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Florida Bank Will Yield Nixon Data

By Lester C. Kjos

MIAMI, Dec. 5 (UPI)—The Key Biscayne National Bank, owned by President Nixon's close friend C. G. (Bebe) Rebozo, agreed today to turn over Mr. Nixon's banking records to a state attorney who is conducting his own Watergate investigation. The bank said it had White House permission.

Attorney William Frates, representing the bank, said the records would be turned over to the Dade County (Miami) state attorney's office Thursday. He said the White House had approved the transaction.

At a noon court appearance today, State Attorney Richard Gerstein and Frates also agreed that Circuit Judge Paul Baker would privately study the names of holders of some 10 trust accounts at the bank to determine if there might be any Watergate connections. If any such possible connections could be established, it was agreed those records also would be turned over.

Among those reported to have had a trust account at the bank was Bahamas Prime Minister Linden O. Pindling. However, a spokesman has quoted Pindling as saying: "I do not have an account in that bank and have never had an account in that bank."

The Nixon account records, specifically a \$100,000 certificate of deposit, would not be released to news media under the agreement between Gerstein and Frates, at least until Mr. Nixon discloses his personal finances as planned.

Gerstein declined again to detail why he had subpoenaed the Nixon records, except to say it was part of his Watergate investigation.

Gerstein has reportedly been trying to link the \$100,000 certificate with a \$100,000 contribution made by Howard Hughes to Rebozo in 1970. Rebozo has said he held the money in a safety deposit box until returning it to Hughes interests.

Frates, asked if there was such a link, said today: "Absolutely not."

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Deduction For Nixon Obtainable

By Ronald Kessler
Washington Post Staff Writer

President Nixon could obtain a substantial income tax deduction if, as has been reported, he gives his San Clemente home to the U.S. government.

Using highly conservative assumptions, the amount of the deduction would be at least \$77,000, according to an Internal Revenue Service spokesman.

The Associated Press reported this week that the President has said he will donate his San Clemente estate to the government upon the death of himself and his wife. The AP story said no decision had yet been made on whether the gift would be made in Mr. Nixon's will or through some other means.

Deputy White House Press Secretary Gerald L. Warren said yesterday that Mr. Nixon's plan for the estate would be announced when a comprehensive statement on the President's finances is released this week. He declined to comment on any details of the plan in the interim.

The IRS spokesman, who stressed that he is responding to questions on a hypothetical taxpayer, said that if the San Clemente home is donated through Mr. Nixon's will, the President could not claim a deduction.

One could be claimed, the spokesman said, if the President sets up a trust that would automatically convey the property to the government upon the death of himself and his wife.

Under this arrangement, the spokesman said, Mr. Nixon and his wife could live in the house until their deaths but receive the deduction immediately.

The amount of the deduction, the spokesman said, depends on the current fair market value of the property. There is no publicly known appraisal that would show this.

However, an audit of the San Clemente transaction last summer indicated that the net price Mr. Nixon paid for his portion of the estate was \$251,000 in 1970.

Asked by a reporter to use this figure as the basis for the computation, the IRS spokesman said Mr. Nixon could claim a deduction of at least \$77,000.

The deduction could be claimed for the year when Mr. Nixon sets up the trust conveying the property or it could be taken in stages over a five-year period, the spokesman said.

In Mr. Nixon's tax bracket, he said, the President could conceivably save \$38,000 in taxes in one year if he could make use of the entire deduction.

This would depend, the spokesman said, on the amount of Mr. Nixon's other tax deductions.

If Mr. Nixon chooses to take a deduction for the San Clemente property, it would not be the first time a President has done so.

President Eisenhower and his wife obtained a possible deduction of \$314,000 when they donated their 230-acre Gettysburg, Pa., farm to the U.S. government in 1967, according to George A. Horkan Jr., a D.C. attorney who handled the Eisenhower estate.

The property was valued at \$375,000, Horkan said. He said the Eisenhowers' potential tax deduction from the donation was proportionately greater than Mr. Nixon's because of the Eisenhowers' shorter life expectancy at the time.

Horkan said only \$95,000 of the deduction actually was claimed, because President Eisenhower died less than two years after taking the steps necessary to give the property to the government and because Mrs. Eisenhower's income at the time was relatively low.

The Gettysburg house is owned by the National Park Service and is occupied by Mrs. Eisenhower, who maintains it. On her death, the property will be open to the public as an historic site, Horkan said.

A spokesman for the National Park Service said yesterday that Presidents Roosevelt and Johnson each donated their homes to the government with the provision that their wives could occupy the homes until their deaths.

The spokesman said the park service does not know if those donations were claimed as tax deductions, and the information could not be obtained from other sources yesterday.

The spokesman said President Truman did not donate his home to the government because of an apparent aversion to making such arrangements before his death. However, the spokesman said the area around the home has been declared a historic site, and eventually the home is expected to be obtained by the government.