

Promises, Promises

Back in April of 1974, President Nixon announced that he would pay the United States Government the \$42,787.13 in back taxes plus interest that the Internal Revenue Service said he owed, after it had rejected his deduction of \$576,000 for his pre-Presidential papers.

Mr. Nixon had taken the deduction against his income tax obligations for 1969 through 1972. The literary appraiser who set the price on Mr. Nixon's papers was convicted for lying and helping the President make out the illegal claim. The lawyer who backdated the deed was convicted and sentenced to four months in prison plus twenty months probation.

Mr. Nixon subsequently paid \$284,706.16 to the Government covering his back taxes for 1970, 1971 and 1972. Although the three-year statute of limitations had run out on 1969, President Nixon publicly pledged, before he left the White House, that he would pay the balance of \$148,080.97 due on his 1969 return. He has apparently never done so. The I.R.S. Commissioner, Donald C. Alexander, has refused to comment on the matter, saying that tax returns are confidential, and Mr. Nixon's office in San Clemente has refused requests for comment.

Last week former President and Mrs. Nixon sold their second residence in Key Biscayne, Florida, for \$390,000—a property purchased in 1969 for \$128,000, on which considerable improvements were made by the United States Government. Two months earlier the Nixons had sold a smaller house in the Key Biscayne compound for \$370,000—a house that was purchased in 1969 for \$125,000.

Even when he pays his capital gains tax on the two Key Biscayne properties, Mr. Nixon should be in good shape to keep his promise that he would pay the \$148,080 he owes on his 1969 taxes, plus interest.