

Many Feel President Damaged

The Effect of Nixon's Tax Bill

By David S. Broder
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His \$467,000 back tax payment will leave President Nixon's public support as shaky as his bank balance, according to most political leaders.

Republican national chairman George Bush and a few other GOP loyalists said yesterday that the American people will "compliment" Mr. Nixon for paying up, rather than contesting, the claim filed Wednesday by the Internal Revenue Service.

But most Republicans and virtually all Democrats contacted in an informal survey yesterday said the six-figure settlement on taxes owed during the first four years of his presidency was "obviously damaging" to the embattled chief executive.

That assessment came from Senator Bill Brock (Rep.-Tenn.), chairman of the Republican Senatorial Campaign Committee. Predicting that "there'll be a negative reaction on the part of the American public," Brock said it was "helpful" that Mr. Nixon had kept his pledge to "pay whatever was due without any quibbling."

"But," he concluded, "I think this has been obviously damaging."

That comment was echoed — with minor variations — by most other Republican and Democratic campaign officials. But Bush, the top GOP spokesman, took a more hopeful view.

"It appears the president got lousy tax advice," he said, "but to his credit, he said to get it all out in the open."

"He took one tremendous financial wallop," Bush said, "a lot more than his lawyers feel he really owes. But no fraud has been alleged; both Democrats and

Republicans on the (joint internal revenue) committee have complimented him; and I think the American people will too.

Bush's opposite number, Democratic National Chairman Robert S. Strauss said the tax bill would have "an adverse political impact" on the president, even though "there is nothing to indicate any illegality in the findings."

"I just think this is an issue the public will react to," Strauss said. "fairly or unfairly, that's the political fact of life."

Several politicians cited anecdotes indicating there already is such a reaction. Senator Lloyd Bentsen (Dem.-Texas), chairman of the Democratic Senatorial Campaign Committee, said he had been asked by an elevator operator, "What kind of deal is it when I pay more taxes than the president?"

Bentsen said he thought Mr. Nixon's decision to pay the full amount claimed, rather than take an appeal to court, "will cut both ways. It may have moderated the criticism to a degree, but it was obviously an admission he had taken deductions that weren't proper. I'd have to say it hurt his position."

Representative Wayne Hays (Dem.-Ohio), chairman of the Democratic Congressional Campaign Committee, reported a phone call from an angry businessman-constituent who urged him "to introduce a bill saying nobody has to pay his taxes until he gets caught, and then there's no penalty."

"The average citizen understands this tax business more than he does Watergate," Hays said. "I don't see how it can help him."

Disagreeing somewhat, Representative Bob Michel (Rep.-Ill.), chairman of the Republican Congressional Campaign Committee, said

the president's decision to pay the bill "sure as heck helps the situation."

"He gambled and lost and now he has to pay the piper," Michel remarked.

Two midwest Republican chairmen took opposing views of the situation.

Michigan GOP chairman William McLaughlin said "It might be a plus factor," noting that people had been conditioned to expect a "big bill, so it was not that much of a shock. And paying immediately, without a legal hassle, may be a plus."

In neighboring Ohio, GOP chairman Kent McGough said "Paying up was a helpful thing, but it doesn't undo

the damage. When people compare their own tax bill to that of the president... they react adversely. I've always felt in Ohio that the personal affairs of the president were more damaging to him than some of the other revelations."

Ways and Means Committee Chairman Wilbur Mills (Dem.-Ark.) who had predicted the tax report might force Mr. Nixon to resign, said in a statement that he was "pleased" with the president's decision to "get the matter behind us."