

# Yank and a dodger?

■ Tax woes for Jeter, who claims he resides in Florida; NY contends he 'has immersed himself' here, thus owing millions of dollars

BY KARLA SCHUSTER

karla.schuster@newsday.com

Yankee shortstop Derek Jeter, known for making the rounds at the city's hot spots, is on the hot seat with New York State, which says he owes back taxes because he claimed he lived in Florida when he was really a resident of the Big Apple.

The dispute centers on the years 2001 to 2003 and could cost Jeter millions of dollars if he loses. During those years, Jeter, who has owned an apartment at Trump World Plaza in Manhattan since 2001, claimed his primary residence was in Tampa, where he also owns a home, according to documents from the state Division of Tax Appeals.

Florida has no personal income tax, while both New York State and New York City do. The state claims that Jeter "keeps certain personal items near and dear" in his \$12.7-million New York City apartment, and that "he has immersed himself in the New York community," according to an administrative law judge's ruling in the case. The case is pending, with new filings due by Sunday.

As much a fixture in the Man-

shortstop in the Bronx, Jeter has squired stars such as Mariah Carey and Jessica Biel.

Jeter is not accused of lying about living in Florida to evade taxes, which is why the state is seeking taxes and interest, but no penalties.

Instead of arguing that Jeter is a New York resident based on the rule that he spent at least 183 days of the year in the state, tax officials contend that his ties to New York are so strong that this qualifies as his "primary residence."

Professional athletes, actors and major chief executives often maintain multiple residences, claiming their primary residence is in states such as Florida that have no personal income tax. Yet, many pay income tax to multiple states, based on the number of days they work there. For example, baseball players might pay income tax to several states, depending on how many days they play in a particular city.

That means that instead of just paying taxes on his Yankee income, Jeter would have to pony up taxes for all his income, including endorsements and appearances that easily double his baseball salary.

"What the state is saying is that he's a New Yorker at heart and because he has some important

if he's here only 30 days, he's a New Yorker," said John Lieberman, a certified public accountant with the firm Perelson Weiner in New York City, which advises athletes and entertainers.

"New York State is phenomenally aggressive on this kind of thing and Derek Jeter — I think they're making a test case out of it for athletes, actors and CEOs, people with multiple residences," Lieberman said.

Jeter, through his attorney, says the state's case is "so vague as to be almost meaningless," according to the ruling. The lawyer representing Jeter in the case, Maria T. Jones of Manhattan — a former commissioner of the New York State Tax Appeals Tribunal herself — could not be reached for comment last night.

A spokesman for the city Department of Finance referred all inquiries to the state Division of Taxation and Finance, which could not be reached for comment last night.

The Yankees did not return calls.

Jeter has apparently claimed Tampa as his primary residence since 1994, the year before he joined the

