

# Stephen Kohn wins another whistleblower case, this one for Bradley Birkenfeld



Stephen Kohn had 104 million reasons to be happy on Tuesday. But America's taxpayers should be happy, too, he said.

Kohn, 56, is one of the Washington attorneys for whistleblower Bradley Birkenfeld, the former bank executive who helped American authorities expose tax evasion facilitated by UBS AG, the Swiss banking giant.



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hurdles before.

On Tuesday, Birkenfeld got his reward from the Internal Revenue Service: \$104 million, the most ever granted to an individual in a whistleblower case. Kohn and his firm worked on a contingency basis, entitling them to a cut of Birkenfeld's award. Kohn won't discuss the fee, but he described it as "not a standard contingency fee."

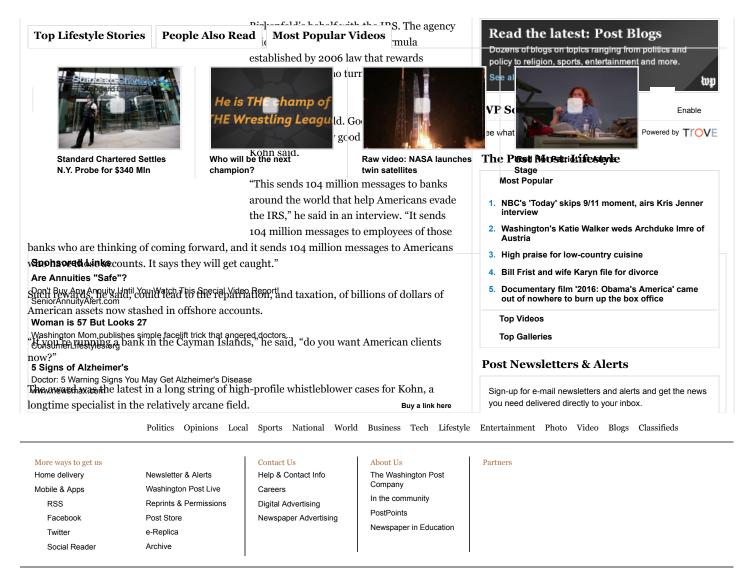
Contingency fees typically range from a quarter to one-third of the judgment in civil cases, but whistleblower award cases are rare and there is no standard compensation arrangement.

Still, Tuesday figured to be a pretty good payday for Kohn, Kohn & Colapinto, a seven-lawyer firm housed in a Georgetown townhouse.

The award was for Birkenfeld's role in the investigation that led to a 2009 settlement between the United States and UBS, which agreed to pay \$780 million in fines and to turn over the names of thousands of Americans suspected of using Swiss bank accounts to evade taxes.

Kohn spent three years negotiating on

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Kohn's most famous client was Linda Tripp, the Defense Department staffer who was instrumental in exposing President Bill Clinton's affair with White House intern Monica Lewinsky. Tripp sued the federal government for violating her privacy by releasing her personnel records to the media, including the revelation that Tripp had been arrested for shoplifting as a teenager. Tripp contended the leak was retaliation for her role in exposing Clinton and Lewinsky. She received a \$595,000 settlement in 2003.

The irony in that case was that Tripp had been indicted in Maryland for violating Lewinsky's privacy by illegally taping their private phone conversations. The charges were dropped in 2000.

Birkenfeld has been under a legal cloud of his own. He is under home confinement in New Hampshire after serving 31 months in prison for withholding information about a former UBS client who pleaded guilty in a 2007 tax case. He did not attend a news conference in Washington on Tuesday to announce that he'd won the multimillion-dollar reward.

As for Kohn's firm's latest win, the lawyer had no immediate plans for a victory party. Too busy. "I'd like to take a bike ride," he said, "but my desk is full."

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### vanhorn1 wrote:

11:46 AM FDT

So, I guess the prison sentence was worth it then. :) Not a bad return on your LCUs (Life Credit Units) invested in some short term U.S. incarceration. However, Americans abroad now live with the over-the-top extra territorial response by the IRS with its various forms of 'Bait and Switch' Voluntary Disclosure programs, disproportionate penalties on non U.S resident and new immigrant Minnows, and the Congressional pile on with FATCA effecting EVERY country in the Universe.

You have to wonder if we would be dealing with all this FATCA fallout, if Bradley hadn't walked in the front door and handed the IRS and Justice Department the information that they had failed to obtain from their own investigative work. The UNINTENDED consequences of the chain of events he started leads up to a very uncertain FATCA future, which unfortunately gets little or no reporting in the U.S. media. Is this type of result really Good? How would you know?

So now Bradley gets \$104 M, and I get more tax complexity, as I fill out duplicate FBAR and FATCA forms as required under serious penalty threat! Then there are the many Canadian/U.S dual citizens who now line up at Consulates to renounce their citizenship to get out from the IRS "offshore jihad". Let's not over look the FATCA Compliance Complex (FCC) that is born to make BIG money off this latest World Wide regulation, and now are invested in its continued rollout and success. We only read about it Linked in, and on specialized tax blogs, but not here at WaPo . Who would have thought that Bradley's whistle blowing would lead to this?

So it goes. It all started because of a simple desire by Congress and the IRS to stop U.S. "Residents" living in the Homeland from evading taxes offshore, but they created a MONSTER instead. Because of the unique nature of U.S. Citizenship taxation, many Americans abroad now ponder their fate. They are being shut out of banking in the counties of their residence or they are forced to join an onerous "voluntary" program with all its unknown complications and penalties before their data is handed over to the IRS by foreign financial institutions. Congress doesn't even know what they voted for, and what the FATCANATICs in Treasury have created as a result. The world doesn't need another complicated, expensive ~388 page of regulation to heap complexity onto an already struggling economy and weak financial industry. Surely there was another way to deal with homeland tax evasion without world wide bounties and FATCA.

It will be many years before Journalist begin to wonder "how was we ended up with a global GATCA and its paralyzing economic and systemic impacts?" Although the OECD has long been on a mission to end tax competition between nations, and FATCA certainly is much applauded and supported by them as the stepping stone towards their total asset transparency dream world, I think the real story telling can start right here with Bradley as the catalyst that made it happen.



### caramia2 wrote:

10:59 AM EDT

Was Romney on that list?

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