

A Penalty On Nixon's Back Taxes

Baltimore

President Nixon was assessed a five per cent negligence penalty by the Internal Revenue Service in connection with \$467,000 he owes in back income taxes and interest, a newspaper said yesterday.

The Baltimore Sun, quoting sources familiar with the case, said the IRS included the five per cent penalty on April 3 when it assessed Mr. Nixon \$432,787 in back taxes, plus interest.

The Sun said the dollar amount of the alleged negligence penalty could not be determined.

Mr. Nixon has said he would pay the taxes, but the White House has refused to say whether a negligence penalty was involved. The IRS refused comment on the newspaper report, saying it was agency policy not to go beyond what a taxpayer reveals about his own case.

A negligence penalty does not amount to a finding of fraud. It is made for "negligence or intentional disregard of rules and regulations," an IRS spokesman said.

Associated Press