

APR 9 1972

Page 12 Section A ☆☆☆☆

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# Nader Raps ITT Tax Deal

## *Protest on Merger Ruling*

WASHINGTON — AP) — Ralph Nader released a letter to the Internal Revenue Service yesterday challenging what he said was the tax-free status of exchanges of stock which led to the merger of International Telephone and Telegraph Corp. and Hartford Fire Insurance Co.

Nader and two colleagues said: "A ruling that the deal was to be tax free was of great importance to its success." The letter said ITT had made substantial purchases of Hartford stock for cash but that tax-free transactions are allowed only when the exchange is solely for stock.

Nader questioned whether the requirement was met when ITT sold its stock before the Hartford agreement was formally reached.

In congressional hearings, senators have been investigating allegations that approval of the ITT-Hartford merger last year was related to a financial commitment by an ITT subsidiary for the Republican National Convention.

Nader's letter to IRS Commissioner Johnnie M. Walters said also that the tax ruling in 1969 should have been made public.

Signing the letter with Nader were his assistants, Alan B. Morrison and Reuben B. Robertson III.