

Aides Say Nixon's Tax Bill Will Force Him to Borrow

He Will Pay Major Part of the \$460,000 in Cash, Officials Assert, Severely Reducing His Personal Wealth

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WASHINGTON, April 4— White House officials said today that President Nixon's personal wealth would be severely reduced when he pays his tax bill of more than \$460,000.

"A payment such as this is a major impact on his financial position," said Gerald L. Warren, deputy White House press secretary.

A White House official who asked not to be identified said, "The President is going to have to borrow a substantial amount in order to meet this obligation."

Both Mr. Warren and this official said that the President had enough cash on hand to pay a major portion of the tax bill, which Mr. Nixon said yesterday he would pay in full even though he contends he does not owe it. But the remainder, something less than half, will be paid with borrowed money.

President Nixon's net worth was set at about \$1-million last December, when the President made his most recent financial disclosure. But because he subsequently promised to give his San Clemente estate to the public and because of his decision to pay back taxes and interest, Mr. Nixon's personal holdings, in effect, have been wiped out, according to his assistants.

Mr. Nixon still will not be a poor man. He receives a salary and expense allowance of \$250,000 a year. The Government maintains the White House and pays many of the necessities for him and his family. Apparently he will be able to continue the mortgage payments on his villas in Key Biscayne, Fla., and San Clemente.

His aides, however, sought to depict him as a man of little

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wealth, a theme that Mr. Nixon himself has sounded from time to time.

On Tuesday, three agents from the revenue service hand-delivered a letter to the White House informing the President's lawyers that Mr. Nixon owed \$432,787 plus interest for taxes during the first four years of Mr. Nixon's Presidency. The letter gave him 30 days to pay.

Yesterday, the staff of the Joint Congressional Committee on Internal Revenue Taxation announced a similar conclusion. Last night, the White House issued a statement saying that even though the President's lawyers believed that the I.R.S. had overassessed the President he would decline to contest the ruling because he had promised earlier to abide by the committee's conclusion.

Payment Before Deadline

This morning, Mr. Warren was questioned by reporters for more than one hour on the tax matter. He said that although the details had not been worked out, Mr. Nixon would pay the tax bill in full within the 30-day period.

Mr. Warren was asked if the President would accept contributions from his friends to help pay the tax bill. W. Clement Stone, who has given several million dollars to Mr. Nixon's political campaigns, suggested in Chicago that a fund-raising campaign for the President might be in order.

"The President is grateful for that expression," Mr. Warren said. "But the President will pay his taxes."

Asked if the President might pay and then contest the I.R.S. ruling, a recourse provided by law, Mr. Warren said, "He will

pay and he is not going to contest it."

Last Dec. 8, in response to a growing controversy over his finances, Mr. Nixon made a disclosure of his assets, liabilities and tax returns covering 1969 through 1972.

\$432,000 Cash in Hand

His net worth, as of May 31, 1973, was listed as \$988,000, all but \$307,000 of which accrued after he became President. He listed \$432,000 in cash and most of the remainder in real estate.

The statement issued with the financial disclosure noted that the President's net worth "will be substantially reduced by the eventual transfer to the United States of the San Clemente property, now carried in the Coopers Lybrand audit report net worth statement at a cost of \$571,167."

Since then, the President's spokesmen have said that it had not been determined when the San Clemente property would be conveyed to the public.

When the President does convey the property to the public he can deduct the gift from his income taxes.