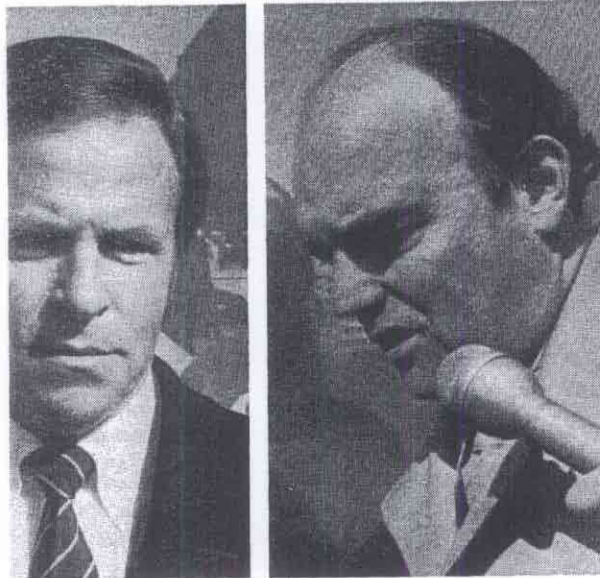


## Paying for Nixon's Taxes

Of all the presidential misdeeds in the era of Watergate, none was easier to understand and harder to swallow than the fact that Richard Nixon cheated on his income taxes. Because of Ford's pardon, Nixon is beyond the reach of the law, but those who abetted him are not. Edward Morgan, an Assistant Secretary of the Treasury in the Nixon Administration, is serving a four-month jail term for his part in the fraud. Last week Frank DeMarco, 49, a Los Angeles tax attorney, and Ralph Newman, 63, a Chicago appraiser, were indicted by a federal grand jury in Washington for their role in the affair. If convicted, DeMarco faces a maximum 15-year sentence and \$25,000 in fines; Newman could get eight years and a \$15,000 fine.

BRACK—BLACK STAR



**NEHRlichman**  
the White House.

The pair is accused of engaging in the kind of scheme they probably would never have undertaken for anyone less than a President; it would be too easy to be found out. As the April 15, 1970 deadline approached for filing 1969 returns, the White House wanted to take a tax deduction for Nixon on the donation of some of his pre-presidential papers to the National Archives. The trouble was that the White House had never got around to donating the papers formally, and Congress had passed a law prohibiting tax deductions for that kind of gift made after July 25, 1969. Nevertheless, DeMarco, who was Nixon's tax attorney, got in touch with Newman, a well-known appraiser of historical papers, in late March and asked him to select papers for deeding to the U.S. in a hurry.

Newman, in turn, phoned Mary Livingston, an employee at the Archives, where the papers were stored, and persuaded her to do the choosing for him. Then, sight unseen, he signed an affidavit certifying the collection. The deed granting the papers was back-dated to

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