

Appraiser Is Under Scrutiny

By William J. Eaton
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The role of appraiser Ralph G. Newman in the disputed "Nixon papers" tax case has come under scrutiny by the office of Watergate Special Prosecutor Leon Jaworski.

Newman, a Lincoln scholar and historian, said he would be available for questioning by Jaworski's staff attorneys on the transaction.

He refused to say whether the special prosecutor's staff has contacted him since the Joint Committee on Internal Revenue Taxation made public a report on President Nixon's taxes on April 3.

The report indicated that Newman incorrectly said in a sworn statement that he had examined "Part II" of Nixon's papers in April, 1969, before a July 25, 1969 deadline for claiming tax deductions for such gifts.

The Chicago appraiser changed his story for the joint committee staff, acknowledging that he did not even see "Part II" of the President's documents until November, 1969, and did not get a detailed list of the alleged "1969 gift" until March 27, 1970.

Gen. William B. Saxbe disclosed recently that questions raised by the Internal Revenue Service about the \$482,000 deduction claimed for the papers were referred to Jaworski for investigation.

The report by the joint committee staff also was sent to the House Judiciary Committee for its inquiry on whether the President should be im-

peached.

Interviewed by telephone, Newman stuck to his policy of silence, saying:

"As long as this matter is pending before a congressional committee, I will not discuss it."

Advised that the Special Prosecutor's office was studying the events surrounding the tax deduction, Newman replied:

"That is another reason why I should defer first of all to them and I am available for that purpose."

At first, Newman told the joint committee staff, he was contacted in April, 1969, by Frank De Marco, the President's tax lawyer who advised Mr. Nixon on income tax returns for 1969-72. Later, however, Newman said he never discussed the appraisal assignment with De Marco until October, 1969—well after the cut-off date for deducting the value of a gift of papers.

Mr. Nixon recently agreed to pay an estimated \$467,000 in back taxes and interest, assessed by the IRS after a second audit of his income tax returns.

A chief factor in the large tax bill was the IRS disallowance of the deduction for the papers.

White House lawyers insisted that the mere delivery of the papers to the Archives in March, 1969 was sufficient to legalize the President's gift.

The IRS and the joint committee staff, however, apparently agreed that the papers were placed there for storage and no gift was designated or accepted until a year later.

Newman placed a value of \$576,000 on the papers. The President claimed deductions totalling \$482,000 from 1969-72 and had a carryover deduction of nearly \$94,000 when the IRS disallowed the entire amount, ruling it was not a valid gift before the July, 1969 deadline.