Taxes 1995

PM-Clintons' Taxes, Bjt,620
Clintons Expect $14,000 Tax Refund
By LAWRENCE L. KNUTSON= Associated Press Writer=

WASHINGTON (AP) Meeting Monday's tax deadline, President Clinton is entitled to a substantial refund but will apply a little more than half of it to next year's taxes.

The 1994 tax tab for Clinton and his wife, Hillary Rodham Clinton, is $55,313 on joint income of $263,900. The refund: $14,418.

The presidential couple joined the 36 million Americans who were expected to file in the final days and hours of the tax season. They wrapped up final details of their return in a meeting with their accountant and tax attorney Thursday night.

The help didn't come cheap. The Clintons paid $10,000 for legal and accounting work that went into preparing their tax returns and other issues. An additional $3,000 went to lawyers who prepared their annual financial disclosure form.

The Clintons overpaid their taxes by $14,418, and elected to apply $7,500 of that amount to their 1995 tax bill. They should get a refund check for $6,918.

For the Clintons, the tax bite works out to 21 percent of adjusted gross income. That places them among the 1.2 percent of well-off Americans paying more because of the deficit-reduction law that Clinton pushed through Congress in 1993.

Not that the president is complaining.

White House press secretary Mike McCurry, in fact, used the release of the Clintons' tax returns Friday as a launching pad for a new denunciation of Republican tax-cut proposals that the Democrats argue would unfairly profit the wealthy.

``It's clear from their returns that they would be enormous beneficiaries of tax cuts as proposed by the Republican majority in Congress and the president ... thinks that that's unfair and that tax relief ought to be targeted on middle-income Americans,'' McCurry told reporters. ``As you can see from their return, they fall outside that category.''

Most of the Clintons' income came from the president's $200,000 salary, supplemented by $38,000 in capital gains on holdings in their blind trust and $21,000 in interest and dividends.

They also got $1,421 in residuals for Clinton's 1992 appearance on the ``Arsenio Hall'' television show and $259 in belated royalties for an article Mrs. Clinton wrote for Harvard University 22 years ago.

For the second straight year, their dividends and interest included $12,000 for Mrs. Clinton from a ``pin money'' fund for first ladies set up in the 1912 will of Henry G. Freeman Jr.

Freeman wrote that he set up the fund because ``the president of the United States receives such a miserable pittance for a man holding the greatest position on earth.''

Because of the way the will was written, Mrs. Clinton is the first presidential wife to benefit. But for the second year in a row she plans to donate the money to charity.

Overall, the Clintons reported $30,000 in charitable contributions during 1994. They declined to say which charity got what. But McCurry said the Clintons contributed to 28 organizations, with most of the money going to their churches.

The Clintons filed a separate return for their 15-year-old daughter, Chelsea, showing taxes of $911 on income of $6,678. The bulk of the money came from royalties on an autobiography by Clinton's mother, the late Virginia Kelley. The book, ``Leading With My Heart,'' was dedicated to Chelsea.

The White House also released federal tax returns for Vice President Al Gore and his wife, Tipper. They showed income of $414,705 and taxes of $142,688. Some $221,000 of the income came from royalties on the sales of Gore's best-selling book, ``Earth in the Balance.''

THE NEW YORK TIMES, SATURDAY, APRIL 15, 1995

Clintons Earn Less but Donate More

By TODD S. PURDUM

WASHINGTON, April 14 — Both are baby-boomer Southerners with Ivy League educations and six-figure incomes. But Vice President Al Gore disclosed some big differences with President Clinton when they released their 1994 income tax returns today: Mr. Gore earned quite a bit more last year and was a lot less generous.

Mr. Clinton and his wife, Hillary, claimed $30,125 in charitable contributions, or 11 percent of their adjusted gross income of $263,900, with most of it, their aides said, given to churches they attend.

By contrast, Mr. Gore and his wife, Tipper, claimed no itemized deductions on their adjusted gross income of $411,713. The reason, an aide said, was that all the itemized deductions they might have taken, including charitable contributions, amounted to less than the $6,350 standard deduction available to married couples filing jointly (which equals just 1.5 percent of their income).

To be fair, $12,000 of the money the Clintons gave away was given to them as a gift in the first place, proceeds from the private Henry G. Freeman Jr. Pin Money Fund, established in 1912 for the benefit of First Ladies. The fund made its first payout in 1993, after litigation over Mr. Freeman's estate was resolved following the death of his last known heir.

Counting only the $18,000 of their own earnings that they gave away, the Clintons still donated nearly 7 percent of their adjusted gross income to charity. They did not release the list of charities to which they contributed, but the White House spokesman, Michael D. McCurry, said most of the money had gone to churches.

Over all, the Clintons paid $55,313 in Federal taxes, or 21 percent of their adjusted gross income. They overpaid by $14,418 and chose to apply about half of the overpayment to next year's bill.

The Gores paid $142,688 in Federal taxes, or 35 percent of their adjusted gross income, and chose to apply all of a $4,881 overpayment to their 1995 taxes. More than half their earnings — $259,013 — came from Mr. Gore's best-selling book on the environment, "Earth in the Balance." His Vice-Presidential salary is $171,500; Mr. Clinton receives $200,000 as President.

Mr. Gore's press secretary, Lorraine Voles, declined to comment on the contrast between the Clinton and Gore returns for 1994. She noted that Mr. Gore donated $50,000 to the University of Tennessee in 1992 to establish a chair in environmental studies in honor of his late sister, Nancy. That amounted to virtually his entire contribution to charity of $52,558 that year.

Despite their relatively high income, the Gores have few of the expenses that would make it worthwhile to itemize deductions, in part because Tennessee has no state income tax. They have a mortgage on their home in Virginia, but now rent the house out as income-producing property and so cannot claim the home mortgage interest, Ms. Voles said. They also have a small mortgage on property in Tennessee, which, even combined with whatever charitable contributions they made, would still not exceed the $6,350 standard deduction, she added. She said the same was true last year.

The gift from the Pin Money Fund lifted the Clintons' charitable contributions, the single largest deduction they claimed, from the $17,000 on their 1993 return. Their next biggest deduction for 1994 was $10,000 in legal and tax preparation expenses for their 1993 returns.

Mr. McCurry said none of that money had gone for lawyers' fees to defend the President against the sexual harassment lawsuit filed by Paula C. Jones or the Whitewater investigation.

The Clintons also filed a return paying taxes of $911 for their 15-year-old daughter, Chelsea, who received $6,678 in royalties from the autobiography of the President's mother, Virginia Kelley, who died last year.

First family gets tax refund

WASHINGTON, April 14 (UPI) The first family overpaid their 1994 income taxes and are due a big refund, tax returns showed Friday.

President Clinton and first lady Hillary Rodham Clinton paid $55,313 in federal taxes on income of $263,900.

Other than the $200,000-a-year presidential salary, the Clintons collected interest on investments and royalties for their daughter Chelsea from the book ``Leading With My Heart,'' which was written by her grandmother Virginia Kelley.

Records showed a tax overpayment of $14,418. The first family elected to put $7,500 of that sum toward 1995 taxes and take a refund of $6,918.

Meanwhile, Vice President Al Gore and wife Tipper paid $142,688 in federal income taxes for 1994. The Gores' income totaled $414,705 last year, including the $171,500 the vice president is paid, according to their tax returns also filed Friday.

The Gores derived their other income from the vice president's book, ``Earth in the Balance,'' and investment income from a zinc mine in Tennessee. The Gores also receive income from rental property, records showed.

White House press secretary Mike McCurry told reporters that deductions included $10,000 in expenses to the law firm of Williams and Connolly for tax preparations and related legal fees.

He said Clinton's legal fees relating to the Whitewater affair and the Paula Jones lawsuit are being handled by an independent defense fund.

Another $3,000 was paid to an accounting firm in Little Rock for preparation of 1993 financial disclosure forms.

McCurry said the Clintons contributed to 28 charitable organizations, the large majority went to ``where the Clintons worship.''

The president pays local and state taxes in Arkansas. He apparently is exempt from District of Columbia taxes.

Asked how he felt about the returns, McCurry said that Clinton ``expressed the opinion that if the House Republican tax-cut bill was in effect, they would be the beneficiaries.''

But he added, that Clinton does not ``feel that's fair'' because of the tax breaks for the rich. ``People in that category would get a disproportionate share,'' he said.

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BC-Clintons-and-Gores-to-Get-Tax-Refunds

Clintons and Gores to Get Tax Refunds From the IRS (Update1)

(Adds details, clarification, McCurry quote)

Washington, April 14 (Bloomberg) -- President Bill Clinton and Hillary Rodham Clinton paid $69,731 in taxes last year, an overpayment, and are due a refund of $14,418, according to their 1994 federal tax returns, which the Clintons filed yesterday.

Vice President Al Gore and his wife Tipper Gore paid $147,569 in taxes and are claiming a refund of $4,881, according to their returns.

The Clintons don't feel over-taxed, said White House press secretary Mike McCurry.

``Its clear from their returns that they would be enormous beneficiaries of tax cuts as proposed by the Republican majority in Congress,'' McCurry said. ``The president thinks that that is unfair and that tax relief ought to be targeted on middle income Americans, and as you can see from their return they fall outside that category.''

On his Form 1040, Bill Clinton listed his occupation as ``U.S. President,'' while his wife listed hers as ``attorney.''

As president, Bill Clinton earned the legally-mandated presidential salary of $200,000 in 1994. He also got a residual payment of $1,421 from his 1992 appearance on the ``Arsenio Hall Show.''

No Salary for Hillary

Hillary Clinton drew no salary, but received $12,000 in interest and dividends from the Henry G. Freeman Jr. Pin Money Fund, an annual payment to the nation's first lady, established under a 1912 will. All the money was given to charity, the White House said. She reported a royalty payment of $259 from Harvard University for a 1973 article in the Harvard Educational Review.

The Clintons earned $17,140 in taxable interest income and $4,119 in dividend income from assets that are now in a blind trust managed by Boston Harbor Trust Co. The trust also reported unidentified short-term and long-term capital gains of $38,014, and a real estate royalty payment of $1.00.

The Clintons also received a refund of $2,946 from their 1993 Arkansas state taxes, for a total adjusted gross income of $263,900.

The president and first lady filed a joint return, claiming themselves and daughter Chelsea Clinton as exemptions. They took deductions of $18,827 for state, local, and real estate taxes, and $4,402 for home mortgage interest. The Clintons are half-owners of her mother's home in Little Rock, Arkansas, which they claim as their legal residence for voting and tax purposes.

They also claimed a $30,125 deduction for gifts to charities. The Clintons didn't specify recipients, but McCurry said a large portion of it went to the churches in which they worship.

Preparation Costs

Preparing their tax returns cost $18,378 in accounting and trust management fees, including $10,000 paid to the Washington law firm of Williams & Connally. McCurry said the payment was for legal advice on their taxes and had no connection to work the firm has done for the Clintons regarding the Whitewater and Paula Jones cases.

The total taxes owed by the Clintons came to $55,313, figured from the Capital Gain Tax Worksheet. They had $69,731 in withholding and other payments to the government, entitling them to a refund of $14,418.

The Clintons, however, will apply $7,500 of that to their 1995 taxes, asking the Internal Revenue Service for a refund of $6,918.

Last year, they paid $62,670 in federal taxes on income of $293,757, and got a refund of $7,982.

In addition to their taxes, the Clintons reported filing a federal income tax return on behalf of their daughter, Chelsea, though it wasn't released.

She paid $911 in tax on income of $6,678. The money came from royalty payments from sales of the book written by her late grandmother, the president's mother, Virginia Kelley.

Vice President Gore, meanwhile, earned his federal salary of $171,500, and $220,782 in business income, primarily royalties from his book on the environment, ``Earth In The Balance.'' The Gores also received $18,846 in rental income and had $3,576 in interest income from bank accounts. Tipper Gore had no salary income for 1994.

Their total taxes came to $142,688 after deductions, credits, and adjustments to income. They had withholding of $147,569, and are due a refund of $4,881.

--Mike McKee at the White House (202) 434-1895 /ba

(For more on the president, NI EXE; for more on taxes, NI TAX; on politics: BBN45)

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AM-Clintons' Taxes, Bjt,610
Clintons Expect a Handsome Tax Refund
By NANCY BENAC= Associated Press Writer=

WASHINGTON (AP) Finishing up his taxes just before Monday's deadline, President Clinton is in line for a handsome refund from Uncle Sam. The bottom line for the Clintons: taxes of $55,313 on income of $263,900, with a refund of $14,418 half of which they're applying to next year's bill.

Joining the 36 million Americans who were expected to file in the home stretch of the tax season, the Clintons wrapped up final details of their return in a meeting with their accountant and tax attorney Thursday night.

The president's tax bite works out to 21 percent of adjusted gross income, placing Clinton among the 1.2 percent of Americans paying more because of the deficit-reduction law he pushed through in 1993.

The president's not complaining.

In fact, his press secretary used the release of Clinton's tax returns Friday to denounce anew Republican tax-cut proposals that the Democrats argue would unfairly benefit the wealthy.

``It's clear from their returns that they would be enormous beneficiaries of tax cuts as proposed by the Republican majority in Congress and the president ... thinks that that's unfair and that tax relief ought to targeted on middle-income Americans,'' Mike McCurry said. ``As you can see from their return, they fall outside that category.''

The bulk of the Clintons' income came from the president's $200,000 salary, supplemented by $38,000 in capital gains on holdings in their blind trust and $21,000 in interest and dividends.

They also got $1,421 in residuals for Clinton's 1992 appearance on the ``Arsenio Hall'' show and $259 in belated royalties for an article Hillary Rodham Clinton wrote for Harvard University in 1973.

For the second straight year, their dividends and interest included $12,000 for Mrs. Clinton from a ``pin money'' fund for first ladies set up in the 1912 will of Henry G. Freeman Jr.

Freeman wrote that he set up the fund because ``the president of the United States receives such a miserable pittance for a man holding the greatest position on earth.''

Nonetheless, Mrs. Clinton plans to donate the money to charity.

Overall, the Clintons reported $30,000 in charitable contributions during 1994, but declined to publicly itemize their donations. McCurry said the Clintons contributed to 28 organizations, with most of the money going to their churches.

The Clintons filed a separate return for their 15-year-old daughter, Chelsea, showing taxes of $911 on income of $6,678. The bulk of the money came from royalties on an autobiography by Clinton's mother, the late Virginia Kelley, that were dedicated to Chelsea.

The White House also released federal tax returns for Vice President Al Gore and his wife, Tipper. They showed income of $414,705 and taxes of $142,688. Some $221,000 came from royalties on the sale of Gore's best-selling book, ``Earth in the Balance.''

Other details from the Clintons' return:

They paid $10,000 to their attorney for legal and accounting work that went into preparing their tax returns and other issues. They paid an additional $3,000 to attorneys who prepared their annual financial disclosure form.

They took a home mortgage interest deduction of $4,402 for Mrs. Clinton's half-share in her mother's home in Little Rock, Ark., and a $62 personal property deduction on a 1988 Oldsmobile the president owns in Arkansas.

The Clintons overpaid their taxes by $14,418, and elected to apply $7,500 of that amount to their 1995 tax bill. They should get a refund check for $6,918.

**** filed by:APE-(--) on 04/14/95 at 14:55EST ****

D. 1e
11-9-93

THE WHITE HOUSE

WASHINGTON

September 10, 1993

MEMORANDUM FOR DAN BURKHARDT
SPECIAL ASSISTANT TO THE DIRECTOR OF
CORRESPONDENCE AND PRESIDENTIAL MESSAGES

FROM: CHERYL MILLS CM
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Tax Implications of Gifts to the Principals

This memorandum responds to your inquiry of September 10, 1993, regarding the tax implications of gifts to the President and the First Family. In particular, you inquired whether the First Family must pay taxes on the value of gifts sent to them by members of the public.

Under the Internal Revenue Code, "property received as a gift . . . is not includable in gross income." I.R.C. § 1.102-1 (1986). A gift is property that is transferred out of "detached and disinterested generosity, . . . out of affection, respect, admiration, charity or like impulses," not due to "the constraining force of any moral or legal duty," or "the incentive of anticipated benefit." Commissioner v. Duberstein, 363 U.S. 278, 285 (1960).

The First Family, like other recipients of gifts, does not have an obligation to pay taxes for gifts given for charitable or selfless motivations. Gifts that the First Family receives at the White House almost always, if not always, would fall into this category.

It is unclear to me from where the confusion on this issue arises. I suspect there may be confusion over the President's obligation to disclose, as a pubic official, all gifts he accepts whose value exceed $250. The disclosure requirement, however, is unrelated to the tax code; rather, it is a provision of the ethics laws for persons holding public office.

Please contact me if you have further questions.

cc: Tim Flynn
Capricia Marshall
Marsha Scott

File Taxes

HISTORY OF PRESIDENTIAL TAX PAYMENT ISSUES

BUSH

* "Vice President Bush paid the Internal Revenue Service $198,000 in back taxes and interest last June after the service ruled that he had failed to report about $500,000 in income from the sale of his house on his 1981 tax return and improperly used $29,000 in leftover campaign funds." (*The New York Times*, 10/4/84)

* "Maine state Rep. Susan Dore (D) Sept. 18 called for an investigation into charges that President Bush avoided paying income taxes to Maine. Speaking at a press conference sponsored by the Independent Committee on Ethics PAC (ICEPAC), Dore said she was calling for the investigation after discovering that Bush paid $ 15,122 in state and local taxes on his 1983 income, but did not pay income tax to Maine prior to or after 1983." (*Daily Report For Executives*, 9/21/92)

REAGAN

* "President and Mrs. Reagan paid more than $20,000 in back taxes and interest to the federal government and the state of California last year after the Internal Revenue Service disallowed claims on their 1978 and 1979 returns of business losses in the operation of their Santa Barbara ranch, their tax lawyer confirmed yesterday." (*The Washington Post*, 5/18/82)

"(The IRS) play(s) no favorites, recently nailing former president Ronald Reagan a d his wife Nancy for an estimated $ 1 million in back taxes for free dresses, jewelry and furs the former first lady accepted when they lived at the White House... It's been estimated the Reagans were given a tax bill for at least $ 960,243 in back taxes and interest, more if a negligence penalty was levied." (*The Toronto Star*, 3/29/92)

CARTER

* "Sumter County, Ga., tax officials have billed President Carter $1,445 for back property taxes and interest as a result of a reappraisal of the Carter family peanut business, White House officials said yesterday.

The reappraisal, according to documents released yesterday at the White House and in Sumter County, found that in 1975 property owned by the peanut warehouse was undervalued by $88,500, on which $700 in back taxes and $121 in interest is owned. In 1976, the reapprasial found, the property was undervalued by $167,800, on which $1,393 in back taxes and $116 in interest is owed." (*The Washington Post*, 11/22/78)

* "Justice Department Special Counsel Paul J. Curran said Oct. 16 his investigation into the finances of the Carter family peanut business had cleared President Carter and his brother, Billy, of any criminal wrongdoing. In ending his inquiry, Curran said he found "no evidence whatsoever" that money from loans to the Carter business from

National Bank of Georgia had been diverted to Carter's 1976 campaign." (*Facts on File World News Digest*, 10/19/79)

NIXON

* "In his last year in office, the Internal Revenue Service found Nixon obligated to pay about $280,000 in taxes owed for 1970, 1971 and 1972. The agency also said he should have paid $148,000 for 1969, although the statute of limitations had run out for that year and he thus was no longer legally liable. Nonetheless, he promised to pay the full amount of $432,787.13, which included penalties, for all those years.

On April 17, 1974, fewer than four months before his forced resignation, he paid the $280,000 by check. But as far as this reporter can determine, after checks with congressional sources familiar with the case and with the IRS, there is no public record to show he repaid the promised $148,000 for 1969." (*Washington Post*, 2/20/83)

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The Washington Post

February 20, 1983, Sunday, Final Edition

SECTION: First Section; Haynes Johnson; A3

LENGTH: 1208 words

HEADLINE: Gates There Is, Too, a Way To Foil Sinister Forces In EPA Parking Lot

BYLINE: Haynes Johnson

BODY: The following item, published Wednesday on Page A15, three-fourths of the way down the page in The Washington Post's "Around the Nation" column, under the heading "Addenda," is herewith reprinted in its entirety:

Frank Wills, the security guard who discovered the Watergate break-in almost 11 years ago, was given a one-year prison term in Augusta, Ga., for shoplifting $17 tennis shoes.

This is not going to be another exercise in wallowing in Watergate, although that briefest of news items prompts thoughts about how justice sometimes works for the most, and the least, powerful of our citizens. It leads one to wonder if Richard M. Nixon ever settled that $148,000 sum in back taxes?

In his last year in office, the Internal Revenue Service found Nixon obligated to pay about $280,000 in taxes owed for 1970, 1971 and 1972. The agency also said he should have paid $148,000 for 1969, although the statute of limitations had run out for that year and he thus was no longer legally liable. Nonetheless, he promised to pay the full amount of $432,787.13, which included penalties, for all those years.

On April 17, 1974, fewer than four months before his forced resignation, he paid the $280,000 by check. But as far as this reporter can determine, after checks with congressional sources familiar with the case and with the IRS, there is no public record to show he repaid the promised $148,000 for 1969.

All of which adds a certain perspective to Frank Wills' problems, and one more footnote to Watergate. But there's another reason why the surfacing of Wills' name now seems ironic for, like it or not, the shades of Watergate are being evoked again in Washington.

It was inevitable, the nature of news being what it is and the collective memories of Washington being what they are, that discovery of two paper shredders in the Environmental Protection Agency offices that are the source of intense controversy between White House and Congress would cause the present situation to be called, by some, "Shreddergate."

They turned up only after EPA's boss, Anne M. Gorsuch, had become the first Cabinet officer cited for contempt of Congress for withholding "sensitive" documents from those offices under that familiar doctrine of "executive privilege." And they were installed, and operated, at a time when other familiar-sounding charges were being leveled--of cover-ups, obstruction of justice and stonewalling by the Reagan administration on turning over subpoenaed documents, logs and even, it appears, tapes.

It is a pleasure to report that, appearances notwithstanding, all of this can be explained easily. Through the courtesy of the House Public Works and Transportation Committee, whose investigations subcommittee issued the subpoena that led to the historic contempt of Congress vote against Gorsuch in December, three internal EPA documents clarify everything.

They were drafted in a 24-hour period when existence of the shredders became public knowledge little more than a week ago. Reading them, you'll see how innocent the whole affair really is. You'll also have a clearer picture of the sort of mentality guiding EPA these days. And you'll be reassured to see the crisp manner in which Gorsuch's agency performs under pressure.

The documents are reprinted here, in abbreviated form, but exactly as written, as a public service in an attempt to lay this unfortunate matter to rest.

First came a memo from William N. Hedeman Jr., director of EPA's Office of Emergency and Remedial Response (OERR), to Michael A. Brown, acting assistant administrator:Feb. 10: MEMORANDUM Subject: Paper Shredder Use Within OERR

... The unit was intially located in Room S385C and later just outside that office in an unlocked secretarial bay. The unit was not kept in a locked area. During normal office hours, users of the unit could be observed by management and administrative staff, which tended to control its use. No controls were instituted for off-duty hours, and no records were kept on its use.

The primary custodian of the shredder was a senior agency employe who is very familiar with proper custody of confidential documents and informally monitored use to reduce the likelihood that indiscriminate or improper use could occur.

Although records do not exist that describe the specific documents shredded, the use was essentially limited to obsolete forms and data sheets used in developing the National Priority List (NPL) and obsolete proprietary contract proposals . . . .

Next, amid the flurry in the press about disclosure of EPA shredders, came the following document, from a "Bob W. :"2/10 6:40 p.m. Shredder Update

The EPA's Inspector General's Office originally requested the shredders. They wanted two . . . . Four machines were delivered. The IG's Office told Procurement about their mistake and sought assistance in finding another agency office with a need who could take and pay for the extra machines. When OERR was approached by Procurement, OERR recognized the usefulness of the machines for destroying losing bids on their multimillion-dollar support contract. OERR's admin. officer thought OWPE might also have a need, and persuaded OWPE of this need.

I believe my discussion with J. Yamada will result in the appropriate investigation in OLEC to confirm the continued presence of the "witheld" sic documents. Without a log or any security on the machines, I doubt we can establish that no documents requested but not yet evaluated for sensitivity were destroyed by shredder. (of course we probably can't prove any were destroyed by any other means).

On the other hand, we have no evidence or knowledge that anyone was ever instructed to do this and we can establish that the machines weren't sought out by OWPE and OERR. We could interview staff about whether they overheard or observed anyone destroying documents which should have been retained, but with free access to the machines I'm not sure that proves much since the volume of documents covered in the various requests would make that kind of observation pretty difficult . . . .

Finally, from Gene A. Lucero, director of EPA's Office of Waste Progams Enforcement (OWPE):Feb. 11: SUBJECT: Paper Shredder

. . . When the paper shredder was offered to us, we decided to accept it since it would be the most secure way of discarding unnecessary documents. In addition, it would be a more secure way of discarding duplicate copies of enforcement confidential or enforcement sensitive materials in the future. Past experience has shown that the agency's trash removal process did not guarantee that documents would not be spilled in hallways or found blowing around the parking lot near the dumpster . . . .

There you have it, the mystery finally resolved.

Obviously, they needed those shredders. Had they not obtained them, the whole confidential file would have been blown for sure by those sinister forces operating in EPA's parking lot around the dumpster.

Whew! When you think of what might have been, it gives you chills.

So you can rest easier and put Shreddergate behind you. And, oh yes, while we're on the subject, Mr. President, how about a full pardon for Frank Wills? There are precedents, you know.

LANGUAGE: ENGLISH

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The Washington Post

November 22, 1978, Wednesday, Final Edition

SECTION: First Section; A1

LENGTH: 700 words

HEADLINE: Carter Billed $1,445 in Reappraisal of Family Peanut Business; Carter Billed $1,445 in Back Property Tax

BYLINE: By Edward Walsh, Washington Post Staff Writer

BODY: Sumter County, Ga., tax officials have billed President Carter $1,445 for back property taxes and interest as a result of a reappraisal of the Carter family peanut business, White House officials said yesterday.

The reappraisal, according to documents released yesterday at the White House and in Sumter County, found that in 1975 property owned by the peanut warehouse was undervalued by $88,500, on which $700 in back taxes and $121 in interest is owned. In 1976, the reapprasial found, the property was undervalued by $167,800, on which $1,393 in back taxes and $116 in interest is owed.

In all, the warehouse business owes $2,330 in back taxes and interest. The president's share of this $2,330 tax bill is $1,445. The remainder is owed by Carter's brother Billy, and his mother Lillian, who are partners in the business.

Carter requested the reappraisal and agreed to abide by its findings, after ABC news last month reported that the president's federal income tax returns and his Sumter County property tax records show discrepancies in the value of some warehouse equipment.

According to ABC, in 1975 and 1976, Carter claimed investment tax credits - reducing his federal income taxes - for the purchase of slightly more than $1 million in new equipment for the warehouse. But in those same years, ABC said, the new equipment was valued in Sumter County for property tax purposes at $425,000.

The report suggested that the president had overstated the cost of the equipment to obtain a larger investment tax credit from the federal government or had undervalued it when reporting it to local officials to reduce his property taxes.

White House officials, noting that Carter's federal income tax returns for those years had been audited and approved by the Internal Revenue Service, then requested the local property tax reappraisal.

White House press secretary Jody Powell said the undervaluation resulted from a number of factors. For 1975 taxes, he said, the warehouse supplied county officials with an extensive list of new equipment purchased that year, listing the cost of some of the items but omitting cost figures for others. In calculating the value of the warehousee's holdings, he said, country officials apparently added up only the cost figures supplied to them.

Powell said yesterday he assumed the cost figures had not been available for some of the equipment at the time the tax declaration was filed.

He said the undervaluation also occurred because the value of some construction work done at the warehouse was not originally included in the calculations and that, as an "oversight," Billy Carter had not reported to local officials that the warehouse owned a number of unlicensed vehicles.

At the time, Billy Carter was in charge of the family business, and his brother was campaigning full-time for the presidency. Powell said the president "accepts full responsibility as the major shareholder" in the warehouse partnership for the business's taxes.

White House officials said Carter has not yet paid the back taxes but will do so soon. However, because he will be able to deduce the additional property taxes from this year's federal income taxes, he will get more than half of the $1,445 back, leaving him a net cost of $745.

The Sumter County report listed more than $1 million in equipment purchased and improvements to real estate by the warehouse in 1975 and 1976. White House officials said these were paid for by a $1 million loan from the National Bank of Georgia, then controlled by former budget director Bert Lance, they said this contradicts a report in The New York Times earlier this week suggesting that about $300,000 from the loan had not been accounted for.

The documents released yesterday at the White House included a 16-page report on the reappraisal by the Sumter County Board of Tax Assessors and a letter from W. E. Stickland, the Georgia Commissioner of Revenue, reporting a similar reappraisal by state officials.

Carter's 62 percent interest in the warehouse partnership was put in a "blind trust" administered by his friend and adviser, Atlanta lawyer Charles Kirbo, when Carter took office as president.

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Facts on File World News Digest

October 19, 1979

SECTION: U.S. AFFAIRS; Carter Family Business

PAGE: Pg. 782 F2

LENGTH: 589 words

HEADLINE: Cleared in Finances Probe

BODY: Justice Department Special Counsel Paul J. Curran said Oct. 16 his investigation into the finances of the Carter family peanut business had cleared President Carter and his brother, Billy, of any criminal wrongdoing. [See p. 500A3, C2]

In ending his inquiry, Curran said he found "no evidence whatsoever" that money from loans to the Carter business from National Bank of Georgia had been diverted to Carter's 1976 campaign.

"Our audits and examinations of the books and records leave no room for doubt on this score," he said. "Every nickel and every peanut have been tracked into and out of the warehouse, and no funds were unlawfully diverted."

Curran added that "based on all the evidence and the applicable law" he wouldn't seek any indictments in the case.

Curran, who had been appointed to investigate the Carter finances in March, delivered a 239-page report to Attorney General Benjamin R. Civiletti. He delivered an abridged report, 179 pages long, to Congress and the press, explaining that he was prohibited by law from releasing testimony given before a federal grand jury in Atlanta.

The Curran report did outline irregularities in the loan relationship between the Carter warehouse and National Bank of Georgia, which was headed at the time of the loans by Bert Lance, director of the Office of Management and Budget for the first eight months of Carter's presidency. [See p. 500A3]

The bank loaned the Carter business nearly $10 million from 1975 through 1977. Curran said the loans had insufficient collateral for long periods in 1975 and 1976, that the warehouse had major overdrafts of its bank account in late 1975 and that NBG ofter held Carter checks because the account had insufficient funds.

Curran apparently decided that any technical violations that existed in those situations did not amount to willful criminal acts.

On another issue, Curran concluded that Billy Carter neither pledged the same collateral twice nor sold off peanuts securing the NBG loan in April and May of 1976, as former Carter warehouseman Jimmy Hayes reportedly had claimed. [See pp. 301D3, 183F3-184B2]

Curran's audit discovered what he said were "a number of errors related to the recording of sales and purchases" that "may have material income-tax consequences." Curran said those findings would be reported to the Internal Revenue Service.

Curran said he also conducted "a limited examination" of the records of Gerald Rafshoon Advertising Inc. to determine whether the agency had obtained any money from any outside sources that enabled it to extend credit to Carter's 1976 primary campaign. Curran said the Rafshoon agency, owned at the time by Gerald Rafshoon, Carter's current media adviser, had no access to unexplained cash while handling the primary campaign and the agency at no point spent more than it had received from the Carter campaign committee. [See p. 500C2]

White House Response -- Presidential Press Secretary Jody Powell said Curran's findings ended a "witch hunt" in which investigators didn't "find any witches."

President Carter, asked about the Curran report at a Democratic Party reception in Harvey, Ill., said "I'm glad they have completed their investigation and turned their attention to crime control."

Later, at the White House, he said, "The truth finally came out."

Billy Carter said the investigation had been "a complete waste of the taxpayers' money." He blamed the probe on "idiot reporters" and the fact that "Jimmy is president. "

LANGUAGE: ENGLISH

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The New York Times

October 4, 1984, Thursday, Late City Final Edition

Correction Appended

SECTION: Section A; Page 1, Column 4; National Desk

LENGTH: 1829 words

HEADLINE: BUSH MADE A $198,000 PAYMENT TO I.R.S. IN JUNE FOR BACK TAXES

BYLINE: By JEFF GERTH, Special to the New York Times

DATELINE: LITTLE ROCK, Ark., Oct. 3

BODY: Vice President Bush paid the Internal Revenue Service $198,000 in back taxes and interest last June after the service ruled that he had failed to report about $500,000 in income from the sale of his house on his 1981 tax return and improperly used $29,000 in leftover campaign funds.

The tax deficiency was disclosed in Little Rock, where Mr. Bush was campaigning, by Dean Burch and Robert B. Yorty, Mr. Bush's attorneys, at a news briefing. The disclosures were prompted by questions in light of the inquiry into the financial affairs of the Democratic Vice-Presidential nominee, Geraldine A. Ferraro, and the fact that only Mr. Bush of the four major national candidates had not made public such information.

The attorneys said that Mr. Bush had believed he did not have to report the income and that he intended to sue the revenue service in an effort to recover the additional taxes. The ruling was a result of an automatic audit of Mr. Bush's tax returns, completed last May, that found he owed back taxes of $144,000 and interest of $54,000.

Had Known of Dispute

Mr. Bush had known about the tax dispute for two years, the attorneys said, because it involved assets not in the blind trust he set up when he took office as Vice President. In August, when Mr. Bush released financial information and earlier tax returns, he did not make known the tax dispute.

At that time, the Vice President said he could not disclose information about his taxes because they were handled by his trustee.

(At a news conference in Tulsa, Okla., Mr. Bush said that he felt "singled out" by the I.R.S. and had not said earlier that he had to pay back taxes because: "You didn't ask me. I didn't feel inclined to go out and say 'Hey, I've got a problem with the I.R.S.' "

(Mr. Bush said neither he nor his lawyer had disclosed the capital gains taxes "because I think he didn't know, and I didn't, the full tax picture." When it was noted that he had paid the tax in June and had been briefed by his attorney in August, Mr. Bush said, "But we didn't know whether we were going to have a net increase or a net loss.")

The issue in the house sale is the definition, under tax law, of Mr. Bush's principal residence. If, as he says, it is his home in Kennebunkport, Me., which he bought in 1981, then he could apply the $600,000 in profits he made when he sold his home in Houston in 1981 to the purchase of the Maine home, and not pay taxes on the capital gain from the Houston sale. If, however, his principal residence is deemed to be the Vice-Presidential residence in Washington, as the I.R.S. contends, he must report the gain and pay taxes at a rate of 20 percent. Mr. Yorty, Mr. Bush's tax attorney, said the decision to call the Maine home Mr. Bush's principal residence was a "borderline" call because there were a number of previous rulings and decisions not favorable to their position.

One decision that Mr. Yorty said he was aware of was a 1974 ruling by the Congressional Joint Taxation Committee in which the committee found that President Nixon had improperly claimed a house in San Clemente, Calif., as his principal residence rather than the White House. After the committee finding and a similiar ruling by the I.R.S., Mr. Nixon paid back taxes on the gain he realized in 1969 from the sale of a cooperative apartment in New York.

Mr. Burch said Mr. Bush had been "enraged" at the tax decision. A prepared statement issued by the Vice President's press secretary today said that the decision "raises not only legal questions, but questions of fairness" since "the Kennebunkport house is the only house Vice President Bush owns."

Calls Residence Temporary

The statement says Mr. Bush's occupancy of the Vice President's house in Washington, which is owned by the Federal Government, is "temporary and is incidental to the Vice President's duties."

Mr. Bush was not immediately available to answer questions about the tax dispute.

A spokesman for the revenue service said the I.R.S. would have no comment on the dispute with Mr. Bush, citing agency rules that prohibit any discussion of taxpayer audits.

The audit of Mr. Bush's returns was required under procedures that call for the service to automatically audit the returns of the President and Vice President. The audit of Mr. Bush's 1982 returns found nothing unacceptable; the 1983 returns have not yet been reviewed.

Sought I.R.S. Ruling

Before filing Mr. Bush's 1981 returns, his attorneys said they sought a ruling from the I.R.S. on whether Mr. Bush's house in Maine could be deemed his principal residence. The service said it was unable to issue a ruling because it involved a question of fact, which could be addressed by agency officials only after the return was filed.

The tax return was filed using the rollover provision available to taxpayers who use the proceeds from the sale of their home to buy another. This meant the capital gain from the sale of the Houston home, $596,000, was not reported as taxable but instead was rolled over into the purchase of the Maine home, which cost about $800,000.

Last March, the revenue service, after the audit of the 1981 return challenged the rollover, ruled that the Maine home was not Mr. Bush's principal residence. That ruling, Mr. Bush's attorneys said, was based on such particulars as how many nights Mr. Bush stayed in Maine and the fact that his voter registration was in Houston.

Mr. Yorty said the other unfavorable ruling, involving the campaign funds, was "appalling."

Leftover Campaign Funds

Mr. Bush had some $85,000 in funds leftover from his 1980 Presidential campaign. The revenue service says that these funds must be treated as income unless they are donated in a timely fashion to a charitable organization. Mr. Bush used some of his funds to refurbish his office, used other funds for expenses, donated $32,000 to the Republican National Committee and used a few thousand to pay late campaign expenses.

The I.R.S., in the same March ruling, said that a total of $29,000 should have been reported as income and that therefore Mr. Bush owed additional taxes of about $15,000. Mr. Bush paid those taxes last June as part of the $144,000.

The remainder of the $144,000 stems from the house sale. After the service challenged the rollover, Mr. Bush took advantage of a $100,000 exclusion for people over 55 and reduced the capital gain on the sale of his Houston home to $496,000. Based on the tax rate of 20 percent for capital gains and a reformulation of his tax liabilities based on income averaging, the back taxes on the house sale came to about $129,000.

To get his back taxes refunded, Mr. Bush must first petition the I.R.S., which is likely to result in a denial, and then sue the service in Federal District Court or the Court of Claims in Wshington.

For the years 1981 through 1983 Mr. Bush had a combined gross income, including the house sale, of $810,000. For the same period he paid Federal taxes, including the back taxes, of $303,000, or about 40 percent.

Mr. Bush's adjusted gross income was $504,829 in 1981, $163,531 in 1982 and $142,117 in 1983. His federal tax payments for those years were; $245,491 for 1981, $39,625 for 1982 and $18,305 last year. Mr. Bush's annual salary as Vice President is $94,000.

Trust Holdings Deleted

In 1982 and 1983 Mr. Bush also paid state income taxes in Maine.

The rest of the information released today provided few new details about Mr. Bush's finances. Portions of Mr. Bush's tax returns that would show his trust's holdings were deleted.

The attorneys released an amendment to his trust that allowed the tax information to be disclosed. When Mr. Bush took office he put a little less than a million dollars in stocks and bonds into the trust. Those holdings, which have increased some, plus his Maine home, now valued at $950,000, constitute most of his net worth of $2.1 million.

Mr. Bush's trust is managed by W. S. Farish and Company in Houston. The company was responsible for filing the 1981 tax return and was involved in the original discussions with the revenue agent who audited Mr. Bush's returns. Subsequently, when I.R.S. officials in Washington became involved in the discussions about the house and the campaign funds, Mr. Yorty and Mr. Burch entered the case, they said.

Mr. Bush has said that he has always believed that the finances of public officials should be fully disclosed. The trust that he set up, a qualified diversified trust, has stringent provisions designed to insure that his official duties do not conflict with his personal holdings. The provisions included that he be insulated from his tax returns, but, with the recent amendment, a portion of his tax returns can now be made public without compromising the trust.

Bush Feels 'Singled Out'

TULSA, Okla., Oct. 3 - Mr. Bush said here tonight that he felt he had been "singled out" by the I.R.S. because he was not entitled by a ruling by the agency to do "what any other taxpayer" can do and roll over his capital gains.

At a news conference here, six hours after his lawyers released his tax information in Little Rock, Ark., Mr. Bush said: "I think a lot of people out there would understand it and think if you're Vice President that doesn't mean you should be singled out. I think I've been singled out."

Mr. Bush said that he had "been taken to the cleaners" by the I.R.S. and that he "should be entitled to what any other citizen does and that is go the final route." Mr. Bush, reiterating what his lawyer said earlier, said he would appeal the decision that he owed capital gains taxes on the proceeds of the property he sold in Houston.

The Vice President said he did not see why he should be treated any differently than a Navy officer who was provided a home by the Government but might also buy private property.

'Lot of Money'

"If a guy is provided a house in the Navy, that doesn't mean he can't sell a home in Virginia and buy another home in Maine or Texas or any place else, even though he has quarters provided," Mr. Bush said.

Referring to the back taxes he paid in June, Mr. Bush said: "This residence thing for Barbara and me, that's a lot of money. I think it would be for any taxpayer."

The Vice President did not specifically mention the ruling against President Nixon. But he noted: "I assume that if my predecessors had done it, they would have had the same problem, if at least these guys had ruled at the I.R.S."

Asked if he now understood the pressures that his counterpart on the Democratic ticket, Representative Ferraro, had been under in August when she released her financial statements, Mr. Bush replied: "I could identify or sympathize or empathize with somebody who gets questioned, questioned, the same question over and over, the pressure it puts on." But he added: "I think the facts are very, very different."

CORRECTION-DATE: October 5, 1984, Friday, Late City Final Edition

CORRECTION: EDITORS' NOTE

Under this heading, The Times amplifies articles or rectifies what the editors consider significant lapses of fairness, balance or perspective.

An article on page 1 yesterday said that the Internal Revenue Service had ruled that Vice President Bush failed to report about $500,000 in income from the sale of a house and that he had improperly used $29,000 in leftover campaign funds.

Both these statements were inaccurate, and thereby unfair to Mr. Bush.

As was reported later in the article, Mr. Bush did report the capital gain from the sale of a house in Houston. He applied this gain toward the purchase of another house in Kennebunkport, Me., which he claimed as his principal residence, and thus claimed an exemption from paying a tax on the capital gain. The I.R.S. rejected this claim for an exemption on the ground that Mr. Bush's principal residence is in Washington.

The I.R.S. ruling on the campaign funds was that $29,000 of some $85,000 left over from his 1980 campaign for the Presidency should have been listed as taxable income because the way in which it was handled did not qualify for an exemption. These funds involved a gift to the Republican National Committee and payment of some campaign expenses.

As a result of the rulings by the Internal Revenue Service, Mr. Bush has paid about $129,000 in additional taxes on the real estate transaction and about $15,000 on the campaign funds, as well as $54,000 interest on the total. Mr. Bush is contesting both I.R.S. rulings.

An article on Mr. Bush's tax situation begins on page 1 today.

GRAPHIC: photos of Vice President Bush

LANGUAGE: ENGLISH

The Associated Press

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October 7, 1984, Sunday, AM cycle

ADVANCED-DATE: October 5, 1984, Friday, AM cycle

LENGTH: 979 words

HEADLINE: Advance for Sunday AMs Oct 7 and ThereafterIRS Ruling On Bush Followed Precedent of Nixon's Tax Case

BYLINE: By JIM LUTHER, AP Tax Writer

DATELINE: WASHINGTON

BODY: The Internal Revenue Service was not plowing new ground when it denied Vice President George Bush a tax break on the sale of his home. President Nixon had raised the same issue in 1969 with the same result.

Bush is fighting the IRS ruling that cost him penalty and interest of almost $200,000, claiming "they socked it to me." But Nixon had his hands full with a bigger problem _ the Watergate scandal _ when his taxes came into question in 1974 and had little choice but to pay without a fight.

Bush's disclosure of his tax returns last week and similar action in August by Geraldine Ferraro, his Democratic challenger, point up that politicians can have as much trouble keeping their taxes straight as does the average American. The biggest difference is the size of the figures.

Few people have tax problems like those that confronted Vice President Spiro T. Agnew in 1973. He was forced to resign after pleading no contest to one count of income-tax evasion; the Justice Department charged he had failed to report $29,500 of payoffs received in 1967 when he was governor of Maryland.

Agnew's resignation resulted in Nixon's selection of then-Rep. Gerald R. Ford, R-Mich., to be vice president. The resulting audit of Ford's tax returns for 1967 through 1972 disclosed that on four occasions the long-time congressman had written checks totaling $871 on a political account to pay for his clothes. After the IRS determined that money should be counted as income, Ford paid an extra $436 in taxes.

The audit also found Ford has used the same political account to pay for his family's ski vacation at Vail, Colo., in 1972. As it turned out, Ford had corrected that discrepancy before the audit.

Ms. Ferraro got herself into trouble by promising full disclosure of her and her husband's finances and taxes before checking with her husband, John A. Zaccaro, a New York real estate manager. The dispute clouded the Democratic campaign for several days until Zaccaro apparently concluded that protecting his privacy was less important than his wife's political fortunes.

Their returns showed the couple paid at least as much federal tax as the average person at their high income level but that they had underpaid their taxes in 1978. Ms. Zaccaro said the underpayment resulted from an error by their accountant; she sent the IRS a check for $53,459 for the underpayment and interest.

Bush also resisted release of his tax returns, saying the blind trusts into which most of his investments had been placed prohibited access to the information. But after the Office of Government Ethics disagreed, the vice president released his returns Wednesday while campaigning in Little Rock, Ark.

They showed that in 1981 through 1983, he and Mrs. Bush had paid 37.4 percent of their income in federal taxes, more than the average for somebody with their earnings. The disclosure also showed Bush and the IRS disagreed on the sale of his home in Houston and his donation to the Republican National Committee of $32,000 left over from his 1980 presidential campaign.

The disagreement prompted the IRS to assess _ and Bush to pay _ $198,000 in back taxes and interest. He says he will fight the assessment in court. The bulk of the assessment resulted from Bush's insistence that his principal home is in Kennebunkport, Maine, not the vice president's official residence in Washington.

Bush sold his Houston home in 1980, and in early 1981 invested the proceeds in the Maine mansion. When he filed his tax return, he took advantage of a law that permits a homeowner to defer taxes on such capital gains that arise from the sale of a "principal home."

The IRS concluded that Bush's principal home was not Kennebunkport _ even though that was the only home he owned _ but in Washington, where he spent most of his time.

While that may seem to penalize an officeholder who lives in a government house, IRS publications point out that to use the tax break, "you must physically live in the replacement home as your principal home...."

In 1969, Nixon sold his New York City apartment and used the money to buy a mansion in San Clemente, Calif., which he claimed as his principal home. Congressional investigators and the IRS said the White House was his principal home, and Nixon lost the tax break.

That was not Nixon's biggest tax problem, however. Most of the $432,787 in back taxes that he agreed to pay grew out of his claiming a charitable-contribution deduction for vice presidential papers he had donated to the government. Such deductions had been outlawed as of July 25, 1969. Investigators concluded Nixon's agents had dated the deed of gift on March 27, 1969, but had not completed the gift until 1970.

None of the deduction was allowed.

There was never a hint that Jimmy Carter had any tax problems while he was president. Quite the opposite.

In 1976, the year he was elected, Carter bought a considerable amount of equipment for the warehouse and the resulting investment tax credit wiped out all his tax liability. But he sent the IRS a $6,000 check anyway, saying he felt strongly that "a person should pay some tax on his income."

Another politician's tax problem followed him to the grave.

After Nixon resigned and Ford ascended to the presidency, Ford selected Nelson A. Rockefeller to be vice president. The multimillionaire former governor of New York spent $550,160 in legal and clerical fees in winning congressional confirmation. After he died in 1979, his estate claimed that money was a deductible business expense.

The IRS rejected the claim. And last month, the U.S. Tax Court sided with the agency, holding that Rockefeller's long career in public service did not constitute a single trade or business _ that winning confirmation was not just another step in that career. "Each public office was a separate business," the court said.

LANGUAGE: ENGLISH

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Daily Report For Executives

September 21, 1992, Monday

1992 DER 183 d56

SECTION: TAXATION, BUDGET AND ACCOUNTING; 183.

LENGTH: 373 words

HEADLINE: Campaign '92, MAINE STATE REPRESENTATIVE URGES INVESTIGATION INTO BUSH'S TAX PAYMENTS

BODY: Maine state Rep. Susan Dore (D) Sept. 18 called for an investigation into charges that President Bush avoided paying income taxes to Maine.

Speaking at a press conference sponsored by the Independent Committee on Ethics PAC (ICEPAC), Dore said she was calling for the investigation after discovering that Bush paid $ 15,122 in state and local taxes on his 1983 income, but did not pay income tax to Maine prior to or after 1983.

Dore urged Bush to disclose the state to which he paid state income taxes in 1983. Maine is prevented from disclosing whether Bush paid income taxes to the state because of confidentiality restrictions, she explained.

If Bush paid state income tax to Maine in 1983, however, the payment could cast doubt on Bush's claim to be a resident of Texas, which has no state income tax, she suggested.

Steve Bost, chairman of Maine's Senate Taxation Committee commented in a release, "The revelation that George Bush paid state taxes in the year he was being audited but failed to pay taxes before or after the audit, raises new and disturbing questions about Bush's claim to be a Texas resident."

Jim Hightower, of ICEPAC, told reporters, "The people of America have a right to know why the president feels he can pick and choose his residency based on how he can most effectively avoid paying his fair share of taxes rather than on where he actually lives."

He added, "How can we trust a man who talks about fairness and finds nothing wrong with abandoning his responsibility to pay his fair share of taxes?"

Hightower noted Bush established Texas as his tax domicile by signing an affidavit stating that he intended to live in Houston following the completion of his public service.

The Houston address at Bush said he intends to live, Hightower told reporters, was a 33-foot by 160-foot plot of undeveloped land.

Bush said in his affidavit that he did not claim his property in Kennebunkport, Maine, as a homestead and that he does not claim Maine as his legal domicile.

By claiming Texas as his domicile, he avoided Maine's 8.5 percent state income tax rate, which would have resulted in a $ 29,000 annual tax bill for Bush, according to press reports cited by Dore and Hightower.

LANGUAGE: ENGLISH

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The Washington Post

May 18, 1982, Tuesday, Final Edition

SECTION: First Section; A1

LENGTH: 720 words

HEADLINE: Reagans Pay Over $20,000 In Back Taxes

BYLINE: By Herbert H. Denton, Washington Post Staff Writer

BODY: President and Mrs. Reagan paid more than $20,000 in back taxes and interest to the federal government and the state of California last year after the Internal Revenue Service disallowed claims on their 1978 and 1979 returns of business losses in the operation of their Santa Barbara ranch, their tax lawyer confirmed yesterday.

The lawyer, Roy D. Miller of Los Angeles, contended that the disputed claims had been permitted in previous years but were rejected by the IRS for 1978 and 1979 after an audit that began in mid-1980 when Reagan was running for president.

Miller confirmed a "ballpark" estimate that the Reagans were required to pay about $20,000 to $22,000 plus 12 percent interest. The interest payment of $2,734 was taken as a deduction on the Reagans' 1981 return, which was made public last month.

Miller said he could not recall all of the details of the disallowed expenses claimed in connection with operation of Rancho del Cielo, the Reagans' mountaintop vacation retreat 29 1/2 miles northwest of Santa Barbara.

At the time Reagan made public his 1979 tax return, news accounts reported that he claimed a loss of $9,015 on his ranch. The articles said that he reported income of $3,024 from the sale of 14 steers and $3,350 from unspecified "rents" but that these were more than offset by expenses. They included $3,839 for labor, $598 in feed, $367 for horseshoes, $1,422 in gasoline and $1,118 for utilities. Other deductions included $15 for depreciation of a fan used at the ranch.

Reagan reported income of $515,878 for 1979, more than half of which went for taxes, including $230,886 in federal income taxes and $32,050 in state and local income taxes, according to the news accounts.

Meanwhile yesterday, deputy White House press secretary Larry Speakes said the White House will reprimand anyone who gives Reagan a gift and then uses the resulting thank-you note to promote a business.

"When matters of this type are called to our attention . . . they receive a pretty stern letter from the White House counsel indicating that we don't look with favor on them using the president's name," Speakes said.

White House counsel Fred Fielding said later that such letters would be sent to a Reno, Nev., belt buckle manufacturer and a Mechanicsburg, Pa., jeweler who told The Post that they had given the Reagans gifts with the idea of publicizing their products.

They were among a group of 47 friends, manufacturers and strangers who gave the Reagans thousands of dollars in jewelry, sculptures, crystal, sweaters and shoes in their first year in office. The Reagans' 1981 financial disclosure form indicated that the total value of the gifts was more than $31,000.

In a related matter yesterday, Nancy Reagan's office announced that she will return a diamond necklace and a pair of diamond earrings worth several hundred thousand dollars to the Harry Winston Co., a Fifth Avenue diamond merchant.

Ronald Winston, the firm's president, has said the diamonds were given so they could become the "nucleus of an ongoing collection for first ladies of the White House."

But an administration official, who said Saturday the White House did not feel it was proper to keep the Winston jewels because of a feeling "that there shouldn't be state jewels," said they would be returned.

The announcement by Mrs. Reagan's office said the jewels, on loan to her since inaugural festivities 16 months ago, would be sent back after she and the president return from the state visit to Great Britain and Europe next month.

David Waller, senior associate White House counsel, said Reagan has no recollection of meeting Rex Cauble, a 68-year-old Texas millionaire rancher-businessman who gave the president two pairs of boots worth $600 on behalf of himself and the American Footwear Industry Association of Dallas and received presidential thank-you notes.

Waller said he thinks Cauble is a member of a national horse riding club called the Rancheros to which the president belongs.

Since he gave the gift last June, Cauble has been convicted on federal charges of conspiracy, embezzlement and racketeering and sentenced to 10 five-year terms. Prosecutors said Cauble financed and profited from the "Cowboy Mafia," which smuggled 106 tons of marijuana from South America in 1977 and 1978.

LANGUAGE: ENGLISH

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The Toronto Star

March 29, 1992, Sunday, SUNDAY EDITION

SECTION: NEWS; Pg. A1/ FRONT

LENGTH: 1812 words

HEADLINE: You think our tax collector is tough? Try Uncle Sam

BYLINE: BY JOHN PICTON TORONTO STAR

DATELINE: WASHINGTON

BODY: They once stopped a mourner in a funeral procession so they could seize his car.

They have more accountants and lawyers on staff - all experts in firearms - than any other organization in the world.

There are day-care centres in their cavernous buildings, decorated with hearts and cows and piglets, to keep employees happy.

In a recruitment poster, they use a photo of Al Capone, the late gangster who was jailed for tax evasion, proving that "sometimes only the accountant can apprehend the criminal."

And they play no favorites, recently nailing former president Ronald Reagan and his wife Nancy for an estimated $ 1 million in back taxes for free dresses, jewelry and furs the former first lady accepted when they lived at the White House.

They are the agents of the U.S. Internal Revenue Service, the toughest - "and best," they insist - tax collectors in the world, just gearing up at their busiest time of the year.

If, at this time when Canadians have to dig deep into their pockets to pay income taxes, you think it's tough here, be thankful you don't have to deal with the aggressive U.S. tax collectors.

There are IRS people advising governments in Africa, Asia, Europe and the Caribbean.

It has teams working in Poland, Indonesia and Senegal.

Even now, there are IRS experts giving seminars across Canada on U.S. tax law for U.S. citizens living here, and firms based here, who have business dealings in the United States.

And, recently, U.S. legal experts were able to force Canadian lotteries to cough up the names of U.S. winners, none of whom had declared winnings to Uncle Sam, thus avoiding tax.

"There's 100 per cent non-compliance now by U.S. winners," says Joe Hook, the chief IRS person in Ottawa.

"I know of one U.S. person who hit a $ 6 million win and didn't pay tax on it.

"Her name was in the paper, and we found out through U.S. sources."

She's paid tax since - $ 1 million.

The 120,000 people who collect more than a trillion dollars a year in taxes - at a cost of 52 cents for every $ 100 collected - are arguably the most powerful branch of the U.S. government.

They are feared, even loathed, by taxpayers who've accused them of being ruthless bullies who practise dirty tricks and intimidation in tracking down offenders.

In turn, IRS people point to the words of the late judge Oliver Wendell Holmes chiselled into the stonework atop the entrance to their headquarters on Constitution Avenue: "Taxes are what we pay for a civilized society."

Of course, there are people who don't agree with that.

Two years ago, suspicious about the number of children being claimed on tax returns, the IRS talked Congress into changing the law so that parents had to give the social security number for each dependent.

The next year, more than 7 million children disappeared from the rolls - "because they didn't exist," says an IRS official.

If that was a smart move, there are glitches that send taxpayers reeling.

According to Money magazine, one of those glitches concerned farmers Katharine and Eugene Swan of Athens, Me.

After filing their 1988 tax returns, they were told by the IRS that they still owed $ 29,907.55 in taxes, penalties and interest on undeclared dividends.

The Swans fought the case, insisting they didn't owe a cent.

Subsequently, the IRS inexplicably sent them a cheque for $ 3,562.06, telling them to return it so that it could be credited against their 1990 tax return.

In another story cited by the U.S. National Taxpayers Union, Thomas Treadway of Pipersville, Pa., has claimed his garbage management business was "destroyed" by the IRS.

In testimony before the Senate finance committee, he said the IRS presented him with a tax assessment of $ 247,000, "stripped me of everything," and seized $ 22,000 from his girlfriend's bank account to cover his alleged tax liability, although she owed no taxes at all.

Later, the entire assessment was thrown out on appeal as being "unreasonable," but only after Treadway and his girlfriend had spent more than $ 75,000 in legal and accounting fees.

The IRS agent who handled the case was given a promotion and a raise.

Such overzealous demands have tarnished the IRS image for years as agents go in search of an estimated $ 100 billion a year in uncollected taxes on money generated by the underground economy.

(They do recover $ 20 billion a year from unreported income).

Senator David Pryor says legislators are aware of abuses, but many of them are afraid to do anything about them in case they are "flagged" for an IRS audit.

And IRS managers anxious to look good to their superiors are reported to pressure agents to increase the number of property seizures, levies and liens on taxpayers.

A district manager in Los Angeles had a sign on his door that read: "Seizure Fever - Catch It."

A manager in Baltimore, Md., sent his staff a memo in which he warned: "The revenue officers that are performing above a satisfactory level will be rewarded, and the ones that are not will be documented with corrective action taken."

Another memo told IRS officers that "your mid-year evaluations will be prepared in approximately one and one-half months . . . You will be evaluated on your accomplishments, or lack of accomplishments. Need I say more?"

In testimony before a congressional subcommittee, a retired revenue officer said his former office in Las Vegas was considered to have the lowest "production" in the western region.

His boss summoned his staff and said that "his job was on the line unless the stats improved significantly."

The retired officer continued: "He said that we had to improve production.

"He said that if he was removed because of low production and low seizure activity, he was going to take a lot of people with him."

One IRS official in Philadelphia would boast about the time he told a delinquent mother who had no income and no means of payment: "If you don't pay your taxes, then bring your kids in and we'll sell them for you."

And there was the case of Alex Council, the case that rocked the nation.

His wife, Kay, arrived home from a bingo game on a summer's night in 1988 to find all the lights on and a chilling note from her husband on the kitchen table.

It read: "My dearest Kay: I have taken my life in order to provide capital for you.

"The IRS and its liens which have been taken against our property illegally by a runaway agency of our government have dried up all sources of credit for us.

"So I have made the only decision I can. It's purely a business decision. I hope you can understand that.

"I love you completely. Alex."

And there was an anguished PS: "You will find my body on the lot on the north side of the house."

Alex had shot himself in the head.

And there was the case of the mother of three children who says she was 27 weeks pregnant when a group of plainclothes people jumped on her husband in front of their house, knocked him down and handcuffed him.

Then one of them identified himself as a U.S. marshal - who had no arrest warrant and who said he'd planned to make the arrest by himself but that the IRS agents with him had insisted on being deputized and taken along.

Eight days later, despite a pregnancy that "was going perfectly," the mother gave birth prematurely to twins, one of whom died, while the other "has suffered physical problems."

The mother has quoted a former IRS agent as saying one of the officers at the raid was promoted soon afterward as a reward for using "fear tactics."

But if the IRS has taken its knocks, it's also had staggering successes.

High-profile Leona Helmsley, the so-called Queen of Mean, was convicted of tax fraud in running the 21-hotel chain she owned with husband Harry.

Spiro Agnew resigned as U.S. vice-president and pleaded no contest when the IRS went after him for evading $ 13,551 of federal income taxes on $ 29,500 of unreported income in 1967.

The Reagans had hardly moved out of the White House when curious IRS agents started inquiring about the goodies Nancy had accepted from some of America's top fashion designers when Ronnie was president.

They decided the freebies clearly could be classified as taxable income.

Poring over hundreds of photos of the former first lady at functions during the Reagan years, agents compiled evidence of a lavish wardrobe for which, according to The New Republic magazine, designers said she hadn't paid.

It's been estimated the Reagans were given a tax bill for at least $ 960,243 in back taxes and interest, more if a negligence penalty was levied.

The IRS also has had notable successes in its constant search for money launderers.

(It's estimated there are 80 launderers in Houston, Tex., alone, illegal wire-transfer businesses known as "giros." People wanting to hide money from the government also use grocery and liquor stores and cheque-cashing businesses for hiding dirty money).

One recent case involved Canada.

The U.S. Food and Drug Administration discovered an underground firm in San Jose, Calif., was manufacturing fake steroids out of vitamin tablets, sesame oil, water with artificial sweetener and diluted milk of magnesia, and selling them across the continent.

The IRS was called in when it was discovered the makers were using mail drops, aliases and money orders through a fake mortgage company to hide the money.

Agents pounced and seized a shipment worth $ 250,000 as it was leaving Buffalo for Canada.

In 1986, the Bank of America - the second largest bank in the United States - became the 11th bank fined by the government as part of an official crackdown on money laundering by organized crime.

The government said the bank, based in San Francisco, had committed more than 17,000 violations of the Bank Secrecy Act, which requires banks to report all cash transactions larger than $ 10,000.

The fine: a whopping $ 4.75 million.

Inar Morics, assistant IRS commissioner for criminal investigation, says the IRS's 3,000 agents and their 1,500 support staff have "unique skills."

"You get a feel for something being wrong with figures," he says.

In a 23-week course, they train with members of the FBI, the Secret Service, the treasury department's crack alcohol, tobacco and firearms branch, and U.S. customs agents.

Looking lithe as he relaxes in his spacious office, he says his agents are given physical education, taught arrest techniques and the laws of evidence, and are given specialized training in tracing hidden money through brokers and banks.

And they're taught how to use the special IRS laboratory in Chicago that's used for analyzing handwriting, inks and paper.

They use informants and disguises, and often get called in to protect agents sent out to seize property.

"After all, we deal with some very nasty people," he says.

GRAPHIC: 4 photos: Leona Helmsley

Spiro Agnew

Nancy Reagan

IRS poster

LANGUAGE: ENGLISH

LOAD-DATE-MDC: March 30, 1992

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USA TODAY

January 20, 1992, Monday, FINAL EDITION

SECTION: NEWS; Pg. 5A

LENGTH: 424 words

HEADLINE: Report: Iran paid hostages' captors

BODY: Iran paid for the confinement and upkeep of the U.S. hostages in Lebanon and also paid their radical, pro-Iranian captors from $ 1 million to $ 2 million for each hostage released, The Washington Post reported Sunday. Nearly all key hostage talks were held in Tehran rather than Lebanon, and the hostage-takers were provided with Iranian travel documents and conferred often with Iranian diplomats, the newspaper said. Though Washington has long believed that Tehran exerted influence over the kidnappers, the Post quotes an unnamed senior U.S. official as saying "the evidence now is that control was 99.9%."

The last U.S. hostage to return from Lebanon, Terry Anderson, was released Dec. 5. Defense Secretary Dick Cheney said Sunday on CBS's Face the Nation that it was too soon to talk about restoring normal relations with Iran, but "having the hostage problem resolved opens up possibilities that didn't exist as long as the hostages were being held."

JFK FILES: A consensus is emerging to open sealed congressional files on the 1963 assassination of President John Kennedy, but the head of a House panel that probed the murder said the records contain no new evidence. "The files don't contain information that alters publicly disclosed information," said Rep. Louis Stokes, D-Ohio. "Those contending there's something in those records that covers up something will be abysmally disappointed." The pressure to open the files follows release of the movie JFK, which suggests that Kennedy was the victim of a conspiracy. The House Assassination Committee, led by Stokes, concluded in 1979 that Kennedy was the victim of a probable conspiracy that may have involved organized-crime figures. Others publicly supporting release of the files include former president Gerald Ford, a member of the Warren Commission that concluded there was no conspiracy; Senate Majority Leader George Mitchell, D-Maine; and former FBI and CIA director William Webster.

BACK TAXES: Nancy Reagan's designer wardrobe prompted a "hefty" IRS bill for back taxes and interest, Time reports. Shortly after President Reagan left office, the IRS audited the Reagans' taxes, Time said. The former first lady, who had promised to stop taking free designer wear in 1982, told auditors that everything obtained after 1983 had been purchased, but the designers said she hadn't paid them, the magazine said. The IRS concluded that the Reagans hadn't reported about $ 3 million worth of free clothes, jewelry and furs between 1983 and 1988, Time said.

GRAPHIC: PHOTO; b/w, Tim Dillon, USA TODAY

CUTLINE: STOKES: Says files show nothing new

LANGUAGE: ENGLISH

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Los Angeles Times

December 6, 1989, Wednesday, Home Edition

SECTION: Part A; Page 32; Column 1; Metro Desk

LENGTH: 525 words

HEADLINE: IRS EXAMINING GIFTS, LOANS TO REAGANS; TAXES: THE INVESTIGATION SEEKS TO DETERMINE IF THE FORMER PRESIDENT AND HIS WIFE SHOULD BE ASSESSED FOR VARIOUS ITEMS, PARTICULARLY DRESSES FOR THE FORMER FIRST LADY.

BYLINE: From The Washington Post

DATELINE: WASHINGTON

BODY: The Internal Revenue Service has been examining whether former President Ronald Reagan and his wife, Nancy, owe back taxes on gifts -- including dresses for Mrs. Reagan -- that they received while they were in the White House, according to sources familiar with the inquiry.

The investigation, which began early this year, has been conducted by the IRS's Los Angeles field office because the Reagans were determined to be California taxpayers even while living in the White House, the sources said.

Part of the IRS's information comes from M. Chris Blazakis, a free-lance journalist who previously worked for the designer Galanos, who lent dresses to Mrs. Reagan. Blazakis said that during the past year he has shared "detailed information with the IRS," which he said has launched a "comprehensive examination" of "far-reaching" issues involving the Reagans' possible tax liability.

Blazakis is now writing a critical book about the Reagans. He said he was coming forward with the allegations to ensure that they are properly handled by federal authorities.

The Reagans' tax lawyer, Los Angeles attorney Roy Miller, said he could not comment on a matter involving a client. The Reagans' spokesman, Mark Weinberg, said he knew nothing about an IRS inquiry and could not reach the Reagans for comment. A spokeswoman for the IRS also declined comment, citing privacy laws.

Jill Brett, a spokeswoman for the National Archives, said IRS agents recently examined Reagan White House photographs at the archives and made some copies. She said this was done with the former President's permission.

Documents seen by the Washington Post indicate that some IRS officials are treating the allegations seriously, have spent considerable amounts of time on the inquiry and have obtained permission from the Reagans to examine their tax records. The Post was shown these documents on condition that they not be further identified. Such cases are often resolved without court action in negotiated settlements with the IRS.

Blazakis is a former executive vice president of Galanos Originals, a California firm headed by designer James Galanos. Time magazine quoted Blazakis as a source for its October, 1988, report that Nancy Reagan had borrowed dozens of expensive gowns from famous designers, along with jewelry and other accessories.

The White House acknowledged at the time that the Reagans had not reported the gowns as loans on financial disclosure forms under the Ethics in Government Act, as Nancy Reagan had promised she would do in 1982, or declared their value as income on federal tax returns from 1982 through 1987.

Several tax experts interviewed by the Post last year said the dresses, some of which were worth $20,000, should be regarded as interest-free loans, and therefore taxable income, to Nancy Reagan.

But White House spokesman Marlin Fitzwater said last year that there was "no illegality" because the White House counsel's office had determined that there were no tax consequences from the transactions. Therefore, Fitzwater said, the Reagans did not need to amend their tax returns or financial disclosure statements.

LANGUAGE: ENGLISH

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The Washington Post

November 1, 1988, Tuesday, Final Edition

SECTION: FINANCIAL; PAGE C3; JERRY KNIGHT

LENGTH: 1137 words

HEADLINE: Nancy Reagan's 'Borrowed' Wardrobe Puts the IRS in an Embarrassing Position

BYLINE: JERRY KNIGHT

BODY: Tax lawyers are mostly men in blue pinstripes, Brooks Brothers types who never venture above the first floor at Saks Fifth Avenue or Neiman-Marcus and couldn't tell a Galanos gown from a gunny sack unless you explained how many hours they'd have to bill to pay for it.

But the Washington tax experts are all atwitter about designer dresses these days, talking about Adolfo and Galanos and other mono-nomenclatured men who sew their names in the back of ladies' dresses.

Especially one lady's dresses. The First Lady.

Nancy Reagan's wardrobe is generating as much discussion as the Christmas tree provisions of the "technical corrections" tax bill, and for the same reason: Those who understand it know there's something wrong.

As Time magazine first reported, Mrs. Reagan has gotten a closet-full of free dresses from fashion designers, dresses with price tags that start at four figures and run up to the price of a Cadillac Coupe De Ville.

The First Lady has secretly "borrowed" $ 2,000 Adolfo suits and $ 22,000 Galanos gowns by the dozen despite a warning six years ago by White House lawyers that such wardrobe enhancement had to be disclosed under the Ethics in Government Act. Nancy promised to live by the law, but she kept taking the taffeta and tulle under the table. As press secretary Elain Crispen put it, "She set her own little rule, and she broke her own little rule."

That's not all she broke, according to Washington tax experts, among them tax law professors, a tax textbook author and former Internal Revenue Service commissioners.

Mrs. Reagan broke the law by not reporting the donated dresses as income, the tax experts unanimously agree. Depending on how you value the dresses, she could be guilty of evading taxes on more than $ 1 million worth of taxable income, avoiding paying hundreds of thousands of dollars of federal taxes over half a dozen years.

Whether The First Lady kept the dresses or gave them all back -- as the White House says -- they were taxable income and not gifts, say tax law professors Daniel Posin of The Catholic University of America, Daniel Halperin of Georgetown University and Bernard Wolfman of Harvard University. Former IRS commissioner Sheldon Cohen, a Democrat, says the same thing on the record. One of his Republican counterparts says it off the record and so do other Washington tax lawyers.

"There appears to be no debate among the people I have talked to on the question of whether it's income," said Posin, the author of "Federal Income Taxation of Individuals" published by West Publishing, the nation's preeminent legal publisher.

"I would agree," said Halperin of Georgetown. "The only argument could be that it's a gift," he added, but "under the circumstances, I don't think it meets the general definition of a gift."

The tax lawyers all cite the same case in the U.S. Supreme Court more than 25 years ago as deciding the question of whether Mrs. Reagan's dresses were a gift or taxable income.

An Ohio businessman named Duberstein frequently mentioned business opportunities to a friend in New York and in return the friend gave him a Cadillac. Duberstein had to be talked into taking the car -- he already had another Caddy and an Oldsmobile -- and he never asked or expected payment from the friend and he wasn't about to pay income taxes on a gift.

The car was no gift, the Supreme Court ruled. A gift, the court said, has to be made on the basis of "disinterested and detached generosity" with no benefit to the giver.

The designers who have given their clothing to Mrs. Reagan have made it difficult for her to meet that test. "Nancy was a walking billboard for these designers and they knew it," said one Washington tax lawyer.

"She's been a sensation for my business," Los Angeles designer David Hayes told Time, which reported he had given Mrs. Reagan "60 to 80 expensive made-to-order outfits" in the past eight years. "We think of it as loans," he said.

James Galanos made the same point in an interview with Women's Wear Daily back in 1982 when the designer donations were first disclosed. Makers of mega-dresses are glad to lend them to Mrs. Reagan, he said, "since the designers profit so much from her wearing them."

Even if the dresses were only "loaned" to Mrs. Reagan, it was apparently an interest-free, rent-free loan and that's taxable income, said Wolfman of Harvard. He said the First Lady might be able to argue that the loans didn't have to be reported because the value was so minimal, but that will be a tough case to make.

Time brought in fashion buyers who from photos estimated the value of some 300 of Mrs. Reagan's outfits at between $ 1 million and $ 1.4 million, not counting a $ 480,000 necklace and a pair of $ 800,000 earrings once loaned by Harry Winston, the New York jeweler.

The jewels were no worse for wear, but even a one-night use of a $ 5,000 dress detracts dramatically from its value, especially when it's a tiny size 4 that's been tailored to fit. At Encore, the Cleveland Park consignment shop where wealthy women dispose of their slightly-used Bill Blasses and the like, a good-as-new dress goes for one-third its original price, even if it's been worn only once. The more expensive a dress is, the more it depreciates, an Encore spokeswomen said. "People won't pay more than $ 1,000 for a used dress, no matter what it cost new."

Mrs. Reagan can't claim the dresses were a tax-deductible expense, the tax experts agree, because the IRS and the Tax Court have repeatedly thrown out such claims, insisting that only uniforms are tax deductible business expense.

Even the most generous view of the First Lady's free wardrobe is that it's a case the U.S. Tax Court ought to decide. But to get the issue to court, the IRS must reaudit the Reagans' tax returns going back several years and accuse them of underpaying. That's not unprecedented; the IRS did it to the Nixons after Watergate.

The First Lady's failure to declare what prominent tax experts estimate is potentially hundreds of thousands of dollars of income puts the IRS in an embarrassing position. Under procedures instituted by Republican former IRS commissioner Donald Alexander, the service must audit the returns of the president and vice president every year.

"I sympathize with the IRS people. It's obviously awkward for them," said CU tax professor Posin. "But the fact of the matter is that these dresses -- whether kept or given back -- are income."

The IRS can't very well ignore the disclosures, since it pays hundreds of thousands of dollars a year in rewards to people who turn in tax evaders. Tax tattlers can get up to 10 percent of whatever the government collects in unpaid taxes. They ought to give a couple of Nancy's designer dresses to the people who blew the whistle on the free frocks.

LANGUAGE: ENGLISH

1989

THE WHITE HOUSE

Office of the Press Secretary

PRESS BRIEFING
BY
MARLIN FITZWATER

May 15, 1989

The Briefing Room

10:30 A.M. EDT

MR. FITZWATER: We're handing out the financial disclosure forms right now, so it will just take a second. We have a lot of things backed up here this morning, but we'll try to get them all in for you.

Let me just give you a few notes here. I'll go through the financial disclosure rules -- forms with you right now. Then we'll bring on Roger Porter who will provide a background briefing attributable to a senior administration official. His briefing, an advanced text of the President's speech and a fact sheet on the crime package are all embargoed for 12:00 p.m.

Q When do we get that?

MR. FITZWATER: And we'll get that as soon as he starts briefing, as soon as we finish financial disclosure. Is everybody clear on that? If so, and if we've got financial disclosure forms passed out, let's hurriedly go through here. I don't think there's too many questions just because it's very close to previous years, but nevertheless --

Page one, as you can see if you've all got it, is the one with the signature on it. The President signed this on May 11th. This was prepared by his attorneys, Andrews and Kurth, of Houston, Texas. There is one thing I would call to your attention here and that is that the financial disclosure forms that are required of the government now, that I sign, I fill out, and everyone else, have categories of investment income and those categories have fairly wide ranges which you're aware of. The President has proposed in his new ethics package that more specific data be provided and, therefore, he is in this form proposing more specific information and his income will be provided to the nearest thousandth of a dollar. So he will have specific -- we'll have specific numbers in here as you go through it, even though it's not required and other members of the government will not.

Q What are his total assets? Can you give us a dollar figure?

MR. FITZWATER: I don't have -- yes, if you'll turn to page one. The assets and incomes is a reference to -- see exhibits A and B -- so then turn to the next page which shows block A, assets and incomes sources. That shows the total value of his blind trust at $998,000.

Q So that's everything?

MR. FITZWATER: That's everything in the blind trust. You can add up other things in here. I don't have any -- but this is most everything.

Q Marlin, how come the house isn't -- there's no

MORE

that the one you're talking about, from Zahedi? Small reindeer -- let's see if I have anything else on that. I take it the numbers in my backup have no relation, so I'm just going to --

MR. COOPER: It's alphabetical --

MR. FITZWATER: Which one?

MR. COOPER: It's alphabetical by the name of the donor or the name of the gift?

MR. COOPER: Name of the donor.

MR. FITZWATER: Name of the donor. Well, that would make Zahedi presumably at the end. Yes, small reindeer from Washington Harbor Flowers -- blue stone picture frame is all it says. It's an 8" x 10" picture.

Q It's not a reindeer, it's a picture of a reindeer, is that it?

MR. FITZWATER: Yes, it's pretty hard to get a real reindeer in a picture frame. (Laughter.)

Q What did he do with $21,000 in gifts in one year? What does he do with them? Does he use them, does he put them in the attic?

MR. FITZWATER: As I said, some of them are at Kennebunkport in storage there, some are here in the private quarters, various places.

Q Does he end up giving any of them away to friends?

Q Big yard sale.

MR. FITZWATER: I don't know whether he does or not.

Q Does he keep everything that is sent to him or does he send some of it back?

MR. FITZWATER: Well, of course there's innumerable foreign gifts which aren't shown here which are given back, and there's a lot that aren't kept.

Q You mean the American people just send him stuff all the time?

MR. FITZWATER: Yes.

Q What about the bicycle that he was given to ride in the White House round and round, remember that?

Q Marlin, who does the evaluation?

MR. FITZWATER: Pardon?

Q Who does the evaluation?

MR. FITZWATER: The Gift Unit. There's a State Department unit that does nothing but that. They evaluate all of our gifts. My experience with them has been that they're outrageous, they evaluate everything so you can't keep it. (Laughter.)

Q Marlin, what is it that you wanted to keep, Marlin, that you couldn't?

Q Does he also buy his own fishing gear, tennis rackets and running shoes in addition to the ones he got as gifts?

MR. FITZWATER: He buys some of his own, yes.

Q Marlin, did I understand you to say the --

MR. FITZWATER: Some of it he uses, yes. Yes, I'm ready to move on, let's go. Anything else?

Q Did I understand you to say that the foreign gifts are not included here, the ones he sent back --

MR. FITZWATER: Well, foreign gifts that are over $180 that he doesn't keep are not listed, of course. There's a lot of those.

Q Have we gotten to the liabilities yet -- the next question.

MR. FITZWATER: No, let's move on.

Q Marlin?

MR. FITZWATER: Yes.

Q Before we get off assets, does he have other assets that aren't listed, like his house in Kennebunkport?

MR. FITZWATER: Yes, his house is an asset and it's not here because you don't have to report houses. You don't report personal residences.

Okay, let's move on to the end of this to the next section which is part one, liabilities.

Yes, Dave, go ahead.

Q I was wondering what roughly is his net worth?

MR. FITZWATER: I don't know. I offer you the numbers here, but we offer no other number.

Q I want to ask for a clarification on that housing rule. Is that principle primary residence, because what about the land in Houston?

MR. FITZWATER: I don't know. Can you make a check?

MR. COOPER: It's not income producing.

MR. FITZWATER: What?

MR. COOPER: I believe it's not income producing, therefore, it doesn't have to show here.

MR. FITZWATER: I guess that was it. B. Jay says he thinks because it's not income producing it doesn't have to be shown. He has a lot in Houston but there's no -- I guess that would be right of all residences if they're not -- we'd better make a call on it, check with us later. I don't know, if you own 17 houses, do none of them show? If none of them produce income, I don't know.

MR. COOPER: If they're private residences -- but let me double-check.

MR. FITZWATER: Yes, we'd better double-check.

Q You can't live on a lot.

MR. FITZWATER: Okay, liabilities, see attached D. Attached D shows Connecticut General Life -- well, what it shows is three loans that the President took out in 1979 at a five percent interest rate. They were all paid off in the reporting period, which would have been in 1989. The numbers -- the values at the right hand column says the amount of value are the amounts of the loan and they were paid off over the 10-year period. They're reported here because they were paid off in the reporting year.

Agreements or --

Q Marlin, were they to finance his first presidential campaign?

MR. FITZWATER: Pardon?

Q Why were the loans taken out?

MR. FITZWATER: I don't know.

Agreements or arrangements, part two. It says the reporting individual has an interest in a deferred compensation benefit plan created by Zapata. That was the one referenced earlier. Where was that? If you want to go back to that, let's see, I know it's back at the beginning.

Q Marlin, could I ask one question about the liability?

MR. FITZWATER: Wait, let me finish this little point first. Page four -- page four shows deferred compensation arrangement with Zapata Corporation -- next to the last reference -- item $18,000. That is deferred compensation that he does not receive until he retires at age 60 -- or until he reaches age 65, which would be June 12, 1989. So that there's no income to him now, however, it's listed as income because it will be when he reaches that age. And that also is the agreement or arrangement referred to in Part 2.

Go ahead.

Q Under the ethics proposal that he sent up to Congress earlier this year, officials are going to be required to report the value of mortgages that they owe. Since he doesn't have any mortgage liability listed, are we safe to assume that he doesn't owe any or just that he's not reporting them because he's not reporting the value of the residence?

MR. FITZWATER: I'd have to double-check. I mean, it certainly is true that it's not reported because it's not required. Now, whether there is one that he could do voluntarily or not, I don't know.

Q Since on the income stuff you're following the rules that you're proposing, I'm just not sure which set of rules you're following on the mortgage.

MR. FITZWATER: Well, I would say that we're following the proposal on the amount of income and existing rules on everything else, unless specified otherwise. But this is an interesting point, and we can check that for you. I just don't know whether he has a mortgage or not.

All right. Finally, positions held outside the U.S. government. The only one is the partnership in the barge.

All right. Is there anything else? Are we ready to go on to the crime package?

Q Crime package.

Q Short readout on the meeting this morning?

MR. FITZWATER: Okay. The President met this morning

LEVEL 1 - 7 OF 22 STORIES

The Associated Press

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May 16, 1989, Tuesday, PM cycle

SECTION: Washington Dateline

LENGTH: 800 words

HEADLINE: Bush Trust Worth $$1 Million

BYLINE: By TOM RAUM, Associated Press Writer

DATELINE: WASHINGTON

KEYWORD: Bush-Quayle Finances

BODY:

George Bush earned $$156,000 from a blind trust worth nearly $$1 million in his final year as vice president and with his wife Barbara accepted more than $$21,000 in gifts, a financial disclosure form shows.

The gifts ranged from two $$75 ties for Bush from an official with the Coca-Cola Co., to a gold watch valued at $$7,800 given to Mrs. Bush by the Ladies of the Senate Red Cross Chapter.

The form indicated the Bushes have non-real estate assets of $$1.09 million. In addition, their house in Kennebunkport, Maine - not required to be listed - is estimated to be worth about $$1 million, taking their likely net worth past $$2 million.

It was the first time that the exact value of Bush's trust - $$998,000 at year's end - had been disclosed. The trust was set up in January 1981 when Bush, a former Texas oil executive, became vice president.

Bush was not required to list specific amounts on his holdings and income, but did so anyway.

Presidential press secretary Marlin Fitzwater said "the president has proposed in his new ethics package that more specific data be provided" and he wanted to set an example.

The example was not followed by Vice President Dan Quayle, however, who filed a far less detailed disclosure statement.

Quayle's filing showing assets held by him and his wife Marilyn in 1988 - when he was a senator representing Indiana - of no less than $$440,000 and up to $$740,000 or more.

During his campaign, Quayle valued his net worth at slightly under $$1 million.

Quayle reported income on holdings of from $$18,500 to $$52,000. He also reported fees for speeches of $$52,797 - of which he donated $$17,304 to charities to keep within the federal limit on honoraria.

Computing his worth is further complicated because Quayle's major asset - his 99 shares and his wife's 40 shares in Central Newspapers Inc. - have no set market value since the company is family-owned and the stock is not traded, according to his press secretary, David Beckwith.

Beckwith said Quayle technically was not required to fill out a financial disclosure form for 1988 - he was between jobs at year's end - but did so anyway. Beckwith said the one he files next year is likely to follow Bush's lead in providing greater detail.

Bush's report, his first as president, also showed that earlier this year he paid off $$49,000 in three loans he took out in 1979 against life insurance policies.

Bush's pay as president is $$200,000 a year; Quayle's salary as vice president is $$115,000.

Bush put the value of his share of a Houston barge company, which state documents filed in Austin show is a joint business venture with Secretary of State James A. Baker III and Commerce Secretary Robert Mosbacher, at $$31,000.

Bush earned $$11,962 last year on the investment, the financial document showed.

Other assets listed by Bush include: $$1,000 in a White House savings account; $$3,000 in an interest-bearing checking account in Kennebunkport; $$28,000 in an individual retirement account for himself and $$2,300 in a companion IRA for Mrs. Bush.

The forms also show a life insurance policy on Mrs. Bush with a cash value of $$13,000.

They show that as of Dec. 31, Bush had about $$6,000 in a regular checking account in a Washington bank and about $$5,000 in a checking account in Houston.

He also listed an $$18,000 "deferred compensation arrangement" that he will get at age 65 - this June - from the Zapata Corp., the offshore oil drilling company he set up in Texas in the late 1950s.

The Bushes reported gifts of $$21,009 in 1988. Federal law requires that all gifts worth more than $$100 be reported, and that foreign gifts exceeding $$180 be returned.

Among gifts reported by Bush and his wife were: 10 country and western cassette tapes from MCA Records, worth $$100; a $$425 pen set from Peter Bentley of Parker Pens, Janesville, Wis.; and two neckties worth $$150 from Roberto Goizueta, an executive of the Coca-Cola Co., Atlanta.

Also: a cowboy hat and jacket, worth $$124, from the Houston Livestock Show; two pairs of walking shoes from the Rockport Co., valued at $$184; two pairs of running shoes from Aviva, worth $$100; a porcelain vase worth $$120 from Li

Changchun, an official in China's Liaoning Provincial Government.

Mrs. Bush reported a Tiffany gold watch, worth $$7,800, from the Ladies of the Senate Red Cross Chapter. A company called "Footstools Unlimited" gave the first family two footstools, valued at $$240.

Reported gifts also included more than a dozen paintings and other original works of art, baseball and flight jackets, fishing reels, various items of food, pillows, toy soldiers, a lamp, several bowls, cosmetics, caviar, sweaters, workshirts, picture frames, videotapes, a pool cue, an album of postage stamps and a wine decanter.

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May 16, 1989, Tuesday, Late City Final Edition

SECTION: Section A; Page 20, Column 2; National Desk

LENGTH: 298 words

HEADLINE: WASHINGTON TALK: SNAPSHOT;
Bush Gift List: From Horseshoes to Caviar

BYLINE: Special to The New York Times

DATELINE: WASHINGTON, May 15

BODY:

Among the documents released in the capital today was one SF 278/ FPM Chapter 734/U.S. Office of Personnel Management, or the Financial Disclosure Report of Bush, George H. W.; position, President; position(s) held with the Federal Government in the preceding 12 months, Vice President, through Jan. 19.

There is the blind trust, now valued at $998,000, on which 1988 interest was $156,000; there is assorted real property; there is a share in a Houston barge company, a business venture with Secretary of State James A. Baker 3d and Commerce Secretary Robert A. Mosbacher, and there are the gifts. When Government officials keep presents worth more than $100, they have to list them on forms like this. Here is a sampling of the President's list.

Two sets of horseshoes, $218, from Art Bellows, Triangle Corp., Stamford, Conn; fishing reels, $100, from Bob Boilard, Biddleford, Me.; twelve miniature toy soldiers, $125, from Jerry E. Finger, Houston; two tins of caviar, $100, from Mr. and Mrs. Herbert S. Hoffman, Hoffman Apparel International Co., Boston; cowboy hat, jacket, $124, Houston Livestock Show, Houston; Tiffany & Company gold watch, $7,800, Ladies of the Senate Red Cross Chapter. (On that last there is a footnote: made to the reporting individual's spouse in recognition of her meritorious public contribution as president of the chapter.) Fishing rod and reel, $380, Leigh Perkins, Orvis, Manchester, N.H.; flight jacket, cap, brochures, videotape, $200, Paul Poberezny, Experimental Aircraft Association, Oshkosh, Wis.; wine decanter and wine glasses, hand-carved statue, $167, West Virginia University, Morgantown, W.Va.; Two pair running shoes, $100, Sue Wiley, Aviva, Portland, Ore.; small reindeer, picture frame, $245, Ardeshir Zahedi, Montreux, Switzerland.

GRAPHIC: drawing

SUBJECT: DISCLOSURE OF INFORMATION; GIFTS

NAME: BUSH, GEORGE (PRES)

TITLE: WASHINGTON TALK PAGE (NYT)

1989

The Associated Press

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May 15, 1989, Monday, PM cycle

SECTION: Business News

LENGTH: 429 words

HEADLINE: Bush Blind Trust Earned $$156,000 Last Year

BYLINE: By TOM RAUM, Associated Press Writer

DATELINE: WASHINGTON

KEYWORD: Bush-Finances

BODY:

President Bush earned $$156,000 in 1988 on a blind trust that is valued at $$998,000, financial disclosure forms released by the White House showed today.

Bush set up the trust in 1981 when he became vice president.

The report, the first Bush has filed as president, also showed he recently paid off $$49,000 in loans he took out in 1979 against life insurance policies, apparently to help finance his first campaign for the presidency.

It also showed that Bush and his wife Barbara accepted over $$20,000 in gifts in his final year as vice president, ranging from a $$120 vase from a Chinese official to two $$75 neckties from an executive of the Coca-Cola Co.

The financial disclosure forms also put at $$31,000 the value of his share of a Houston barge company, a business venture with Secretary of State James A. Baker III and Commerce Secretary Robert Mosbacher. Bush earned $$11,962 last year on the investment, the financial document showed.

Presidential press secretary Marlin Fitzwater said that Bush intends to put his interest in the barge company - which leases liquid petroleum barges to gas companies in the Gulf of Mexico - into his blind trust, so that it will not appear directly on the disclosure forms filed in the future.

Overall, the form shows non-real estate assets of Bush and his wife Barbara at $$1.09 million. Federal law does not require the listing of non-income-producing real estate on the disclosure forms.

Bush and his wife own an oceanfront house in Kennebunkport, Maine, and a lot in Houston, with an estimated joint value of something over $$1 million.

Some of the details in the report match figures previously disclosed when Bush's income tax forms were made public on April 13.

However, other details, such as the value of his holdings and the list of gifts, did not show up on the tax forms.

Other assets listed by Bush include: $$1,000 in a White House savings account, $$3,000 in a interest-bearing checking account in Kennebunkport; $$28,000 in an individual retirement account for himself and $$2,300 in a companion IRA for Mrs. Bush.

The forms also show a life insurance policy on Mrs. Bush with a cash value of $$13,000.

The forms also showed that as of Dec. 31, Bush had about $$6,000 in a regular checking account in a Washington bank and about $$5,000 in a checking account in Houston.

He also listed the value of an $$18,000 "deferred compensation arrangement" that he will get at age 65 - this June - from the Zapata Corp., the now-defunct offshore oil drilling company he set up in Texas in the late 1950s.

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May 15, 1989, Monday, AM cycle

LENGTH: 434 words

HEADLINE: BUSH SAYS IT OFFICIALLY HE'S A MILLIONAIRE

DATELINE: WASHINGTON

BODY:
President Bush said officially Monday what most people have believed for a long time -- he's a millionaire.

In his annual financial disclosure statement, Bush said his blind trust was valued at $998,000 on Dec. 31, 1988 and he listed other assets of nearly $97,000. Bush reported $156,000 in income from the trust in 1988.

The disclosure statement, required by law, did not include his vacation home in Kennebunkport, Me., or an unimproved lot in Houston.

The statement provided more details than required by current law, but ethics legislation sent to Congress by Bush earlier this year said financial statements should be more specific. The White House said the president voluntarily provided extra information to set a good example.

Bush could have reported the value of his trust as "over $250,000." His ethics bill proposes the disclosure of the actual value of financial assets, rounded to the nearest thousand dollars.

Vice President Dan Quayle did not follow the president's lead in a financial disclosure statement he filed Monday.

Quayle's statement, filed voluntarily since he was a U.S. senator in 1988 and not subject to the reporting required of executive branch officials, listed his net work as "over $250,000."

Spokesman David Beckwith said it was "almost impossible" for Quayle to show the exact value of his holdings since they consist mostly of stock in a family newspaper chain that is not publicly traded.

"Keep in mind that he (Quayle) issued a financial disclosure report during last year's campaign which listed his net worth as under $1 million," Beckwith said.

Quayle's statement also included an attachment which said he would be entitled to a 1/12th share of interest income from a multi-million dollar family trust after the death of his step-grandmother and mother.

"Based on current actuarial tables, Senator (sic) Quayle would not receive his 1/12th income interest until approximately 20 years from now," it said.

Bush's report also showed that he and his wife, Barbara, received $21,009 worth of gifts valued at $100 or more, including a $7,800 gold watch presented to Mrs. Bush by "the Ladies of the Senate Red Cross Chapter" in recognition of her service as president of the group from 1981 to 1988 while her husband was vice president.

The group, composed of senators' wives, is traditionally headed by the wife of the vice president.

Public officials may keep all gifts received from other Americans, but must disclose those valued at $100 or more.

Gifts from foreigners must be turned over to the government if their value exceeds $180.

LANGUAGE: ENGLISH

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May 15, 1989, Monday, P.M. Final

SECTION: Part A; Page 2; Column 1; Late Final Desk

LENGTH: 159 words

HEADLINE: NATION;
BUSH REPORTS BLIND TRUST EARNINGS OF $156,000 IN '88, $20,000 IN GIFTS

BYLINE: From Times wire services

DATELINE: WASHINGTON

BODY:

President Bush earned $156,000 in 1988 on a blind trust that is valued at $998,000, financial disclosure forms released by the White House showed today.

Bush set up the trust in 1981 when he became vice president.

The report, the first Bush has filed as President, also showed that he recently paid off $49,000 in loans he took out in 1979 against life insurance policies, apparently to help finance his first campaign for the presidency.

It also showed that Bush and his wife, Barbara, accepted over $20,000 in gifts in his final year as vice president, ranging from a $120 vase from a Chinese official to two $75 neckties from an executive of the Coca-Cola Co.

The financial disclosure forms also put at $31,000 the value of his share of a Houston barge company, a business venture with Secretary of State James A. Baker III and Commerce Secretary Robert Mosbacher. Bush earned $11,962 last year on the investment, the financial document showed.

Brief; Wire

Proprietary to the United Press International 1989

May 15, 1989, Monday, BC cycle

SECTION: Washington News

LENGTH: 559 words

HEADLINE: Bush's assets top $1 million, Quayle's near

BYLINE: By HELEN THOMAS, UPI White House Reporter

DATELINE: WASHINGTON

KEYWORD: Bush-Assets

BODY:

President Bush had assets of well over $1 million, most of them held in a blind trust, at the end of 1988, according to a financial disclosure statement released Monday.

In providing the required annual accounting of his finances, the president's statement, prepared by his Houston accountants, was more specific than in the past in line with proposals made in his government ethics legislative package.

Bush listed assets held in the blind trust as totaling $998,000 as of Dec. 31, 1988, from which he received an income of $156,000.

Bush also cited some $96,000 in dividends and interests from a limited partnership engaged in leasing a liquid petroleum gas tanker to gas companies; a couple of Individual Retirement Accounts and a life insurance policy.

White House press secretary Marlin Fitzwater told reporters that Bush did not include his summer home at Kennebunkport, Maine -- believed to be valued at over $1 million -- nor his property in Houston in the accounting because they were exempt from disclosure.

As liabilities, Bush listed three loans totaling $49,000, taken from insurance companies in 1979 at an interest rate of 5 percent, all of which were paid off in 1988.

Also listed were gifts to Bush and his wife, Barbara. Mrs. Bush received the most expensive present among those listed, a Tiffany gold watch valued at nearly $8,000 from the Ladies of the Senate Red Cross Chapter. Fitzwater said it was traditional farewell gift from the group, which Mrs. Bush belonged to while her husband was vice president and presiding officer of the Senate.

Gifts to Bush included 10 cassette tapes of Western music, valued under $100; two sets of horseshoes, boots and walking shoes, 12 miniature soldiers, and food, including two tins of caviar. Also listed were 26 neckties from different friends, a Waterford crystal desk set, a cowboy hat, four baseball jackets and a tennis racket.

Under the federal government's gift rule for officials, the president may keep any gift from a domestic source of any amount and he does not have to

Proprietary to the United Press International, May 15, 1989

report any present valued at under $100.

Bush and other federal officials must report any gift valued at more than $180. He is allowed to keep any gift from a foreign source that is not worth more than $100.

The gifts are evaluated by the State Department's gift unit.

Acting voluntarily, Vice President Dan Quayle also issued a disclosure statement for 1988, showing his assets as around $1 million, the largest share of them stock in the Pulliam family's Central Newspapers published in Indianapolis and Phoenix, Arize.

Quayle has 99 shares in Central Newspapers valued at roughly $550,000, while his wife, Marilyn, holds 40 shares said to be worth some $250,000.

Like Bush's home, Quayle's home in Mclean, Va., valued at $400,000, was not reported in the statement.

Quayle was an Indiana senator in 1988 and not subject disclosure laws for federal officials.

The statement had an addendum describing Quayle's interest in the Pulliam Family Trust -- widely believed to be worth more than $1 billion all told -- set up by his grandfather, publishing magnate Eugene C. Pulliam.

It said that Quayle ''will never acquire any ownership interest in the Trust's assets.'' Following the deaths of his step-grandmother and mother, Quayle would be entitled to 1/12th of the trust's annual income.

1990

THE WHITE HOUSE

Office of the Press Secretary

PRESS BRIEFING
BY
MARLIN FITZWATER

May 15, 1990

The Briefing Room

12:00 P.M. EDT

MR. FITZWATER: Let's get started. We do have about six or seven things to discuss. So let's go through them in order here, and get it all out of the way.

First of all, the President's financial disclosure forms, which you have been handed. I have here the rules, and rather than go through every item -- this really won't take very long. But let me just remind you all of the basic rules, which are that -- which are governed by the Foreign Gifts and Decorations Act -- applies equally across the federal government, including members of Congress.

Basically, these apply to gifts that are received from a foreign government or agents of a foreign government, as well as domestically. But let me just say, first of all, that as we start through this, under this law, gifts of more than $180 from foreign governments or foreign agents may only be accepted on behalf of the United States government. And any over that become government property and do not appear on this form, but are reported annually to the State Department. Gifts of $180 or less may be accepted personally, and these do appear on this form. Similarly, domestic gifts may be accepted in any amount as long as they are reported on this form. If they're under $100, they do not have to be.

Q Any amount?

MR. FITZWATER: Yes.

So with that brief summary of the rules, let me just go through this. Page 1 would be financial disclosure report as you see it here. And that says only the date and name and so forth. If we turn to the second page, which would be assets and income, this shows basically that there are exhibits attached. And you can turn quickly to the next page, which is exhibit A. Exhibit A says page 3 in the upper right-hand corner. And essentially, all that points out is that the President's blind trust is valued at $1.275 million. It is a qualified trust. And on that he reported taxable income of $208,000. And that, of course, was a part of his income tax form that we went over here sometime ago. Similarly, the $9,000 tax-exempt income and the capital gain of $36,000 were all detailed for you in that tax submission to the IRS.

So let's turn on to exhibit B. It says page 4 in the upper right-hand corner. Property not held in a qualified blind trust. This is all fairly explanatory. But just to race through it, he owns the residential lot in Houston, valued at $81,000; the residence at Kennebunkport assessed valuation of $892,000. Then cash accounts, and four of those -- you'll see those listed there -- $8,000, $1,000, $12,000 and $11,000.

Q Why does he have noninterest-bearing checking accounts? Why would anybody do that?

limit on a domestic gift at all if it's reported?

MR. FITZWATER: There's no cap on the value on gifts as long as they're reported.

Q How about the $800 cup and saucer, Marlin?

MR. FITZWATER: Let me just explain that the President gives away a lot of these gifts. You'll see one, for example, the 25 caps. He gives those out to friends. Some of them he gives -- Mickey Mouse and Minnie Mouse statues, he gives to his grandchildren. So that's a source of a lot of --

Q Some to the Marlin Fitzwater tennis tournament.

MR. FITZWATER: And some to -- the give Marlin Fitzwater annual invitational tennis tournament.

Q Marlin, What are the ones that he has to pay for if he wants to keep? The ones that are over $180?

MR. FITZWATER: Yes. There would be -- any that are over the $180 that he would turn in to the government. There is a process by which those are auctioned off or which they can be purchased.

I'll be honest with you. I've pressed the State Department for 25 years and have never been able to discover how in the world you do that. But supposedly, there is a process for doing it.

Q Does this then show which ones he has bought and kept, if any?

MR. FITZWATER: It does not show ones that he just turned in to the State Department.

Q You mean these are all things that he has kept?

MR. FITZWATER: These are all things that he has kept.

Q So if it's valued over $180, we can assume that he paid?

MR. FITZWATER: If it's valued over $180, you can assume -- and it's not on this list -- you can assume that he's given it to the government. The State Department has it.

Q But if it's valued over $180 and it is on this list, then he paid for it, or what?

MR. FITZWATER: No. If it's over $180 and it's on this list, it means it's either a domestically-given gift or -- that's it. Or it's a personal gift. Or it's a personal gift ruled not to be a federal -- from a foreign government or foreign agent. That's the case of the Aga Khan gift.

Q Where does he put all this stuff?

MR. FITZWATER: He's got some of it at Kennebunkport, some here.

Q What does the "s" mean? The column that has the --

MR. FITZWATER: Those are the gifts that go go to Mrs. Bush, spouse.

Let's just see if there's any others that jump out at us as we flip through the pages here.

Q How many baseball cards did he get from Stan Musial? And what were they?

MORE

MR. FITZWATER: I don't know.

I don't think there are any others in here that are not pretty self-explanatory.

Q Marlin, two gifts in here to Millie. Does she have her own disclosure, or are these all --

MR. FITZWATER: We disclose Millie's gifts for her on a voluntary basis. (Laughter.)

Q That's not marked with an "s"?

MR. FITZWATER: What?

Q Except for the gifts she gave to --

MR. FITZWATER: That's right. Let's move on.

Q Are all these friends of President? These aren't just unsolicited things that --

MR. FITZWATER: Some of them are. Some of these are people who just sent him in -- cowboy boots and things like that.

Q Marlin, the President reports an interest in the IRAs. Are there any other retirement or pension plans in which he has a reportable interest?

MR. FITZWATER: Not outside the blind trust. I don't know about in the blind trust.

Q Do you have a figure for the blind trust for last year? Is this the same as it was?

MR. FITZWATER: For last year? No, it's an increase over last year. I do have that. Do you have it handy, Steve? I know I've got it here, but -- here it is. Looking at last year's form, $998,000, right? Yes. Last year the blind trust was valued at $998,000. And the amount of income on the trust was $156,000. Does that take care of you, Terry?

Q What is it? $998,000?

MR. FITZWATER: Yes. Last year -- $998,000.

Q Now it's up to $1.2 million?

MR. FITZWATER: Now it's up to $1.275 million..

Q So that's -- when you say the $156,000, is that the ordinary taxable income, or is that everything?

MR. FITZWATER: Last year it just had -- it said he didn't differentiate. I don't know why. I can show it to you if you want to take a look at it.

Is there anything else on this form to take care of here?

Q No.

Q This is the deadline, isn't it?

MR. FITZWATER: May 15, yes.

Q Who elses can we have from the White House?

MR. FITZWATER: All the other top officials of the administration are available. The process is -- I better double-check this. If they want mine, where do they get it?

MR. HART: I think it's through the Office of Government Ethics.

MR. FITZWATER: No. Go check that on the phone so I can do that before we end the briefing. Because there is a way to do that, and I know that you've all requested those in the past. There's a form that we take care of down here and submit it and all that stuff.

Q Marlin, you can tell us the gift that you like the best.

MR. FITZWATER: The gift I like the best?

Q Yes, on your form.

MR. FITZWATER: On my form?

Q Yes.

MR. FITZWATER: I don't get many gifts.

Q Ahhh. (Laughter.)

Q Cigars?

Q That and the checking account -- it's the story of dispair, Marlin. (Laughter.)

Q Did Quayle bring you a doll?

MR. FITZWATER: I got a lacquer box from Grobachev. That's my favorite gift. Which I can't keep because of the value, but I can keep it on display in the White House, so it's in my office. But you can look at it any time you like.

Q You can buy it.

MR. FITZWATER: That's right. I've inquired about this buying concept for years and they never tell you how to do it.

Q Just take it, take it. (Laughter.) They won't know.

Q We won't tell.

MR. FITZWATER: All right. Let's go on here. Quickly, several items. First of all, industrial production fell .4 percent in April after increasing .5 percent in March. Today's data on industrial production and capacity utilization suggests that the sluggish conditions in the industrial sector are persisting. Not particularly good news.

This morning at 9:30 a.m. the President received the report of the President's Commission on Aviation Security and Terrorism. It was presented by Commission Chairman Ann McLaughlin and members, Senators Lautenberg and D'Amato, Representatives Oberstar and Hammerschmidt, Former Secretary of the Navy Hidalgo and Retired Air Force General Richards.

Chairman McLaughlin reviewed the charge given the Commission. She discussed the conclusions briefly. And the President is meeting with the Pan Am 103 families at 11:45 a.m. I think that's probably over now.

The Commission met with the families to discuss the report with them and the recommendations. The President met with them briefly. And the Commission will hold a press conference at

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May 16, 1990, Wednesday, Late Edition - Final

SECTION: Section A; Page 22, Column 1; National Desk

LENGTH: 369 words

HEADLINE: For Bush, Christmas All Year

BYLINE: By ANDREW ROSENTHAL, Special to The New York Times

DATELINE: WASHINGTON, May 15

BODY:

In his first year in office, President Bush received 83 caps, 66 golf balls, 51 neckties, 36 shirts, 25 books about the Constitution, 13 pairs of cowboy boots, 9 Mickey and Minnie Mouse dolls, 6 fishing rods, 3 tins of caviar and 2 ''We the People'' cufflinks. The Gorbachevs gave him a box of Christmas tree ornaments.

That is just the tip of the pile, according to a financial disclosure form released by the White House today.

Inundated with gifts, like other Presidents, Mr. Bush got a $425 sweater from the designer Ralph Lauren, a golf club from Lee Trevino and a tennis outfit from Bjorn Borg. His wife, Barbara, got four evening bags worth $3,102 from Judith Leiber, the New York designer.

Federal law allows the President to keep anything he wants from an American citizen so long as he discloses gifts worth $100 or more. Gifts worth more than $180 from foreigners must be turned over to the State Department unless the White House lists them as ''private'' - like the Aga Khan's neckties and watch ($300) or the box of Christmas ornaments, tinsel and a shawl for Mrs. Bush sent by Mikhail and Raisa Gorbachev ($200). Each year, the President tells the world what he got on a financial diclosure form required of senior Federal officials.

Some presents reflected the President's tastes. A number of people sent fishing reels and golf balls and sweatshirts and running shoes. Other gifts said more about the sender, like the ''We the People'' cufflinks and 25 books about the Constitution from former Chief Justice Warren E. Burger, head of the Bicentennial celebration of the Constitution.

Mickey, Minnie and Millie

There was a crystal apple from Lewis Rudin of New York, a mint julep cup from Mrs. Mark Scearce of Shellbyville, Ky., and a pair of $995 cowboy boots from Mr. and Mrs. Rocky Carroll of Houston. And Mickey Mouse dolls -and a set of Mickey and Minnie statuettes - from Michael Eisner, chairman of Walt Disney Productions.

Millie, the First Dog, got a bed and a ''gingerbread house.'' Technically, Millie is not required to file a financial disclsoure form. But Marlin Fitzwater, the White House spokesman, said, ''We disclose Millie's gifts for

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her - on a voluntary basis.''

SUBJECT: GIFTS; DISCLOSURE OF INFORMATION

NAME: BUSH, GEORGE (PRES); BUSH, BARBARA (MRS GEORGE BUSH); ROSENTHAL, ANDREW

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Orlando Sentinel Tribune

May 16, 1990 Wednesday, 3 STAR

SECTION: A SECTION; Pg. A3

LENGTH: 265 words

HEADLINE: EVEN MILLIE GETS GIFTS FLOWING TO THE BUSHES

BYLINE: Compiled From Wire Reports

DATELINE: WASHINGTON

KEYWORD: BUSH FAMILY CHARITY STAT

BODY:

President Bush and his wife accepted at least $26,839 worth of gifts last year, including cowboy boots and baseball cards, $3,100 worth of evening bags, and a gingerbread house for their dog Millie, the White House said Tuesday.

Sports equipment was the most frequent gift the president accepted, according to a financial disclosure form released by the White House on Tuesday. Bush kept seven dozen hats, four dozen neckties, three dozen T-shirts, one dozen fishing rods and seven sweatsuits.

The givers included the Aga Khan, who gave two neckties and a watch worth $300; Soviet President Mikhail Gorbachev and his wife, Raisa, Christmas ornaments and children's books worth $125; designer Ralph Lauren, a $425 sweater; and golfer Lee Trevino, whose $466 worth of presents included 11 golf shirts, two caps, one club and six instructional videotapes.

Presidents get thousands of gifts each year and turn most of them over to the government. But Bush and his wife, Barbara, kept 92 presents, according to the disclosure form, which reports only gifts worth $100 or more.

The president was required to hand over to the State Department all gifts worth more than $180 from foreigners - with some exceptions. He can keep gifts deemed personal presents from friends, as he did with the Aga Khan's neckties and watch.

Presidential spokesman Marlin Fitzwater said Bush gives away a lot of the gifts to his grandchildren and family friends but keeps many of them for use at the White House; Camp David, the presidential retreat; and Bush's vacation home at Kennebunkport, Maine.

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USA TODAY

May 16, 1990, Wednesday, FINAL EDITION

SECTION: NEWS; Pg. 1A

LENGTH: 185 words

HEADLINE: Bush: Gifts for all sports

BYLINE: Jessica Lee

BODY:

USA gift-givers picture George Bush the sportsman - not the statesman.

The president received equipment for golf, jogging, fishing, tennis and baseball - worth about $ 10,000 - his 1989 financial disclosure form showed Tuesday.

Together, the Bushes accepted personal gifts worth about $ 27,000, including:

- 9 Mickey and Minnie Mouse dolls and statues worth $ 331 from Walt Disney chief Michael Eisner.

- Sweatshirt, socks and shirts worth $ 125 from Notre Dame basketball coach Digger Phelps.

- Baseball gear worth $ 175 from the late commissioner, A. Bartlett Giamatti.

- Baseball cards from Hall of Famer Stan Musial.

By law, Bush must turn over to the State Department official gifts worth more than $ 180 from foreigners. He may keep gifts from U.S. citizens but report those worth more than $ 100.

Designer Judith Leiber's gift of four evening bags to first lady Barbara Bush topped the list at $ 3,102.

Bush's most expensive gift: cowboy boots worth $ 995 from Mr. and Mrs. Rocky Campbell, Houston.

Even first dog Millie got a bed and a gingerbread house, both valued at $ 100.

SUBJECT: PRESIDENCY; GIFT

Copyright 1990 Reuters

May 15, 1990, Tuesday, AM cycle

LENGTH: 159 words

HEADLINE: BUSH FINANCIAL DISCLOSURE STATEMENT SHOWS HE'S A MILLIONAIRE

DATELINE: WASHINGTON

BODY:

President Bush released a financial disclosure statement Tuesday showing the value of assets held in a blind trust as $1.275 million- an increase in his net worth of $277,000 over last year.

Bush's disclosure statement also shows that he and Barbara Bush received a box of glass Christmas ornaments, a shawl and books for their grandchildren as Christmas gifts from Soviet President Mikhail Gorbachev and his wife Raisa last year.

Bush and other high-level officials are required by law to file the disclosure statement annually.

There was no detailed breakdown on the increase in value of Bush's assets. They are held in a blind trust managed by professional financial experts without his involvement to avoid possible conflicts of interest.

The trust was valued at $998,000 a year ago.

However, most of the increase apparently came from higher earnings. Bush disclosed unspecified earnings of $156,000 in 1988 and $243,000 last year.

LANGUAGE: ENGLISH

1991

THE WHITE HOUSE

Office of the Press Secretary

PRESS BRIEFING
BY
MARLIN FITZWATER

May 15, 1991

Information Center
Room 308 OEOB

The Briefing Room

11:15 A.M. EDT

INDEX

11:58 A.M. EDT

#351-05/15

Anderson Cancer Center in Houston. So really nothing new there either.

Moving on to Exhibit C, page seven, are the gifts.

Q How come -- golf clubs? (Laughter.)

~~Q Is that one club? (Laughter.)~~

MR. FITZWATER: For the totals we have gifts from 84 donors, valued at $22,138.

~~Q What's the deal -- what's the regulation on that?~~

MR. FITZWATER: The rules, briefly, are that the President can keep all gifts from domestic sources. He must report all of them that are valued over $100. And they are subject to the normal conflict of interest regulations. And the second rule is that he can keep anything from a foreign source under $200. Anything over $200 has to be submitted to the government. So this list represents everything that the President has been given from foreign sources under $200 or domestic that he chose to keep and report.

Q So this is all -- this is what he kept?

MR. FITZWATER: This is what he kept. And as you can see, a good many of these are clothing and so forth.

Q How do they do the evaluations on these things?

MR. FITZWATER: I really didn't ask that question very --

Q Somebody does a needlepoint something or other -- how do you know what it's worth?

MR. FITZWATER: There is a gift unit that does these by -- they go out to places where you buy this or like-ones, and they get bids and all that.

Those of us who are under this system, of course, think that those evaluations are all totally screwed up -- (laughter) -- but nevertheless, that's the way it works.

Q Would you pay $150 for a figurine of Millie and Santa Claus? (Laughter.)

MR. FITZWATER: Let me show you a paperweight worth $200. (Laughter.)

Running through those briefly, I don't think we need to go through every name. Essentially, glance through the lists on the left. If there are any people that you want to know about, why, please ask. Otherwise, I think it's pretty straightforward. The S in the column means that they are gifts that are kept by Mrs. Bush -- spousal.

Q Do they pay taxes on these?

MR. FITZWATER: I don't know what the taxation rule is. I can't remember when we covered that.

There really aren't any too extraordinary that I notice.

Q Marlin, are there foreign gifts that they have decided to purchase from the government?

MR. FITZWATER: I don't believe so, no.

Q None?

MR. FITZWATER: No.

So if there are no questions on the gifts, that essentially completes the financial disclosure. As you can see from the last two pages --

Q What does he do with all those fishing rods?

MR. FITZWATER: A lot of them he fishes with. He keeps some at Kennebunkport, he keeps some at Camp David, he keeps some out at the golf club. You will recall, he'll play golf and then he'll go in and get his fishing pole and go over to the creek. So he's got fishing rods and reels stashed all over the place.

Q Marlin, is the silver pen from David Frost in payment for the one-on-one interview, and is that the going rate?

Q Oooooh. (Laughter.)

MR. FITZWATER: Ooooh. How tacky. (Laughter.)

Q Did he give it back after Frost interviewed Schwarzkopf? (Laughter.)

MR. FITZWATER: Okay, let's see if we've got anything to get out of the way here before we get called away. First of all, I think the pool has been notified and everybody is squared away on the arrangements for the baseball game tonight. But if not, John Herrick can certainly go through that with you. As you know, we do have a travel pool accompanying by chopper and we have a bus that is taking a sizeable contingent.

Next, the President last night sent a message to the widow of former Foreign Minister of Japan Shintaro Abe, expressing condolences over his death, and that was reported last night.

Secondly, this may not be new, but just so you know that the Polish government has agreed to represent the U.S. interest in Iraq. They made that agreement on May 6th and assumed responsibility -- accepted on May 3 and assumed responsibility on May 6. So we would expect to formalize details of that over the next few days, but essentially, we will open a U.S. intrasection in our Chancery in Baghdad under the flag of Poland.

Q Did the U.S. ask Poland for that, or did Poland propose itself?

MR. FITZWATER: We asked Poland.

Q Is there a reciprocal arrangement for Iraq in Washington, or are they just going to keep their embassy open --

MR. FITZWATER: Iraq is having a similar arrangement with Algeria, I believe.

I can give you an update on the refugee situation, on Bangladesh aid -- either of those, or we can go to questions, whichever you like.

Q This is a question. I was just curious about the President's meeting today on the Hill with the -- I guess the luncheon with Republican senators. Are there particular issues he's going to raise? What's the purpose of this?

MR. FITZWATER: He wants to discuss the domestic agenda in general and the crime bill and fast track in particular. We'll have a travel pool accompany the President. Normally, there's always a stakeout afterwards, and I wouldn't be surprised if the President stopped at the stakeout just to say a few words about what transpired in the meeting. Essentially, this is the Senate Policy luncheon,

1992

THE WHITE HOUSE

Offic⋅ of the Press Secretary

For Immediate Release May 14, 1992

PRESS BRIEFING
BY DEPUTY PRESS SECRETARY JUDY SMITH

The Briefing Room

May 14, 1992

11:19 A.M. EDT

MS. SMITH: Why don't we go through the schedule first and then we'll start on the President's financial disclosure forms.

Q Where's Marlin?

MS. SMITH: He's probably upstairs now turning on his box, saying, "Oh, poor Judy." (Laughter.)

Q He did this to you, Judy.

MS. SMITH: He did. I know. We should go demand a protest here.

As you're well aware, this morning the President had a bipartisan meeting on the budget amendment. It was a good meeting. We look forward to working with Congress to get a balanced budget amendment passed.

Later on today at 11:35 a.m. the President will have a photo with the Mother and Father of the Year of Multiple Sclerosis. In addition, at 12:50 p.m., there will be a travel pool accompanying the President to depart to the Anacostia Park where he will receive a tour of the Pathway to Fishing and a demonstration and address the Take Pride In America Volunteers.

What that basically is, is the month of May has been designated as National Take Pride in America. It's a Take Pride in America group which focuses on urban recreation sites. In the District that includes Anacostia, Fort Dupont, and Rock Creek parks. And he'll have brief remarks there that will highlight the need for everyone to get involved in terms of volunteering, and also he'll highlight the importance of recreation.

Q Judy, in connection with that, how long ago was that scheduled?

MS. SMITH: I don't have the answer to that. It's been on the schedule for a while; I don't know exactly when it was added on. But just based on what I said, that May is National Take Pride in America month, and we've been doing this for the past few years. So it's not a new event.

Q But was Anacostia scheduled as the place originally?

MS. SMITH: Yes, yes. There's been no other place scheduled. I just don't know -- yes.

Q You said it was $600, but this says it's non or less that $201. Which is correct?

MS. SMITH: I said last year.

Royalties from the book --

Q It's declining, Judy.

MS. SMITH: Thank you, Frank.

Royalties from the book, "Looking Forward," the amount of income on that is $1,400. Last year that was $7,000.

Q It's not selling, huh?

MS. SMITH: Well, I think it's largely due to the fact that it's been out on the market for a while. Royalties from the book, "Millie's Book," the amount of income -- and you remember these figures from the President's taxes that we did -- was $889,200. And that's the royalties and that is reflected in the tax numbers that the President reported in his tax return.

If you now turn to page six, you notice on Schedule B, Part 1 and Part 2, there's basically none, there were no transactions. In terms of gifts and reimbursements, let me suggest that you turn to page seven, eight, nine, 10, 11 and 12 basically go over the gifts that the President and Mrs. Bush received. Now, the --

Q Can you go through the rules of what he can keep or what's the dollar limit?

MS. SMITH: Getting right there. The rule is that you have to report anything that's over $100 that you decide to keep. Anything under $100 you don't have to report. And the gifts that are over $100 that the President does not keep, sometimes they go back to the donor; other times they're designated for his library or archives.

Q Who determines the value?

MS. SMITH: We have a whole gift unit that does that. For example, sometimes when we go on trips he may get gifts and it goes directly to the gift unit to determine the value.

Q These are the ones he's going to keep?

MS. SMITH: That's exactly right.

Q What is the limit on what he can keep, Judy?

MS. SMITH: There's not a limit on what he can keep, there's just reporting requirements.

Q Of any value he can keep?

Q Does he even have to pay any taxes on gifts?

MS. SMITH: No, you don't have to pay income taxes on gifts. I think the rule is, though, if it's over a certain amount, and I believe that's $10,000, then the donor pays taxes.

Q Does the "s" mean spouse or what?

MS. SMITH: Yes, it does. It still means spouse.

Q He can keep all of these gifts?

MORE

Q I see you have three bathrobes from Mrs. Ivana Trump. (Laughter.)

Q She didn't need them anymore. They were Donald's. (Laughter.)

Q -- say it's worth $223?

MS. SMITH: Right. These gifts are gifts that the President and Mrs. Bush decided to keep. Some of the gifts are from friends and some of the gifts are just from individuals that wanted to give the President and Mrs. Bush a gift.

Now, most of the gifts on page seven through 12 are new. Some of the old ones that I recall from last year are, for example, on page eight, the Hamptons -- you've got a gift there, eight neckties and two scarfs; Jefferies that's also an old one from last year.

Q You mean they were not reported last year?

MS. SMITH: Right, that -- no, these same individuals gave gifts last year.

Q The same gifts?

MS. SMITH: No, they're different gifts and we have forms available from '91.

Q He can get three bathrobes and two sweatshirts for $290?

MS. SMITH: He could as long as he reports it. Another one that's listed that was from 1991 is Leiber, but the rest of them are new.

Now, just to give you some comparison here --

Q Judy, I don't think you answered my question.

MS. SMITH: What was your question, Frank?

Q How do they assign the value? Does the donor tell them what it cost or do they just assign an arbitrary value to it?

MS. SMITH: No, the gift unit determines that. I don't know what formula they use, but I would assume that it's certainly based on an average amount of gift, the rarity of the gift. But the gift unit decides how much its value.

Q Is that retail value?

MS. SMITH: I don't have the formula that the gift unit uses, but those are some of the criteria that they take into consideration.

Q Are you saying that he got also many more gifts from foreign heads of state and so forth, but it's not reported here because it's more than -- or he gave that --

MS. SMITH: Right, he decided not to keep it. So, say, for example, a head of state gave him a gift and he decided that he designated that for his library or it's gone over to Archives.

Q So that's not reported?

MS. SMITH: Right, that's exactly right.

Q He got a good half dozen fishing reels and probably 40 or 50 golf clubs. All of those --

MS. SMITH: That are listed here?

Q What the devil is he doing with 40 or 50 new golf clubs?

MS. SMITH: As you know from your early morning pool coverage, the President plays golf and is certainly an avid fisher and he decided to keep those gifts.

Q Does this mean that he decided not to keep any of the heads' of states gifts as personal possession?

MS. SMITH: No. What it means is that anything that's over $100 and he decided to keep is reported here. Some of those heads' of states gifts you could very well see designated for his library or in the Archives.

Q Can you explain what the hair products were from Dan Rostenkowski? (Laughter.) And why he decided to keep them.

MS. SMITH: I'm assuming that he will use the hair products for hair grooming. (Laughter.)

Q Is he using the downrigger to fix whatever the hair products have done? (Laughter.)

MS. SMITH: That may be a little creative there.

Let me just go over a gift summary for you.

Q Where is the total value --

MS. SMITH: Getting to it right now. Just as a comparison, in 1991, the total number of donors were 75; the total value was $21,329. For 1990, the total number of donors are 84; and the total value there was $22,138.

In addition, to -- Pascal, let me just go back to your question for a second --

Q These are kept or not kept?

MS. SMITH: These are the ones he kept -- that's right. The gift unit also gets -- in addition to their own criteria, they also receive appraisals from commercial people that are involved in appraisals. So it's both.

Q Judy, is it fair to assume that the President and Mrs. Bush choose to keep only a fraction of the gifts they receive?

MS. SMITH: That's absolutely correct.

Q Like is it two percent or 10 percent or --

MS. SMITH: I don't have a figure on that. What's basically required for them to report over $100, but I don't have a figure on the amount that they decide not to report.

Q How many people are involved in the gift unit? What does that comprise and who runs it?

MS. SMITH: Frank, I don't have that information on the number of employees of the gift unit and who runs it. I can certainly try.

Q Is that Judith Lieber bag one bag, one handbag?

MS. SMITH: Well, let's see what it says. What page are you referring to, Helen? It's one handbag.

Q Do you know the story behind the briefcase from Dan Aykroyd?

MS. SMITH: No. I'll ask.

Q Are they friends?

MS. SMITH: Well, I mean, the gifts that he decided to keep were from friends and associates and gifts that he wanted to keep. But I'll see if I can find out the briefcase.

Q I don't think Dan Aykroyd has ever been to the White House, has he?

MS. SMITH: Well, I don't know. But that certainly doesn't mean they're not friends or associates.

Q Just out of curiosity, on page 10, Mr. and Mrs. Saleh, they gave 10 watches -- what's the story?

Q Gave her 10 watches.

MS. SMITH: That's for Mrs. Bush. That "s" is spouse.

Q Do you know anything about that?

MS. SMITH: No, I don't know about the 10 watches.

Q I'm overwhelmed with curiosity about this Santa Clause. What is a Texas Santa Clause?

MS. SMITH: What page are you on -- 10? It could be some special brand of Santa Clause that they only have in Texas. I'll see. I'll see if I can find a -- it could be. It could be. (Laughter.)

Q In the past you've made available also financial disclosures from other senior staff -- maybe this time, such as Skinner and Sununu. Are those available?

MS. SMITH: No, as a matter of fact, let me just point out that the financial disclosure forms are not due until tomorrow. One of the reasons why we're doing it today is because everybody is going to be on the road. The President's financial disclosure form will be filed tomorrow with the Office of Government Ethics. From what I understand, the law says that we can make available to the public 30 days after receipt of the agencies in terms of financial disclosure forms.

Q You don't have Sununu's and you don't have Skinner's yet?

MS. SMITH: No, they're not due until tomorrow.

Q Are we getting them tomorrow, or where are you guys going to release them?

MS. SMITH: Well, I will check to see what the procedure will be, but let me just say that the 30-day period certainly allows Counsel's Office to review. And by law you're not required to release them until 30 days after that period. But I will check to see when we plan to release them, if there's any interest.

Q No one has them?

MS. SMITH: No, they're not due until tomorrow. That's right. But in the past we've made senior staff financial disclosures available, and I'm sure we will do that this year also.

Q The Vice President's?

MS. SMITH: From my understanding, the Vice President will be releasing his financial disclosure from this afternoon.

Q From Tokyo?

MS. SMITH: No.

Q I just don't remember. Last year did he give the same precise figure on -- as this is?

MS. SMITH: He did. He did. He's been rounding -- you were talking about rounding out to -- yes, he did. He's been doing that consistently.

Q Do you call on other presidential candidates to give as exact an accounting?

MS. SMITH: We certainly like to lead by example. And we would encourage, just like we encourage all candidates to make all available their income taxes, we certainly would encourage full disclosure and for all candidates to make full disclosure on their financial disclosure form.

Q But to round it off as precisely?

MS. SMITH: Sure. I don't see why not. I mean, I think it's good because what it does is it gives an exact, precise number of holdings. And on the financial disclosure form, if you turn to page two, you can see there that you don't really get an idea of someone's holdings, which is why we rounded it out to the nearest thousand and the nearest hundred.

Q Judy, is there some provision in the gift regulations whereby the President or the recipient of a gift who's an officer of the government can buy it from the government if he gets a gift? I seem to recall somewhere down the line there was a purchase agreement or a purchase provision, which you haven't mentioned yet today.

MS. SMITH: It doesn't come up with the President. But just, for example, when we go on trips, if you receive gifts, I believe that the commercial appraiser and also the gift unit will determine a value. And if you want to purchase it you can. I just don't know all those ins and outs in terms of the procedures.

Q That does not apply to the President?

MS. SMITH: No.

Q Who does that apply to?

MS. SMITH: I will check on that, though. But I just remember it just coming up in the context of staff members. But I will check for you, though.

Q At what level, the Cabinet and everybody?

MS. SMITH: No, I mean, for example, when we go on trips, sometimes when we get gifts, you have to report them to the gift unit. And there's a form that they send to you, which lists that they have to appraise, that they have to determine the amount. And there's a paragraph there that relates to if you would like to purchase it. I will just find out the rules and regulations for you.

Q And who it applies, though. That's what I was asking. Does it apply to all the senior staff, everybody but Bush?

MS. SMITH: It depends on who receives the gift. I don't think the rule is applying to senior staff. I think the regulations just apply to when you get this.

The other thing that -- does anybody -- before we move on, does anybody have any more questions?

Q When you purchase something like that, say, $400 or $500, who gets the money?

MS. SMITH: I beg your pardon?

Q Who gets the money when you have to purchase something that you want?

MS. SMITH: I will check, but I would assume it would be the person that gave the gift. If you cannot keep it, it certainly would not go to the gift unit, but I'll check those rules and regulations and try to make them available.

Q One last thing. When he leaves office, does he get to keep all these gifts with no strings?

MS. SMITH: I beg your pardon?

Q He doesn't have to pay for any of this or --

MS. SMITH: That he keeps --

Q Yes, when he leaves.

MS. SMITH: No, he does not. They're gifts, and it's over a certain amount and reported here on a financial disclosure form.

Let me just reiterate that the process is easy in terms of getting the financial disclosure forms. I think, Paul, you had asked about that. We'll have them for you, and you can just make a sign-up sheet down here in the lower press office. I think we did that process last year. And so anybody who wants a copy of it, we'll be happy to provide it to you.

Q We can't get them until tomorrow at the earliest?

MS. SMITH: I will check. I think there's no 30-day hold on staff members. But as a general matter, that applies in terms of -- I know some of you have come to me earlier asking questions about other agencies. That's the general rule, but I think in senior staff members, that 30-day rule probably would not apply. So we'll try to make those available to you as soon as we can.

Q Judy, his assets, his blind trust assets, went up about four percent last year. The stock market rose 30 percent. Has he asked anybody what his assets are placed in?

MS. SMITH: Well, no, you can't because -- no you can't because it's a blind trust, so you can't do that.

Q The question hasn't arisen that maybe they should be investing more aggressively?

MS. SMITH: No. I mean the purpose of creating a blind trust, obviously, is to protect from any conflict or any appearance of conflict. And so he has not inquired as to where his investments are made.

Q Are there any rules governing the acceptance of gifts from corporations. I noticed some corporations --

MS. SMITH: No, they're all the same. Just what -- you just have to report the gifts that's over $100.

Q I'm confused again. If there's no limit on what you can accept, is it different between the President and the staff I mean why would they pay for the gift it they could --

MS. SMITH: No, two points -- one, the requirement is that you have to report gifts you decide to keep that's over $100. In terms of whether you want to purchase a gift for a staff member, I will check the gift unit to determine what rules and regulations apply.

Q Isn't there something -- are you sure that there isn't some limit on what even the President can accept in regards to gifts from heads of state?

MS. SMITH: The reporting requirements is over $100.

Q Any fabulous treasure that they give he can keep?

MS. SMITH: Well, generally, things that you are talking about in that nature have historically been designated to the President's library or Archives, so I don't think that issue arises.

Q That is an issue. Can they keep it personally because there has been jewelry given to first ladies in the past that have been very controversial.

MS. SMITH: Right. I will check to see if there is a limit but I don't think there is a limit. I think the rule is that you just have to report over $100. But I'll be sure to check.

Q The law requires that filers report reimbursement travel expenses above $250. And since there's been so much controversy over who has and who hasn't reimbursed the President's travel expenses for political purposes, why is he not reporting that as is required?

MS. SMITH: You don't have to report that on your financial disclosure form. That's not required to report --

Q It says you do.

MS. SMITH: What are you referring to, Frank?

Q Page six. It seems to say it, but you're the lawyer.

MS. SMITH: It does. And I went over this form with the President's attorney and --

Q -- to be filed, cash reimbursements at $250 or more from one source; exclude those from the U.S. government. It specifically says travel reimbursement.

Q He doesn't pay for anything.

MORE

Q Government expenses from the government. It doesn't say exclude travel expenses from the Nevada Republican Party or the California --

MS. SMITH: Frank, this has been gone over by the attorneys. I'm just saying that there is no requirement to report that, which is why on page six there you see basically none and none. The only thing that we're required to report, which I went over with you, which is on page seven through 12.

Q Is it possible that he is not being reimbursed, that the government is or there's some other legalism there?

MS. SMITH: I can check for you, but the point that I'm trying to make is that it is not a requirement to report it. If there were, we would certainly report it. And as demonstrated, the President has gone beyond the reporting requirements.

Q Is it Bessemer who does his blind trust? And did he change that last year? Did it change from '89 to '90 as I remember?

MS. SMITH: It did. And I'll double-check his tax forms. We have the transcript. But it did change. But I don't have the information regarding the blind trust because we wouldn't have that. But he does handle that.

Q But it's the change that I'm interested in coupled with the apparent decrease in --

MS. SMITH: Right, I understand.

Q For the sake of comparison, would you or could you release a list of the gifts the President gives to foreign dignitaries and others for the year?

MS. SMITH: For the what, I'm sorry?

Q You know, the gifts the President gives other foreign dignitaries and such for the year -- for the sake of comparison.

MS. SMITH: In terms of comparison, what we'll make available is his 1991 financial disclosure form in terms of gifts that he's received. But that list, as far as I can recall, is not made available.

Q Once again, I'm sorry, on this blind trust, he is aware of the value of it. He is aware of --

MS. SMITH: Well, yes.

Q -- the change, the yearly change.

MS. SMITH: That's right.

Q He is theoretically not aware of the precise investments.

MS. SMITH: That's correct.

Q So consequently, it's fair game to ask, or at least ask you to ask, that he is not concerned with the rather paltry rate of return on well in excess of $1 million.

MS. SMITH: Certainly, Wendell, in terms of investments, everybody would like to get as much money as you can from your investments. He has not inquired into what types of investments have been made. I think it's safe to say that he believes he has good counsel in that area and he's not made any changes.

Q Well, to continue with that, he did make a change between '89 and '90.

MS. SMITH: Right, and I said I will double-check that with you. And he has someone taking care of that.

Q So I think that it would be fair game to ask if he makes a change this year that we be informed.

MS. SMITH: Well, you'll see it. You'll see it on his financial disclosure form and his --

Q In '93.

MS. SMITH: -- and his tax information. All those figures that you see here -- the qualified blind trust, the ordinary tax-exempt -- all that was listed on his tax form that we went over in April.

Q Is the administration coming out with a decision on the spotted owl today?

Q Thank you.

MS. SMITH: All right, we're moving on. Ann, I would have to refer you to the Interior Department. But let me just say that -- and they would be taking the lead on anything in that particular area -- that our policy has been to protect the environment and also try to protect jobs for Americans. But beyond that, I would have to refer you to Interior Department.

Q She asked you a question. Is there a decision coming out today?

MS. SMITH: The decision is not coming out of the White House, which is why I referred you to the Interior Department.

Q Does the President have the authority to overrule whatever decision comes out, or would he abide by whatever decision this group makes?

MS. SMITH: From what I understand, which is why I'm referring you to the Interior Department, there is a provision that allows for an agency head to basically come up with a counter plan. I would suggest that you wait and see what the Interior Department comes out with today.

Q This counter plan that -- I mean, Lujan is supposedly presenting two plans today --

MS. SMITH: Right.

Q -- one that complies with the law and one that suggests a way around it, sort of splitting the difference. Was that run by the President? I mean, how high up did Lujan go with this? Is this essentially an administration decision, or is this strictly from Interior?

MS. SMITH: I'm not going to get into any discussions. I will say, that the Interior has taken the lead on this and we certainly support actions taken by our Cabinet members.

Q Well, this is a pretty political decision in that part of the country. How much responsibility is the President willing to take for it?

MORE

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The Seattle Times

May 22, 1992, Friday, Final Edition

SECTION: TEMPO; FACTS THAT MIGHT UPSET YOU; Pg. 3

LENGTH: 246 words

HEADLINE: FACTS THAT MIGHT UPSET YOU

BYLINE: TIMES STAFF: TIMES NEWS SERVICES

BODY:

IT'S A GIFT?
The Bushes may have America's most exclusive gift list. The First Couple reveals in an annual financial disclosure form the many presents they kept from among the thousands sent by foreign dignitaries, Hollywood celebrities, sports stars and plain folks. Among them:

-- "Hair products" from Dan Rostenkowski, the House Ways and Means chairman.

-- A briefcase from actor Dan Aykroyd.

-- Ten watches from Mr. and Mrs. M.A. Saleh of Woodbridge, Conn.

-- A walking stick from ex-Supreme Court Chief Justice Warren E. Burger.

-- Three Plaza Hotel bathrobes and two sweat shirts from Ivana Trump.

NO NUKE JOKES
Those sourpusses at the Federal Communications Commission passed the word a few days ago that they'll have the last laugh next time some deejay thinks it's funny to broadcast a phony nuclear attack or fake a murder - to the tune of a $ 25,000 fine. Who would broadcast an outrageous thing like that? Wel, KSHE in St. Louis aired a fake nuclear attack during the Gulf War. The FCC fined 'em $ 25,000 under another law but, until now, could only send harrumphing letters to these others:

-- WCCC in Avon, Conn., broadcast a phony report of a nearby volcanic eruption.

-- WALE in Providence, R.I., pretended a popular talk show host had been shot.

-- KSLX in Phoenix broadcast that the station was being held hostage. It wasn't, but police didn't know that and rushed to the scene.
- From staff, wire reports

GRAPHIC: PHOTO IVANA TRUMP

LANGUAGE: ENGLISH

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The San Diego Union-Tribune

May 15, 1992

SECTION: NEWS; A-23

LENGTH: 534 words

HEADLINE: Bushes' net worth totals $4.8 million

SOURCE: Copley News Service

BYLINE: BENJAMIN SHORE

KEYWORD: COST; FINANCE; GOVERNMENT; INFORMATION; LEADERS; SALARIES; USA;

BODY:

President Bush received three bathrobes and two sweatshirts worth $290 from Ivana Trump. Barbara Bush got 10 wristwatches worth $465 from a Connecticut couple. And folks in Selma, Texas, sent the Bushes a "Texas Santa Claus" doll worth $120.

Those and other gifts accepted by Mr. and Mrs. Bush last year appeared on the President's federally required annual personal financial disclosure report released yesterday.

The report lists gifts worth a total of $21,329 from 75 donors. Their retail value was appraised by a White House " gifts unit" with some help from local merchants.

Counting the $200,000 a year Mr. Bush is paid to be president, the Bushes' net worth in 1991 totaled $4.8 million.

This included their house in Kennebunkport, Maine -- $2,196,000; a blind trust of anonymous investments -- $1,298,000; royalty income from "Millie's Book" by their dog -- $889,200; a building lot in Houston -- $79,000; plus an Individual Retirement Account (IRA), cash on hand, and the value of the gifts.

Except for the gifts, the assets also were reported on the President's income tax return released last month.

The Bushes don't keep all the gifts they receive, said White House Deputy Press Secretary Judy Smith. Some are returned as inappropriate, and others, especially lavish ones given by heads of foreign governments, are earmarked for the future Bush presidential library or the National Archives.

Any gift worth more than $100 in retail value must be reported on the annual disclosure form if the Bushes keep it, Smith said.

There is no prohibition on accepting gifts from corporations, although they are barred from making campaign contributions. The only item listed as a corporate gift on the 1991 report was $720 worth of fishing rods and reels from 1 the Zebco Corp. of Tulsa, Okla.

Smith called on "other presidential candidates" to also reveal details of their holdings. "And we certainly like to lead by example," Smith said, referring to Mr. Bush's listing his holdings to the nearest $1,000 instead of taking advantage of the fact that the disclosure law requires large dollar ranges only.

Golf equipment, including a $1,132 set of clubs from Arnold Palmer, was the most common gift, followed closely by fishing rods and reels, sports clothing and athletic shoes.

The most expensive gift was a $1,245 handbag for Mrs. Bush from New York designer Judith Leiber.

TYPE: LIST. STATISTICS.

The Associated Press

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May 15, 1992, Friday, PM cycle

SECTION: Washington Dateline

LENGTH: 545 words

HEADLINE: Bushs' Gifts Last Year Included Fishing Equipment, Ivana Trump Robes

BYLINE: By RITA BEAMISH, Associated Press Writer

DATELINE: WASHINGTON

KEYWORD: Bush-Finances

BODY:

Could it be that President Bush has never met a fishing rod he didn't want?

He has an ample collection, judging by the fishing gifts he receives each year and chooses to keep.

Last year's take was 19 rods and 10 reels, along with fishing accoutrements such as a tackle box, according to Bush's annual financial disclosure report released by the White House on Thursday.

Bush also got at least nine golf clubs, a golf bag, golf balls and other golf accessories.

The president took in a similar bounty of golf and fishing gear last year.

"The president plays golf and is certainly an avid fisher and he decided to keep those gifts, " White House spokeswoman Judy Smith told reporters.

Any gifts the president decides to keep that are valued at more than $ 100 must be reported on the annual statement that also is filed by other top government officials.

Among last year's were three bathrobes and two sweat shirts valued at $ 290 from Ivana Trump. Trump's spokeswoman, Lisa Calandra, said Trump was Plaza Hotel president last year when Bush visited New York and she sent the gifts to his room, as is customary with heads of state. The robes were white terry cloth with a Plaza logo on them, she said.

The Bushes kept $ 21,329 worth of gifts from 75 individuals last year, the report shows.

Among them:

-A $ 265 briefcase from actor Dan Aykroyd.

-Eight neckties worth $ 558 and two scarves worth $ 268 from band leader Lionel Hampton.

-A $ 1,245 handbag from designer Judith Leiber for Barbara Bush, the most expensive gift the Bushes kept.

-A $ 225 belt buckle from aviator Chuck Yeager.

The gifts the president does not keep are given to the National Archives or his presidential library. He also can send gifts he receives to others.

Bush's report also showed his blind trust, where he put his assets when he became vice president in 1981, rose in value by $ 55,000 to $ 1.29 million.

In addition to the blind trust, Bush listed among his assets $ 74,000 in three banks and the White House credit union.

He also owns a vacant lot in Houston worth $ 79,000, up from last year's $ 55,000 valuation; and their Kennebunkport, Maine, home, valued at $ 2,196,000, the same as the previous year.

Vice President Dan Quayle, meanwhile, reported assets valued at $ 993,017 to $ 2.37 million, with one liability: a mortgage of up to $ 250,000. Quayle and his wife, Marilyn, reported receiving $ 19,537 worth of gifts.

Most of Quayle's holdings were in his family's newspaper group, Central Newspapers Inc. His wife earned between $ 15,001 and $ 50,000 on the suspense novel she wrote with her sister.

The Quayles' assets include a portfolio of stocks Mrs. Quayle inherited last year from an aunt, valued at between $ 12,012 and $ 180,000.

The stocks include many companies that have interest in the workings of the White House Competitiveness Council, chaired by Quayle, which works to ease regulatory burdens on business.

Among them are Ford Motor Co., General Motors Corp., Amoco, Petroleum and Resources Corp. and Eli Lilly and Co.

Among the gifts the Quayles kept were four pair of boots, a skirt, vest and wallet, all worth $ 1,940, from boot maker Rocky Carroll of Houston. They also got a framed photograph from Queen Elizabeth II worth $ 170.

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May 15, 1992, Friday, 3 STAR Edition

SECTION: A; Pg. 5

LENGTH: 370 words

HEADLINE: Bushes list their worth at about $ 3.7 million

BYLINE: GREG McDONALD, Houston Chronicle Washington Bureau; Staff

DATELINE: WASHINGTON

BODY:

WASHINGTON -- President Bush's investments earned a modest 4 percent return last year, but the nation's chief executive is worth about $ 3.7 million.

The president's annual financial disclosure report, released Thursday by the White House, shows Bush and his wife Barbara earned about $ 55,000 in 1991 on their investments through an 11-year-old blind trust worth almost $ 1.3 million.

The trust, coupled with the $ 2.2 million value of the president's family home in Kennebunkport, Maine, accounts for much of the first couple's wealth.

With no liabilities to speak of, it appears that the Bushes have little to worry about financially when the president leaves his $ 200,000-a-year Oval Office job. In addition to his investment income and a retirement salary of $ 143,800 a year, Bush also can draw on an individual retirement account with a current value of $ 34,000.

In addition to the IRA, Bush listed on his disclosure form cash assets of $ 74,000 in various bank accounts in Texas, Washington, and Kennebunkport.

He also reported a life insurance policy with a cash-in value of $ 15,000.

The Bushes also listed as an asset a residential lot they own in Houston's Tanglewood area, which was valued at $ 79,000.

The president's disclosure form, required of all high-level federal officials, also detailed about $ 21,329 in gifts the Bushes received last year from 75 friends and acquaintances.

The presents included three bathrobes and two sweaters from Ivana Trump valued at $ 290, a $ 225 belt buckle from pilot Chuck Yeager, a $ 1,245 handbag from designer Judith Leiber, and more than $ 6,700 worth of golf and fishing equipment.

The first couple also was given a free membership in the Arundel Beach Club of Kennebunkport by a Maine neighbor and decorative ""Texas Santa Claus'' figurine that was dressed in red suede cowboy boots, blue jeans and a Houston Oilers football helmet.

The gifts listed represented only a fraction of the presents the Bushes received last year because they were only required to report the gifts they keep that are worth $ 100 or more.

Most of the other gifts were turned over to the National Archives for cataloging and storing.

GRAPHIC: Photo: Barbara and George Bush earned about $ 55,000 in 1991 on their investments through a blind trust worth almost $ 1.3 million. The trust, coupled with the $ 2.2 million value of the family home in Maine, accounts for much of the first couple's wealth; Chronicle files

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USA TODAY

May 15, 1992, Friday, FINAL EDITION

SECTION: NEWS; Pg. 4A

LENGTH: 304 words

HEADLINE: Bush makes $ 3.6M financial statement

BYLINE: Jessica Lee

KEYWORD: FINANCIAL DISCLOSURE:BUSH FINANCES:DAN QUAYLE

BODY:

President Bush's personal assets in investments and real estate are valued at about $ 3.6 million, his financial disclosure report shows.

Bush holds $ 1.3 million worth of investments in a blind trust established when he became vice president. The value of those investments - of which he is unaware - has climbed by 4% since last year, according to the records released Thursday.

His main assets were:

- His oceanfront home in Kennebunkport, Maine, appraised at $ 2.2 million, unchanged from last year - despite considerable damage wreaked by a storm last fall.

- A vacant lot in Houston, the Bushes' legal voting residence, valued at $ 79,000.

He also listed cash assets of $ 74,000 held in three banks and the White House credit union.

Vice President Quayle listed assets up to $ 2.37 million and one liability: a mortgage of up to $ 250,000.

As required by law, Bush also reported $ 21,329 worth of gifts he and first lady Barbara Bush decided to keep for themselves last year. Among the gifts from 75 people:

- A $ 1,245 handbag from designer Judith Leiber to Mrs. Bush, the most expensive gift the Bushes kept.

- A $ 265 briefcase from actor Dan Aykroyd.

- Eight neckties and two scarves valued at $ 826 from bandleader Lionel Hampton.

- Two sweatshirts and three bathrobes valued at $ 290 from Ivana Trump.

- Hair products and a golf putter worth $ 143 from Rep. Dan Rostenkowski, D-Ill.

The Bushes also got scores of golf clubs, fishing rods, flashlights, dolls, ecklaces, binoculars, Santa statues.

The Quayles kept:

- Four pairs of boots, a skirt, vest and wallet - worth a total of $ 1,940 - rom bootmaker Rocky Carroll of Houston.

- A framed photograph from England's Queen Elizabeth II, worth $ 170.

- A model fire engine, valued at $ 195, from John McNichol of Washington.

UBJECT: GEORGE BUSH

OTES: WASHINGTON AND THE WORLD

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The Washington Times

May 15, 1992, Friday, Final Edition
Correction Appended

SECTION: Part A; NATION; Pg. A4

LENGTH: 428 words

HEADLINE: Bush far wealthier since inauguration

BYLINE: Frank J. Murray; THE WASHINGTON TIMES

BODY:

George Bush has increased his net worth by 79 percent to $3.7 million since becoming president and has been given enough fishing rods and golf clubs to open a sporting goods store when he retires.

"The president plays golf and is certainly an avid fisherman," Deputy Press Secretary Judy Smith said when asked what he does with all the clubs, rods and other sporting gifts, including a football helmet, pool cue, tennis rackets and horseshoes.

Among the fascinating, tax-free gifts he has chosen to keep are three bathrobes received under unexplained circumstances from Ivana Trump and a $265 briefcase from "Saturday Night Live" alumni Dan Aykroyd.

Barbara Bush received another of the famous designer evening bags from Judith Leiber - a tiny but beautiful silver number worth $1,245. Since becoming first lady she has reported gifts of six Leiber bags with a total value of $5,802.

Mr. Bush also reeled in more of his favorite toys as well, 19 more fishing rods and two full sets of golf clubs and a handful of specialized clubs. He now has been given at least 37 rods and reels worth $8,573 and five full sets of golf clubs valued at $6,079 plus 10 individual clubs including one worth $450.

The gifts from 75 donors last year had a total value of $21,329, according to appraisals by the White House " gift unit," Miss Smith said. That was down slightly from $22,138 in gifts from 84 persons the year before.

Mr. Bush's annual financial disclosure statement, to be filed today with the Office of Government Ethics, shows in precise terms that go far beyond legal requirements that his blind trust continues to earn money without losing value despite the sale of assets.

After selling unspecified blind trust assets that produced a $49,700 capital gains profit last year, the blind trust still was worth $1,298,000.

Comparisons with earlier disclosures show that is $55,000 more than the year before and up 79 percent from the $998,000 the trust contained when he took office.

Meanwhile, Mr. Bush has drawn almost $1 million from it, including $806,000 in taxable income, $14,200 in tax-exempt income and $85,700 in capital gains from the sale of assets.

Although his property in Maine has an estimated market value of $3 million, it is listed on his disclosure at the $2,196,000 for which it is assessed for local taxes. That assessment increased from $892,000 after he became president. A vacant lot the Bushes own in Houston is valued for tax purposes at $79,000.

CORRECTION-DATE: May 17, 1992, Sunday, Final Edition

CORRECTION:
The growth of President Bush's blind trust since 1988 was incorrectly reported in Friday's editions. The percentage gain was 30 percent, and his net worth increased 79 percent.

GRAPHIC: Chart, BUSH NET WORTH: $3.7 MILLION, By The Washington Times