

# Nixon Had Checked His Tax Return

By Jack Anderson

President 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 back-dated deed, which granted to the government one-third of his vice presidential papers.

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

White 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 confidante, 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.

Then DeMarco and Kalmbach proceeded upstairs to the White House living quarters and explained the tax return to Mrs. Nixon, who added her signature. She served them coffee and cookies.

DeMarco 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 back-dated 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.

The two crack lawyers whom Nixon has called in to handle his tax problems, H. Chapman Rose of Cleveland and Kenneth Gemmill of Philadelphia, have made anxious inquiries about the April 10 meeting in the oval office. They have expressed concern that DeMarco or Kalmbach might testify about what was said.

Committee sources have told us there are no tapes of this important meeting, because the automatic tape system hadn't yet been installed. The sources also say that notes and memos, dealing with the President's conversations with DeMarco and Kalmbach, have been held up by the White House as "privileged communications" between a client and his attorneys.

This is disputed by White House press secretary Gerald Warren who told us no information has been withheld. "We are fully cooperating with the joint committee," he said. "Information has been supplied as soon as it could be put together."

Sen. Russell Long (D-La.), the committee chairman, has dismissed the possibility of presidential tax fraud, calling the controversy over Mr. Nixon's taxes an "honest difference of opinion." But Long, whose father was hounded by investigators, has always championed people under investigation. He led the fight, for example,

against the censure of the late Sen. Thomas Dodd (D-Conn.). The Senate, nevertheless, voted to censure him by a 94-to-5 vote.

More ominous for the President is the attitude of Rep. Wilbur Mills (D-Ark.), the former chairman, who started the investigation. After studying the preliminary findings, he offered to introduce legislation granting the President immunity from prosecution if he would resign. The offer implied that prosecution is a possibility.

We have also learned that the Internal Revenue Service has assigned the case to its Intelligence Section. These are the people who usually investigate criminal tax fraud.

It may also be significant that the President's lawyers are arguing the President cannot be impeached for a crime unless it is committed in his "governmental capacity." Since tax evasion is strictly a private crime unrelated to the President's "governmental capacity," the lawyers might be anticipating tax charges against Nixon.

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.