



Written by [R. Cort Kirkwood](#) on August 21, 2025

N.Y. Supreme Court Tosses \$515M Judgment Against Trump by Prosecutor Letitia James

Far-left Democratic Attorney General Letitia James suffered a bruising loss today in the Empire State's Supreme Court.

The court tossed out the judgment — initially \$464 million — against President Trump, who supposedly overvalued properties to secure bank loans, because the penalty was “excessive” and violated the state and federal Constitutions.

The case against Trump was part of the lawfare campaign to derail his second run for the White House. It included the ridiculous show trial over Trump's supposedly paying “hush money” to [porn queen Stormy Daniels](#) and another woman, which legal experts called the “weaponization” of the law.



AP Images
Letitia James

The lawfare didn't achieve its goals. But it did wreck the reputation of New York's legal profession.

Trump's massive \$500M civil fraud fine in AG Tish James' case thrown out by NY appeals court <https://t.co/q1fdjPl9Ht> pic.twitter.com/nkf365D8Ql

— New York Post (@nypost) [August 21, 2025](#)

The Ruling

Trump was found guilty, as the [New York Post reported](#), because he “fraudulently inflated his net worth by billions of dollars over a decade to get better loan and insurance terms.” With interest, the fine had risen to \$515 million.

In fact, neither lenders nor insurance companies suffered losses. That not insignificant fact aside, writing for the court, Judges Dianne T. Renwick and Peter H. Moulton ruled that while the verdict stands, the fine will not.

“While the injunctive relief ordered by the court is well crafted to curb defendants' business culture, the court's disgorgement order, which directs that defendants pay nearly half a billion dollars to the State of New York, is an excessive fine that violates the Eighth Amendment of the United States Constitution,” [they wrote](#).

Citing precedent, they wrote that “a fine is excessive when it is ‘grossly disproportional to the gravity of the defendant's offense,’” they wrote. And “while harm certainly occurred” to the Deutsche Bank, for instance, “it was not the cataclysmic harm that can justify a nearly half billion-dollar award to the State,” they wrote:



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It is a virtue of the statute that the Attorney General may act, as she did in this case, before a potential catastrophe occurs, to deter further fraudulent business behavior by defendants specifically, and to police market behavior generally. However, having achieved these goals the State is not entitled to compound its victory with a massive punitive fine. Additionally, a fine cannot be proportionate to the offense unless it is reasonably calculated to encompass only the actual proceeds that defendants realized from their fraud.

The judges [also ruled](#) that the excessive fine trespassed the federal Constitution's 14th Amendment, "which 'prohibits the imposition of grossly excessive or arbitrary punishment.'"

Speaking with CNN talker Wolf Blitzer, Elie Honig, a former federal prosecutor, explained that he was skeptical of James' case. "This is a huge win for Donald Trump any way you cut it, and this is a stinging rebuke to ... James," he said.

CNN's Senior Legal Analyst Elie Honig describes the NY Appeals Court decision to void nearly \$500 million in penalties against the Trump Organization as a "huge win for Donald Trump" and a "stinging rebuke to the Attorney General, Letitia James."

pic.twitter.com/CVQTAqRbh9

— Thomas Hern (@ThomasMHern) [August 21, 2025](#)

Trump Reaction

Trump celebrated on X with one of his trademark fuming rants littered with ALL CAPS and up to 700 words.

"TOTAL VICTORY in the FAKE New York State Attorney General Letitia James Case!" Trump wrote:

I greatly respect the fact that the Court had the Courage to throw out this unlawful and disgraceful Decision that was hurting Business all throughout New York State. Others were afraid to do business there. The amount, including Interest and Penalties, was over \$550 Million Dollars. It was a Political Witch Hunt, in a business sense, the likes of which no one has ever seen before. This was a Case of Election Interference by the City and State trying to show, illegally, that I did things that were wrong when, in fact, everything I did was absolutely CORRECT and, even, PERFECT.

Trump called a judge in the case, Arthur Engoron, a "political hack," and James "a Corrupt and Incompetent Attorney General who only brought this Case in order to hurt me politically." Indeed, Trump wrote, "she is a Trump Deranged Lunatic!"

The case, he wrote, was a "SCAM."

TOTAL VICTORY in the FAKE New York State Attorney General Letitia James Case! I greatly respect the fact that the Court had the Courage to throw out this unlawful and disgraceful Decision that was hurting Business all throughout New York State. Others were afraid to do business...

— Trump Truth Social Posts On X (@TrumpTruthOnX) [August 21, 2025](#)



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....These were all Political Trials in an effort to destroy my viability as a Presidential Candidate before, during, and after the Election. They were strongly coordinated with the Biden/Harris Campaign, and will go down in History as among the most Corrupt Cases ever brought....

— Trump Truth Social Posts On X (@TrumpTruthOnX) [August 21, 2025](#)

The verdict, which Trump also appealed, remains to be resolved.

Bogus Hush Money Case

More lawfare against Trump involved the supposed “hush money” payments to Daniels and another woman. That was another “crime” in which there was no victim. Trump was convicted on 34 counts of falsifying business records to cover up the payments.

Such was the atmospheric stupidity of that case that law professors Jonathan Turley and Alan Dershowitz [agreed that](#) Judge Juan Merchan, a hate-Trump [Joe Biden campaign donor](#), completely mishandled the case.

“The prosecution engaged in flagrant violations” that Merchan — whose [daughter worked](#) for President Joe Biden’s campaign — did nothing to stop.

Dershowitz called Merchan “outrageous, unethical, unlawful and petty,” and the verdict the “beginning of a war of weaponization of the criminal justice system.” The jurors, he said, “were hand-picked by the judge and by the prosecutor to be anti-Trump.”

Trump’s X post on today’s ruling included a shot at Merchan. Wrote Trump:

Sadly, there are other Cases against me that are equally disgraceful, including those headed up by Corrupt Judges, like Juan Merchan, whose daughter collected Millions of Dollars in Fees from Crooked Joe Biden and Kamala Harris, while her father shockingly REFUSED TO RECUSE himself from a vicious and corrupt trial, which is also under Appeal, one in which every Legal Pundit in New York said, “THERE WAS NO CASE!”



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