cool, high 56. Tonight, cloudy, low 48.

and sunshine, becoming breezy, high 68. Weather map is on Page 20.

\$6.00 Prices in Canada may be higher

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SUNDAY, MAY 12, 2024

Audit of Trump Zeroes In On Disputed Accounting

Double-Dip Write-Offs on a Chicago Tower Could Cost Him Over \$100 Million

By RUSS BUETTNER and PAUL KIEL

Former President Donald J. Trump used a dubious accounting maneuver to claim improper tax breaks from his troubled Chicago tower, according to an Internal Revenue Service inquiry uncovered by The New York Times and ProPublica. Losing a yearslong audit battle over the claim could mean a tax bill of more than \$100 million.

The 92-story, glass-sheathed skyscraper along the Chicago River is the tallest and, at least for now, the last major construction project by Mr. Trump. Through a combination of cost overruns and the bad luck of opening in the teeth of the Great Recession, it was also a vast money loser.

But when Mr. Trump sought to reap tax benefits from his losses, the I.R.S. has argued, he went too far and in effect wrote off the same losses twice.

The first write-off came on Mr. Trump's tax return for 2008. With sales lagging far behind projections, he claimed that his investment in the condo-hotel tower met the tax code definition of "worthless," because his debt on the project meant he would never see a profit. That move resulted in Mr. Trump reporting losses as high as \$651 million for the year, The Times and ProPublica found.

There is no indication the I.R.S. challenged that initial claim, though that lack of scrutiny surprised tax experts consulted for this article. But in 2010, Mr. Trump and his tax advisers sought to extract further benefits from the Chicago project, executing a maneuver that would draw years of inquiry from the I.R.S. First, he shifted the company that owned the tower into a new partnership. Because he controlled both companies, it was like moving coins from one pocket to another. Then he used the shift as justification to declare \$168 million in additional

losses over the next decade. The issues around Mr. Trump's case were novel enough that, during his presidency, the I.R.S. undertook a high-level legal review before pursuing it. The Times and ProPublica, in consultation with tax experts, calculated that the revision sought by the I.R.S. would create a new tax bill of more than \$100 million, plus interest and potential penalties.

Mr. Trump's tax records have been a matter of intense speculation since the 2016 presidential campaign, when he defied decades of precedent and refused to release his returns, citing a longrunning audit. A first, partial revelation of the substance of the audit came in 2020, when The Times reported that the I.R.S. was disputing a \$72.9 million tax refund that Mr. Trump had claimed starting in 2010. That refund, which ap-



The Trump International Hotel and Tower in Chicago.

peared to be based on Mr. Trump's reporting of vast losses from his long-failing casinos, equaled every dollar of federal income tax he had paid during his first flush of television riches, from 2005 through 2008, plus interest.

The reporting by The Times and ProPublica about the Chicago tower reveals a second component of Mr. Trump's quarrel with the I.R.S. This account was pieced together from a collection of pub-

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Solar Storms Paint the Skies

A geomagnetic event made the aurora borealis visible to many parts of the world, including Whitley Bay, England, on Friday.

BIDEN-ISRAEL RIFT WAS A SLOW BURN

He Warned Against Raid on Rafah for Months

By PETER BAKER

WASHINGTON - President Biden laid it out for Prime Minister Benjamin Netanyahu of Israel long before letting the public know. In a conversation bristling with tension on Feb. 11, the president warned the prime minister against a major assault on the Gaza city of Rafah — and suggested that continued U.S. support would depend on how Israel proceeded.

It was an extraordinary moment. For the first time, the president who had so strongly backed Israel's war against Hamas was essentially threatening to change course. The White House, however, kept the threat secret, making no mention of it in the official statement it released about the call. And indeed, the private warning, perhaps too subtle, fell on

Six days later, on Feb. 17, Mr. Biden heard from Secretary of State Antony J. Blinken. The president's chief diplomat was calling from his blue-and-white government plane as he was flying home from a security conference in Munich. Despite the president's warning, Mr. Blinken reported that momentum for an invasion of Rafah was building. It could result in a hucatastrophe, manitarian

feared. They had to draw a line. At that point, the president headed down a road that would lead to the most serious collision between the United States and Israel in a generation. Three months later, the president has decided to follow through on his warning, leaving the two sides in a dramatic standoff. Mr. Biden has paused a shipment of 3,500 bombs and vowed to block the delivery of other offensive arms if Israel mounts a full-scale ground inva-

sion of Rafah over his objections. Continued on Page 10

EVACUATIONS New Israeli orders will force perhaps 300,000 Gazans to find shelter again. PAGE 10

THE BIG BOMBS Unlike Israel, the U.S. has not heavily used one-ton bombs since Vietnam. PAGE 8

The Antisemitic Tropes Echoed by Republicans

This article is by Karen Yourish, Danielle Ivory, Jennifer Valentino-DeVries and Alex Lemonides.

The Republican speaker of the House, Mike Johnson, traveled to Columbia University two weeks ago to decry the "virus of anti-semitism" that he said pro-Palestinian protesters were spreading across the country. "They have chased down Jewish students. They have mocked them and reviled them," he said to jeers from protesters. "They have shouted racial epithets. They have screamed at those who bear the Star of David.'

Former President Donald J. Trump chimed in. President BiContradicting Declared Support for Jews

den, he wrote on Truth Social, "HATES Israel and Hates the Jewish people.'

Amid the widening protests and the unease, if not fear, among many Jews, Republicans have sought to seize the political advantage by portraying themselves as the true protectors of Israel and Jews under assault from the progressive left.

While largely peaceful, the campus protests over Israel's bombardment of Gaza that has killed

tens of thousands of people have been loud and disruptive and have at times taken on a sharpened edge. Jewish students have been shouted at to return to Poland, where Nazis killed three million Jews during the Holocaust. There are chants and signs in support of Hamas, whose attack on Israel sparked the current war. A leader of the Columbia protests declared in a video that "Zionists don't deserve to live."

Debate rages over the extent to which the protests on the political left constitute coded or even direct attacks on Jews. But far less attention has been paid to a trend on the right: For all of their rheto-

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Misery Along a New Front in Ukraine

A Russian offensive is bringing the war nearer to Kharkiv, forcing thousands to evacuate. Page 7.

For the Modern-Day Mormon, Missions With Relaxed Rules

By LAUREN JACKSON

Andres Gonzalez, 19, stands on the balcony of his Los Angeles apartment, his hands in his suit pockets. It is his first week as a missionary, but today, instead of approaching people on the street, he is shooting a video that he will later post to social media.

After about a dozen takes, he is successful. "Hello! If you would like to learn more about Jesus Christ," he says to the camera in Spanish, "contact me."

Mr. Gonzalez is the image of the modern missionary for the Church of Jesus Christ of Latterday Saints, which has changed many of its practices — from how missionaries preach to how they

The faith, long known for sending tens of thousands of neatly and formally dressed young people across the globe each year to

preach door to door, is encouraging new missionaries to spread the Gospel on social media and, for some, with acts of community service closer to home.

As a church leader, Dieter F. Uchtdorf, put it, missionaries should feel comfortable sharing their faith in "normal and natural

In the last few years, the church has also changed some rules for missionaries themselves — loosening restrictions on dress codes (women can wear pants) and how often they can call family members back home (once a week, not just on Christmas and Mother's Day).

To outsiders, the adjustments may seem small. But to missionaries who adhere to strict rules while on assignment, the shifts

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The Party's Over for an Animatronic Band That Always Had a Gig but Never a Hit

By JESUS JIMÉNEZ

For decades, Munch's Make Believe Band at Chuck E. Cheese has performed for countless birthdays, end-of-season Little League parties and other celebrations. There's been Chuck E. Cheese and Helen Henny on vocals, Mr. Munch on keys, Jasper T. Jowls on guitar, and Pasqually on drums.

The band of robot puppets has been a mainstay at the colorful pizzeria-arcade chain where children run amok and play games for prizes in between bites of pizza

Their final curtain call is coming soon. By the end of 2024, the ani-

matronic performances - endearing and nostalgia-inducing, if

perhaps slightly creepy to their audiences — will be phased out at all but two of the chain's more than 400 locations in the United States: one in Los Angeles and another in Nanuet, N.Y. The departure of the band comes as Chuck E. Cheese undergoes what its chief executive, David McKillips, recently described as its largest and "most aggressive transformation."

PAGE 2

Out: Animatronic bands. In: More screens, digital dance

floors and trampoline gyms. The coronavirus pandemic forced hundreds of Chuck E. Cheese locations to shutter, and the company filed for Chapter 11 bankruptcy protection in the summer of 2020. Since then, its leaders have tried to adapt Chuck E. Cheese to a modern era

children who might be more excited by screens than an old animatronic band with limited move-

ment and shifty eyes. "Kids are consuming entertainment differently than they were 10, 20 years ago," Mr. McKillips said sitting in a booth at the Chuck E. Cheese in Hicksville, N.Y., on Long Island. "Kids, really of all

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INTERNATIONAL 4-11, 20

'They Shot at Us All'

Witnesses and human rights groups claim Burkina Faso's military killed more than 220 people, including women and children, in February,

A Reckoning for Maduro?

Venezuela's president will have opposition in July's election, but there is doubt that he would accept a loss.

SPECIAL SECTION

Reflections on Water

Designers are making the most of the precious resource, incorporating it with sustainability, function and style.



NATIONAL 12-19, 21

An Ode to Mothering

Teachers. Neighbors. Mentors. Times readers share memories of the women who nourished their souls.

METROPOLITAN

Social Issues and Rising Tides

In the New York City neighborhoods most vulnerable to climate change, chronic health conditions and language barriers are also factors. PAGE 1

ARTS & LEISURE

From Chess Queen to Warrior

Anya Taylor-Joy plays the title character in "Furiosa," the latest "Mad Max" movie. She's still trying to make sense of that demanding shoot. PAGE 16

SUNDAY OPINION

Ross Douthat



SUNDAY STYLES

Becoming Amy Winehouse

Marisa Abela was not widely known before being cast as the troubled singer in "Back to Black." That's over. PAGE 12

Pass the Beef. And the Pork.

Some people — men, mostly — have put their faith in a meat-heavy diet for their mental and physical well-being. PAGE 1 SUNDAY BUSINESS

He Created 18 Friends

Our writer spent the past month hanging out with his new A.I. companions. They critiqued his clothes, chatted among themselves and hinted at a very different future.

A Snarky Outlet's New Phase

The media company Betches, which started as a raunchy college blog for women, is a rare financial success story. Can it find a way to grow up alongside its readers?

