

Widow Gets Less Than Minute of Probation in U.S. Tax Case

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A 79-year-old widow who pleaded guilty in the largest individual case since a U.S. crackdown on offshore tax evasion began received less than a minute of probation from a judge who scolded prosecutors.

U.S. District Judge Kenneth Ryskamp today sentenced Mary Estelle Curran, who had an account at [UBS AG \(UBSN\)](#), to one year of probation before immediately revoking it in federal court in West Palm Beach, Florida. Curran's attorney Roy Black told the judge that she was "unsophisticated" about financial matters.

Curran, of Palm Beach, faced as long as 37 months in prison for failing to disclose to the Internal Revenue Service that she had more than \$43 million in Swiss bank accounts. Curran pleaded guilty to two counts of tax evasion in January. She paid a \$21.6 million penalty as well as back taxes.

"This is really a tragic situation," Ryskamp said. "It seems to me the government should have used a little more discretion."

Ryskamp urged Black to appeal to the president to pardon Curran.

"If the government doesn't join in that, it's just spiteful," the judge said.

Mark Daly, a Justice Department trial attorney, declined to comment after the hearing. Daly didn't oppose Black's request for probation.

Tax Crackdown

Since 2008, U.S. prosecutors have charged almost 90 people in a crackdown on offshore tax evasion, including more than two dozen bankers, lawyers and advisers. Before Curran, the previous largest individual case involved \$42 million.

Zurich-based [UBS \(UBSN\)](#), the largest Swiss bank, was charged with conspiracy in February 2009 and avoided prosecution by admitting it aided tax evasion, paying \$780 million and handing over account data on 250 clients, including Curran. It later disclosed information on about 4,450 more accounts.

Curran, who has a high school education, contacted a lawyer in early 2009 about the offshore accounts she had inherited when her husband died nine years earlier. The lawyer advised her to declare the accounts shortly before UBS turned over her name to authorities. The highest closing balance of her undeclared accounts was \$43 million in 2007.

The lawyer didn't file the paperwork until after Curran had been named and federal investigators deemed her ineligible for an amnesty program. The account was in the name of a Liechtenstein foundation her husband created.

'Unassuming Life'

Black argued in court papers that Curran's "frugal and unassuming life despite her wealth" was one of the reasons the judge should sentence her to probation.

He also said it would be unfair to send her to prison when 38,000 U.S. taxpayers with offshore accounts have avoided prosecution since 2009 by entering the limited amnesty program, paying back taxes and identifying those who helped them hide their accounts from authorities.

Hundreds of taxpayers in the program gave prosecutors information that has helped build criminal cases against bankers and advisers. To be eligible for the voluntary disclosure program, taxpayers had to approach the IRS before the tax agency or the Justice Department learned about their offshore accounts.

Curran admitted that from 2001 to 2008 she failed to file Reports of Foreign Bank and Financial Accounts. As a penalty, she had to pay half of the highest annual balance \$26.8 million. She also acknowledged that she filed false tax returns for 2006 and 2007 and that she failed to tell her accountant about her offshore accounts.

Never Seen

Curran's lawyer [Nathan Hochman](#), who has practiced law for 25 years as a prosecutor and defense attorney, said he had never seen a sentencing like Curran's.

"Judge Ryskamp's sentencing is unprecedented in a number of respects: calling the government's case against Mrs. Curran 'tragic' and 'unfortunate,' putting her on probation for effectively five seconds, urging Mrs. Curran to file a pardon application with the president, and telling the prosecutors they would be spiteful to oppose it," Hochman said.

The case is U.S. v. Curran, 12-cr-80206, U.S. District Court, Southern District of Florida (West Palm Beach).

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