

NIXON REVEALS FINANCIAL FILE,
 ASKS CONGRESS (TO DECIDE) PANEL
 IF HE OWES \$267,000 MORE IN TAX

VOLUMINOUS DATA

**President Concedes
 Material May Raise
 More Controversy**

By JOHN HERBERS

Special to The New York Times

WASHINGTON, Dec. 8 —

President Nixon made public today a voluminous amount of information, including his income tax returns for his first four years in office, which he said should lay to rest "false rumors" about his personal financing.

The extensive disclosures, unprecedented for an American President, came after several months of persistent reports

Documents relating to Nixon report, Pages 62, 64 and 65.

that the President had profited improperly from his high office. Previously, he had maintained that he was entitled to the same privacy as every other American.

At the same time, however, he acknowledged that more "questions and controversies" might result from his disclosures.

Two of the major controversies—whether he realized a capital gain on a sale of land in San Clemente, Calif., and his large deduction for his gift of papers to the National Architectural and Historical Foundation—were referred to the Congressional Committee on Internal Revenue Taxation. He promised to abide by the committee's ruling, even if it meant paying \$267,000, plus interest, in additional taxes.

Emergency Preparation

The statistics and documents, put together on an emergency basis over the last three and a half weeks, were designed to show, as the President said at Disney World, Fla., on Nov. 17, that he was "no-crook,"—that he had no hidden \$1-million investment portfolio, that he had not illegally sheltered income on which his daughter Tricia should have paid taxes, that campaign funds had not been used in the purchase of his San Clemente home.

During four years as Pres-

ident, Mr. Nixon became a millionaire by more than tripling his net worth, which was \$307,141 when he entered office, with virtually all his income deriving from his \$200,000-a-year salary and \$50,000 expense allowance.

By taking advantage of a wide assortment of deductions and exemptions, Mr. Nixon paid about the same income tax for three years as the typical wage earner making \$15,000 a year, or a total tax of \$5,969. In his statement today, Mr. Nixon said: "I have proceeded in a manner I thought both prudent and in the best interest of my family."

The President's personal financial history is complicated and intertwined with deals involving his wealthy friends, and some questions of legality remain. For example, while his accountant found that he realized no capital gain on the San Clemente land, a firm he hired to audit his property deals, Cooper and Lybrand of New York, found that he had a \$117,370 gain.

Ethical questions were raised by some of the disclosures. When Mr. Nixon was Vice President, he accepted from Elmer H. Bobst, then chairman of the Warner-Lambert Pharmaceutical Company, a trust fund of more than \$25,000 for his elder daughter, Tricia, most of it in Warner-Lambert stock. This was in 1958, when Government regulation of the drug industry was a topic of controversy.

A Sense of Urgency

The release of the information by the White House was handled with an extraordinary sense of urgency. It was part of a campaign to restore public confidence in Mr. Nixon and relieve as much as possible the pressures that have been building for his resignation or impeachment.

To prepare the material, the White House brought in two highly regarded tax lawyers who are the President's personal friends, Kenneth W. Gemmill of Philadelphia and H. Chapman Rose of Cleveland, and his financial manager, Arthur Blech, a Los Angeles accountant.

In the past, the White House released information on the President's finances almost grudgingly, putting out documents without explanation or documentation.

This time, however, the press

office began a series of briefings for reporters early yesterday and made available for questioning some of the officials who worked on the material.

In the briefings, Mr. Nixon was depicted as so engrossed in his official duties that he hardly paid attention to his personal finances, leaving it to his financial managers to make most decisions.

"A few days ago," one official said, "when I was talking to the President about this, he asked me if he paid any California income tax."

The President has not paid any state income tax since he has been in the White House. His assistants said this was because they were informed by an independent firm in California and state taxing authorities that he was not required to pay the tax, though he votes in California and maintains a home there.

Mr. Nixon does not see his paycheck, White House officials said. His check goes monthly to his California attorney, Herbert W. Kalmbach, who deposits it in the Nixon account at the Key Biscayne (Fla.) Bank and Trust Co., which is headed by a friend of the President's, C. G. Rebozo.

Money for certain expenses, such as taxes and mortgage notes, however, is kept in a separate account in Newport Beach, Calif., in the Security Pacific National Bank. Mr. Kalmbach and his law partner, Frank Demarco Jr., are authorized to sign checks on this account, but Mr. Blech does all the bookkeeping and prepares Mr. Nixon's tax returns.

When a surplus of money builds up in a checking account, the officials explain, it is automatically transferred to Nixon savings accounts.

The fact that Mr. Kalmbach continues to represent the President surprised some observers. After the Watergate disclosures of last summer, a spokesman for the President said that Mr. Nixon had terminated his dealings with the Los Angeles attorney.

Witness at Hearings

Last August, Mr. Kalmbach testified before the Senate Watergate committee that he had secretly passed funds through intermediaries to finance the political operations of Donald H. Segretti, who is now serving a six-month prison term for political sabotage.

In a statement released with the documents, Mr. Nixon said, "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."

"Even though both American law and tradition protect the privacy of the papers I am releasing today," Mr. Nixon continued, "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."

He said that though the Internal Revenue Service had approved his returns, which included the possible capital gain on the San Clemente land and the deduction of more than \$570,000 for his Vice-Presidential papers, public doubts would

not be satisfied 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," Mr. Nixon said. "I will abide by the committee's judgment."

Mills Heads Panel

The committee is headed by Representative Wilbur D. Mills of Arkansas, who told the President in a telephone conversation Thursday that the committee would undertake the review.

As a further step to quell criticism of his real estate transactions, Mr. Nixon said that he would will to the people of the United States his home at San Clemente, currently appraised at about \$500,000. The transfer would be made at the time of Mr. Nixon's death or the death of Mrs. Nixon, whichever is later.

Mr. Nixon has been able to triple his net worth while in office, largely because of his small tax payments and the fact that many of his expenses are paid for by the Government.

In addition to his salary of \$200,000 a year, he receives an expense allowance of \$50,000 that he treats, as provided by law, as income.

White House officials disclosed that of the \$200,000 he received in expenses during the four-year period, he used about \$108,000, which he deducted from his income tax. The remaining \$92,000 went into his bank accounts and was taxable.

The \$108,000 went for such things as the total cost of maintaining his Key Biscayne home because he has an office there, 25 per cent for the upkeep of his San Clemente home because it is estimated that one-quarter of its functions are for official duties, Christmas cards, gifts for foreign leaders and some entertainment expense.

Government Pays

However, such items as state dinners for foreign dignitaries, the President's transportation and upkeep of the White House are paid for by the Govern-

ment. The First Family is billed each month for a variety of household expenses, which are paid out of the President's income.

The President's income tax returns provided the first information on the kind of cash contributions he makes to charities. In 1970, when he

gave \$7,512, the largest amount was \$4,500, to the Billy Graham Evangelistic Crusade.

Others included \$1,000 each to the Baptist Community Hospital and the U.C.L.A. Alumni Association, \$500 to the TV

Memorial Fund, and \$100 each to the National Symphony, the American Heart Association and the District of Columbia TB Respiratory Association.