

Jeff Realtor Testifies in Marcello Case

A Jefferson Parish real estate dealer and business associate of Carlos Marcello testified in Federal Tax Court here today concerning land and stock sales and transactions of Churchill Farms Inc. and other corporations.

The testimony was given before Tax Judge C. Moxley Featherston in a hearing on deficiency assessments totaling \$189,000 made by the Internal Revenue Service in connection with the personal income taxes of Marcello and his wife, Jacqueline.

J. FOLSE ROY testified concerning the ownership of various corporations with which Marcello is connected, includ-

ing the Jacqueline Corp., Bayou Verrett Land Corp. and Churchill Farms Inc.

The hearing, which began yesterday, is one of 20 tax cases involving deficiency assessments against members of the Marcello family and corporations in which they have interests.

The government has filed a deficiency assessment of \$140,000 against the Marcellos for 1960, another of \$6,000 for 1961 and \$43,000 for 1962.

A trial attorney for the IRS said the cases are civil actions and that there is no allegation of fraud but the cases involve technical questions of tax liability.

AMONG THE items included in the dispute are disallowance of rental income expenses, business expenses in connection with the use of an automobile by Carlos Marcello, mortgage interest and taxes on the Marcello residence at 577 Woodvine, taxes on the proceeds, on the sale of Riverside Properties Inc. and income from Churchill Farms Inc. and other corporations.

The case is being heard in Federal District Court.

Judge Featherston is expected to take the matter under advisement late today or tomorrow. A decision will be issued later in Washington.