

**The original documents are located in Box 49, folder “President - Personal Finances” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.**

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96th CONGRESS }  
1st Session }

HOUSE OF REPRESENTATIVES

REPORT  
No. 93-695

*Return to Gary*

CONFIRMATION OF GERALD R. FORD AS VICE PRESIDENT OF THE UNITED STATES

DECEMBER 4, 1973.—Referred to the House Calendar and ordered to be printed.

Mr. RODINO, from the Committee on the Judiciary, submitted the following

REPORT

together with

SEPARATE, SUPPLEMENTAL AND DISSENTING VIEWS

[To accompany H. Res. 735]

The Committee on the Judiciary, to whom was referred the nomination by the President of Gerald R. Ford, of the State of Michigan, to be Vice President of the United States (H. Doc. No. 93-164), having considered the same, reports favorably thereon and recommends that the House adopt the following resolution:

*Resolved*, That the House of Representatives confirm the nomination of Gerald R. Ford, of the State of Michigan, to be Vice President of the United States.

THE NOMINATION AND THE CONSTITUTION

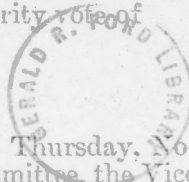
The nomination of Representative Ford, Minority Leader of the House of Representatives, to be Vice President of the United States, was announced by the President on October 12, 1973. The nomination was received by the House on October 13, 1973, and referred for consideration to the full Committee on the Judiciary.

This nomination and its consideration by both Houses of Congress constitute the first implementation of Section 2 of the Twenty-fifth Amendment to the Constitution of the United States (certified February 23, 1967):

Section 2. Whenever there is a vacancy in the Office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress.

HEARINGS

Hearings into the nomination were commenced on Thursday, November 15, 1973, with the first witness before the Committee the Vice



Office, Library of Congress, and the Federal Bureau of Investigation.

All materials generated by this phase of the investigation were available to all members of the Committee during the hearings.

Summaries of portions of the Committee's investigation follow.

#### *Tax Returns*

Mr. Ford made available to the Committee copies of his tax returns for the period 1965-1972. In addition, Mr. Ford made available a report on audit changes for the past six years which was completed by the Internal Revenue Service. Additionally, he requested that the Commissioner of the Internal Revenue Service make available to the Joint Committee on Internal Revenue Taxation information reflecting the scope of the Internal Revenue Service audit, the issues raised in the audit, and the results. At Mr. Ford's request this material, in the form of a 13-page memorandum, was made available to the Committee.

At the direction of the Committee, staff of the Joint Committee on Internal Revenue Taxation, on loan to the Committee on the Judiciary, also conducted an independent audit of the nominee's income tax returns, net worth, honoraria received, salary and other income, as well as bank accounts maintained by Mr. Ford and other members of his family. The results of these independent audits and summaries of the voluminous financial information were reviewed in detail by the Committee, and no information prejudicial to the nominee was noted.

#### *Medical Records*

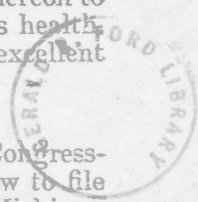
At the Committee's request, Mr. Ford authorized the Attending Physician of the Congress to make available to the Committee all medical records relating to him which were in the Physician's possession. Additionally, with Mr. Ford's cooperation, the Committee obtained and examined all medical records in the possession of the insurance carrier for Mr. Ford's medical and hospitalization insurance. The Committee also examined all medical deductions listed on Mr. Ford's income tax records for the past six years and with Mr. Ford's cooperation, contacted additional medical practitioners listed thereon to obtain all records in their possession relating to Mr. Ford's health. The Committee concluded that Mr. Ford is in apparent excellent health.

#### *Campaign Finances*

The Committee reviewed all the reports and statements Congressman Ford and his political committees were required by law to file with the Clerk of the House of Representatives and with Michigan officials. These reports were available for Mr. Ford's campaigns from 1954 to 1972. A more extensive analysis of the 1970 and 1972 campaigns was completed and the results follow.

For his 1970 campaign, Congressman Ford had five campaign committees raising funds on his behalf. They were: D.C. Committee for Gerald R. Ford; Veterans for Ford; Latvians for Ford; Greek-American Committee for Ford; and Ford for Congress. Each of these committees was analyzed to the extent possible to determine whether there were any improprieties or illegalities connected with this campaign.

At this time the Federal Corrupt Practices Act of 1925 required reports of receipts and expenditures from candidates for Federal elective office and from political committees attempting to influence the



election of candidates in two or more states. Within the framework of that Act, Congressman Ford appears to have filed all reports required by its provisions. Michigan election law requires the filing of statements by candidates and political committees with the Clerk of the County where the filer resides and with the Secretary of State. Congressman Ford and the committees supporting him submitted data required by Michigan law and nothing unlawful was apparent from a review of such reports.

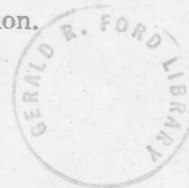
For Congressman Ford's 1972 campaign, public documents indicate that there were three Michigan committees and one D.C. based committee raising money on his behalf. They were as follows: Latvians for Ford; Friends of Jerry Ford Committee; Ford for Congress Committee; and Committee to Re-Elect Jerry Ford. Information concerning these committees was closely examined and particular attention was given to the D.C. Committee to Re-Elect Jerry Ford which raised almost \$50,000 and transferred in excess of \$38,000 to the Michigan Ford for Congress Committee prior to April 7, 1972, the date on which the Federal Elections Campaign Act of 1971 became effective. This new Act established a system for periodic disclosure of all campaign receipts and expenditures. Mr. Ford and his committees appear to have complied with the requirements of the new law.

With regard to both Congressman Ford's 1970 and 1972 campaigns, questions were raised as a result of statements appearing in newspaper article and a book published in 1972. These questions were fully investigated and disposed of to the Committee's satisfaction.

#### *Review of agency files and Government contracts*

As part of the Committee's investigation of Vice President- Designate Gerald R. Ford, the Committee requested and received from the following agencies "any and all records, correspondence, memoranda, papers, or other documents, including, but not limited to, notes or memoranda of all telephone conversations or meetings between Representative Gerald R. Ford, members of his staff, or persons purporting to act on behalf of, or at the behest of, Mr. Ford and [agency] from January 1, 1970, to the present."

1. Labor.
2. Housing and Urban Development.
3. Treasury.
4. Internal Revenue Service.
5. Federal Communications Commission.
6. National Labor Relations Board.
7. Securities and Exchange Commission.
8. Small Business Administration.
9. Cost of Living Council.
10. Civil Aeronautics Board.
11. Agriculture.
12. Commerce.
13. Federal Power Commission.
14. Interstate Commerce Commission.
15. Environmental Protection Agency.



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Detroit Free Press  
Detroit, Michigan  
April 8, 1974

*An Honest Man*

# Audit of Ford's Tax Returns Reveals Only Minor Errors

BY JACK ANDERSON

WASHINGTON — A confidential audit of Vice-President Gerald Ford's taxes proves that not all politicians are tax cheats.

Both the Internal Revenue Service and the Joint Congressional Taxation Committee, which

The tax agents also found that Ford had "overlooked" \$1,197 which was billed to his political account but actually had been spent for a family trip to their condominium in Vail, Colo. Ford thought he had reimbursed the political account, but immediately ordered the necessary payment when he

Robert J. McBain, C.P.A.  
William J. Weldon, C.P.A.  
Kenneth A. Kuzma, C.P.A.  
Robert P. McBain, C.P.A.  
Phillip N. Calkins, C.P.A.  
Tyse Achterhof, C.P.A.

Donald H. TenHarmsel  
Russell J. Gilman  
Gregory D. Smith

ROBERT J. McBAIN & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

435 Old Kent Building  
Number One Vandenberg Center  
Grand Rapids, Michigan 49502

Teleph  
(616) 459  
or  
800-442

June 17, 1975

*See  
President  
Personal  
Inv. Tax*

Mr. Philip W. Buchen  
Counsel to the President,  
The White House,  
Washington D.C. 20500

Dear Phil:

I received your letter of May 7, 1975 and have been meaning to answer it. Thank you very much for researching the legislative history of the President's expense allowance in the amount of \$ 50,000 per year. I know that any portion of the allowance which is not used for proper expense of the office is taxable to him for income tax purposes.

I do believe that payments from that account for christmas cards and the postage should be a proper expense. I believe that other expenses like that are proper. I do not agree with the Commissioner's office that only a few of these expenses are properly deductible. I was in hopes that the legislative history would spell out the proper use of the funds. I would appreciate your sending me a copy of the material collected. Certainly, if I study it I'll be better informed.

I do think that the President is doing an excellent job. If the economic and political climate continues to improve as it has in the past few months he will win the election.

Best personal regards,

Sincerely,

*Phil*

RJMcB:cbg



THE WHITE HOUSE  
WASHINGTON

June 20, 1975

*Pres.  
(Personal?)*

MEMORANDUM FOR: PHIL BUCHEN

FROM: BILL CASSELMAN *BC*

Reliable sources state that the President's name appears on a Securities and Exchange Commission registration statement regarding "Rospatch, Inc.", (The corporation is established under Michigan law and is located in Grand Rapids.). It is unclear from the statement whether the President is a member of the Board of Directors or a share holder. However, it appears that the statement was filed several years ago when the President was Minority Leader.

Standard and Poor's does not show the President as being a member of the Board of Directors, and we cannot verify from our records, (including the Senate and House confirmation hearings,) whether the President continues to be associated with this firm. Accordingly you may wish to raise this matter directly with the President.

If the President remains a Director of this corporation, I would recommend that he submit a resignation at his earliest possible convenience.

*Bill: The President did resign as a director when he became Vice-President. However, I have asked Paul Gaster, attorney for Rospatch to be sure all filings with the S.E.C. properly reflect this fact. P.*





*President*

THE WHITE HOUSE

WASHINGTON

June 20, 1975

MEMORANDUM FOR: PHIL BUCHEN

FROM: BILL CASSELMAN *BC*

Reliable sources state that the President's name appears on a Securities and Exchange Commission registration statement regarding "Rospatch, Inc.", (The corporation is established under Michigan law and is located in Grand Rapids.). It is unclear from the statement whether the President is a member of the Board of Directors or a share holder. However, it appears that the statement was filed several years ago when the President was Minority Leader.

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If the President remains a Director of this corporation, I would recommend that he submit a resignation at his earliest possible convenience.



For Bill Casselman  
to see & then return  
to me.

P.

Phil - voted. Thanks.

Bill 6/25/75



*Presidential*

CONRAD E. THORNOQUIST  
LAWSON E. BECKER  
LEONARD D. VERDIER, JR.  
PHIL R. JOHNSON  
HAROLD S. SAWYER  
CONRAD A. BRADSHAW  
HAROLD F. SCHUMACHER  
CHARLES C. LUNDSTROM  
THOMAS R. WINQUIST  
PAUL K. GASTON  
GEORGE L. WHITFIELD  
WALLSON G. KNACK  
CHARLES E. MCCALLUM  
JEROME M. SMITH  
JOHN D. TULLY  
R. MALCOLM CUMMING  
WILLIAM K. HOLMES  
ROGER M. CLARK  
EDWARD MALINZAK  
JOHN H. LOGIE

JACK B. COMBS  
JOSEPH F. MARTIN  
JAMES H. BREY  
ROBERT H. SKILTON III  
GREGORY G. PRASHER  
RICHARD A. DURELL  
ERNEST M. SHARPE  
VERNON P. SAPER  
JOSEPH M. SWEENEY  
GORDON R. LEWIS  
ROBERT J. CHOVADEC  
PETER L. GUSTAFSON

WARNER, NORCROSS & JUDD  
ATTORNEYS AT LAW  
ONE VANDENBERG CENTER  
GRAND RAPIDS, MICHIGAN 49502

SIEGEL W. JUDD  
COUNSEL

DAVID A. WARNER  
1883-1966

GEORGE S. NORCROSS  
1889-1960

PLATT W. DOCKERY  
1906-1974

J. M. NEATH, JR.  
1928-1974

TELEPHONE  
(616) 459-6121  
CABLE ADDRESS  
WARCROS

June 23, 1975

PERSONAL & CONFIDENTIAL

Philip W. Buchen, Esq.  
Counsel to the President  
White House  
Washington, D.C. 20500

Re: President Gerald R. Ford -  
SEC Filings for Rōspatch Corporation

Dear Phil:

Since receiving your phone call this morning, I inquired into the status of any SEC filings which show President Ford as a director of Rōspatch Corporation. Briefly summarized, the facts of the matter are as follows:

1. A Form 10 Registration Statement covering the common stock of Rōspatch Corporation was filed pursuant to section 12(g) of the Securities Exchange Act of 1934 (the "Act"), and became effective March 25, 1972.

2. As of the effective date of the above Registration Statement, an initial Form 3 Statement of beneficial ownership was filed by Gerald R. Ford pursuant to section 16(a) of the Act.

3. Subsequently, Mr. Ford reported, on Form 4, certain minor changes to his beneficial ownership of Rōspatch stock arising because of a stock split in January of 1973 and stock dividend in April 1973.

4. The annual stockholder reports of the Company for both 1973 and 1974 clearly reflect that President Ford resigned as a director at the time of his appointment as Vice President of the United States, i.e., December, 1973. These



PERSONAL & CONFIDENTIAL  
Philip W. Buchen, Esq.  
June 23, 1975

---

Page Two

annual reports are on file with the Securities and Exchange Commission. The proxy statement covering the January 1974 and January 1975 stockholders' meetings do not list Gerald R. Ford as a director nominee, nor is he shown as a director on any SEC filings since his resignation in December of 1973.

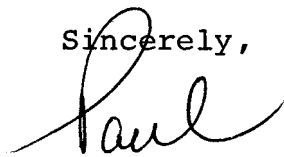
There is no requirement that a reporting person must file any statement with the Securities and Exchange Commission at a time when the relationship giving rise to the reporting requirement terminates. Accordingly, Phil, to the best of my knowledge President Ford has filed all reports required by law. Furthermore, RØspatch Corporation has not made any inaccurate filings that would show the President as a director.

In all probability, someone has discovered that President Ford filed Form 3 and Form 4 reports and may mistakenly believe that some additional filing was necessary. To clear up the situation, I have today written to the Securities and Exchange Commission giving formal notification that Gerald R. Ford resigned as a director of RØspatch Corporation in December, 1973. In addition, I have transmitted copy of a letter of the corporation to that effect.

I am enclosing herewith copies of the Company's complete file in regard to this matter which you will find self-explanatory. If there are any questions whatsoever, or if you should like to have me do anything further, please give me a call.

Incidentally, if you have not already done so, you may wish to notify the Securities and Exchange Commission of your resignation as a board member although, as I indicated above, there is no requirement for this. Since your relationship as a director of the Company ceased at the time of your resignation, you simply need file no further reports.

Sincerely,



Paul K. Gaston

PKG/ses

Encl:



CONRAD E. THORNOQUIST  
LANSON E. BECKER  
LEONARD D. VERDIER, JR.  
PAUL R. JOHNSON  
HAROLD S. SAWYER  
CONRAD A. BRADSHAW  
HAROLD F. SCHUMACHER  
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1883-1966

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1906-1974

J. M. NEATH, JR.  
1928-1974

TELEPHONE  
(616) 459-6121  
CABLE ADDRESS  
WARGROS

June 23, 1975

Securities and Exchange Commission  
Washington, D.C. 20549

Re: Rōspatch Corporation -  
Termination of Relationship by Reporting Person

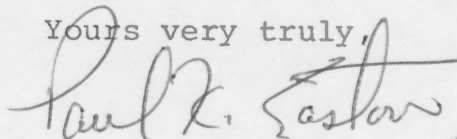
Gentlemen:

On March 25, 1972, the Form 10 Registration Statement covering the common stock of Rōspatch Corporation became effective under the provisions of the Securities Exchange Act of 1934 (the "Act"). As of that date a Form 3 Statement of beneficial ownership was filed by Gerald R. Ford under Section 16(a) of the Act, which reported beneficial ownership of 84 shares of such common stock. Subsequently, Mr. Ford reported changes in the beneficial ownership of such stock by virtue of dividends, which reports were made on Form 4 under the Act.

The sole relationship giving rise to the requirement for the filing of these reports was that the reporting person was a director of the registrant. In December of 1973, the relationship of the reporting person as a director of the corporation was terminated by formal resignation which was effective on or about the time that he became Vice President of the United States. I enclose herewith copy of a letter from Rōspatch Corporation describing this resignation.

I trust that your information in President Ford's file will reflect the above information. If there are any questions, please advise.

Yours very truly,

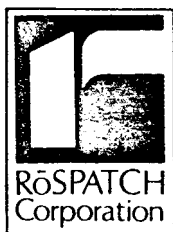
  
Paul K. Gaston

PKG/ses

Encl: P. W. Buchen



June 23, 1975



RöSPATCH  
CORPORATION

P.O. Box 2738  
Grand Rapids, Michigan 49501  
616-364-8711  
Telex: 22-6434

Securities and Exchange Commission  
Washington, DC 20549

Gentlemen:

Mr. Gerald R. Ford, Jr. resigned from our Board of Directors on December 7, 1973 following his appointment as Vice President of the United States.

We are enclosing a copy of his letter of resignation.

Sincerely,

A handwritten signature in cursive script that reads 'R. F. Brush'.

R. F. Brush  
President

/ew  
Encl.



H  
THE VICE PRESIDENT  
WASHINGTON

December 7, 1973

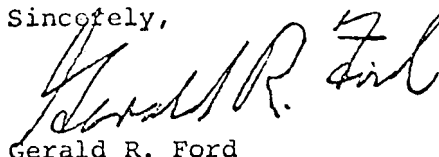
Dear Jack:

Please accept my resignation as a member of the Board of Directors of Rospatch.

You know I have enjoyed very much my association with the Corporation, and I will miss the opportunity of being with you and the others at the regular Board meetings. I am sure, however, you will understand under the circumstances, and I appreciate your cooperation.

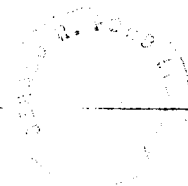
Warmest personal regards.

Sincerely,



Gerald R. Ford

Mr. W. J. Chaille  
Chairman of the Board  
Rospatch Corporation  
Post Office Box 2738  
Grand Rapids, Michigan 49501



DATE: March 27, 1972

SUBJECT: S.E.C. - Form 4

FROM: Tom Bloodgood

TO: Members of the Board of  
Directors of Rōspatch Corp.  
and Corporate Officers


All of you have now filed S.E.C. Form 3 - Initial Statement of Beneficial Ownership of Rōspatch Corporation Securities - and a copy of this form as filed was sent to you for your files.

With this memorandum we are enclosing five copies of S.E.C. Form 4 together with the instructions for completing it if and when it is necessary for you to do so.

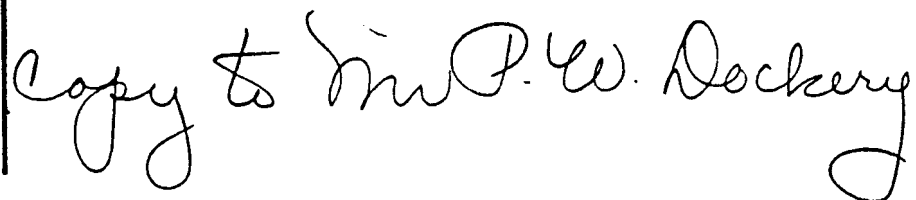
It will be necessary for you to file this Form 4 ten days after any month in which your beneficial ownership of Rōspatch stock changes up or down.

Three copies of the statement, at least one of which is manually signed, must be filed with the Securities & Exchange Commission in Washington, D.C. 20549. You should retain one copy and one copy should be sent in to the company for our files.

You will all remember Mr. Chaille's memorandum of February 10th, 1972, in which he enclosed copies of a letter and memorandum from Paul Gaston regarding Rule No. 144, a new regulation of S.E.C. All officers and directors of Rōspatch Corporation must be sure they comply with the terms and regulations of this rule when they sell Rōspatch stock.



/ew  
Encl.





**ROSPATCH** Corporation



DATE: March 27, 1972

SUBJECT: S.E.C. - Form 4

FROM: Tom Bloodgood

TO: Members of the Board of  
Directors of Rōspatch Corp.  
and Corporate Officers



RōSPATCH Corporation

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You will all remember Mr. Chaille's memorandum of February 10th, 1972, in which he enclosed copies of a letter and memorandum from Paul Gaston regarding Rule No. 144, a new regulation of S.E.C. All officers and directors of Rōspatch Corporation must be sure they comply with the terms and regulations of this rule when they sell Rōspatch stock.

/ew  
Encl.

Copy to Mr. P. W. Doehring



March 27, 1972

Securities & Exchange Commission  
Washington, D.C. 20549

Gentlemen:

We are enclosing completed Form 3 - Initial Statement of Beneficial Ownership of Securities - covering all the control persons of Rōspatch Corporation, which are the officers and directors as follows:

Thomas C. Bloodgood, Jr.  
Harold Niles Brush  
Richard Felton Brush  
Philip William Buchen  
William J. Chaille  
Gerald R. Ford  
Lewis M. Lockley  
Jones Y. Pharr, Jr.  
Marvin Donald Stahl  
Donald Edwin Remus  
Evelyn A. Welmers

These are the only persons required to file Form 3, as other than officers and directors there are no outside stockholders owning 10% of the outstanding shares.

Cordially yours,

T. C. Bloodgood, Jr.  
Vice President

/ew  
Encl.

cc Mr. Paul Gaston ✓  
Warner, Norcross & Judd



**RōSPATCH Corporation**

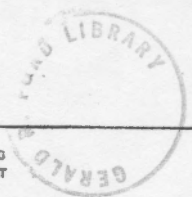
P. O. Box 2738  
Grand Rapids, Michigan 49501  
Area Code: 616 • 451-3007  
Telex: 22-6434  
Cables: RōSPATCH, Grand Rapids

ALLENSON Products  
E. O. BULMAN Products  
MUNSON Packaging  
RōSPATCH Fabric Tape  
RōSPATCH Label Company  
RōSPATCH Sales Company  
STYLECRAFT Packaging  
TEXMARK Incorporated



Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(g) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

<b>1. NAME AND BUSINESS ADDRESS OF REPORTING PERSON</b>  Ford Gerald R. <small>LAST FIRST MIDDLE</small> 425 Cherry Street, S. E.  Grand Rapids, Michigan  <small>(ZIP CODE)</small>	<b>2. STATE OF INCORPORATION</b>  Delaware	<b>3. IF AN AMENDMENT GIVE DATE OF STATEMENT AMENDED</b>  <small>MONTH DAY YEAR</small>	<b>4. NAME OF COMPANY</b>  Rospatch Corporation
	<b>5. IRS OR SS IDENTIFYING NUMBER OR REPORTING PERSON</b>  372 - 28 - 6532	<b>6. RELATIONSHIP OF REPORTING PERSON TO COMPANY (Instruction 5)</b>  Director	<b>7. DATE OF EVENT REQUIRING FILING OF THIS STATEMENT</b>  MO. <u>3</u> DAY <u>25</u> YR. <u>72</u>



**TABLE I. Securities Beneficially Owned**

Furnish the information required by the following table as to securities of the company beneficially owned directly or indirectly by the reporting person, including transferable warrants but excluding puts, calls, options and other rights or obligations required to be reported in Table II.

*(See Instruction 6)*

1. TITLE OF SECURITIES OWNED <i>(Instruction 9)</i>	2. CUSIP NUMBER <i>(FOR SEC USE ONLY)</i>	3. AMOUNT OWNED DIRECTLY OR INDIRECTLY <i>(Instruction 10)</i>	4. NATURE OF BENEFICIAL OWNERSHIP <i>(Instruction 11)</i>
Common Stock		28 shares	Gerald R. Ford, Jr., Custodian for John G. Ford under laws of the State of Michigan
Common Stock		28 shares	Gerald R. Ford, JR., Custodian for Steven M. Ford under laws of the State of Michigan
Common Stock		28 shares	Gerald R. Ford, Jr., Custodian for Susan E. Ford under laws of the State of Michi

TABLE II. Puts, Calls, Options and Other Rights on Obligations

Furnish the information required by the following table as to all puts, calls, options and other rights or obligations (all hereinafter referred to as "options") pursuant to which the reporting person may buy or sell, or be required to buy or sell, securities

of the company. However transferable warrants issued by the company which give the right to buy other securities of the company are to be reported in Table I. Options exempt under Rule 16a-6 need not be reported. (See Instruction 6)

1. TITLE OF SECURITIES SUBJECT TO OPTION (Instruction 9)	2. CUSIP NUMBER (FOR SEC USE ONLY)	3. NATURE OF OPTION HELD (Instruction 12)	4. AMOUNT OF SECURITIES SUBJECT TO OPTION (Instruction 10)	5. PURCHASE OR SALE PRICE OF SECURITIES SUBJECT TO OPTION (Instruction 13)	6. DATE OF EXPIRATION OF OPTION

DS 5009

Explanation of items in tables:

March 20 1972  
DATE OF STATEMENT

Arnold R. Ford  
SIGNATURE OF REPORTING PERSON

NOTE: If the space provided in either table is insufficient, use a continuation sheet which identifies the table and columns to which it relates.

Congress of the United States  
Office of the Minority Leader  
House of Representatives  
Washington, D.C. 20515

January 29, 1973

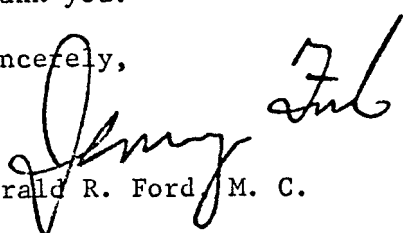
Ms. Evelyn Welmers  
Rospatch Corporation  
P. O. Box 2738  
Grand Rapids, Michigan 49501

Dear Ms. Welmers:

Will you please have sent to me copies of the Form 4 that must be sent to the Securities Exchange Commission reporting any change in the amount of stock owned in Rospatch.

Thank you.

Sincerely,

  
Gerald R. Ford, M. C.

GRF:1

Feb. 2, 1973

S.E.C. - Form 4

Evelyn Welmers

Jerry Ford

Dear Mr. Ford:

Enclosed are the Form 4's for reporting a change in stock to the Securities & Exchange Commission. Five copies are being sent to you - three for S.E.C. - one for us - and one for your file.

Sincerely,

Encl.



April 11, 1973

The Honorable Gerald R. Ford  
Atten: Miss Mildred Leonard  
The House of Representatives  
Washington, D.C. 20515

Dear Miss Leonard:

Enclosed are four copies of Form 4 - Statement of Changes in Beneficial Ownership of Securities - made out for the month of January 1973. After Mr. Ford signs them three copies should go to the Securities & Exchange Commission, and keep the other one for your files.

We have enclosed some blanks for your use because Mr. Ford will have to file for the month of April, due May 10th, covering the 5% Stock Dividend which was issued on April 2nd.

If you have any questions please let me know. It was a pleasure to talk with you today.

Sincerely,

Evelyn Welmers (Miss)  
Assistant Secretary

Encl.



Congress of the United States  
Office of the Minority Leader  
House of Representatives  
Washington, D.C. 20515

May 14, 1973

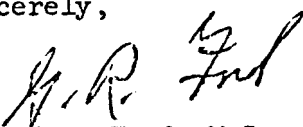
Miss Evelyn Welmers  
Assistant Secretary  
Rospatch Corporation  
P. O. Box 2738  
Grand Rapids, Michigan 49501

Dear Miss Welmers:

You will find enclosed a copy of Form 4, Statement of Changes in Beneficial Ownership of Securities in Rospatch Corporation. Three copies have been sent to the Securities and Exchange Commission.

Thank you for your continued assistance.

Sincerely,

  
Gerald R. Ford, M.C.

GRF:d

Encl.





**FORM 4 Statement of Changes in Beneficial Ownership of Securities**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935, or Section 30(f) of the Investment Company Act of 1940

<b>1. NAME AND BUSINESS ADDRESS OF REPORTING PERSON</b> Ford, Gerald R. <small>LAST FIRST MIDDLE</small> 720 Federal Building 110 Michigan Ave. N.W. Grand Rapids, MI 49502 <small>(ZIP CODE)</small>	<b>2. STATE OF INCORPORATION</b> Delaware	<b>3. IF AN AMENDMENT GIVE DATE OF STATEMENT AMENDED</b> _____ <small>MONTH DAY YEAR</small>	<b>4. NAME OF COMPANY</b> Rōspatch Corporation
	<b>5. IRS OR SS IDENTIFYING NUMBER OF REPORTING PERSON</b> 372 - 28 -6532	<b>6. STATEMENT FOR CALENDAR MONTH OF</b> January 1973 <small>MONTH YEAR</small>	<b>7. DATE OF LAST PREVIOUS STATEMENT</b> - - - <small>MONTH DAY YEAR</small>
			<b>8. RELATIONSHIPS OF REPORTING PERSON TO COMPANY</b> <input type="checkbox"/> (Instr. 4) Director



**TABLE I. Securities Bought, Sold or Otherwise Acquired or Disposed of**

Furnish the information required by the following table as to securities of the company bought or sold or otherwise acquired or disposed of by the reporting person during the month for which this statement is filed (See Instruction 5) and as to securities

of the company beneficially owned, directly or indirectly, at the end of the month. However, transactions involving the acquisition or disposition of puts, calls, options or other rights or obligations to buy or sell securities of the company shall be reported in Table II.

1. TITLE OF SECURITIES <small>(Instr. 8)</small>	2. CUSIP NUMBER <small>FOR SEC USE ONLY</small>	3. DATE OF TRANSACTION <small>(Instr. 9)</small>	4. AMOUNT OF SECURITIES ACQUIRED OR DISPOSED OF <small>(Instr. 10)</small>	5. NATURE OF OWNERSHIP OF SECURITIES ACQUIRED OR DISPOSED OF <small>(Instr. 11)</small>	6. CHARACTER OF TRANSACTION REPORTED <small>(Instr. 12)</small>	7. PURCHASE OR SALE PRICE PER SHARE OR OTHER UNIT <small>(Instr. 13)</small>	8. AMOUNT OWNED AT END OF MONTH <small>(Instr. 10)</small>	9. NATURE OF OWNERSHIP OF SECURITIES OWNED AT END OF MONTH <small>(Instr. 11)</small>
Common Stock		1/24/73	14	Custodian for Minor Son	Split 50% Stock	-	43	See explanation on reverse side
Common Stock		1/24/73	14	" "	50% Stock Split	-	43	" "
Common Stock		1/24/73	14	" Daughter	" " "	-	43	" "

(OVER)



FORM 4 (Continued)

**TABLE II. Puts, Calls, Options and Other Rights or Obligations**

If during the month for which this statement is filed the reporting person acquired or disposed of any put, call, option or other right or obligation (all hereinafter referred to as "options") to buy or sell, or be required to buy or sell, securities of the company, furnish the information required by the following table. (See Instruction 5) However, the acquisition or disposition of transferable warrants issued by the company which give the right to buy securities of the company are to be reported in Table I. Options exempted by Rule 16a-6 need not be reported.

1. TITLE OF SECURITIES SUBJECT TO OPTION  (Instr. 8)	2. CUSIP NUMBER  FOR SEC USE ONLY	3. DATE OF TRANSACTION  (Instr. 9)	4. NATURE OF OPTION  (Instr. 15)	5. AMOUNT OF SECURITIES SUBJECT TO OPTION  (Instr. 10)	6. CHARACTER OF TRANSACTION, IF ANY, REPORTED  (Instr. 12)	7. PURCHASE OR SALE PRICE OF SECURITIES SUB- JECT TO OPTION  (Instr. 13)	8. DATE OF EXPIRATION OF OPTION

- 10 -

Explanation of items in the tables:

DS 501

Table I. Column 9 - 43 shares beneficially owned - Custodian for John G. Ford UGMA Michigan  
 43 shares beneficially owned - Custodian for Steven M. Ford UGMA Michigan  
 43 shares beneficially owned - Custodian for Susan E. Ford UGMA Michigan

DATE OF STATEMENT

SIGNATURE OF REPORTING PERSON

NOTE: If the space provided in either table is insufficient, use a continuation sheet which identifies the table and column to which it relates.

FORM 4 Statement of Changes in Beneficial Ownership of Securities

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(c) of the Public Utility Holding Company Act of 1935, or Section 30(f) of the Investment Company Act of 1940

1. NAME AND BUSINESS ADDRESS OF REPORTING PERSON Ford Gerald R. <small>LAST FIRST MIDDLE</small> 720 Federal Building 110 Michigan Avenue, N.W. Grand Rapids, Michigan 49502 <small>(ZIP CODE)</small>		2. STATE OF INCORPORATION Delaware	3. IF AN AMENDMENT GIVE DATE OF STATEMENT AMENDED <small>MONTH DAY YEAR</small>	4. NAME OF COMPANY Rospatch Corporation
5. IRS OR SS IDENTIFYING NUMBER OF REPORTING PERSON 372 - 28 7532		6. STATEMENT FOR CALENDAR MONTH OF April 1973 <small>MONTH YEAR</small>	7. DATE OF LAST PREVIOUS STATEMENT January 1973 <small>MONTH DAY YEAR</small>	8. RELATIONSHIPS OF REPORTING PERSON TO COMPANY (Instr. 4) <input type="checkbox"/> Director

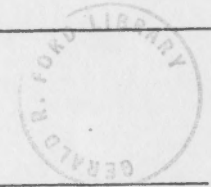


TABLE I. Securities Bought, Sold or Otherwise Acquired or Disposed of

Furnish the information required by the following table as to securities of the company bought or sold or otherwise acquired or disposed of by the reporting person during the month for which this statement is filed (See Instruction 5) and as to securities

of the company beneficially owned, directly or indirectly, at the end of the month. However, transactions involving the acquisition or disposition of puts, calls, options or other rights or obligations to buy or sell securities of the company shall be reported in Table II.

1. TITLE OF SECURITIES (Instr. 8)	2. CUSIP NUMBER FOR SEC USE ONLY	3. DATE OF TRANSACTION (Instr. 9)	4. AMOUNT OF SECURITIES ACQUIRED OR DISPOSED OF (Instr. 10)	5. NATURE OF OWNERSHIP OF SECURITIES ACQUIRED OR DISPOSED OF (Instr. 11)	6. CHARACTER OF TRANSACTION REPORTED (Instr. 12)	7. PURCHASE OR SALE PRICE PER SHARE OR OTHER UNIT (Instr. 13)	8. AMOUNT OWNED AT END OF MONTH (Instr. 10)	9. NATURE OF OWNERSHIP OF SECURITIES OWNED AT END OF MONTH (Instr. 11)
Common Stock		4/2/73	2	Custodian for Minor Son	5% Stock Dividend	--	45	See explanation on reverse side
Common Stock		4/2/73	2	Custodian for Minor Son	5% Stock Dividend	--	45	See explanation on reverse side
Common Stock		4/2/73	2	Custodian for Minor Daughter	5% Stock Dividend	--	45	See explanation on reverse side

(OVER)



FORM 4 (Continued)

TABLE II. Puts, Calls, Options and Other Rights or Obligations

If during the month for which this statement is filed the reporting person acquired or disposed of any put, call, option or other right or obligation (all hereinafter referred to as "options") to buy or sell, or be required to buy or sell, securities of the company, furnish the information required by the following table. (See Instruction 5) However, the acquisition or disposition of transferable warrants issued by the company which give the right to buy securities of the company are to be reported in Table I. Options exempted by Rule 16a-6 need not be reported.

Table with 8 columns: 1. TITLE OF SECURITIES SUBJECT TO OPTION (Instr. 8), 2. CUSIP NUMBER FOR SEC USE ONLY, 3. DATE OF TRANSACTION (Instr. 9), 4. NATURE OF OPTION (Instr. 15), 5. AMOUNT OF SECURITIES SUBJECT TO OPTION (Instr. 10), 6. CHARACTER OF TRANSACTION, IF ANY, REPORTED (Instr. 12), 7. PURCHASE OR SALE PRICE OF SECURITIES SUBJECT TO OPTION (Instr. 13), 8. DATE OF EXPIRATION OF OPTION.

- 10 -

Explanation of items in the tables:

05 5010

Table 1. Column 9 - 45 shares beneficially owned - Custodian for John G. Ford UGMA Michigan
45 shares beneficially owned - Custodian for Steven M. Ford UGMA Michigan
45 shares beneficially owned - Custodian for Susan E. Ford UGMA Michigan

5/14/73
DATE OF STATEMENT

Gerald R. Ford
SIGNATURE OF REPORTING PERSON

NOTE: If the space provided in either table is insufficient, use a continuation sheet which identifies the table and column to which it relates.

THE WHITE HOUSE  
WASHINGTON

*Pres.  
(Permanet)*

September 27, 1975

Dear Messrs. Carrithers and Billingsley:

Thank you for your letter of September 18, 1975, to the President, requesting an opportunity to talk to him concerning his insurance coverage.

Your inquiry is appreciated. However, the President already has advisers on the matter of his insurance coverage, who have served him over many years. Accordingly, we must respectfully decline your kind offer to provide services on this subject.

Sincerely,

*Philip W. Buchen*

Philip W. Buchen  
Counsel to the President

Mr. Stephen D. Carrithers  
Mr. John P. Billingsley  
Lincoln/Bockhorst, Inc.  
Fiarway Office Center, Suite 408-B  
4220 Johnson Drive  
Shawnee Mission, Kansas 66205



October 10, 1975

To: Dorothy

From: Eva

Since it involves the  
President's income  
tax return, thought  
you might want to see  
a copy -- and probably  
"toss it" !!!!!



THE WHITE HOUSE  
WASHINGTON

*to Wilson  
Jack*

September 22, 1975

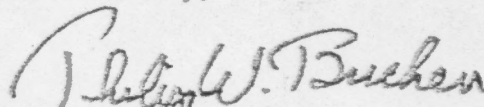
Dear Mr. Anderson:

Your letter to the President of September 3 has been referred to me for reply. In your letter you request that the President furnish you on an exclusive basis copies of his tax returns for the past five years and the results of his latest medical examination.

I can appreciate that you may have good reasons for believing information of this type delivered to you may serve a salutary purpose in helping voters to judge the fitness of a candidate for nomination of election. However, it is doubtful that information in the form suggested is the best way of informing voters of the truly relevant facts. Income tax returns do not necessarily disclose all material financial connections and none entered into after the last taxable year reported. They also include personal information not significantly relevant to a candidate's fitness such as the particular objects and levels of his philanthropy. Also, as you know, the President's investments and financial transactions up to the time of his nomination to become Vice President were all made known in the process of the Senate hearings in late 1973. Furthermore, the physician's findings from the President's health examinations have already been publicly reported.

As the President decides that additional relevant information of this type which bears on his candidacy should be made known, he will probably do so in a manner different from the one you propose and not on an exclusive basis for any particular news outlet. However, I do thank you for your suggestions.

Sincerely,



Philip W. Buchen  
Counsel to the President

Mr. Jack Anderson  
1401 Sixteenth Street, N. W.  
Washington, D. C. 20036

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

September 15, 1975

*Ret'd  
Mr B ✓  
original  
for sig*

MEMORANDUM FOR:

PHIL BUCHEN

FROM:

DONALD RUMSFELD

I have read your letter to Jack Anderson. I don't disagree with the substance, but I find the letter un-elegant.





**September 10, 1975**

**Dear Mr. Anderson:**

**Your letter to the President of September 3 has been referred to me for reply. It involves a request that the President furnish you on an exclusive basis copies of his tax returns for the past five years and the results of his latest medical examination.**

**As and when the President decides that any information of this type should be made available to the public, it will be done in a manner other than the one you have proposed for yourself.**

**Sincerely,**

**Philip W. Buchen  
Counsel to the President**

**Mr. Jack Anderson  
1401 Sixteenth Street, N. W.  
Washington, D. C. 20036**



THE WHITE HOUSE  
WASHINGTON

September 11, 1975

*Pres-  
personal*

MEMORANDUM FOR:                   RON NESSEN

FROM:                               PHILIP BUCHEN *P.W.B.*

Attached is a copy of a letter received by the President from Jack Anderson and a draft of a reply I proposed to send to him.

Kindly give me your comments as to the appropriateness of the proposed reply.

Attachments

cc: Don Rumsfeld



14  
JACK ANDERSON  
1401 Sixteenth Street, N. W. Washington, D. C. 20036

September 3, 1975

Mr. President:

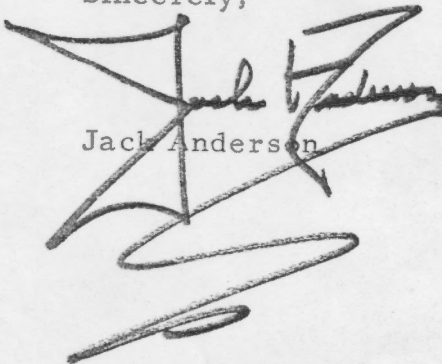
PB-1  
In view of the Watergate revelations and their aftermath, we believe it is important for the American people to know as much as possible about the health and finances of presidential candidates.

Would you, therefore, furnish us with copies of your tax returns for the past five years and the results of your latest medical examination.

As you know, it is customary upon receipt of an inquiry such as this to keep it on an exclusive basis. We would like to have this information exclusively until such time as we can put it together with the responses from the other candidates.

With best wishes,

Sincerely,

  
Jack Anderson

The President  
The White House  
Washington



THE WHITE HOUSE  
WASHINGTON

*Pres.  
(Personal)*

November 5, 1975

MEMORANDUM FOR:           RON NESSEN  
FROM:                       PHIL BUCHEN *P.*  
SUBJECT:                    Money Magazine Story on the  
                                  First Family's Finances

Referencing your request, I see no advantage in the type of story that Money magazine is desirous of doing. While the public release of a financial statement is a common practice today for candidates for public office, many of the details concerning his spending should be considered as private. Furthermore, I do not think that people are going to relate to the President's \$250,000 annual income. I recommend that you regret this interview on the basis of the President's limited time.



WILLIAM B. MEAD, Washington Correspondent

October 24, 1975

Mr. Ronald H. Nessen  
Press Secretary to the President  
The White House  
Washington, D.C. 20500

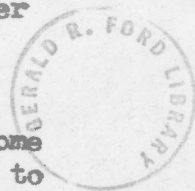
Dear Ron:

For the January or February issue, we would like to do a story on the personal finances of the Fords. The One Family's Finances stories in the enclosed issues will give you an idea of our approach.

There is always interest in the finances of the First Family, but it appears to us that our readers would particularly identify with the Fords in this respect. They aren't particularly wealthy, their values seem to be solidly middle class, and they are going through an expensive period of life with children in college.

In addition, the President has mentioned in speeches that a government budget must be handled with the same prudence as a family budget. I think the Fords' own budget problems and practices would exemplify that concept. Of course, it is not lost on us that 1976 is an election year in which the President might find a straightforward disclosure and discussion of his own finances particularly timely. It would certainly further his reputation for openness and honesty.

To handle the piece well, we need your cooperation and that of the Fords in providing a thorough rundown on assets, income and outgo. We would like to sit down with the whole family to discuss their feeling, philosophy and practices in handling such things as grocery budgets, allowances, college costs, and so forth. Since the Fords made a rather sudden move from suburban living to the White House, we would also want to discuss how the presidency has affected their budgeting and spending. In the two stories I've enclosed, you will notice that we use a panel of advisors. We would be glad to do so



# Money

888 16TH STREET, N.W. WASHINGTON, D.C.  
202-293-4300

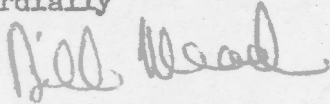
WILLIAM B. MEAD, Washington Correspondent

-2-

with the Fords; we'd also be glad to skip the advisers if they prefer.

It would be a great help if I could hear from you within a week.  
Many thanks for your help.

Cordially



William B. Mead



*copy*

THE WHITE HOUSE  
WASHINGTON

December 6, 1975

MEMORANDUM FOR: PHIL BUCHEN  
FROM: MAX FRIEDERSDORF *mf*  
SUBJECT: M.C. Clarence "Bud" Brown (R-OHIO)

Congressman Brown requests a call from you concerning Mr. William C. Birely, of Ashton, Maryland, who handles blind trust *for the President*.

cc: Jack Marsh



ELIZABETH HOLTZMAN  
16TH DISTRICT, BROOKLYN, NEW YORK

COMMITTEE ON THE JUDICIARY

COMMITTEE ON THE BUDGET

BROOKLYN OFFICE:  
1452 FLATBUSH AVENUE  
BROOKLYN, NEW YORK 11210  
PHONE (212) 859-9111

WASHINGTON OFFICE:  
1027 LONGWORTH BUILDING  
WASHINGTON, D.C. 20515  
PHONE (202) 225-6616

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

December 11, 1975

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

On Saturday, November 15, it was reported in the press that you received secret contributions from the Gulf Oil Corporation in the period from 1960 to 1973.

Responding to this allegation, your press secretary, Ron Nessen, reportedly said: "all contributions in 1972 and before were reviewed by the Senate and House committees during the confirmation hearings when Ford was nominated for Vice President. The committees concluded there was no problem with any of the contributions or the sources of the contributions." Mr. Nessen's office has confirmed this quote.

Mr. Nessen's statement, as you know, is not accurate. In the course of the hearings on your confirmation, the House Judiciary Committee and the Senate Rules Committee found that nearly one-half of your 1972 Congressional campaign contributions and nearly one-third of your 1970 contributions came from undisclosed sources. These contributions, amounting to approximately \$50,000 in 1972 and \$16,000 in 1970, were made to District of Columbia campaign committees which were legally permitted to conceal the identities of campaign contributors.

We on the House Judiciary Committee labored diligently to find the identities of these secret contributors, but you repeatedly advised us that this information was not available. For example, you testified to the Judiciary Committee on November 21, 1973:



The President  
The White House  
December 11, 1975  
Page Two

"I know of no one who has the list of contributors to the 1970 District of Columbia Committee for Gerald Ford. The chairman of that committee was a former colleague of mine, Mr. Harold Lovre. He has since passed away..."

"Now, I have no knowledge of the existence of the contributors to the 1970 committee. In 1972...[t]he treasurer was Mr. Jim Morton. He unfortunately has passed away. He apparently kept the records of the contributors..."

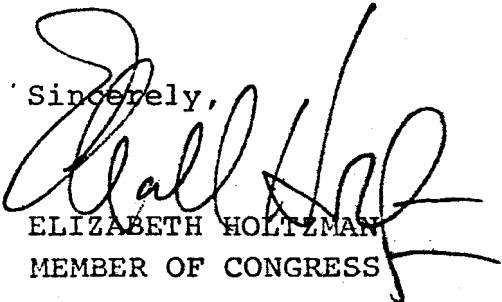
"Nobody on my staff to my knowledge has a list of those contributors either in 1970 or 1972. I did, of course, at the reception that was held in 1972, see a lot of people who I assumed had made contributions of \$100 or more. But other than shaking hands and thanking them, and there were several hundred people there as I recollect, I do not know who they were and as far as I know, nobody on my staff has any information as to the names of the contributors..."  
(House Hearings, pp. 604-5)

You were, thus, unable to supply, and the House and Senate committees were unable to learn, the identities of the secret contributors to your 1970 and 1972 Congressional campaigns.

Consequently, neither the Senate nor the House committee "reviewed" or drew any conclusion as to the sources of the secret contributions or their legality. I would most respectfully request, therefore, that you correct the misleading impression with regard to the work of the House Judiciary Committee and the Congressional confirmation process that Mr. Nessen's statement created.

With best wishes,

Sincerely,

  
ELIZABETH HOLTZMAN  
MEMBER OF CONGRESS

**William C. Bireley of Ashton, Maryland,  
handles blind trust for the President.**



Thursday 1/8/76

1:20 Dorothy Downton said they have to send in a statement to the accountant saying that "According to Public Law, when the President retires, he will receive an annual retirement of \$63,000. He does not contribute to any pension fund. This is a separate appropriation."

Or words to that effect. She is asking for the citation for that.

Barry will call her.



THE HONORABLE GERALD R. AND ELIZABETH B. FORD  
STATEMENT OF NET WORTH  
DECEMBER 31, 1975

ASSETS

Cash in Banks		\$ 1,239
Securities:		
Ford Paint and Varnish Co. - Debenture Bonds	\$ 9,031	
Central Telephone of Illinois - Stock	2,734	
Stein Roe Farnum Balance Fund - Stock	<u>1,208</u>	12,973
Cash Value - Life Insurance:		
Gerald R. Ford (Face Value \$ 25,000.00)	\$ 8,267	
Elizabeth B. Ford (Face Value \$ 5,000.00)	<u>1,634</u>	9,901
U. S. Congressional Retirement Fund - Contributed Cost		53,701
Real Estate:		
Residence - Alexandria, Virginia	\$ 90,000	
Condominium - Vail, Colorado	90,000	
Rental Dwelling - Grand Rapids, Michigan	30,000	
Cabin - South Branch Township, Michigan (1/4 Interest)	<u>2,000</u>	212,000
Furnishings and Personal Effects:		
Residence	\$ 20,000	
Condominium	6,000	
Rental Dwelling	<u>2,000</u>	28,000
Automobiles and Other Vehicles		<u>6,875</u>
<u>TOTAL ASSETS</u>		<u>\$ 324,689</u>

LIABILITIES

General Bills Outstanding	\$ <u>1,200</u>
<u>NET WORTH</u>	<u>\$ 323,489</u>



THE HONORABLE GERALD R. AND ELIZABETH B. FORD  
NOTES TO STATEMENT OF NET WORTH  
DECEMBER 31, 1975

The Cash in Bank consists of accounts at the Central Bank N.A. Grand Rapids, a business account and a personal account at the First National Bank of Washington.

The Debenture Bonds are with the Ford Paint and Varnish Co.

The Stock consists of 135 Shares of Central Telephone of Illinois and 72.206 Shares of Stein Roe Farnum Balance Fund.

All securities were valued as of December 31, 1975.

The cash value Life Insurance was supplied by New England Mutual Life Insurance Company.

The U. S. Congressional Retirement Fund represents your contributed cost to December 31, 1975.

The value of the Real Estate, Furnishings and Personal Effects represent estimated market values determined by you and are in excess of the original cost.

The automobiles and other vehicles consist of a 1974 Jeep, 1972 Jeep and a 1971 Mustang. These vehicles were valued by Orson E. Coe owner of Coe Pontiac, Grand Rapids, Michigan.

The general bills outstanding are estimated miscellaneous items unpaid at December 31, 1975.



Income and Tax Information for the President and Mrs. Ford - 1966/1975

<u>Year</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>D e d u c t i o n s</u>				<u>Federal Income Tax</u>	<u>All Taxes As % of Gross Income</u>
			<u>Medical</u>	<u>Contributions</u>	<u>State, Local &amp; Other Taxes</u>	<u>Interest &amp; Other</u>		
1966	59,513.65	50,267.90	277.79	1335.00	1012.55	20.41	17,389.05	31%
1967	71,608.55	60,827.53	150.00	2960.00	1071.02		22,896.16	33 1/2%
1968	68,952.43	56,759.55	150.00	2353.20	3089.68		22,617.43	37%
1969	80,741.98	67,838.99	611.98	2125.50	3565.51		29,610.90	41%
1970	94,322.11	80,944.31	1001.18	1892.50	3348.91	385.21	35,121.09	41%
1971	71,114.58	55,308.68	1886.45	2187.00	4090.02	592.43	20,390.53	34 1/2%
1972	67,927.41	53,723.20	150.00	2286.25	4036.85	221.00	20,296.75	36%
1973	92,745.40	77,867.06	150.00	2760.20	4297.38	170.76	31,997.58	39%
1974	147,683.10	128,472.96	150.00	5849.00	5984.71	2726.43	56,296.49	42%
1975	251,991.24	204,605.83	150.00	6759.34	11,941.91	1087.39	94,568.93	42%



THE HONORABLE GERALD R. AND ELIZABETH B. FORD  
STATEMENT OF NET WORTH  
DECEMBER 31, 1975

ASSETS

Cash in Banks		\$ 1,239
Securities:		
Ford Paint and Varnish Co. - Debenture Bonds	\$ 9,031	
Central Telephone of Illinois - Stock	2,734	
Stein Roe Farnum Balance Fund - Stock	<u>1,208</u>	12,973
Cash Value - Life Insurance:		
Gerald R. Ford (Face Value \$ 25,000.00)	\$ 8,267	
Elizabeth B. Ford (Face Value \$ 5,000.00)	<u>1,634</u>	9,901
U. S. Congressional Retirement Fund - Contributed Cost		53,701
Real Estate:		
Residence - Alexandria, Virginia	\$ 90,000	
Condominium - Vail, Colorado	90,000	
Rental Dwelling - Grand Rapids, Michigan	30,000	
Cabin - South Branch Township, Michigan (1/4 Interest)	<u>2,000</u>	212,000
Furnishings and Personal Effects:		
Residence	\$ 20,000	
Condominium	6,000	
Rental Dwelling	<u>2,000</u>	28,000
Automobiles and Other Vehicles		<u>6,875</u>
<u>TOTAL ASSETS</u>		<u>\$ 324,689</u>

LIABILITIES

General Bills Outstanding		\$ <u>1,200</u>
<u>NET WORTH</u>		<u>\$ <u>323,489</u></u>



THE HONORABLE GERALD R. AND ELIZABETH B. FORD  
NOTES TO STATEMENT OF NET WORTH  
DECEMBER 31, 1975

The Cash in Bank consists of accounts at the Central Bank N.A. Grand Rapids, a business account and a personal account at the First National Bank of Washington.

The Debenture Bonds are with the Ford Paint and Varnish Co.

The Stock consists of 135 Shares of Central Telephone of Illinois and 72.206 Shares of Stein Roe Farnum Balance Fund.

All securities were valued as of December 31, 1975.

The cash value Life Insurance was supplied by New England Mutual Life Insurance Company.

The U. S. Congressional Retirement Fund represents your contributed cost to December 31, 1975.

The value of the Real Estate, Furnishings and Personal Effects represent estimated market values determined by you and are in excess of the original cost.

The automobiles and other vehicles consist of a 1974 Jeep, 1972 Jeep and a 1971 Mustang. These vehicles were valued by Orson E. Coe owner of Coe Pontiac, Grand Rapids, Michigan.

The general bills outstanding are estimated miscellaneous items unpaid at December 31, 1975.





Income and Tax Information for the President and Mrs. Ford - 1966/1975

<u>Year</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>D e d u c t i o n s</u>				<u>Federal Income Tax</u>	<u>All Taxes As % of Gross Income</u>
			<u>Medical</u>	<u>Contributions</u>	<u>State, Local &amp; Other Taxes</u>	<u>Interest &amp; Other</u>		
1966	59,513.65	50,267.90	277.79	1335.00	1012.55	20.41	17,389.05	31%
1967	71,608.55	60,827.53	150.00	2960.00	1071.02		22,896.16	33 1/2%
1968	68,952.43	56,759.55	150.00	2353.20	3089.68		22,617.43	37%
1969	80,741.98	67,838.99	611.98	2125.50	3565.51		29,610.90	41%
1970	94,322.11	80,944.31	1001.18	1892.50	3348.91	385.21	35,121.09	41%
1971	71,114.58	55,308.68	1886.45	2187.00	4090.02	592.43	20,390.53	34 1/2%
1972	67,927.41	53,723.20	150.00	2286.25	4036.85	221.00	20,296.75	36%
1973	92,745.40	77,867.06	150.00	2760.20	4297.38	170.76	31,997.52	39%
1974	147,683.10	128,472.96	150.00	5849.00	5984.71	2726.43	56,296.49	42%
1975	251,991.24	204,605.83	150.00	6759.34	11,941.91	1087.39	94,568.93	42%



TIMES, FRIDAY, FEBRUARY 13, 1976

THE NEW YORK

# PRESIDENT LISTS PERSONAL ASSETS

Campaign Pledge Fulfilled  
—Net Worth Up \$67,000  
Since He Took Office

By JAMES M. NAUGHTON

Special to The New York Times

WASHINGTON, Feb. 12—

President Ford, fulfilling a campaign pledge to disclose his personal finances, made public today documents showing that his net worth increased by \$67,000 since he took office.

OFFICE OF THE SECRETARY OF DEFENSE

March 5, 1976

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**Memo For** Dorothy Downton

For any appropriate attention.

Lee Goodell

March 11, 1976

Eva,

Will you please ask Mr. Buchen if he feels we should do anything with this. This may be the same man who called you folks several weeks ago.

Dorothy



THOMAS E. Livingston, LL. B., C.L.U.

5575 POPLAR AVENUE, SUITE 414 · MEMPHIS, TENN. 38117 · 901/767-1151

February 20, 1976

Mr. Donald Rumsfeld  
Secretary of Defense  
The Pentagon  
Washington, D. C. 20301

Dear Don:

Enclosed is an article from the current issue of U. S. News and World Report February 23, 1976.

We feel assured that you are satisfied with your Estate Planning Program for the future - BUT the figures circled in the article showing President Ford having \$25,000 and Mrs. Ford \$5,000 in Insurance Protection, are an insult to the economic intelligence of most average Americans.

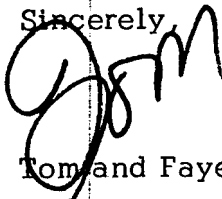
We have just witnessed a past President with no Health Insurance protection - and in the current situation where there are children still 'at home' President Ford's quoted program is alarming.

Is there anyone who can bring this to the President's attention for the benefit of him and his family?

Please know that these comments are well meaning. It is simply that it is distressing to us if the situation is such that our country's leaders are not given at least enough time or opportunity to consider planning for their future - for themselves and for their families.

We follow you in the news, and we're 'with you'. Our best to Joyce and the children.

Sincerely,



Tom and Faye

encl.



# THE WEALTH OF FORD AND REAGAN

**L**ATEST ISSUE to emerge between Gerald Ford and Ronald Reagan is their wealth—and what to tell about it.

On February 12, President Ford gave a detailed accounting of his personal finances, going back 10 years. He itemized what he owns, his income, what he owes and the taxes he paid each year.

The accounting could become an important campaign document. Ford strategists' aim was to back the former California Governor into a no-win corner.

Belief at the White House was that:

- Unless Mr. Reagan follows the President's example, failure to disclose will damage the Reagan candidacy.

- If he does follow the Ford lead, it will be shown that much of Mr. Reagan's wealth will be found in investments that shelter him from high taxes—a practice that, while legal, does not go over big with millions of voters.

As the President was revealing his personal finances, Mr. Reagan's campaign office handed out copies of a report made under State law shortly after he left California's Governorship.

In his accounting, Mr. Ford pictured himself as a man of comfortable means who pays his debts, supports his wife and four children and pays more taxes than many of his station.

Mr. Reagan's report provided few specific details. The picture that emerged was that he has substantial wealth, some of it tax-sheltered, and probably pays less in taxes than many others with his assets and income.

Mr. Ford said he was disclosing "because I think it is good for the electorate to know what all candidates have . . . and also what they paid or didn't pay in federal and State income taxes."

No sooner had the President issued

## WHAT PRESIDENT FORD IS WORTH IN MONEY

As of Dec. 31, 1975

### ASSETS

Cash in banks		\$ 1,239	
Securities			
Ford Paint & Varnish—debenture bonds	\$ 9,031		
Central Telephone of Illinois—stock	\$ 2,734		
Stein Roe & Farnham Balanced Fund—stock	\$ 1,208	\$ 12,973	
Life Insurance—cash value			
Gerald R. Ford (face value \$25,000)	\$ 8,267		
Elizabeth B. Ford (face value \$5,000)	\$ 1,634	\$ 9,901	
U.S. Congressional Retirement Fund—contributed cost			\$ 53,701
Real Estate			
Residence—Alexandria, Va.	\$90,000		
Condominium—Vail, Colo.	\$90,000		
Rental dwelling—Grand Rapids, Mich.	\$30,000		
Cabin—South Branch Township, Mich. (1/4 interest)	\$ 2,000	\$ 212,000	
Furnishings and Personal Effects			
Residence	\$20,000		
Condominium	\$ 6,000		
Rental dwelling	\$ 2,000	\$ 28,000	
Automobiles and other vehicles			\$ 6,875
<b>TOTAL ASSETS</b>			<b>\$324,689</b>

### LIABILITIES

General bills outstanding	\$ 1,200
<b>NET WORTH as of Dec. 31, 1975</b>	<b>\$323,489</b>
Net worth as of Sept. 30, 1973	\$256,378
Increase in 2 1/4 years	\$ 67,111

Source: White House

*ESTIMATED SETTLEMENT COSTS - INCLUDING FEDERAL ESTATE TAX & HIGH INHERITANCE TAX = \$95,200.00*

## THE PRESIDENT'S TAX AND INCOME RECORD

Year	Gross Income	Contributions	State, Local and Other Taxes	Federal Income Tax	All Taxes as % of Gross Income
1966	\$ 59,513.65	\$ 1,335.00	\$ 1,012.55	\$ 17,389.05	31 per cent
1967	\$ 71,608.55	\$ 2,960.00	\$ 1,071.02	\$ 22,896.16	33 1/2 per cent
1968	\$ 68,952.43	\$ 2,353.20	\$ 3,089.68	\$ 22,617.43	37 per cent
1969	\$ 80,741.98	\$ 2,125.50	\$ 3,565.51	\$ 29,610.90	41 per cent
1970	\$ 94,322.11	\$ 1,892.50	\$ 3,348.91	\$ 35,121.09	41 per cent
1971	\$ 71,114.58	\$ 2,187.00	\$ 4,090.02	\$ 20,390.53	34 1/2 per cent
1972	\$ 67,927.41	\$ 2,286.25	\$ 4,036.85	\$ 20,296.75	36 per cent
1973	\$ 92,745.40	\$ 2,760.20	\$ 4,297.38	\$ 31,997.58	39 per cent
1974	\$ 147,683.10	\$ 5,849.00	\$ 5,984.71	\$ 56,296.49	42 per cent

The 1975 tax returns of the President and Mrs. Ford have not yet been prepared, but the following figures are available:

<b>Gross Income</b>	<b>Federal Income Tax Withheld</b>	<b>Payment of Michigan Income Tax (est.)</b>
<b>\$250,000.00+</b>	<b>\$106,200.00</b>	<b>\$9,123.00</b>

Source: White House

# THREE METHODS OF PAYING INHERITANCE AND ESTATE TAXES AND PROBATE COSTS

When a person dies, there are three methods of meeting the inheritance and estate taxes and probate costs. We will enumerate them and then attempt to give a fuller explanation of these methods.

1. The 100% Method
2. The 100% "PLUS" Method
3. The Discount Method

## THE 100% METHOD

When an estate is almost entirely in liquid form, the estate owner is often lulled into believing he has no problems.

THE WHITE HOUSE  
WASHINGTON

*Pres.  
Personal*

April 12, 1976

Dear Mr. Greenstein:

Miss Sheila Crowley of Senator Edward Brooke's office has referred to the White House a document, "An Estate Profile" prepared by you for the President.

I am advised that you called my office in February offering to provide insurance counselling to the President and that you are not satisfied with the verbal reply you received. I believe you were advised that the President has advisers of long standing in respect of his life insurance program and that I saw no reason why he should select another adviser at this time.

While you may feel critical of the advice he is receiving based upon your analysis of the information disclosed concerning the President's assets, I suggest that it is more appropriate for you to respect the judgment of persons who have full knowledge of the President's desires and plans. If the situation were reversed, I am sure that the people involved would not think it appropriate to intrude upon relationships which you have with the persons whom you are advising. Under these circumstances, I believe it is advisable to return the document you submitted, and I hope you will accept this return with a better understanding of the situation.

Sincerely,

*Philip W. Buchen*

Philip W. Buchen  
Counsel to the President

Mr. Morris Greenstein  
Staff Manager  
John Hancock Mutual Life  
Insurance Company  
Hingham Shopping Plaza  
100 Derby Street  
Hingham, Massachusetts 02043



Enclosure:

Monday 2/16/76

9:30

Mildred Leonard referred to us a call from Morris Greenstein of the John Hancock Mutual Life Insurance Co. in Boston.

(at home today)  
(617) 696-9595

(office:  
(617) 749-3592

He indicates that he read in the paper last Friday (2/13) the President's financial statement, etc. He notes the President has a \$25,000 life insurance policy (\$8,267 cash value) and the First Lady has a \$5,000 policy (\$1,634 cash value). He feels these policies must be quite old and that they are wholly inadequate. In the event something might happen to the President, it would create quite a financial problem for the First Lady.

He would like very much to talk with someone about increasing his coverage -- and feels that in the event something might happen to the President, it would create quite a financial problem for the First Lady.

He said in going over the estate planning for President Eisenhower he finds there was an amazing 23% shrinkage in his total estate. Out of an estate of \$2,905,857, \$671,429 was taken in taxes from the estate. Adm. Bull Halsey died at age 76 -- with a gross estate of \$624,964 and after taxes of \$198,322, there was a net estate of \$426,643. Adm. Halsey had a \$105,000 life insurance policy, which he signed and owned (which is a part of the estate). If his wife owned it, he wouldn't have been taxed on that.

Ev Dirksen died in September of 1969. Gross estate \$302,235 -- minus debts, inheritance taxes, etc. of \$38,038 -- net estate of \$264,197. In part of Dirksen's estate was a life insurance policy of \$62,713 which was included in his gross estate -- where was the life insurance adviser when these things happened?

He said he knows he has an insurance adviser but feels quite concerned that his insurance plan is inadequate.

And what more fitting in this bicentennial year -- than to have someone from the John Hancock insurance company to discuss this plan with him. Would be happy to help! Is at home today and can be reached at the office tomorrow.

Do you want me to refer him to Bob McBain?





Income and Tax Information for the President and Mrs. Ford - 1966/1975

<u>Year</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>D e d u c t i o n s</u>				<u>Federal Income Tax</u>	<u>All Taxes As % of Gross Income</u>
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DECEMBER 31, 1975

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LIABILITIES

General Bills Outstanding		<u>\$ 1,200</u>
<u>NET WORTH</u>		<u>\$ 323,489</u>



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This Copy For \_\_\_\_\_

NEWS CONFERENCE

#482

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 3:53 P.M. EST

APRIL 20, 1976

TUESDAY

MR. NESSEN: Some of you have asked over the past few weeks or so about the President's 1975 income tax returns, so that has been mailed in and we have transferred the figures and can hand it out to you.

The way we did this was we took what we handed out before -- the year-by-year compilation of income, deductions, Federal taxes, et cetera -- and simply added a bottom line, as it were -- to coin a cliché -- showing the exact same figures for 1975.

Let me just run through this for you -- the 1975 bottom line there. The gross income, that is composed of a \$200,000 salary, a \$50,000 expense account, and the remaining \$1,991.24 includes the net rental on the President's rental properties and the little bit of interest on the bank savings account and some small dividends.

The next column is Taxable Income -- \$204,605.83, on which the President paid taxes.

Now, to get from the gross income to the taxable income you deduct certain things. You deduct medical expenses there, the standard \$150 deduction: you deduct contributions -- \$6,759.34.

As I mentioned before, the President prefers not to disclose what specific charities he contributed to other than to say that this is mostly relatively small contributions to a number of charities such as the Boy Scouts, the American Red Cross, and so forth.

The taxes there in the next column, State taxes are paid in Michigan, if you recall. Other parts of that are taxes he pays on the property he owns, the usual standard calculation from the tables as far as sales taxes go and so forth.

MORE

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Q Those property taxes would be property taxes in Michigan, Virginia and Colorado, right?

MR. NESSEN: Alexandria; Vail, Colorado; Grand Rapids, Michigan; and South Branch Township, Michigan; that is correct.

Q He got reassessed. (Laughter)

MR. NESSEN: I read that on somebody's wire, yes.

The interest payments, the President has a couple of small loans on which he pays interest. You notice that the loans have been reduced considerably from 1974 to now.

Q Are those the children's loans?

MR. NESSEN: I am not sure of all the details of the loans. I know one of them was a small bank loan to close in the garage of his Alexandria home at the time he was Vice President.

Q Is it still that one?

MR. NESSEN: Some of it is that, yes.

Q Ron, is all of his real property free and clear? How about the condominium in Vail?

MR. NESSEN: If you recall from the financial statement that we put out in December, there are no mortgages outstanding on any of the properties.

Q So this interest on loans does not apply to mortgages?

MR. NESSEN: Mortgages? It does not.

Q Personal loans?

MR. NESSEN: Yes.

Now, in addition to those deductions, you have \$3,750 in personal exemptions; in other words, five personal exemptions at the maximum amount allowed by law -- \$750. That is, the President and Mrs. Ford, Susan, Jack and Mike. Now he did not take Steve as an exemption -- did I say personal exemptions?

Q Yes.

MORE

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MR. NESSEN: It is personal exemptions.

He did not take Steve as an exemption this year because Steve does not qualify since he did not live at home and was not a full-time student. So that is a slight change from previous years.

The remaining amount that you subtract from gross income to get taxable income is roughly \$23,000. This is business expenses which you deduct from the \$50,000 expense allowance. You account for it and show how and why it was a business expense and then you don't have to pay taxes on it.

I don't have a complete breakdown of that. The individual items are not large. Probably the largest single item was the 35,000 Christmas cards and the postage for 35,000 Christmas cards.

MORE

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Q How much was that?

MR. NESSEN: I am just told it is the biggest single item, but I don't have the exact amount.

Q Explain that \$23,000.

MR. NESSEN: You have \$50,000 expense allowance. If you can't account for how you used it then you pay taxes on all \$50,000. For every penny you can account for as a business expense you reduce the amount of that that you have to pay taxes on. The President has accounted for \$23,000 of it.

Then as you see, the column that says Federal Income Tax, that is the tax paid, it is \$94,568.92. It is the tax he is paying on \$204,605 taxable income. It amounts to-- 42 percent of his gross income goes for Federal income -- all taxes.

Q How did he come up with the \$94,000? That is to say, was a substantial portion of the \$94,000 withheld from his salary? I mean, is that withholding taxes, the kind of stuff we pay?

MR. NESSEN: There is, of course, money withheld from his salary.

Q I would like to know how much he had to pay over and above that which was withheld.

MR. NESSEN: I don't have that information. That is a good question. I will have to take that one.

Q Or if he got a refund or whatever.

Q Did he pay a quarterly estimate tax?

MR. NESSEN: Maybe we can call Jim Connor and get that on the phone.

Number one, did he --

Q How much above what was withheld?

MR. NESSEN: In other words, did he have to pay on top of what was withheld in order to pay off the \$94,000 liability or did the withholding take care of most of it or did he get a refund?

Can you call Jim Connor?



MR. CARLSON: The second question was did he pay quarterly?

Q What I would like to know is does the President have to write out a check like a lot of us do at the end of the year and pay so much and how much?

Q Not quite all of us. Some of us still get around it.

MR. NESSEN: Call Jim Connor and if you can't get him call Dorothy Downton.

All right. That is about the major items on here. I think the only other thing I would say is that the President, in doing this, suggests that all the candidates seeking the Presidency publish their income tax records, the record of their income and their deductions and the amount of taxes they pay both to the Federal Government and to the State and local governments in as much detail as he has so that the American public will have this information.

Q Do you, by chance, know if any of the others have not published it in such detail and who they might be?

MR. NESSEN: I don't know. The President mentioned to me that he had seen, for instance, in the paper that Mo Udall had published his in as much detail as this.

Q You don't know about Ronald Reagan?

MR. NESSEN: I don't personally know whether he has or not.

Q You really don't know, Ron?

MR. NESSEN: I do know that he has not, of course.

Q This \$150 for medical, obviously that is the cost of an insurance policy.

MR. NESSEN: That is correct. The law allows you to deduct, I think, half of your premium payments and then if your actual medical expenses go three percent above your income you can take additional ones. His medical expenses have not gone above three percent so all he can do is take half of his insurance premium.

Q He does not pay Social Security?

MR. NESSEN: The President got a small refund on his Federal taxes because his withholding more than paid for his --





Q What does he do, quarterly estimates? Is that the way it is? He makes an estimate of what it is going to be? Is that how he pays?

MR. NESSEN: It would not be hard to estimate since his income is stable.

Q He pays it quarterly?

MR. NESSEN: Well, he got a small refund on his Federal taxes. He had to pay a little on his State taxes.

Q Can we have some specifics here rather than "small" and so forth?

MR. NESSEN: Let's take all the questions then and get all the answers at one time.

Q I was wondering if he got his check back yet from the IRS.

MR. NESSEN: He only mailed his returns out about the first of April and I think this is a little early for it to come back.

Q Have you explained before, do you know why the medical was so high in 1970 and 1971?

MR. NESSEN: I didn't ask about that but clearly in those years there was some -- was that the year he had his knees operated on?

Q I don't know.

MR. NESSEN: I think so. Let me take that question, too.

Q Did you ever get an answer to Frank's question on the quarterly payments?

MR. NESSEN: We are working on that over here now.

Q Ron, who prepared the return?

MR. NESSEN: The same gentleman who has always prepared his returns -- oh, there is the expert.

Mr. McBane of Grand Rapids. You recall his first name from the --



MR. CONNOR: Ralph.

MR. NESSEN: Ralph McBane. A CPA from Grand Rapids who has prepared his returns for a number of years.

Q Ron, last year the President had very little cash on hand. Do you have figures on that?

MR. NESSEN: Well, Russ, basically the statement of net worth that we put out was dated December 31, 1975, and that takes you right up to the end of the period covered by these tax returns. Now the President's financial situation has not changed materially since the three or four months since then. The normal time span for putting out a financial statement or a net worth statement is annually so we did not prepare a new net worth statement since the one put out on December 31.

Q There have been no major changes, then, in his financial status.

MR. NESSEN: Not since December 31, no.

MORE

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Q To go back to that \$50,000 of expenses, I am not clear. If you can account for it as business expense, then it becomes deductible?

MR. NESSEN: The amount you can account for is subtracted from your taxable income. The amount you cannot account for as a business expense is taxed as regular income. In other words, if he started out with \$50,000, he has accounted for \$23,000; therefore, the remaining \$27,000 was taxed as income.

Q How come he cannot account for that? I mean, I would imagine with all the entertaining he does and all that he would have a pretty good idea.

MR. NESSEN: It would have to be a business expense. If he has some friends in for dinner or drinks, it is a personal expense.

Q Christmas party for the press?

MR. NESSEN: Yes, I would think that is one.

Q Didn't he write that off?

MR. NESSEN: I didn't see the return myself.

Q Does that mean that the other \$27,000 really just became income for him?

MR. NESSEN: It is required by law to be shown as income, that is correct.

Q Are you suggesting he pocketed it?

MR. NESSEN: No, I am sure he spent it but he didn't spend it in a way that he could legitimately claim it as a business expense.

MR. CONNOR: First of all, he paid half of it right back to the Feds again in terms of taxes since that money is taxed to the marginal rate, so anything that is not accounted for is taxed and at his marginal rate half of it goes to the Feds and some portion of it goes to the State of Michigan, as well.

Q It was nonetheless spent for legitimate business expenses regardless of whether it is shown that way?

MR. NESSEN: \$23,000 was. \$23,000 was spent in a way that could legitimately be claimed as a business expense. The rest of it is treated as income, is taxed as income, as Jim said, at roughly a 50 percent rate, and it goes into his income.

MORE

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MR. CONNOR: Let me describe it. What this says is that when they set the salary of the President, the last time they set it, which was, what -- 1969, I guess -- the salary is identified as \$200,000 plus \$50,000 for expenses. Okay, that \$50,000 does not have to be accounted for as one would account, for example, for one's expenses on a trip or something like that. It is just in recognition of all the expenses you might bear. In terms of receiving the money, you don't have to specify each nickel, what you spent it for. It is just to cover it all.

In terms of your tax situation, however, which is a different kind of an arrangement, if you claim something as an expense item you have to be able to identify what that expense item is and that is really what we are talking about here.

He claimed out of that money something like \$23,000 in specifically identifiable expenses and, thus, is not required to pay taxes on that. He is required to pay taxes on anything else that he did not identify.

Q Can you give us some examples of what he might not be able to claim and yet spend out of the remaining \$27,000; that is, what could he not legitimately claim?

Q You are saying that that money is the same as salary?

MR. CONNOR: It is effectively salary and that is basically what it is. The way the law was written is it is \$200,000 plus \$50,000 for the expenses associated with the office.

Q So for tax purposes the President received \$227,000 in wages from the Government?

MR. CONNOR: Correct. He received \$220,000 in taxable wages.

Q The other \$24,000, as I recall -- Ron, can you refresh my memory on that -- isn't that from rental on his properties?

MR. NESSEN: No, I don't think you can do it that way, John. You have to go by the way it is done here.

The first column, Gross Income, \$250,000. That is salary and the \$50,000 expenses -- \$1,991.24 in the net rent interest received and dividends received. When I say "net rent" I am talking about rent minus expenses on the rental property and the remainder is what you have to pay the tax on.



Q That is included in the gross?

MR. NESSEN: Yes.

Q Did he not rent that Arlington house? That seems like an awfully low figure -- less than \$2,000 on three rental properties.

MR. NESSEN: I don't know exactly what the figures on the Alexandria house are or any other house.

Q Condominium and at least one apartment in the Grand Rapids area.

MR. NESSEN: But you deduct from your gross rent the depreciation on the house, the expenses to keep the house up, the management fee, the taxes on it and whatever other --

MR. CONNOR: Any period of vacancy and whatever. I don't know what these were.

Q Are you saying that the President is generally in the 50 percent tax bracket?

MR. CONNOR: Yes. It is 50 percent marginal. You know how that works. That is, that it starts out lower and each increment gets taxed at a higher level until you reach the 50 percent tax bracket.

MR. NESSEN: So that anything above that is taxed at 50 percent, in other words.

MR. CONNOR: Income that he earns above and beyond his salary is taxed at an even higher than 50 percent bracket. That is taxed at -- I guess it would be around the 70 percent bracket.

Q Did you ever find out if he paid quarterly estimates?

MR. CONNOR: No, he had it deducted here.

Q So this \$94,000 was all deducted or substantially deducted?

MR. NESSEN: Substantially more was deducted.

MR. CONNOR: When we gave that thing out last year it indicated they withheld \$106,200, or something like that.

MR. NESSEN: That was for the full calendar of 1975.



Q So he got about \$12,000 back.

MR. NESSEN: Yes. The hundreds go the other way.

Q When does he get his check?

MR. NESSEN: He gets a weekly check.

Q A weekly?

MR. NESSEN: Somebody checked and found that he gets his weekly and everybody else gets theirs biweekly.

Q What was that 11,000 figure?

MR. NESSEN: That was the difference between what he paid in his withholding and what his taxes were so he got it as a refund, in other words.

Q \$11,000?

Q How is he going to spend it? Is he going to take a trip? (Laughter)

Q This passed me over. This is what he got back?

MR. CONNOR: Yes.

Q What was the figure?

MR. CONNOR: About \$11,000.

Q Can you give us the exact figure on that?

MR. CONNOR: No, I would have a hard time.

Yes, you could calculate it out, I guess, but I think that number was \$106,200 and deduct whatever he paid, whatever that Federal tax payment is.

MR. NESSEN: \$94,568.

Q Deduct the two of those so it is \$11,000 something or other.

Q Somebody said he had to pay a little more State. Do you have that figure?

MR. NESSEN: Well, it is hard to calculate exactly the State taxes. The \$11,941 is a combination of State taxes and local property taxes and sales taxes.

Q Isn't that increase accounted for by the Alexandria house?

MR. NESSEN: No. I would say the increase is largely accounted for by his increased income -- in other words, higher State income taxes.

MR. CONNOR: That puts it in a higher bracket.

MR. NESSEN: 1975 was his first full calendar year as President.

Q Isn't that \$11,941 figure for calendar year 1974 on State, local and other taxes?

MR. CONNOR: No.

MR. NESSEN: No, because --

Q That is the actual State and local he paid this year?

MR. CONNOR: For calendar 1975.

MR. NESSEN: \$11,941?

Q Yes.

MR. NESSEN: \$11,941 is State, local and other taxes for calendar 1975.

Q Can you get us an exact figure on the State return or refund?

Q That is payment.

MR. CONNOR: Is it that important?

Q It is better than saying a few hundred dollars.

MR. CONNOR: I will see if I can get it for you. It was not a refund, it was a payment in.

Q He paid additional?

MR. CONNOR: He paid in, yes.

Q But on the Federal he got some back?

MR. CONNOR: The Federal over-withheld.



Q By \$11,000.

MR. CONNOR: Yes.

Q And the State --

MR. CONNOR: What he did was loan the Federal Government interest free \$11,000 for the calendar 1975.

MR. NESSEN: Where do we show his withholding in 1975?

MR. CONNOR: We did it on the last time we issued that form, Ron. That is the exact same form we issued the last time but you remember at the end of it there was a little footnote which said for 1975 the President had not filed his returns but here are the gross numbers, \$250,000 plus in income, \$106,200 withheld in Federal, so much withheld in State.

MR. NESSEN: All right. So this will be, hopefully the President thinks, a model for the degree of detail that all Presidential candidates ought to supply to the voters they are asking to elect them to office.

Q For a degree of detail -- what was that?

MR. NESSEN: The degree of detail for tax information that all candidates should issue to the voters they are asking to elevate them to the Presidency.

Q Ron, this is a very minor point but if you add the \$23,000 business expenses plus the medical, the contributions, the taxes and the other plus the \$204,000 taxable income, you should get the gross income but you don't.

MR. CONNOR: No. Add \$3,750 for the personal exemptions and then you will get it.

Q When you said about those personal exemptions, Mike does not live at home either.

MR. NESSEN: No, but Mike qualifies as a full-time student and, therefore, is qualified as an exemption -- not a deduction but an exemption.

Q But Steve neither was at home nor --

MR. NESSEN: Nor is a full-time student, that is correct.





Q Does the President support him? Does the President contribute to the majority of his support?

MR. NESSEN: Does he?

Q Yes.

MR. NESSEN: Yes, because he has got tuition and stuff and living expenses.

Q Is he going to cut down on his withholding this year because of the \$11,000 overpayment this year?

Q Will he take a trip after the election to get a bigger refund next year?

Q Ron, did you get any information on the Supreme Court housing decision?

MR. NESSEN: The Legal Counsel's Office has the Opinion and is studying the Opinion but it is going to be a while before we have anything to say about it.

Q : Did he contribute to a political party?

MR. NESSEN: Of his choice?

Q One dollar write-off.

Q Ron, what is the DAR speech going to be about, do you know now?

MR. NESSEN: It is being prepared now in the Oval Office.

Q Do you have the text?

Q Foreign policy?

MR. NESSEN: Well, within about 15 minutes I ought to know what the speech actually looks like.

Q Will we get a text today, do you think?

MR. NESSEN: Hopefully.

Q Is that embargoed for 6:00 A.M.?

MR. NESSEN: I think we will do it on delivery.

THE PRESS: Thank you.

END (AT 4:15 P.M. EST)



May 28, 1976

Dear Mr. Mathis:

The letter which you sent to the President on April 26 was referred to the Internal Revenue Service, and the Service in turn wrote you on May 5. Subsequently, the letter was referred to me, because it involves a request by you for information from the President's personal CPA who has prepared his 1975 tax return.

I find that the CPA who prepares the President's tax returns believes it is inappropriate to comment on any matter involving his clients. Also, I am sure you are aware of the relevant provisions of the Internal Revenue Code and realize that deductions of the type you are questioning depend very much on the particular facts and circumstances of the client's situation. Thus, you can appreciate that any comments on the subject of your inquiry, even if the President's CPA were willing to make them, could not have general applicability to your clients.

Sincerely,

Philip W. Buchen  
Counsel to the President

Mr. Phillip M. Mathis  
La Plaza Building  
3303 - 67th Street  
Lubbock, Texas 79413



# What the IRS Turned Up In That '73 Audit of Ford

By Jerry Landauer  
and Christopher A. Evans

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Questions now are arising about the thoroughness of the IRS investigation of President Ford's tax returns from 1967 to 1972. It is now clear that only a few congressmen or senators had received an IRS audit report on Ford in time to read it before questioning him at his confirmation hearings.

The President himself, in a news

tained a copy of the 13-page IRS audit report, involving Ford's personal and campaign finances, and its authenticity has been confirmed by Philip Buchen, the President's White House counsel.

ALTHOUGH THE STATUTE of limitations has expired on any campaign-financing issues, tax matters could still be prosecuted, under the law. However, the precise nature of the special prosecutor's investigation isn't known.

It's clear, however, that the investigation by Special Prosecutor