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JUN 4 1974

Honorable Warren G. Magnuson
United States Senate
Washington, D.C. 20510

Dear Senator Magnuson:

Thank you for your letter of May 10, 1974, on behalf of Mr. Charles S. Williamson requesting information regarding President Nixon's gift of papers to the United States, recently the subject of review by the Joint Committee on Internal Revenue Taxation and the Internal Revenue Service.

Traditionally, from the administration of George Washington to the present, the papers generated by an elected official within the Federal Government have been regarded as the personal property of that official. With regard to the executive branch, the Congress recognized this tradition by statute when it passed the Presidential Libraries Act of 1955, now codified as sections 2101, 2107 and 2108 of title 44, United States Code.

Under this Act the Administrator of General Services, acting on behalf of the people of the United States, is authorized to accept donations of personal papers and other memorabilia from an incumbent or former President or others associated with his career, most often for the eventual deposit of these papers in a Presidential library bearing his name. There are presently six Presidential libraries, representing Presidents Herbert Hoover through Lyndon Baines Johnson, operated by GSA's National Archives and Records Service. Plans for an eventual Richard M. Nixon Library have been under study since the beginning of his first term in office.

The Joint Committee on Internal Revenue Taxation and the Internal Revenue Service had to consider two factors in reaching a determination as to the allowability of the tax deductions claimed for the Nixon gift of pre-Presidential papers: First, had the President made a valid gift of his papers to the United States; and second, if he had made such a gift, what was its effective date, i.e., had the gift been completed on or before July 25, 1969, the date after which the Tax Reform Act of 1969 dictated income tax deductions for such gifts would no longer be valid. It was on this second point that the Committee staff and the IRS disallowed the President's deduction. Neither determined that there had not been a valid gift, but merely that the gift had not been completed on or before July 25, 1969.

President Nixon's decision to pay the taxes thereby assessed in no way adversely affects the validity of the gift itself. Long before the onset

of the tax controversy, it was the position of the General Services Administration, which itself has absolutely no involvement in Federal tax matters, that there had been a valid gift of the subject papers to the United States. This position was repeatedly and consistently communicated to the investigators on the Joint Committee staff and the IRS, as well as to the President's representatives. Moreover, we are aware of no disagreement having been expressed by any of these parties.

In addition to the papers that are the subject of President Nixon's gifts to the United States, the National Archives presently has in courtesy storage a vast collection of the President's papers and other memorabilia that have not been donated. Our position with regard to these materials has always been that they remain the President's property and that he is free to retain them and do with them as he sees fit. We naturally hope, however, that they one day are deposited in a Richard M. Nixon Library. It is our view that the Presidential library system is the most effective means yet devised of assuring that the documentary resources of our Presidents and their administrations are preserved for the use of future generations.

Sincerely,

Allan G. Kaupinen
Assistant Administrator

Enclosure

cc: Official file - Office of Pres. Libs. (NL)
The Administrator (A) (2) ✓
Assistant Administrator (AL)
Research Asst. to the Administrator (A)
Day file - Archivist of the U.S. (N)
Reading file (NL)

ER
Control No. 8901

LRR:SGarfinkel:NDA:ACThomas:jwa 5/15/74 13-23512

Concurrences:

James P. O'Neill
ACTIN Archivist of the United States (N)

MAY 15 1974
Date

Office of Congressional Affairs (ALC)

Date