

Hughes Glomar Explorer Hit With \$3.1 Million Tax

5/30/76

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Billionaire Howard Hughes Summa Corp. has been hit with a \$3.1 million tax bill for the Glomar Explorer after ignoring attempts to pin down the true ownership of the CIA-sponsored mystery ship.

Los Angeles County Tax Assessor Philip E. Watson said he levied the 1975 property taxes on the vessel this week amid increasing indications that it is owned by the Hughes organization and not the government.

Built at the behest of the Central Intelligence Agency, the 618-foot ship recovered part of a sunken Soviet submarine from the Pacific Ocean last summer in a top-secret operation code-named Project Jennifer.

Watson said several men who told him they were from the CIA asked him in January to keep the vessel off the tax rolls on the grounds that it was owned by the government.

But he said that they refused to submit any documentation attesting to U.S. ownership and that subsequent efforts to obtain such evidence from the Summa Corp. have also been unsuccessful.

Watson said he had appraised the ship, including the electronic gear aboard, at \$105 million, which he considered "a fair figure" in light of reports that it was financed by the government at an overall cost of as much as \$350 million.

"I don't like to be arbitrary,

but we have no choice," Watson said yesterday in a telephone interview. He pointed out that the Summa Corp. is registered with the Coast Guard as the "sole owner" of the ship.

Summa Corp. officials have taken the position that the ship is permanently registered in Delaware and not subject to taxation in California, no matter who owns it.

Coast Guard papers, however, show the ship was registered at Long Beach, Calif., on Oct. 2, 1973, on a temporary certificate and that the Delaware registration was "surrendered" at that time.

A spokesman for Summa said yesterday that he was not aware of that. He refused to say whether the company would pay or contest the tax bill and said it was up to the corporation's lawyers to decide on the next step.

The \$3,119,865 tax bill is due to be paid by Aug. 25.

Watson yesterday confirmed reports that the men introduced to him as "from the CIA" at a Jan. 31 meeting in his office were Los Angeles lawyer David Brice Toy; Houston lawyer Clinton Morse; Steven T. Schoenbaum, a representative of Summa Corp.'s ocean mining division; and George Kucera, who, Watson

said, was described as having come "from Washington."

The assessor said Schoenbaum "did most of the talking" and that both he and Kucera "definitely represented themselves as CIA." But he said he was convinced that the two lawyers were not.

He said Morse appeared as a lawyer for Summa and Toy as a lawyer for Global Marine Inc., the firm that designed and operated the Glomar Explorer under an agreement with the Hughes organization.

Global Marine officials recently told their stockholders that their firm has the right to buy the ship if it should be put up for sale.

Watson cited this as further evidence of Summa's ownership of the vessel. Global Marine's only known contract concerning the Glomar Explorer is with the Hughes organization.