

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
ANUCHA BROWNE SANDERS,

Plaintiff,

-against-

06 CV 0589 (GEL)

MADISON SQUARE GARDEN, L.P.,
ISIAH LORD THOMAS III and JAMES L. DOLAN,

Defendants.
-----X

VIDEOTAPED DEPOSITION OF LEON REIMER

New York, New York

Monday, January 22, 2007

REPORTED BY:
BARBARA R. ZELTMAN
Job No. 11465



David Feldman
Worldwide

From File to Trial.

805 Third Avenue, 8th Floor
New York, NY 10022
(800) 642-1099

600 Anton Boulevard, 11th Floor
Costa Mesa, CA 92626
(866) DFW-1380

LEON REIMER

1
2 did she present any documentation to you
3 regarding her husband, Roy Sanders, and
4 his tax filing for 2003?

5 A No.

6 Q Did you request any
7 documentation from her regarding her
8 husband?

9 A No.

10 Q Now, with respect, once again,
11 to Page LR-118 and the summary of income
12 and deductions on that page, what was the
13 nature of the change that was affected by
14 the amended return?

15 A The next page, the attachment,
16 will give you -- excuse me, two pages
17 back -- LR-0120, gives you a complete
18 explanation of the changes to the income,
19 deductions and credits.

20 Q And with respect to the Line 1
21 item, Adjusted Gross Income, what was the
22 change that was made?

23 A There were two items that were
24 changed in Adjusted Gross Income.

25 Dividends were increased by

1 LEON REIMER

2 \$625. This dividend was in a Charles
3 Schwab account.

4 In addition to that, the loss
5 reflected on Schedule C from the trade of
6 business was eliminated.

7 These two amounts increased
8 Adjusted Gross Income by \$21,258.

9 Q With respect to Line 2 and the
10 Itemized Deductions, what were the changes
11 that were made?

12 A As reflected on the attached
13 form, 4952, there was a decrease in
14 investment interest by \$58.

15 In addition to that, there was
16 a decrease in charitable contributions by
17 \$9,000.

18 Q Now, with respect to the
19 decrease in charitable contributions by
20 \$9,000, how did that come about?

21 MR. MINTZER: Objection to
22 form.

23 A We advised Ms. Sanders that
24 any contribution in excess of \$250 has to
25 be substantiated by a receipt from the

1 LEON REIMER

2 with Ms. Sanders at your office, did you
3 discuss the 2004 amended return?

4 A Yes.

5 Q And what did you discuss with
6 her at that time?

7 A After reviewing the data that
8 she supplied to us, which consisted of her
9 personal income tax return as originally
10 filed and the accountant's file, I asked
11 her numerous questions to enable us to
12 amend the 2004 income tax returns.

13 Q And this return, beginning on
14 page marked LR-13, was filed with a filing
15 status also of married filing separately;
16 is that correct?

17 A Yes.

18 Q And that was amended from the
19 original filing status of head of
20 household?

21 A Yes.

22 Q And this return was signed by
23 Mr. Hallaran, correct?

24 A Yes.

25 Q Now, referring you to

1 LEON REIMER

2 A Yes.

3 (Reimer Exhibit 10, LR-180
4 through LR-205, was marked for
5 Identification.)

6 Q Show the witness what has been
7 previously marked LR-180 through LR-206.

8 MR. MINTZER: We have up to
9 205.

10 MR. COZIER: Through 05.

11 Sorry.

12 Q Mr. Reimer, do you recognize
13 these documents?

14 A Yes.

15 Q And what are these documents?

16 A A copy of the federal income
17 tax return for Anucha Browne Sanders for
18 the calendar year 2005.

19 Q Did you prepare this 2005
20 return?

21 A No.

22 Q When did you first have an
23 opportunity to review this return?

24 A On November 16, 2006.

25 Q Was that during your initial

LEON REIMER

1
2 meeting with Ms. Sanders at the Vladeck
3 firm?

4 A Yes.

5 Q And who presented you with
6 this 2005 return on November 16?

7 A I'm not certain.

8 Q You don't recall whether
9 Ms. Sanders presented it to you?

10 A I'm not certain.

11 Q Did you have any discussion
12 with Ms. Sanders regarding the 2005
13 return?

14 A Yes.

15 Q And what was the nature of
16 that discussion?

17 A I advised Ms. Sanders that the
18 face of the 2005 tax return appeared that
19 the return was prepared correctly.

20 Q And on what basis did you
21 advise her of that?

22 A That the filing status was
23 married filing separately; that it did not
24 reflect any loss or deductions from the
25 trade of business and that it appeared to

LEON REIMER

1 substantiated."

2
3 And why was that notation
4 made?

5 A I asked Ms. Sanders if she had
6 a record of which days she worked in
7 New York and which days she worked outside
8 New York, and she told me she did not have
9 that record.

10 Q And then you come to the entry
11 for "current accountant for 2005" and your
12 entry here is "okay. Prepared by current
13 accountant."

14 Why did you make that
15 notation?

16 A Because the face of the tax
17 return appeared to be correct. It did not
18 reflect the Schedule C deductions and
19 loss. It appeared on the face that the
20 return was prepared properly.

21 Q And the next notation refers
22 to "amend tax returns," and there seems to
23 be an asterisk or star between 2003 and
24 2004. And then it appears to follow "or
25 2001, 2, 3, 4" I believe.

1 LEON REIMER

2 What was the basis for that
3 notation?

4 A Ms. Sanders asked me what
5 years should be amended. I explained to
6 Ms. Sanders there is a three-year statute
7 of limitations, and I would recommend that
8 she amend 2003 and 2004.

9 Q The three-years statute of
10 limitations that you refer to, what does
11 that statute of limitations specifically
12 concern?

13 MR. MINTZER: Objection to
14 form.

15 A It's a period of time that
16 starts on April 15 of the year -- excuse
17 me -- starts April 15, or if later, the
18 day a tax return is filed, and continues
19 for three years.

20 Q And what's the importance of
21 the statute of limitations?

22 MR. MINTZER: Objection to
23 form.

24 A The importance of the statute
25 of limitations is that the Internal

1 LEON REIMER

2 Revenue Service cannot assess a taxpayer
3 for periods prior to the civil statute.

4 Q And the civil statute that you
5 refer to concerns what types of
6 amendments?

7 A The type of amendments that
8 were made here. And it also prohibits
9 taxpayers who have a refund or adjustment
10 in their favor going past the statutory
11 period.

12 (Reimer Exhibit 12, MSG-40189
13 and MSG-40190, was marked for
14 Identification.)

15 MR. COZIER: I would like to
16 show the witness a document that is
17 marked at the lower right-hand corner
18 MSG-40189 and 40190.

19 Q Is this a document that you
20 had seen previously, Mr. Reimer?

21 MR. MINTZER: Objection to
22 form.

23 I'll state for the record this
24 is not one of the documents that the
25 witness produced.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

LEON REIMER

I worked for Mr. Anello that the Vladeck firm was also involved in.

Q Describe for me the nature of the Vladeck firm's involvement in that other matter.

A I don't know.

Q What kind of services did you render in that matter, regardless of the person to whom you rendered the service?

A Handled a New York State audit.

Q A New York State audit for an individual?

A Yes.

Q And do you know what connection, if any, the Vladeck firm had with that individual?

A No.

Q In the notes that have been marked as exhibits in this matter, it indicates that there was a retainer amount, requested initial retainer of \$4,000.

Did your firm receive that

LEON REIMER

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

retainer?

A Yes.

Q And from whom was that
retainer received?

A The retainer was billed to
Ms. Sanders and paid by the Vladeck firm.

Q And when was that payment
made?

A I do not have the precise
date.

Q Are there any documents that
are part of the business of your firm that
are kept with regard to billings?

A Yes.

Q And are there documents that
are kept with regard to payments?

A Yes.

Q And are there documents that
you did not produce today that would
reflect the fact of the retainer, the
billing of the retainer and the name of
the party paying the retainer?

A Yes.

Q And what documents are those?

1 LEON REIMER

2 A Bill.

3 Q So you have certain accounting
4 records; is that correct?

5 A Firm accounting records.

6 Q In addition to the \$4,000
7 initial retainer, were there any
8 subsequent payments made?

9 A I don't believe so.

10 Q Other than these accounting
11 records that you've now identified, are
12 there any records maintained at your firm
13 having to do with the meetings that you've
14 described with the Vladeck firm and
15 Ms. Sanders and the meetings with
16 Ms. Sanders, that you have not produced
17 today?

18 A Yes.

19 Q What other documents are
20 there?

21 A Firm time reports and diaries.

22 Q And just describe for me what
23 a firm time report is.

24 A Firm time report describes the
25 client that the professional is providing