

# Movie Industry Tax Breaks Hinted

By Jack Anderson

President Nixon apparently arranged special tax breaks for the movie industry, and his campaign aides used these to squeeze political support from Hollywood stars in 1972.

This is strongly suggested in confidential campaign memos, which we have just uncovered.

The memos also speak of using actress Ali MacGraw to lure Henry Kissinger to Hollywood, where he might be persuaded to whisper pro-Nixon sentiments into the ears of film celebrities.

"We should ask Henry," suggested one memo, "to say something like, 'It would make me very happy if you could see your way clear to help re-elect President Nixon. I have great faith in Richard Nixon and I know you do, too.'"

As it happened, Kissinger flew off to Peking instead of Hollywood, and at the last minute Pat Nixon was rushed in to woo the film folks. But the tax benefits, apparently, had the best effect.

The scenario that the Nixon forces wrote for the political conquest of Hollywood is revealed in confidential memos that were shuffled between then-Attorney General John Mitchell, former White House staff chief H. R. Haldeman and campaign aides Jeb Magruder, Herbert Porter and Fred LaRue.

The memos begin on Oct. 18, 1971, with a complaint from Porter to Mitchell that the campaign was "short on lists of ce-

lebrities." Porter suggested seeking celebrities from the movie industry, which, he confided, was deeply in Mr. Nixon's debt.

He explained that the President had met in San Clemente with the industry's top brass on April 5, 1971. They had "pleaded . . . for some sort of tax relief," related Porter. The President obligingly had promised "he would take a look at the possibilities."

"Shortly thereafter," Porter reported triumphantly, "the IRS issued a statement dramatically changing the amortization schedules allowed for film production. In addition, there have been other changes regarding tax deferrals."

"And finally, the administration's Investment Credit Bill will be of significant benefit to the film production industry," Porter added that Export-Import Bank loans were also going to the movie industry.

Some benefits for movieland, according to Porter's memos, were obtained personally by the President. Our own sources say that Nixon Commerce Secretary Maurice Stans also pushed through a tax concession for Hollywood. Stans was the chief campaign fund-raiser for Mr. Nixon in 1972.

To make sure the movie moguls understood where their blessings were coming from, Porter brought them together with Mitchell. The purpose of the meeting, Porter declared, was to "give a short memory course on . . . what the President

has done for the film industry." Then Mitchell was supposed to ask the movie producers, as a quid pro quo, how to "maximize celebrity participation in the 1972 campaign."

Every precaution was taken to keep the meeting secret. Porter said the movie men had assured him that Mitchell "should not fear any unfavorable publicity from such a gathering."

Attending were Warner Brothers' Dick Zanuck, MCA's Mike Maitland, Universal's Taft Schreiber, Universal Television's Frank Price and Columbia's Peter Guber and Stu Irwin Jr. Zanuck was named chairman of the group.

It was agreed that Henry Kissinger would be the best drawing card to attract movie stars to a political affair. Because Kissinger had once dated Ali MacGraw and was still close to the actress and her husband, Paramount's Bob Evans, Porter suggested using "Evans' and MacGraw's friendship with Henry Kissinger" to bring the Secretary of State to Hollywood.

But there was one problem. "Teddy Kennedy asked (Evans) at a cocktail party recently if he could count on Evans' support if Teddy made a run for the presidency," Porter wrote to Haldeman and Magruder. "Evans committed his support to Kennedy." Nevertheless, Porter thought the Hollywood moguls might bring Evans "into our camp."

Kissinger finally agreed to put in an appearance in Hollywood on June 17, 1972. Porter

wrote Mitchell enthusiastically, "If Kissinger could be persuaded to stay an extra day, it would be additional icing on the cake."

The grand soiree was held at Taft Schreiber's luxurious Beverly Hills home. Among the 150 guests, one of those present told us, were 130 major celebrities. They included John Wayne, Art Linkletter, Jack Benny, Charlton Heston, Ronald Reagan, Fred MacMurray, Irene Dunne, Jimmy Stewart, Edgar Bergen and Clint Eastwood, to name a few.

But the guest of honor begged off and was next heard from in Peking. The respected Schreiber was beginning to get edgy over the manipulation of Porter and Magruder. After Kissinger reneged, Schreiber told us: "I tried to cancel the affair." The White House sent Pat Nixon to substitute for Kissinger, however, and the party was held. It was, Schreiber insisted, "a fun party . . . no politics."

But fun or not, the message of the memos is unmistakable: Mr. Nixon gave windfalls to the movie industry, and the movie industry gave him political support.

Footnote: Schreiber told my associate Les Whitten there was no quid pro quo, particularly on taxes. The only help Mr. Nixon personally gave the industry, said Schreiber, was a new regulation against film and record pirating. He also said Porter's suggestion that Ali MacGraw was used to lure Kissinger to Hollywood was a "pipedream."