

To: Interested Parties
From: Accountable.US
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RE: Leonard Leo's Wealth Grew with His Political Influence

A new Accountable.US analysis reveals the ways conservative moneyman Leonard Leo built a fortune off of decades of shady backroom dealings and influence-peddling. The report follows [news](#) of DC Attorney General Brian Schwalb's investigation into Leo's extensive nonprofit network.

Media reports and public records suggest Leo has pulled down millions of dollars from nonprofit entities he controls, potentially violating federal tax laws in the process.

Leonard Leo Enriches Himself Through Circular Payment Structure Between His Nonprofit and For-Profit Entities

- By avoiding taxes and skirting disclosure requirements, Leonard Leo is running millions of dollars through his enterprise of nonprofits to enrich himself and his associates.
- Leo has held leadership roles and personal financial interests in two for-profit firms: a consulting firm called [CRC Advisors](#) and a now-defunct holding company called the [BH Group](#).
- Earlier this year, [Politico](#) reported that since just 2016, nonprofit organizations connected to Leonard Leo poured \$43 million into CRC Advisors and paid out an additional \$15 million to the BH Group, totaling more than \$58 million.
- Following the story, watchdog Campaign for Accountability [filed an IRS complaint](#) alleging even more potential illegal activity at Leo's nonprofits. Their review of tax filings from six Leo-linked organizations found that his nonprofits have paid his for-profits more than \$73 million since 2016.
- The IRS complaint alleges that six of Leo's nonprofits "pay him indirectly or directly" and finds evidence that Leo's consulting firms, which received millions for consulting services and research, "may have either not have provided those services at all or may have provided services at a level not commensurate with the payments received."
- Campaign finance law experts [told](#) Politico that these transactions could represent an abuse of federal tax law as the payments to Leo's consulting firms appear extraordinarily high for intangible goods or services. Nonprofit organizations are required to pay fair market rates for consulting.

Leo Upgraded Lifestyle While Nonprofits Paid His For-Profit Business Tens of Millions of Dollars

- Leonard Leo has led an increasingly lavish lifestyle since 2016. This lifestyle upgrade appears to correspond with his growing political influence.
- [Politico](#) found that Leo needed a fixed-rate loan from the FHA to purchase his home in McLean, Virginia in 2010. After Trump took office in 2016, Leo's "personal wealth appears to have skyrocketed in tandem with major victories on the road to an ultraconservative court."
- Despite his humble beginnings, Leo paid off his mortgage for his McLean, Virginia house in full in 2018, bought a second home in the affluent seaside village of Mount Desert, Maine in the same year, paid off his mortgage for the 11-bedroom Maine mansion by 2019, and later bought yet another \$1.65 million home in Mount Desert from the heir to the fortune of financier Richard K. Mellon.
- Leo also developed a taste for the finer things in life. His new neighborhood in Maine is a "haven for a number of heirs to Gilded Age oil, industrial and banking barons like the Rockefellers and Morgans." Leo acquired a wine locker at DC's Morton's Steakhouse and hired the chief steward at the Trump International Hotel as his wine buyer. He [often wears](#) a pocket watch on a gold chain as an accessory to his tailored suits.
- Even Leo's longtime Federalist Society co-chairman Steven Calabresi noted Leo's rapid wealth gain to [Politico](#): "I do think [Leo] likes to live a high-rolling lifestyle..."

Leo's Self-Enrichment Extends to Close Allies, Federalist Society Employees

- Leo's close associates also rake in money from Leo's network, oftentimes while officially on the Federalist Society payroll, including:
 - CRC Advisors President Jonathan Bunch, who [received \\$1.54 million](#) from the Rule of Law Trust in 2018 while he reported working 40 hours per week at the Federalist Society. Leo is the Rule of Law Trust's [sole employee](#).
 - Leo's close friend and ally Ronald Cass, whose legal consulting firm [received \\$2.9 million](#) from Leo's 85 Fund despite little to no evidence of provided services.
 - Maria Marshall, Leo's former director of operations at the Federalist Society, [received \\$775,000](#) from the Rule of Law Trust while holding an official role with the Federalist Society.

- o Maria Marshall's husband, Alex, who now works as the CIO of Leo's Marble Freedom Trust takes home [an eye-popping salary of \\$764,000](#) despite previously holding only entry-level financial services roles.