

## Sergei Magnitsky was *not* Browder's lawyer but his accountant

By Lucy Komisar

Sergei Magnitsky was *not* a lawyer hired by William Browder in 2007. He was Browder's accountant since 1997, working for the Firestone Duncan accounting firm in Moscow, handling Browder's Hermitage Fund accounts. And organizing his tax evasion.

Here is the first page of [testimonies](#) Magnitsky gave to Russian authorities in 2006 and 2008 which, #8, lists him as an auditor at Firestone Duncan.

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Moscow (place of issue)	October 18, 2006		
Interrogation started at	10:00	Interrogation finished at	10:55
<u>Investigator for particularly important cases of tax crimes investigation department</u> (Name of preliminary investigation agency or inquiry, <u>Investigative Committee of the Russian Interior Ministry Justice Major I.P. Novikov in office</u> <u>premise № 420</u> rank or title, name and initials of the investigator (inquirer) <u>in accordance with Art. 189 and 190 (191) of RF CCP interrogated on the criminal case №</u> <u>248065</u> (which exactly)			
as a witness:			
1. Surname, first name, patronymic: Magnitsky Sergey Leonidovich			
2. Date of birth: 08.04.1972			
3. Place of birth: Odessa, Ukraine			
4. Place of residence and (or) registration: Moscow, Pokrovka str., house 20/1, app. 43			
Tel:			
5. Citizenship: RF			
6. Education: higher, 'economist'			
7. Marital status, family: married, two children - 2001, 1992.			
8. Work place: auditor in CJSC 'Firestone Duncan'.			
Phone: -----			
9. Military Status: bound to service (draft registered)			

*First page of Magnitsky testimony. #8 lists him as auditor at Firestone Duncan.*

Here is Browder in his April 2015 sworn [deposition](#) before U.S. federal court, where lying can get you a perjury charge.

The lawyer asked if Magnitsky had a law degree in Russia.

"I'm not aware that he did," Browder said.

Did he know if Magnitsky "went to law school?"

"No," Browder answered.

*Browder admits Magnitsky didn't go to law school or have a law degree. And, contrary to what Browder says, he didn't "represent" him in court, he was called to give testimony about his role in Browder's Hermitage Fund tax evasion. As an accountant, of course. From Browder's sworn deposition in U.S. Federal Court 2015.*

|1 WILLIAM F. BROWDER (4/15/15)

2 wrong?

3 A. I get lots of things wrong.

4 Q. Okay. Good. It seems like you  
5 might have gotten this wrong.

6 When you told people

7 Mr. Magnitsky's a lawyer, did you also tell

8 them he never went to law school and never had

9 a law license?

10 A. I'm sorry. I . . .

11 Q. When you tell -- how many times  
12 have you said, "Mr. Magnitsky is a lawyer"?

13 A. I don't know.

14 Q. 50? 100? 200?

15 A. I don't know.



See the [video](#).

*No, Browder didn't hire Magnitsky as a lawyer in 2007 after Russian tax police searched his and Firestone Duncan's offices seeking evidence of the extensive Hermitage tax frauds. (We already know Magnitsky wasn't a lawyer.)*

Magnitsky worked for Browder since 1997 as the accountant who handled the Hermitage Fund at the Moscow firm Firestone Duncan. Magnitsky organized a tax fraud that Russian authorities had investigated since 2002. That led to charges of tax evasion by his Kalmykia shell companies whose tax filings claimed tax reductions because they hired disabled when the shells just held shares and hired no one. And that they claimed tax reductions for investing in the region, which was a lie, since they just moved shares between shells.

Here's are details of his fraud filed in U.S. Federal Court, Southern District of New York.

consent for the fictitious employment in the LLC "Saturn Investments" and attracted other disabled people.

In accordance with the gained agreement, Magnitskiy and unidentified persons have developed labor contracts and staff lists of the LLC "Dalniaya Step" and the LLC "Saturn Investments", according to which the average number of the employed disabled people was not less than half of the total number of employees of the Companies.

After that Browder, Magnitskiy and unidentified persons, wittingly aware that no work will be performed by the disabled people, without creating jobsites for them, organized with the help of Vankayev S.S., Tsediyeve V.N., Biatkiev V.A. the signing of the labor contracts about hiring for positions in analytical departments the disabled employees Mikuliayeva I.S. and Bukayev A.E. to the LLC "Dalniaya Step", and the disabled employees Byatkiyeva V.A., Bukayeva O.E., Badykov E.Y. , Sumyanov V.V. to the LLC "Saturn Investments", each of whom had a permanent jobsite, started new employment records , allegedly confirming their employment to the Companies and organized their signing by unidentified persons, organized the signing of the labor contracts and staff lists, on one hand on behalf of the Director General of the Companies Browder and on the other hand by the disabled people Mikuliayeva I.S. and Bukayev A.E.,  
Byatkiyeva V.A., Bukayeva O.E., Badykov E.Y. , Sumyanov V.V.

*Browder claimed a large tax deduction for hiring disabled employees, but that was a lie. He paid them to use their work papers.*

Note that the European Court of Human Rights said in 2019, "The Russians had good reason to arrest Sergei Magnitsky for Hermitage tax evasion."

The Court **said**: "The accusations were based on documentary evidence relating to the payment of taxes by those companies and statements by several disabled persons who had confessed to sham work for the two companies. One of them testified that he had been in contact with Mr Magnitskiy, had received money from him and had assisted him in finding other sham employees. He also said that Mr Magnitskiy had told him what to say if questioned by the authorities and had asked him to participate in a tax dispute as a witness."

*The Russians were also after Browder for having illicitly bought shares of Gazprom, the major Russian energy company, as a time that only nationals could buy them in Russia. He used shell company cut-outs with Russian fake owners. With typical audacity, he attempted to use the shares to get seats on the board, but failed.*