

California Board Rejects Plea On Collecting Nixon State Tax

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SACRAMENTO, Calif., Dec. 11 — A straight party-line vote today defeated a proposal that the California Franchise Tax Board publicly announce that it would try to collect state income taxes from President Nixon. The President disclosed last week that he had paid none.

It was said in debate that Mr. Nixon's failure to file a state tax return was under investigation.

The board sits as a policy body on the collection of state income taxes, which amounted to \$1.6-billion from 6.7-million taxpayers on 1972 income. That year, the President and Mrs. Nixon said on their Federal return that they had a gross income of \$268,777 and deductions that left them a taxable income of \$21,208.

Democrat Makes Motion

The Nixons did not file a California state income tax return for any year of his Presidency, although they bought a home in 1969 at San Clemente and have been registered voters there since that year. Based on the deductions claimed in their Federal returns, their California tax bill — if they had paid one — would have been about \$1,350 for 1972, according to tax tables published by this state.

But the issue before the Franchise Tax Board today appeared to be politics and not the collection of that sum or collection of the \$20,000 that tax officials have estimated the Nixons did not pay on state taxes on their 1969 income.

No state taxes would have been owed for 1970 and 1971, based on the deductions taken by Mr. Nixon in his Federal

return. During 1969-72, the Nixons' gross income was about \$1.1-million.

Soon after the Tax Board meeting opened today, William M. Bennett, a Democrat, chairman of the State Board of Equalization and an ex-officio member of the Tax Board, moved that the board file notice of assessment against the Nixons for as many years back as legally possible.

The motion died for want of a second, and Mr. Bennett said, "We have a cover-up now in the State of California."

Houston I. Flournoy, a Republican who is State Controller and chairman of the Tax Board, read a prepared statement in which he said that Mr. Nixon was entitled to "confidentiality and fairness."

Mr. Flournoy was supported by Vern Orr, the third board member, who is the State Director of Finance, appointed by Gov. Ronald Reagan, a Republican.

Mr. Bennett insisted that the President had a responsibility to pay taxes in California, where he claims voting residence.

"If there is a legal liability, Mr. Bennett, the tax will be paid," Mr. Flournoy said. "The staff, I am sure, will look into it."

Two Tons of Hams Stolen

MEMPHIS, Dec. 11 (UPI) — Two tons of country hams, many of them Christmas gifts scheduled for shipment around the country, were stolen here last night. Don Robins, owner of Hickory Ridge Country Hams, Inc., said the hams were valued at \$6,500.

DO NOT FORGET THE NEEDIEST!