

# rick Post

*free*

**GOOD MORNING!**  
Happiness is like a kiss: you  
must share it to have it.  
Olivio Santoro

21, 1974

Press Run { Post 16,925 News 12,850 } Total 29,775 THIRTY-SIX PAGES

PRICE: TEN CENTS

## House Panel Is Split On Nixon's Tax Woes

*F Post 6/21/74*

WASHINGTON (AP) — The House Judiciary Committee learned Thursday that President Nixon was assessed an income tax negligence penalty, but most members said they heard nothing to indicate the President guilty of tax fraud.

However, several members said proof of fraud might not be necessary for Nixon's tax troubles to lead to an impeachable offense finding by the committee, which is nearing the end of its evidence gathering.

Several members confirmed the 5 per cent penalty imposed by the Internal Revenue Service in connection with underpayment of Nixon's federal income taxes for 1969-72.

Rep. David W. Dennis, R-Ind., said the penalty, as disclosed in confidential IRS material, covered the 1970-71-72 tax years. Although the IRS has said Nixon underpaid his taxes

by more than \$400,000 for 1969-72, the statute of limitations has run out for 1969.

According to the IRS assessment made public last April, Nixon's unpaid taxes for 1970-72 totaled \$284,707. Five per cent of that would be \$14,235.

"The imposition of a negligence penalty carries with it the implication that there was no fraud," Dennis said. He said the 5 per cent figure is for the less serious negligence finding, compared to a usual 50 per cent in cases of fraud.

"Whatever case there is against the preparers, not the President," said Rep. Charles W. Sandman Jr., R-N.J. "there's oodles of evidence that he (Nixon) did nothing wrong."

Even Nixon's leading critics among the committee members came away from the closed hearing expressing the view that although the returns were irregular, there was nothing to

show intentional wrongdoing by Nixon.

The only vocal exception was Rep. Edward Mezvinsky, D-Iowa, who called for further investigation of the tax question.

"The tax question is as serious as Watergate and could very well fall even within the White House's definition of what is an impeachable offense," Mezvinsky said. "I mean there is the possibility of a criminal offense."

However, most members commenting after the session followed the tone of Rep. Trent Lott, R-Miss., who said, "There was no indication in here that would lead anyone to believe the President was involved in any kind of misconduct or fraud."

The committee also heard evidence from the report of the joint congressional committee which studied Nixon's taxes at his request last winter.