

Rasmusen ex. rel. New York v. Citigroup

Citigroup deducted its NOLs from its New York State taxes despite having over 50% ownership change, because the IRS said it was okay, which it's not. I filed suit in state court. Citigroup removed to federal court, unopposed. On the motion to dismiss, the federal judge ruled, sua sponte, that the case belonged in state court. Citigroup renewed its motion to dismiss in state court. The three issues are:

1. Does Citigroup owe the taxes? Easy---yes.
2. Should Citigroup know it owes the taxes? (scienter)
3. Is the qui tam suit based on information publicly disclosed in the news media (the federal tax cheating) and government reports? (Citigroup's 10-K report to the government) See <http://www.rasmusen.org/citigroup> for briefs, statutes, news, etc.

Oral argument is scheduled for Tuesday, May 16 at 11 a.m. before Justice Charles E. Ramos, New York State Supreme Court, Commercial Division, 60 Centre Street New York, New York 10007. If anybody wants to attend and have lunch afterwards, email me at erasmuse@indiana.edu, so I can let you know if the court schedule changes. Rasmusen's law firm is Hodgson-Russ (Buffalo). Citigroup's is Davis-Polk (New York).