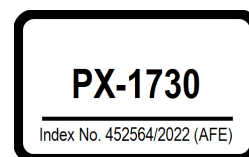


Faherty Affirmation

Exhibit # 96



TRUMP PLAYS HIS TAX CARDS RIGHT

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Body

Think of Aug. 22 as the opposite of Christmas. It's the day 650,000 notices of proposed property tax were mailed to Palm Beach County landowners.

Perhaps one of the few taxpayers ho-ho-hoing is Donald Trump, owner of the Mar-a-Lago Club and its 18-acre landmark Palm Beach estate. He's as happy as a man can be with a \$313,115.95 proposed property tax bill.

That's because it's barely half as much as last year's \$558,938.52 bill - \$245,822.57 less.

"We pay less tax," Trump said Tuesday. "Now we're treated like the Bath & Tennis and the other clubs."

The art of this Trump deal is his giving up the development rights on the former Marjorie Merriweather Post estate to the National Trust for Historic Preservation last October. Gone is the possibility that the ocean-to-lake property can be sliced into 10 or 12 single-family lots.

"This ensures the development rights are extinguished" is how Tom Mayes, assistant general counsel of the National Trust, put it.

Until this year, the property appraiser's "highest and best use" standard meant the property was assessed as if it could be subdivided into expensive parcels. Trump, who bought the estate in 1985 for \$12 million, including furnishings, routinely challenged the appraisals until 1993.

In 1991, he gained a \$5.5 million reduction. After losing his appeal the next year, he and the appraiser's office compromised at a \$15 million assessment in 1993, where it remained for two more years.

The agreement to give up development rights means Mar-a-Lago "no longer can be considered for a residential subdivision," said Palm Beach County Property Appraiser Gary Nikolits, thereby reducing its worth. It will be valued as a private club.

"We waited until it became a great success," Trump said. "And the Mar-a-Lago Club is a great success. It will forever be a club."

Trump has built 14 cabanas and a 100-foot pool on the oceanfront parcel, and construction is scheduled to begin on an entertainment pavilion this year. Joining the 443-member club now costs \$150,000.

"If it didn't work out as a club, we could have gone back to some other use," Trump said.

In fact, Trump tried to subdivide the estate in the early 1990s but the town council refused to approve it even though a previous would-be buyer had gotten permission to cut up the estate.

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Trump sued for \$50 million but later settled with the town when his plan for a private club was approved in 1993. The club opened two years later.

The town of Palm Beach figures to lose about \$50,000 in property taxes because of Mar-a-Lago's reduced value, about one-tenth of 1 percent of the town's \$47 million budget, said Town Manager Peter Elwell.

"It does cost some money," said Mayor Lesly Smith. "But it means there won't be development on the property. The town is almost built out and we're trying to protect our green space, our green canopy of trees that is part of the ambience of Palm Beach."

The Mar-a-Lago Club is not the first private club on the island to give away its development rights in exchange for lower property assessment. The Everglades Club and the Palm Beach Country Club signed away development rights in the mid-1990s after repeated challenges of their assessments.

The latest was the Sailfish Club, which gave up its rights in 1999, saving \$41,000 in property taxes when its worth was reduced from \$6 million to \$4 million.

Giving up development rights is happening more often, Nikolits said "because the value of the club property has gone up, people can't afford to belong because the tax load is so great. They have no intention of being anything but a club so they give up development rights," he said.

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%% Prime property

Donald Trump bought the 18-acre estate in 1985 for \$12 million, including furnishings. He challenged the assessments almost annually through 1993, winning a \$5.5 million reduction in 1991. The 2003 reduction of \$12.8 million was the result of his giving up development rights on the land.

Assessment

in millions

Year	of dollars	Taxes
1990	\$14.0	\$294,904
1991	*\$17.5	\$371,366
1992	\$17.5	\$376,500
1993	\$15.0	\$334,828
1994	\$15.0	\$335,566
1995	\$15.0	\$330,885
1996	\$15.7	\$342,287
1997	\$16.5	\$362,082
1998	\$19.2	\$419,571
1999	\$19.6	\$413,336

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2000	\$22.2	\$462,876
2001	\$24.7	\$508,698
2002	\$27.5	\$558,939
2003**	\$14.7	\$313,116

*Reduced to \$12 million after appeal

**Proposed assessment and taxes

Source: Palm Beach County Property Appraiser

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Notes

Ran all editions. Info box at end of text.

Graphic

PHOTO (C); 2002 file photo Donald Trump bought the Mar-a-Lago estate in 1985 for \$12 million.

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