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Nixon May Have Violated Constitution

By Jack Anderson

By official Internal Revenue ruling, President Nixon must now treat as personal income some of the improvements that the taxpayers financed on his seashore estates in California and Florida.

Both the Internal Revenue Service and the Joint Taxation Committee have concluded that the home improvements were intended solely for his personal benefit and, therefore, should have been declared as taxable income.

What the IRS didn't mention is that they may be unconstitutional. For the Constitution states that the President shall receive compensation for his services but "he shall not receive within that period (his presidential term) any other emolument from the United States..."

The story of the improvements goes back to September, 1972, when we began investigating reports that the President had charged the taxpayers for personal expenditures on his vacation homes.

We uncovered facts which my associate, Brit Hume, laid before the construction engineer. William Robinson, on September 28, 1972. This was reported back to Washington in a classified memo.

"Mr. Hume identified himself as being from Jack Anderson's office," stated the memo, "and was aware that Bill Robinson was the contracting officer at the Western White House, including the residence.

"It was apparent from the conversation that Mr. Hume was aware of all the contracts, scope of work, dollar amounts and contract numbers for all of the work which was done by Bill... Mr. Hume said it appeared there was something fishy going on and said he would like to see the records."

Instead of producing the records, the government covered them up. Nevertheless, we were able to report on Oct. 3, 1972, that the taxpayers had helped to renovate the President's old Spanish villa at San Clemente, Calif. The President even stuck the taxpayers, we reported, for $13,500 to buy a new furnace.

Subsequently, we wrote about many other personal expenditures which the President squeezed out of the taxpayers. These ranged from $388.78 to stop the fireplace in his den from smoking to $621 for an icemaker that would make ice cubes without a hole in the middle. Even the cost of stamping his golf tees with the presidential logo came out of the public till.

Now, the President will have to count these expenditures as personal, taxable income. The next question is how the House Judiciary Committee will view it. Some Republicans are quietly trying to narrow the impeachment inquiry and to eliminate the question of home improvements. But others believe these expenditures violated the Constitution and, therefore, may constitute an impeachable offense.

NIXON PLOY — President Nixon's fatcat friend and million-dollar campaign contributor, Richard Mellon Scaife, sought in the early 1970s to buy the Washington Star newspapers to bring a pro-administration voice to the nation's capital.

Sources close to the deal tell us that the President enthusiastically promoted the idea. If the Star were sold to liberals, he reportedly told Scaife, "we would lose a good friend in Washington."

The city's strongest newspaper is the liberal Washington Post which Mr. Nixon has always detested — all the more now because of its Watergate exposes.

Scaife controls many of the Mellon millions and is also a power in Gulf Oil. His former executive aide, Herbert Frayer confirmed that Scaife had wanted to buy the Star. The early talks fell through. Frayer told my associate Lee Whitten, because the Star's owners wanted too much money.

Frayer said he was unaware that President Nixon encouraged Scaife to buy the paper. "It might have happened when Mr. Scaife was alone with him," speculated Frayer. "In any case, we didn't need any assurance that the President thought this would fit in with his own thinking. Washington needs two vigorous newspapers."

In the end the Star's owners decided not to sell but to strengthen the paper instead by buying out the Scripps-Howard Daily News. Today, the Star-News is a vigorious newspaper, which has both befriended and opposed the President editorially.

Footnote: Scaife didn't return our calls.

CATTLE CAPER — Assistant Agriculture Secretary Clayton Yeutter, who helped set up a $45 million federal beef-buying program to aid cattle producers, happens to be a well-to-do cattle producer, himself. The plan is a bonanza for cattlemen, but a bomb for the housewives because it will keep beef prices artifically high.

Although Yeutter's farm in Nebraska nets him about $15,000 to $20,000 a year from cattle, he told us he sees only a "nominal" conflict in the fact he reviewed and advised on the plan as a member of the Commodity Credit Board.

The bright young Ph.D., who served as the President's top agriculture campaign aide, says he will lose money because, as an Agriculture official, he did not use "hedges" against beef losses available to other cattlemen.