

Nixon's Statement On 'Full Disclosure' Of Financial Affairs

Following is a statement issued yesterday by President Nixon in conjunction with his finances:

With the documents and papers released today, I am making a full disclosure of my financial affairs as President of the United States. No previous President, to my knowledge, has ever made so comprehensive and exhaustive a disclosure as I am making today, with regard to assets and liabilities, expenses and income, during his tenure of office.

The purpose of my release of these papers is to answer questions that have arisen, to remove doubts that have been raised and to correct misinformation that currently exists about what I have earned and what I own.

To the open-minded, the papers and documents provided today, the facts they contain and the figures they reveal, will lay to rest such false rumors as that campaign contributions were converted to my personal use, that campaign funds were used in the purchase of my home in San Clemente, that I have hidden away a secret \$1 million investment portfolio, that I sheltered the income on which my daughter, Tricia, should have paid taxes, and that \$10 million in federal funds was spent on my homes in Key Biscayne and San Clemente.

In conducting my private affairs in public office, I have proceeded in a manner that I thought both prudent and in the best interests of my family. And even though both American law and tradition protect the privacy of the papers I am releasing today, these documents are being made public—because the confidentiality of my private finances is far less important to me than the confidence of the American people in the integrity of the President.

Questions and controversies may continue as a consequence of these disclosures. Even the men who have advised me in these matters and who have prepared my financial records, statements and tax returns have disagreements of professional opinion among themselves. But most of the questions outstanding in the public mind today should be

put to rest with the publication of these documents.

With regard to my tax returns—the contents of which will be made public today—the accountants who prepared them listed all of the deductions to which they believed I was entitled, and only those deductions—as any accountant would and should do on behalf of his client.

The following are among the papers being released today:

The figures from the federal income tax returns which my wife and I filed for the years 1969, 1970, 1971 and 1972.

An independent audit of my private financial affairs, since Jan. 1, 1969, conducted by one of the nation's largest and most respected accounting firms, Coopers & Lybrand of New York City.

The significant documents relating to the major financial transactions since my first inauguration, including the purchase of my home in San Clemente, and the sale of stock and real estate owned at the time I became President.

Tax Review by Congressional Committee

Even with these disclosures, there may continue to be public questions about the tax consequences of two of the transactions shown. One is the gift of my papers to the United States Government in 1969. As permitted by the Internal Revenue Code, I have taken tax deductions for the value of that gift, but some have asked whether the procedures used to make donation met the technical requirements of the gift law. The second transaction was the sale in 1970 of a large portion of the beneficial interest my wife and I held in our property at San Clemente. No capital gain was declared on that sale for tax purposes, and there has been speculation in the press that the transaction was inaccurately reported.

The tax lawyers and accountants who assisted me in the preparation of my federal income tax returns advised me that both of these items were correctly reported to the Internal Revenue Service. My tax attorneys today are giving me

similar advice. Furthermore, when it conducted an examination of my tax returns for 1971 and 1972, the Internal Revenue Service reviewed both items and advised me that they were correctly reported.

Nevertheless, questions will continue of these matters and because they are complex transactions, it will not be easy to resolve public doubts without an independent review. For that reason, I have asked the members of the Joint congressional Committee on Internal Revenue Taxation to examine the procedures relating to both matters and to decide whether, in their judgment, my tax returns should have shown different results. I will abide by the committee's judgment.

Government Spending at San Clemente

Another concern of mine has been the degree of public misunderstanding about government expenditures at my home in San Clemente.

The perception is now widespread that the government spent anywhere from \$6 million to \$10 million on improvements at my home. One myth breeds another, so many observers also believe that the government improvements have vastly enriched me personally.

Those views are grossly inaccurate. More than 20,000 manhours have now been expended by the General Services Administration to track down every penny of spending. Their findings establish three points:

—Total GSA spending on my San Clemente home was \$68,000. That money was spent almost entirely on fire and smoke detection systems, interior electrical systems for protection and security, and the installation of an electric heating system that the Secret Service thought necessary for safety purposes.

—The GSA spent approximately \$635,000 on the grounds surrounding my home. That work consisted largely of the installation of lighting and alarm systems for security purposes, construction of walls and guard posts, and extensive re-landscaping to restore areas torn up when the protective devices were installed.

—By comparison, almost \$6 million has been spent by the military services to construct and maintain the Western White House Office complex. That complex is not on my property, but on government property, and when it is not in use for the White House staff, it is frequently employed as a conference center for public and civic groups.

Unfortunately, the American people have been misled into believing that the funds for the office complex were spent on my home. The fact that the total spent on my home was \$68,000 has been ignored; the fact that my wife and I spent ourselves three times as much as that, \$187,977 out of our own funds, for real improvements to our homes, has been lost altogether. I trust that with the release of these documents the impressions can be erased and the truth of this matter firmly established.

Future of Western White House

As public misunderstandings over San Clemente expenditures pass away in the future, we should recognize that the Western White House complex will continue to be a valuable asset for the nation.

I have always been concerned that over the course of a single man's eight years in office, the country probably will not derive from that complex benefits proportional to the government investment there. The office facility would, of course, remain available for public use after my term ends, but the usefulness of San Clemente as a conference center, guest facility for visiting foreign dignitaries, and working base for future Presidents would be far greater in the coming decades if what is now my private residence, La Casa Pacifica, could also be part of that complex.

Accordingly, at the time of my death or that of my wife, whichever is later, we intend to make a gift to the people of the United States of my home at San Clemente.

I have directed my attorneys to take the necessary steps to accomplish this, so that future administrations and future generations can take advantage of this beautiful Western setting to help maintain a truly national perspective for the presidency.