

Hughes Taxed on Glomar

Los Angeles

Industrialist Howard Hughes will be taxed \$1.24 million on the Glomar Explorer, a recovery ship that raised part of a sunken Soviet submarine last summer, says County Tax Assessor Philip E. Watson.

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Watson said he was visited last Friday by two CIA agents who showed him a letter from Verne Olson, controller of Hughes' Summa Corp., contending the Glomar Explorer is not taxable in California because the ship is documented in Delaware and called at Long Beach only for repair, maintenance and completion of construction.

However, Olson's letter did not raise the question of

the ship's ownership and the CIA agents refused to substantiate with a letter their claim that the ship is owned by the government, Watson said.

He said he had no recourse but to assess the ship for county taxation.

Watson disclosed one month ago that he had kept the Glomar Explorer off county tax rolls because four CIA agents informed him the ship was government-owned.

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