS entered into a deferred prosecution agreement in February 2009, in which the bank admitted to helping U.S. taxpayers hide accounts from the IRS. As part of its agreement, UBS provided the U.S. government with the identities of, and account information for, certain U.S. customers of UBS' cross-border business.

As a condition of her guilty plea, Jackson has agreed to pay an FBAR penalty of \$379,688.

U.S. Attorney Fishman and Principal Deputy Assistant Attorney General DiCicco commended special agents of IRS – Criminal Investigation, under the direction of Special Agent in Charge Victor W. Lessoff, for the investigation leading to today's sentence.

The government is represented by Assistant U.S. Attorney Stacey A. Levine of the U.S. Attorney's Office Criminal Division and Trial Attorney Michael C. Vasiliadis of the Department of Justice's Tax Division.

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Tax Division