

# The President and His Tax Returns



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**P**RESIDENT NIXON checked over his controversial 1969 tax return, page by page, before signing it on April 10, 1970.

The event was witnessed by his personal lawyer, Herbert Kalmbach, and his tax lawyer, Frank DeMarco, who also carefully explained the tax figures to him.

Their testimony could determine whether the President was a party to claiming a \$576,000 tax deduction after the legal deadline had passed. The claim was based upon a backdated deed, which granted to the government one-third of his vice presidential papers.

Tax authorities have told us that the backdating of the document appears to be fraudulent and could lay the President open to charges of income tax evasion.

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**W**HITE HOUSE spokesmen have insisted that the President left the preparation of his tax returns to his lawyers and that he was too preoccupied with the presidency to bother about the details.

This has been disputed, however, by the statements and documents DeMarco has given to the Joint Congressional Committee on Internal Revenue Taxation, which is investigating the President's tax liabilities at his invitation.

The documents show that the President took a personal interest in taking every possible tax deduction. For example, a June 16, 1969, memo from his aide and confidant, John Ehrlichman, states:

"The President holds the view that a

public man does very little of a personal nature. Virtually all of his entertainment and activity is related to his 'business.' He wants to be sure that his business deductions include all allowable items. For instance, wedding gifts to Congressmen's daughters, flowers at funerals, etc. . . ."

Even more damning were DeMarco's confessions behind closed doors to the committee staff. As he recounted the crucial April 10, 1970, meeting with the President, the two attorneys spent about 30 minutes explaining the tax return to the President. He carefully checked each page before signing the return.

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**D**EMARCO would not relate the substance of his discussion with the President about taxes, claiming attorney-client privilege. This leaves up in the air whether DeMarco told the President that the \$576,000 deduction was based upon a backdated deed.

But significantly, DeMarco admitted he had notarized the deed at the White House when he came to discuss the tax return with the President on April 10, 1970. The notarization falsely stated the deed had been signed in California a year earlier.

It should be stressed, of course, that no charges have been made and that the President like everyone else must be presumed innocent until proven otherwise. But developments are rapidly closing in on Richard Nixon.