

New Issue: Nixon's Residence

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By Ron Kessler

Washington Post Staff Writer

The question of where President Nixon legally lives drew disagreement from tax experts yesterday over his claim that he is not required to pay taxes in either the District of Columbia or California.

The White House said over the weekend that Mr. Nixon has not paid taxes in either D.C. or California during his tenure in the White House.

The reason, the White House said, is that while Mr. Nixon has his principal residence in D.C., District law specifically exempts from taxation any elected federal official.

The law says such an official would have to pay D.C. taxes if he lived here permanently and did not intend to return to his home state when his term expired. An example of such an official would be Del. Walter Fauntroy (D-D.C.), who pays D.C. taxes because he is a permanent resident of Washington.

The White House further argued that Mr. Nixon is not required to pay California taxes, even though he votes there, because he is a resident of D.C.

Sheldon S. Cohen, Internal Revenue Service commissioner under President Johnson, said yesterday that Mr. Nixon had not paid a tax on the profit he realized from the sale of his New York apartment on the grounds that he was a resident of California.

"It's hard for him to say he lives in California and in the next breath say he lives in Washington," Cohen said. "He's stuck one way or the other."

Stephen W. Porter, chair-

man of the D.C. Bar Association's Tax Section, said, "He tries to play it two ways. Generally the laws are designed to prevent an elected official from paying taxes in two states. Here you have Mr. Nixon saying he's not a California resident and doesn't have to pay taxes there, but he is a D.C. resident and doesn't have to pay taxes here. I find his argument circular."

Porter added that it is possible that Mr. Nixon's lawyers had found a "narrowly defined area" that might exempt him from paying taxes in either location.

"Certainly he appears to be taking advantage of everything he can," he said. Porter said that based on his understanding of the intent of the law, "He ought to be declaring himself a resident of one jurisdiction or another."

Porter said the exemption in the D.C. law appears to apply equally to presidents and senators and congressmen.

Sen. Alan Cranston (D.) of California, who lives in D.C., pays California state taxes, according to one of his aides.

Sen. William Proxmire (D.) of Wisconsin, also a D.C.

resident, pays Wisconsin taxes one of his aides said.

Jonathan Sobeloff, professor of tax law at Georgetown University, said yesterday that if D.C. exempts Mr. Nixon from paying taxes here, "The question is, why didn't he pay in California?"

A California taxation official said yesterday that the state has written to Mr. Nixon to ask him to supply all his tax data for review by the department.

Robert W. Longsdorf, assistant tax services specialist for the state, said the purpose is to determine if Mr. Nixon owes California taxes.

Ex-Producer of Laugh-in Puzzled

Was President Underpaid?

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Along with his salary from the White House, President Richard M. Nixon is listed in his 1969 federal income tax return as having been paid \$10.50 by "G. Schlatter, Beverly Hills, Calif."

A call to Schlatter yesterday elicited the information that until last year, he was the producer of the television show "Laugh-in."

When told he had been listed in the President's tax returns as having been one of Mr. Nixon's employers, Schlatter was incredulous.

"You're putting me on," he said. "Who are you?"

When Schlatter was told the returns show he paid Mr. Nixon \$10.50, Schlatter began laughing uncontrollably.

While denying he paid Mr. Nixon anything, Schlatter said, "Personally, I think he was overpaid."

"Are you sure you're from The Washington Post? What's your telephone number?" Schlatter said.

Schlatter eventually theorized that the payment might have been for Mr. Nixon's appearance on "Laugh-in." Mr.

Nixon's role, Schlatter said, was to say, "Sock it to me?"

Schlatter said Mr. Nixon appeared in 1968, and the show was run again in 1969. He said the payment was probably for the re-run.

Schlatter said the correct payment for such a re-run under union contract was \$105.

"First of all," he said, "I'm in trouble because I don't want to be listed as contributing to this man. Second, I'm in trouble with AFTRA (American Federation of Television and Radio Artists), because evidently we paid him below scale regardless of the quality of the performance."

Schlatter denied he paid Mr. Nixon only \$10.50. "I have never paid less than scale. I deny I ever paid less than scale," he said.

"It's another case of sloppy book-keeping," Schlatter said.

Asked about the claimed discrepancy yesterday, a representative of the President said the \$10.50 figure had been listed on the W-2 form submitted by Schlatter.

"I'm not going to testify," Schlatter said. "I'm going to the Bahamas."