

New Issue: Nixon's Residence

By Ron Kessler

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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.