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# Florida Man's IRS Shell Game Involved Hidden \$1M, False Returns

Wednesday, August 20, 2014 12:59 PM

**By: Clyde Hughes**

An 83-year-old Florida man admitted Tuesday that he hid more than \$1 million from the IRS and filed false tax returns for a quarter century, using private bank accounts in Switzerland and Israel to cloak his funds.

In entering a guilty plea, Bernard Kramer, of Del Ray Beach, said in Manhattan federal court that he stashed away the money in question by the Internal Revenue Service in Zurich, Switzerland and Ramat Gan, Israel, [according to The Associated Press](#). He also admitted filing bogus returns to the IRS from 1987 to 2012.

"Between approximately 1987 and 2010, Kramer maintained an undeclared bank account at a Swiss private bank headquartered in Zurich, Switzerland," [said a statement from the U.S. Attorney's Office Tuesday](#).

"With the assistance of others at the Swiss Bank, Kramer took steps to conceal the existence of, and his interest in, the undeclared account. Kramer and certain individuals at the Swiss Bank used the coded phrase 'Hot Lips' to refer to Kramer's undeclared account at the Swiss Bank," the statement continued.

The statement alleged that the Swiss bank was complicit in the cover-up, insisting that bank officials helped him bring funds back to the U.S. from his Swiss accounts "in a manner designed to ensure that U.S. authorities did not discover the account. ..."

The statement said when the Swiss bank began facing allegations by law enforcement agents, Kramer was assisted in transferring some of his money to another undeclared account at a Swiss bank in Israel from 2010 to 2012.

"From approximately 1987 through 2012, Kramer filed false tax returns with the IRS that failed to report his interest in his undeclared accounts at the Swiss bank and the Israeli bank, and the income generated in these undeclared accounts, which had a high value of at least \$1.1 million," the U.S. attorney's office statement said.

[Forbes' Robert W. Wood](#) said Kramer's plea and sentencing, which will come in February, shows that U.S. law enforcement is catching up with people using foreign banks as a means to hide cash.

"You can legally plan your taxes and be clever or even aggressive, but if you try to hide it, it shows you knew you're doing something wrong, prosecutors say," Wood wrote. "Swiss banking commenced its rapid fall in 2009 when UBS settled with the U.S. for depositor names and \$780 million in penalties.

Since then, the U.S. has peeled back layer after layer, in country after country, and institution after institution."