

Richard Nixon Presidential Library
White House Special Files Collection
Folder List

<u>Box Number</u>	<u>Folder Number</u>	<u>Document Date</u>	<u>Document Type</u>	<u>Document Description</u>
22	4	02/10/1971	Letter	From Dean to Widrich Re: acknowledgement that Widrich letter concerning insurance policy has been received, but Nixon does not plan to receive Widrich's counsel. 1 pg.
22	4	04/08/1971	Memo	From Dean to Mrs. Nixon Re: advice against voting in upcoming election as Nixon is receiving military tax treatment, and payment of income tax to D.C. instead of California may be called into question. 1 pg.
22	4	02/28/1969	Letter	From Ruddock to Krehbiel Re: retirement payments to Richard Nixon from civil service in the past and what choices regarding Mrs. Nixon and optional deposits should be made. 2 pg.
22	4	n.d.	Other Document	Handwritten note likely from desk of John Dean indicating that the Vice President is covered by the Civil Law Retirement Act, but the President is not. 1 pg.
22	4	n.d.	Memo	From Dean to Nixon Re: retirement annuity benefits payable to Nixon and what choices concerning Mrs. Nixon and optional deposits should be made. 2 pg.

February 10, 1971

Dear Mr. Widrich:

This is to acknowledge receipt and thank you for your recent letter to the President, to which I have been asked to reply.

While the President appreciates your concern in regard to his insurance program, he does not plan to take advantage of your kind offer to review that program with him.

With the best wishes of the White House to you,

Sincerely,

John W. Dean, III
Counsel to the President

Mr. Harry Widrich
Representative, The
Equitable Life Assurance
Society of the United States
100 Erieview Plaza, Erieview Tower
Cleveland, Ohio 44114

THE WHITE HOUSE

April 8, 1971

MEMORANDUM FOR: Mrs. Richard M. Nixon
 FROM: John Dean
 SUBJECT: Absentee Voting in Local Election
 in San Clemente

Gwen King has forwarded to me the application forms which were sent to the President and you by the City Clerk for the absentee voter's ballots to be used in the Parks and Recreation Bond Issue Election to be held in San Clemente on April 20th.

In view of the fact that the President is relying upon his position as Commander-in-Chief to receive the same tax treatment as applies to military personnel, I would advise against voting in this election. Military personnel are not subject to the taxation of their state of legal residence but rather pay taxes to the state in which they happen to be domiciled in connection with their military service. Should the President and you vote in local elections in California, the rationale for continuing to follow the regulations applicable to military personnel might be somewhat undermined, and your payment of income tax to the District of Columbia rather than the State of California might be called into question.

If you should, nevertheless, wish to apply for absentee ballots, please let me know since the applications should be signed so that they may be returned to the City Clerk no later than 5:00 P.M. Tuesday, April 13th.

*Called Gwen King
 of Parks and Rec Dept
 she said she would
 so application would
 be returned
 4/13/71*

job San Clemente

S. A. G. Gordon Strouder
12/15/71

February 28, 1969

Mr. John Krehbiel
Aetna Life and Casualty
301 East Colorado Blvd.
Pasadena, California 91101

Dear Mr. Krehbiel:

The official civil service retirement records of President Richard M. Nixon show he will be eligible for deferred annuity benefits under the civil service retirement law commencing at age 60 but with payment discontinued during his service as President. This letter outlines the benefits payable and will supersede all figures given heretofore on the basis of tentative computations.

President Nixon's eligibility is based on Federal service from January 9, 1942 to March 10, 1946; January 3, 1947 to January 1, 1953; and January 20, 1953 to January 19, 1961.

Retirement deductions were not withheld during service from January 9, 1942 through January 23, 1942 and from January 20, 1953 through January 19, 1956. Deposit may be made to cover these periods of non-deduction service. The amount of this optional deposit as of February 28, 1969 is \$8,719. Interest accrues at 3%, so that if not paid, the amount due as of January 8, 1973 will be \$9,770.

The deferred life annuity, without survivor benefits, will be \$1315 a month (\$15,780 a year) if the optional deposit of \$8,719 is made now or deposit of \$9,770 is made in January 1973.

Without deposit for non-deduction service, a life annuity without survivor benefits is payable at the rate of \$1234 a month (\$14,808 a year).

The annuity (with or without deposit) will be payable in addition to the \$25,000 yearly monetary allowance payable to all former Presidents under Public Law 85-745. Under this same law, Mrs. Nixon, if she survives the President, will be eligible for a pension of \$10,000 a year as the widow of a former President, but she could not receive the \$10,000 if she received a survivor annuity under the retirement system.

Changed
to \$60,000
and \$20,000
P.L. 91-658

President Nixon could elect to have his yearly civil service retirement annuity reduced (by 2 1/2% of the first \$2400 and by 10% of the balance) in order to set up a potential survivor annuity for Mrs. Nixon. Her annuity could be \$723 a month (\$8676 a year) with deposit for non-deduction service, or \$679 a month (\$8148 a year) without deposit.

Since the retirement system survivor benefit payable to Mrs. Nixon is less than the free widow's pension of \$10,000 under Public Law 85-745, election of reduced annuity with benefit to widow would be an unwise choice. Life annuity is clearly more advantageous than reduced annuity with benefit to widow.

The one decision which is difficult is whether President Nixon should make the optional deposit for past service. From a study of retirement experience, it would be my recommendation that the deposit NOT be made because of the relatively small increase in annuity weighed against the return potentially available from prudent investment of the amount involved.

Sincerely yours,

Andrew E. Ruddock
Director

Vice Pres. in by S.U.S.C. 5331(2) &
S.U.S.C. 2106 which defines members
of Cong. to include V.P.

Moreover, several V.P. on enactment of
~~1956 Amendment to 2nd Const. Pledge~~ (effective
Sept. 31, 1956) specifically included and
for his time as V.P. under Sec 409 of Civil Serv
Act. Civil Amendments of 1956, 70 Stat. 760

Pres. not covered as he does not suit def. of employees
in S.U.S.C. 2105 as he is not an appointed officer.
See note under Sec. 5331 in Sen. Rept. No 1380, 89th Cong,
2nd Sess. re: H.S. 10104, the Consolidation of Title 5, U.S. Code
~~by~~ ^{signifi} ~~the~~ ^{exclusionary} provision S.U.S.C. 2252(b) (1964 Ed)

NH
Alm
2/72

MEMORANDUM FOR: THE PRESIDENT
FROM: JOHN DEAN
SUBJECT: Government Retirement Benefits

This is in response to your request for a statement of the annuity benefits payable to you by the United States Government. Your eligibility for these benefits will commence at age 60 but with payments discontinued during your service as President.

This eligibility is based on Federal service from January 9, 1942 to March 10, 1946, which includes your employment at the Office of Price Administration and your naval service; January 7, 1947 to January 1, 1953, which covers your years as a Congressman and a Senator; and January 20, 1953 to January 19, 1961 which extends over your term of office as Vice-President. Your service in the Presidency is not included in the years of eligibility because the President is not covered within the definition of the Civil Service Retirement Act.

Retirement deductions were not withheld during service from January 9, 1942 through January 23, 1942 and from January 20, 1953 through January 19, 1954. Deposit, however, may be made to cover these periods of non-deduction service. The amount of this optional deposit as of February 28, 1969 was \$8,719. Since interest accrues at 3%, if not yet paid by January 8, 1973, the amount due then will be \$9,770.

The deferred life annuity, without survivor benefits, will be \$1315 a month (\$15,780 a year) if the necessary optional deposit is made. Without deposit for non-deduction service, a life annuity without survivor benefits is payable at the rate of \$1234 a month (\$14,808 a year).

In total, your retirement benefit withholdings under the Civil Service Retirement Act amount to \$18,603.20. Under Section 72(d) of the Internal Revenue Code, the amounts first received as an annuity are considered to derive from the employee's contribution and are not taxable until the total amount of the employee's contribution has been exhausted. In your case, this would mean that benefits received for approximately the first year and three-four months (depending on whether or not the optional deposit is paid) would be tax-free. Following that period, all amounts received must be included in your gross income.

In addition to the benefits previously accrued and due under the Civil Service Retirement Act, all former Presidents under Public Law 91-658 receive a \$60,000 yearly monetary allowance. Under this same law, Mrs. Nixon, if she survives you, will be eligible for a pension of \$20,000 a year as the widow of a former President. However, she could not receive this \$20,000 if she elects to receive a survivor annuity under the retirement system.

To set up a potential survivor annuity for Mrs. Nixon, you must elect to have your yearly civil service retirement annuity reduced by 2 1/2% of the first \$2,400 and by 10% of the balance. Her survivor annuity would then be \$723 a month (\$8676 a year) with deposit for non-deduction service, or \$679 a month (\$8148 a year) without deposit.

Since the retirement system survivor benefit payable to Mrs. Nixon is considerably less than the free widow's pension of \$20,000 under Public Law 91-658, election of reduced annuity with benefit to widow would be an unwise choice. A more difficult decision is whether to make the optional deposit for past service. The relatively small increase in annuity weighed against the return potentially available from prudent investment of the amount involved indicates that this optional deposit would also be unwise.

THE WHITE HOUSE

WASHINGTON

October 24, 1972

MEMORANDUM FOR: ALEX BUTTERFIELD
FROM: JOHN DEAN
SUBJECT: Application for Absentee Ballot

Forwarded per our conversation is the application form for an absentee ballot which was sent to the President by the Registrar of Voters in Orange County. We had discussed this matter with Rose Woods, who advised that she thinks in past years the President always applied for the absentee ballot just in case he was unable to be in California on election day. It apparently is possible to return the absentee ballot at the polling place on November 7 if, as planned, the President is in San Clemente at that date. You may wish to check with Rose on this procedure.