

# IRS Cuts Harry James' Deduction

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The Internal Revenue Service has assessed band-leader Harry James nearly \$29,000 in back taxes, charging that he took too big a deduction on the gift of his musical scores to the University of Wyoming.

The IRS said James and his wife, Joan, had tax deficiencies of \$12,034 in 1968 and \$16,745 in 1969 because the scores and arrangements used by James' orchestra and donated to the university's music department had been appraised far in excess of their real worth.

The information was contained in a petition filed with the U.S. Tax Court, where James is contesting the IRS ruling.

Before the Tax Reform Act of 1969 made the value of such gifts negligible for tax purposes, artists, musicians and public figures could donate their papers and works to museums and schools and claim

their appraised value as a tax deduction.

President Nixon, former Vice President Hubert H. Humphrey and dozens of other politicians have used this loophole in the past when disposing of their official papers. The tax court is currently considering a similar case concerning the donation of radio and television scripts and memorabilia by comedian Jack Benny to the University of California at Los Angeles.

James claimed the scores he sent to the University of Wyoming in 1968 were worth \$31,655, but the IRS put the fair market value at only \$4,

615. James put the value of the 1969 donation at \$43,530, but the IRS disallowed the entire deduction.

## Japan Raises Taxi Rates

TOKYO, Jan. 22 (AP)—The Japanese government today authorized a 29 per cent increase in taxi fares in six major cities because of the increase in gasoline prices. Taxi owners had asked for a 65 per cent increase.

The fare in Tokyo will increase from about 55 cents to about 70 for the first 1.2 miles.