Kid stuff can be a taxing issue

DAILY NEWS



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OULD a reputedly ferocious mob capo desperate to get out from under a 50year prison sentence entrust his appeal to a teenage stepson and a kid fresh out of law school?

That's one of the unlikely propositions that a federal judge will have to believe in order to disgualify one of the city's most sought-after criminal lawyers from the tax-fraud case of former mega-developer Gerald Guterman.

When Guterman was arrested in June, he hired his friend of 10 years, high-powered Manhattan lawyer Gerald Shargel.

renovating thousands of metropolitan area apartments and converting them to co-ops.

"Shargel's relationship with Michael Franzese began in the 1970s when Shargel assisted in the representation of John (Sonny) Franzese, Michael Franzese's father," said Assistant U.S. Attorney Michael Considine.

Considine said Shargel represented the elder Franzese in his appeal of a 1967 conviction for conspiring to rob banks in Queens, Long Island and Utah.

"Since Sonny Franzese was incar-

untried and unknown, hardly the lawyer you'd expect to be doing important legal work for Sonny Franzese.

In his response, Shargel noted he worked on the appeal in 1969 or 1970 as either a student or recent law school graduate. He had "no recollection of ever meeting Michael Franzese in connection with Sonny Franzese's case" and the assertion they "met regularly" was an "outright falsehood." The notion that the teenage Franzese helped prepare the appeal was "simply preposterous," added Shargel, since his father "had been convicted of

may have been "motivated, at least in part, by a tactical desire" to eliminate him from the case.

Tuesday, September 4, 1990

Ironically, in the loansharking case, Franzese was acquitted and Shargel's client convicted.

Mafia families are going to start changing their procedures for conducting their not-so-secret-any-more induction ceremonies, predicts Col. Justin Dintino, superintendent of the New Jersey state police.

Shargel, whom most observers credit most for this year's acquittal of John Gotti on assault charges, has had big wins for many other reputed mobsters. He also represents businessmen and lawyers, and has defended former Bronx Democratic Chairman Stanley Friedman and former Smithtown Republican leader Nicholas Barbato.

In court papers filed in Brooklyn, federal prosecutors assert that Guterman should hire a new attorney because Shargel has a long relationship with the government's key witness, Michael Franzese, a former Colombo capo turned informer whose stepfather is jailed capo Sonny Franzese.

Franzese claims Guterman paid him hundreds of thousands of dollars to buy labor peace and mob protection from 1981 to 1984 when the developer earned hundreds of millions of dollars



cerated, Michael Franzese met regularly with Shargel to assist in the preparation of the appeal," said Considine, who asked Judge John Bartels to remove Shargel from the case.

Franzese was sentenced to 50 years in prison in March 1970. At the time, Shargel was a year out of law school,

a serious crime and was (then) represented by two of New York's most prominent criminal defense attorneys."

Considine also charged that Shargel got confidential information from Michael Franzese during a 1985 loansharking trial of 15 defendants in which Franzese and Shargel's client participated in a "joint defense."

Shargel denied that charge, and submitted affidavits from himself and nine other lawyers in that case, including Franzese's, to back up his claim.

Shargel noted that Considine hadn't obtained an affidavit from Franzese, or contacted any lawyers to check out the allegations, and charged that the prosecutor's motion to disgualify him

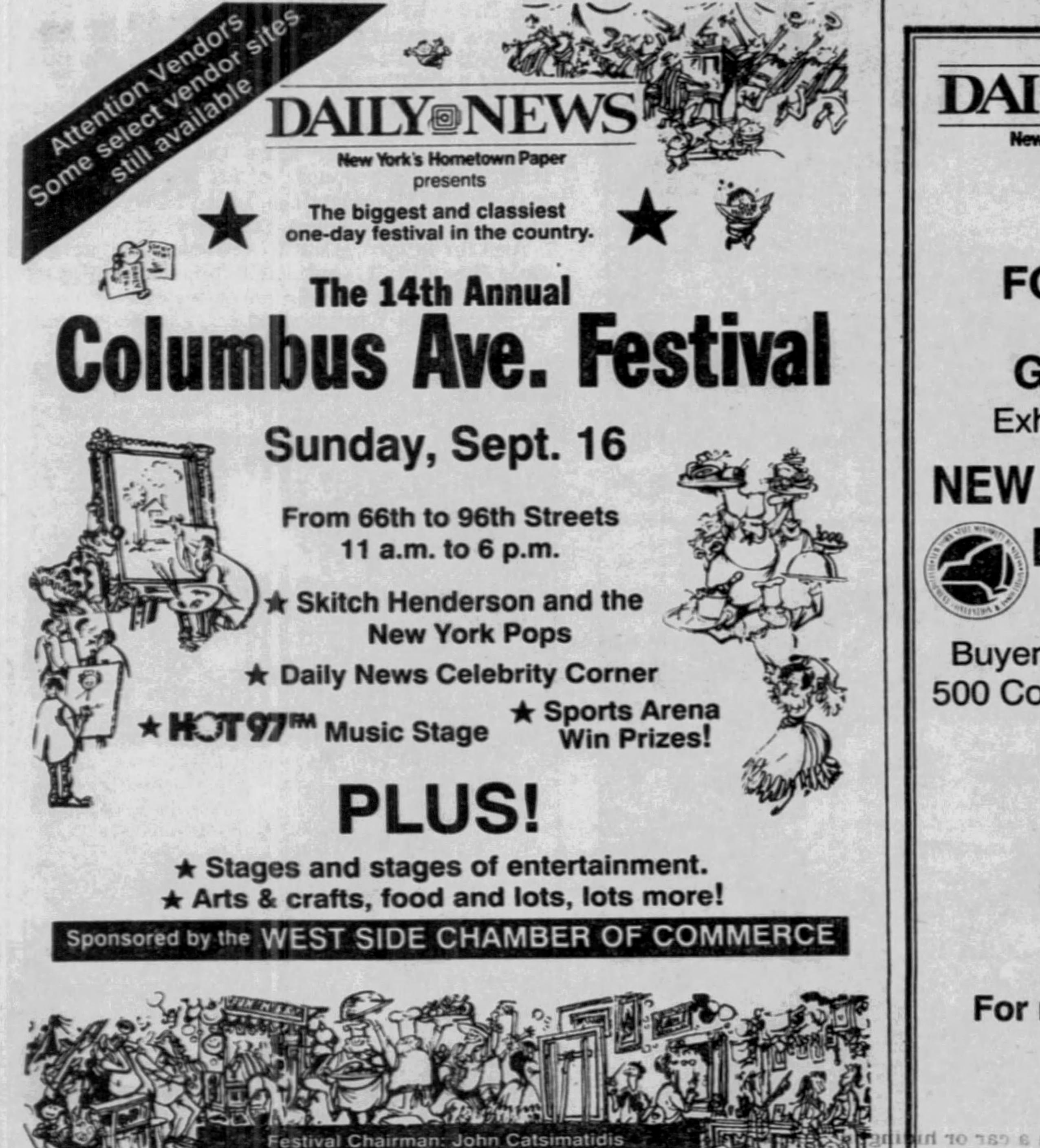
"They're going to have to do it in a sauna or have everyone undress as they run around kissing each other," said Dintino in the wake of a July 29 Mafia initiation in the Bronx that was tape-recorded by an informer.

Dintino told Gang Land the blooddrawing ritual for the Philadelphiabased crime family was held in the Bronx hideout of fugitive capo Pasquale Martirano, who died of natural cause within days of the event.

"We knew he was in tough shape when he said he was too weak to prick the finger of one of the inductees," said Dintino.

He said Martirano was overheard telling an associate, "You do it. I can't even push the needle in."

'We knew he was in tough shape when he said he was too weak to prick the finger of one of the inductees.' - Justin Diatin



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