

Nixon in '69 Asked Study Of Ex-Presidents' Taxes

Wanted Staff Members Given Access to Learn of His Predecessors' Deductions —Congressional Unit Has Memo

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WASHINGTON, March 11— President Nixon suggested in June, 1969, that members of his staff be given access to the tax returns of former Presidents so he could learn what deductions his predecessors had taken, according to an internal White House memorandum now in the hands of Congressional investigators.

A White House spokesman said Mr. Nixon had not seen any returns of past Presidents, but the spokesman added that he had "no idea" whether any Presidential assistants had seen such returns.

Under Section 7213 of the Internal Revenue Code, it probably would have been illegal for anyone in Internal Revenue to make available to Mr. Nixon or his staff the returns of former Presidents. That section prohibits disclosure of information from any tax return for other than specified, authorized purposes.

Helping someone to find out what other taxpayers in a similar position have been allowed to do is not such a purpose. The Internal Revenue Service has a regular procedure whereby taxpayers may ask for advance rulings on the legality of their deductions or other aspects of their tax returns. But these rulings do not involve disclosure to anyone outside the I.R.S. of the contents of any other individual's returns.

The memorandum disclosing Mr. Nixon's interest in his predecessor's tax deductions was dated June 16, 1969 and written by John D. Ehrlichman, then counsel to the President. It was addressed to Edward L. Morgan, then Mr. Ehrlichman's deputy.

A copy of the memorandum was obtained by The New York Times.

The memorandum, which in-

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directly quotes Mr. Nixon throughout, details a number of questions that Mr. Nixon was said to have had concerning ways in which he could reduce his tax payments.

Among these were the possibility of taking deductions for business use of all or part of his houses in San Clemente and Key Biscayne, which he subsequently did take.

In addition, the memorandum says:

"The President holds the view that a public man does very little of a personal nature. Virtually all of his entertainment and activity is related to his 'business.' He wants to be sure that his business deduction include all allowable items. For instance, wedding gifts to Congressmen's daughters, flowers at funerals, etc. He has in mind that there is some kind of a \$25 limitation on such expenses.

He suggests that we might review the returns of one or more previous Presidents for guidance."

Gerald L. Warren, the deputy White House press secretary, said in response to an inquiry, that "I know the President himself didn't review any returns of past Presidents."

Mr. Warren added: "I have no idea" whether Mr. Ehrlichman or Mr. Morgan ever saw any returns of past Presidents.

'A Little Research'

Mr. Ehrlichman, who was reached by telephone at his home in Seattle, said he had "never heard this brought up" that he could recall and that he would "have to do a little research" before being able to respond.

"I just don't have June, 1969 memos in my head," he said.

Attempts to reach Mr. Morgan by telephone, both in Washington and California, were unsuccessful.

The documents which have been given to the Congressional Joint Committee that has

been asked by Mr. Nixon to study his tax returns for the years 1969-1972 and decide whether he underpaid them, also disclose the following:

Mr. Nixon wanted to pay his daughter, Julie Eisenhower, out of his own pocket for working as a White House guide and deduct that as a "business expense." But he was apparently dissuaded by Roger V. Barth, when assistant to the Commissioner of Internal Revenue. Mr. Barth feared that the arrangement would leak when it had been publicized that Julie was working as an unpaid volunteer.

Mr. Barth, who answered Mr. Ehrlichman's memo at considerable length, suggesting

what could and could not be taken as deductions by the President, offered his own services to help with the President's tax returns.

Mr. Barth would presumably have performed this function while remaining on the I.R.S. payroll.

His reply, addressed to Mr. Morgan and dated July 16, 1969, suggested that Mr. Nixon retain "a regular accountant" to "handle the day-to-day record-keeping" on his financial and tax matters.

"Once he [the accountant] is picked, I could work closely with him in establishing procedures and in handling problems as they arise," Mr. Barth wrote.