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NXIVM leader urges going 'off the grid'

Raniere disciples have history of tax liens

By James M. Odatto Updated 2:28 pm, Monday, February 20, 2012



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Barbara Jeske, Karen Unterreiner and Pamela Cafritz.

Keith Raniere, the founder of NXIVM, receives no pay for his leadership of the human potential school, according to testimony in federal court, so his income tax liability is a mystery.

But when it comes to compensation his followers collect, Raniere recommends against paying taxes, court testimony reveals.

In sworn depositions, Susan Dones, a former NXIVM trainer, and Barbara J. Bouchey, a former NXIVM executive board member, say Raniere **advises his close associates to get off "the grid"** and avoid paying Uncle Sam. His recommendations have force, they say, and suggests they have been heeded by some people close to Raniere, according to public records, though it is unclear why Raniere espouses this point of view.

More Information

Although the Internal Revenue Service will not discuss the cases, federal **tax liens were filed against six women** closely associated with Raniere who hold key roles at the Albany County-based NXIVM. The documents, filed in the Saratoga County clerk's office, state these people, who all live near each other in the Halfmoon area, failed to pay thousands of dollars in personal income taxes for various years earlier in this decade. Three of the women have **satisfied the liens**

None of the women responded to repeated requests for comment.

"Barbara Jeske, the highest ranking member of NXIVM, brags about the fact that she's off the radar with the IRS and has not paid taxes for years," Dones testified. The IRS filed a lien against Jeske, of Clifton Park, in 2008 for the tax period ending in 2004. It calls for **almost \$127,000.** **"I believe Barbara Jeske has adopted Keith's views of taxes,"** Dones said.

No record of Jeske resolving the matter has been filed. She submitted a June 2009 **"notice of default"** to the IRS declaring that since she had received no response to her May 2009 communication to the IRS she considered the federal government to be "in default." The notice she wrote referred to a 14-point explanation she submitted on why the IRS's lien was unenforceable and fraudulently recorded, and why she was due a release "immediately."

Bouchey, a former girlfriend of Raniere, says in her deposition that Raniere directed just about everything among the NXIVM group. **"There wer a number of people in the group who he encouraged to ... get off the grid, meaning not to have a tax ID number, not to file**

their tax returns, so he had strong opinions about things that I think the government would take issue with," Bouchey said in her deposition.

Clare Bronfman, a NXIVM devotee who oversees its operations, said in an October trial involving NXIVM and Dones that **Ranieri's spoken words are considered so valuable** that they are documented by NXIVM because they could be turned into a new course of study at the school. But he gets **no salary** from NXIVM and no financial reward for the "modules" developed from his utterances, she said.

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