



The New York attorney general is investigating whether some of the nation's biggest private equity firms have abused a tax strategy in order to slice hundreds of millions of dollars from their tax bills, according to executives with direct knowledge of the inquiry.

The attorney general, Eric T. Schneiderman, has in recent weeks subpoenaed more than a dozen firms seeking documents that would reveal whether they converted certain management fees collected from their investors into fund investments, which are taxed at a far lower rate than ordinary income.

Among the firms to receive subpoenas are Kohlberg Kravis Roberts & Company, TPG Capital, Sun Capital Partners, Apollo Global Management, Silver Lake Partners and Bain Capital, which was founded by Mitt Romney, the Republican nominee for president. Representatives for the firms declined to comment on the inquiry.

Mr. Schneiderman's investigation will intensify scrutiny of an industry already bruised by the campaign season, as President Obama and the Democrats have sought to depict Mr. Romney through his long career in private equity as a businessman who dismantled companies and laid off workers while amassing a personal fortune estimated at \$250 million.

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