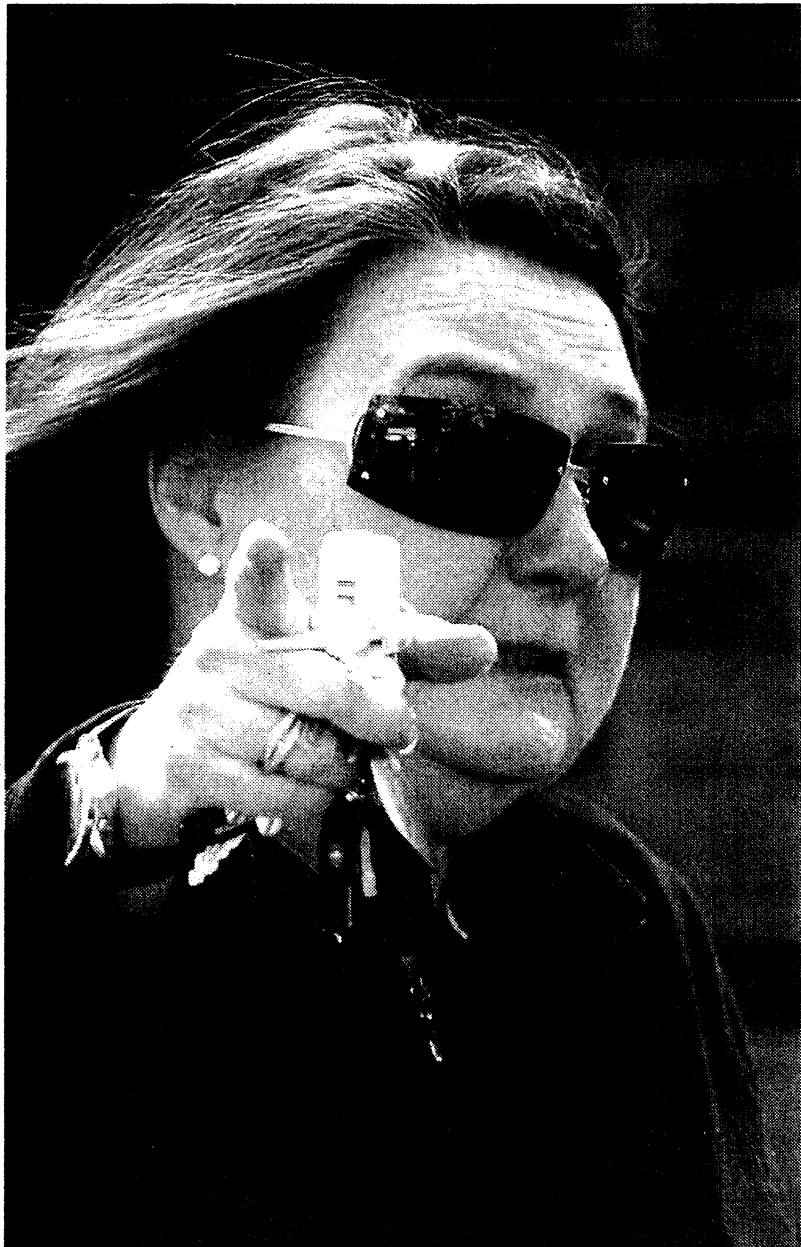


GOES TO BAT FOR DEREK



DON'T YOU dare call my son a tax cheat!

Derek Jeter's mother defended him yesterday amid allegations he sidestepped state taxes by declaring Florida his home state when he really lives in New York.

"He pays his taxes," Dorothy Jeter told the Daily News.

"My boy does everything right — everything right," she said at her New Jersey home. "He's paid taxes in New York for every doggone day he's been there."

Like a lioness defending her cub, she lashed out at the media for reporting on the state's efforts to get her son to pay up.

"Do you have children?" she cried. "You know how hard it is to watch on the news that your son is a tax cheat?"

"It kills me," she added. "You're going to give me a heart attack."

Derek Jeter and the state Department of Taxation and Finance are locked in a battle over where he makes his home.

The Bombers captain says he lives in Florida, while the tax collectors argue he resides in Manhattan's Trump World Towers.

At stake is a sum that could run into the millions: the amount of taxes he should have paid from 2001 to 2003 if he was a New Yorker those years.

State tax officials refused to comment on the Jeter case but outlined the factors that determine whether someone is "domiciled" in New York.

The key issues are whether he owns a home here, has business activity and family or social ties here, where he keeps items "near and dear," and the residence he lists on documents like voting rolls.

"We add them all together and decide where do we feel the person has most ties," said Mark Volk, deputy counsel for the tax department.

In legal papers submitted to the Division of Tax Appeals, the state noted Jeter's "numerous public statements professing his love for New York."

**BY MIKE JACCARINO
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DAILY NEWS STAFF WRITERS

He hasn't backed off those statements. "As a Yankee, Derek has great affection for the people of New York and its amazing fans, but since the mid-1990s, he has made his home in Tampa, Fla.," said his agent Casey Close.

Tax officials said most residency disputes settle quickly — but Jeter's case is already before an administrative law judge. It could be months before the judge makes a decision, and if Jeter loses, he can appeal.

John Lieberman, a Manhattan accountant who works with athletes and entertainers, said he thinks Albany is making an example out of Jeter.

"The new administration in New York wants to publicize these high-profile cases to make other people comply with these rules," he said. "They do a very good job and they do their homework. This is not frivolous, but I'm sure they're using it as a test case."

It's unclear how much the state dunned Jeter for, but Lieberman estimated it could be \$10 million.

That's because nonresidents pay taxes only on the income they get from New York sources, while residents are taxed on everything they earn.

So while Jeter may have paid New York taxes on his \$22 million Yankee salary, if he loses he'll have to cough up some of his endorsement and investment earnings — plus interest.

His mother doesn't think that would be fair. "My son is from Florida," she said. "He's lived in Florida all his [adult] life."

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