



Written by [Brian Koenig](#) on August 16, 2012

Where Does Harry Reid's Wealth Come From?

The allegation by Sen. Harry Reid (D-Nev.) that GOP presidential contender Mitt Romney paid no taxes for a decade has spurred quite the controversy, which only intensified after Reid refused to disclose the anonymous source of his charge. Of course, the debacle magnified further after questions about the senator's own personal wealth were resurrected.



Betsy Woodruff of *National Review*, for instance, [blasted](#) Sen. Reid for investment strategies allegedly influenced by his standing in public office. The Nevada senator, who was raised in poverty and worked his way through law school, has spent his professional life as a public servant, currently earning \$193,400 a year. "You probably wouldn't expect him to have millions in stock, bonds, and real estate," Woodruff observed.

According to OpenSecrets.org, Reid's [net worth](#) is somewhere between three and 10 million dollars. How he made this money is uncertain, as he has refused to release his tax returns — despite harassing Romney for releasing his own tax returns. Reid spokesman Adam Jentleson [affirmed](#) earlier this month that Reid will not be releasing his returns because "he's not running for president."

Underscoring such hypocrisy, the *Las Vegas Review-Journal* revived a [1974 statement](#) in which Reid stated, "Any man or woman who will not be completely candid about his or her finances does not deserve to be in public office." Responding to the charge, Reid averred, "In 1974, I wasn't in Congress."

Is there something the senator is hiding? According to Woodruff, Reid may have a few financial skeletons he's trying to keep in the closet. She explained,

In 2004, the senator made \$700,000 off a land deal that was, to say the least, unorthodox. It started in 1998 when he bought a parcel of land with attorney Jay Brown, a close friend whose name has surfaced multiple times in organized-crime investigations and whom one retired FBI agent described as "always a person of interest." Three years after the purchase, Reid transferred his portion of the property to Patrick Lane LLC, a holding company Brown controlled. But Reid kept putting the property on his financial disclosures, and when the company sold it in 2004, he profited from the deal — a deal on land that he didn't technically own and that had nearly tripled in value in six years.

Furthermore, on December 20, 2005, Reid [invested](#) \$50,000 to \$100,000 in the Dow Jones U.S. Energy Sector fund, which closed that day at \$29.15. The fund held shares in energy companies, such as ExxonMobil, ChevronTexaco, and ConocoPhillips. He sold part of his shares on August 19, 2008, during congressional recess, when the fund closed at \$41.82.



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Less than a month later, Reid proposed legislation that the Joint Committee on Taxation claimed would cost oil companies, including those in the energy fund, billions of dollars in taxes and other fees. The bill passed, and by October 10, the fund's shares had plummeted by more than 40 percent.

And Reid's role as a U.S. senator has seemingly bolstered his real estate endeavors as well. Despite vows in 2006 to make earmark reform a priority, Reid packed \$18 million into a 2005 transportation bill to build a bridge across the Colorado River between Laughlin, Nevada, and Bullhead City, Arizona. The *Los Angeles Times* [reported](#) a year later that the law stood to benefit not only the casinos in Laughlin, but also the senator's own financial assets.

As it turns out, Reid owns 160 acres of land nearby, which was valued at \$250,000 to \$500,000 in 2006. The property is now his [most valuable asset](#), according to OpenSecrets.org, worth between \$1 million and \$5 million as of 2010. Woodruff added:

How Reid acquired that land is interesting, too. He put \$10,000 into a pension fund his friend Clair Haycock controlled, to take over the 160-acre parcel at a price [far below its assessed value](#). Six months later, Reid introduced legislation that would help Haycock's industry, a move many observers said appeared to be a quid pro quo, though Reid and Haycock denied that the legislation was the result of a property deal.

During the 2010 congressional race, senatorial rival Sharron Angle asked Reid how he earned his wealth. His response? "I did a very good job investing."

Photo of Harry Reid: AP Images



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