

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> |
|-------------------|----------------------|----------------------|----------------------|--|
| 14 | 7 | 02/07/1969 | Memo | U.S. government memo from James G. Greilsheimer to William D. Ruckelshaus regarding the income tax liability of federal employees and officers residing in the District of Columbia, Maryland, and Virginia. 5pgs. |
| 14 | 7 | 01/23/1969 | Form | Copy of form for the election or wavier of group life insurance signed by RN. 1pg. |
| 14 | 7 | 01/23/1969 | Form | Copy of form for savings bonds/ savings notes authorization signed by RN. 1pg. |
| 14 | 7 | 01/23/1969 | Form | Copy of signed form by RN for withholding income tax. 1pg. |
| 14 | 7 | n.d. | Memo | Typed memo from Bud Krogh to Ed Morgan with handwritten note from Morgan RE Washington DC income tax info. 1pg. |
| 14 | 7 | 01/22/1969 | Memo | Memo from Dwight Chapin to John Ehrlichman RE: the President's payroll and salary deductions. 1pg. |

| <u>Box Number</u> | <u>Folder Number</u> | <u>Document Date</u> | <u>Document Type</u> | <u>Document Description</u> |
|-------------------|----------------------|----------------------|----------------------|---|
| 14 | 7 | n.d. | Other Document | D.C. Income and Franchise Tax Definitions. 4pgs. |
| 14 | 7 | n.d. | Other Document | Handwritten note (author unknown). 1pg. |
| 14 | 7 | n.d. | Memo | Memo from Bruce Kehrli to Rose Mary woods with handwritten note (author unk) RE Haig's comments. 1pg. |
| 14 | 7 | 08/14/1973 | Report | Report on Nixon property in CA as reported by Phil Watson to Murray Chotiner. 2pgs. |

Memorandum

TO : Mr. William D. Ruckelshaus
Assistant Attorney General
Civil Division

DATE: Feb 7, 1969

FROM : James G. Greilsheimer
Special Assistant

SUBJECT: Income Tax Liability of Federal Employees
and Officers Residing in the District of
Columbia, Maryland, and Virginia

Summary

Any "resident" of the District of Columbia, Maryland or Virginia, including a federal employee or officer, is required to pay the state or district income tax even if he maintains his domicile in another state. Congress, however, has expressly exempted from the District of Columbia income tax any elected officer of the Government of the United States and any officer of the Executive Branch appointed by the President and subject to confirmation by the Senate and whose tenure of office is at the pleasure of the President unless such officer is domiciled within the District on the last day of the taxable year. All three jurisdictions do not tax income received by the taxpayer prior to his becoming a resident of their respective jurisdictions. Each jurisdiction also grants a credit to a "resident" who continues to pay income tax to the state of his domicile.

District of Columbia

The District of Columbia imposes a tax
". . . upon the taxable income of every resident"
47 D.C. Code 1567b(a). For income tax purposes the
code defines "resident" as:

". . . every individual domiciled within
the District on the last day of the taxable
year, and every other individual who main-
tains a place of abode within the District

for more than seven months of the taxable year, whether domiciled in the District or not. The word "resident" shall not include any elective officer of the Government of the United States or any employee on the staff of an elected officer in the legislative branch of the Government of the United States if such employee is a bona fide resident of the State of residence of such elected officer, or any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, unless such officers are domiciled within the District on the last day of the taxable year." (47 D.C. Code 1551c(s)).

The rate of the tax is \$350 on the first \$10,000 of taxable income and 5% on the taxable income in excess of \$10,000. 47 D.C. Code 1567b(a).

Maryland

The State of Maryland imposes ". . . a tax on the taxable net income . . . of every resident individual of this state . . ." 81 Md. Code 288(a) (1967 Cum. Supp.). Section 279(i) (1967 Cum. Supp.) provides that:

"'Resident' means an individual domiciled in this State on the last day of the taxable year, and every other individual who, for more than six months of the taxable year, maintained a place of abode within this State, whether domiciled in this State or not; . . ."

The amount of the state income tax is \$90 on the first \$3,000 plus 5% on the taxable income in excess of \$3,000. Section 283(a) authorizes the counties of Maryland and Baltimore City to levy a local income tax which may not be more than 50% of the state income tax liability. The local tax rate for 1968 for Montgomery County is 35% and for Prince Georges County 45%.

Virginia

The Commonwealth of Virginia imposes an income tax ". . . upon every resident individual of this State . . ." 58 Va. Code 101 (1968 Cum. Supp.). Section 77(8)(a) of Title 58 (1968 Cum. Supp.) states:

"The word 'resident' applies only to natural persons and includes, for the purpose of determining liability to the taxes imposed by this chapter upon the income of any taxable year every person domiciled in this State at any time during the taxable year and every other person who, for an aggregate of more than one hundred eighty-three days of the taxable year, maintained his place of abode within this State, whether domiciled in this State or not."

The amount of the tax is \$120 on the first \$5,000 of net income plus 5% of net income in excess of \$5,000.

Constitutionality

A state income tax upon the salary of a federal officer or employee is constitutional. Graves v. New York ex rel. O'Keefe, 306 U.S. 466 (1939). A few weeks after this decision Congress enacted the Public Salary Tax Act of 1939, 53 Stat. 574. In Section 4 of this Act, which is now codified at 4 U.S.C. § 111 (Supp. III, 1964 ed.), Congress consented to the taxation of pay or compensation of an officer or an employee of the United States ". . . by a duly constituted taxing authority having jurisdiction, if the taxation does not discriminate against the officer or employee because of the source of the pay or compensation." There is no suggestion that the tax statutes of the three jurisdictions in question discriminate against a federal officer or employee because of the source of his income. The Court of Appeals of Maryland has upheld the constitutionality of the Maryland income tax law with respect to federal employees who reside in Maryland but who work in the District of Columbia. Wood v. Tawes, 181 Md. 155, 28 A.2d 850 (1942), cert. denied 318 U.S. 788 (1943). A three-judge court in dictum noted its

approval of Reiling v. Lacy, 93 F. Supp. 462 (D. Md. 1950), appeal dismissed sub nom. Reiling v. Tawes, 341 U.S. 901 (1951).

Tax Credits

All three jurisdictions do not impose a tax upon income which was received prior to the individual becoming a resident of the particular jurisdiction. While the District of Columbia Code does not have an express provision to this effect, the Court of Appeals has so construed the income tax law. District of Columbia v. Davis, 371 F.2d 964 (D.C. Cir.), cert. denied, 386 U.S. 1034 (1967). The Maryland income tax law provides:

" . . . Where, however, an individual who during the taxable year transfers his residence to this State from a state or jurisdiction other than Maryland with the intent of becoming a resident of this State, he shall be taxable under this subtitle only with respect to taxable income as defined herein received by him from and after the date he becomes a resident of this State through the close of the calendar year and the allowable exemptions and dependent credit shall be prorated on the basis of the number of months during which residence was maintained in this State bears to twelve months, provided, however, that an individual filing a return in accordance with this provision shall not be entitled to the credit provided in § 290 of this subtitle for any income tax paid to the state or jurisdiction of his former residence while a resident of such former state or jurisdiction." (81 Md. Code § 279(i) (1967 Cum. Supp.).

Virginia law provides:

"Any person, however, who, during the taxable year, becomes a resident of this State, whether domiciliary or actual, for purposes of income taxation, by moving to

this State from without this State during such taxable year, shall be taxable as a resident for only that portion of the taxable year during which he was a resident of this State and his personal exemptions shall be reduced to an amount which bears the same ratio to the full exemptions as the number of days during which he was a resident of this State bears to three hundred sixty-five days. No person to whom this subparagraph applies shall be entitled to any credit on his income tax payable to this State for any income tax paid to the state or other jurisdiction of his former domicile or actual residence for that part of the taxable year during which he was a domiciliary or actual resident of such other state or jurisdiction, not withstanding the provisions of § 58-103." (58 Va. Code 77(8)(b) (1968 Cum. Supp.)).

Section 58-103 relates to credit for tax paid to other states by "residents" of Virginia. It appears that Virginia is more restrictive than Maryland in allowing a credit for the year in which the taxpayer becomes a resident: Maryland disallows the credit only if the person retains a residence in another state while Virginia disallows the credit if the person is a domiciliary or actual resident of the other state.

All three jurisdictions allow a taxpayer for any year in which he is a "resident" of the jurisdiction for the entire year a credit for the income taxes he is required to pay to another state. 47 D.C. Code 1567d(a); 81 Md. Code 290; 58 Va. Code 103 (1968 Cum. Supp.). The amount of the credit depends upon the particular provisions of the statutes of the state of domicile and the state of residence.

ELECTION OR WAIVER OF GROUP LIFE INSURANCE

| | | |
|--|--|--|
| | ELECTION, DECLINATION, OR WAIVER OF LIFE INSURANCE COVERAGE FEDERAL EMPLOYEES GROUP LIFE INSURANCE PROGRAM | IMPORTANT AGENCY INSTRUCTIONS ON BACK OF ORIGINAL |
|--|--|--|

TO COMPLETE THIS FORM—

1 FOLLOW THESE GENERAL INSTRUCTIONS:

- Read the back of the "Duplicate" carefully before you fill in the form.
- Fill in BOTH COPIES of the form. Type or use ink.
- Do not detach.

2 FILL IN THE IDENTIFYING INFORMATION BELOW (please print or type):

| | | | | |
|--------------------------------|---------|----------|----------------------------------|------------------------|
| NAME (last) | (first) | (middle) | DATE OF BIRTH (month, day, year) | SOCIAL SECURITY NUMBER |
| NIXON | Richard | M. | January 9, 1913 | 567 68 0515 |
| EMPLOYING DEPARTMENT OR AGENCY | | | LOCATION (City, State, ZIP Code) | |
| White House | | | Washington, D. C. | |

HAVE YOU EVER BEFORE FILED AN "ELECTION, DECLINATION, OR WAIVER OF LIFE INSURANCE COVERAGE"? YES NO
If "YES," your last such form remains in effect and you should not file this new form unless you want to change the old one. (See Instructions for Employees on page 4.)

3 MARK AN "X" IN ONE OF THE BOXES BELOW (do NOT mark more than one):

Mark here if you **WANT BOTH** optional and regular insurance

(A)

ELECTION OF OPTIONAL (IN ADDITION TO REGULAR) INSURANCE

I elect the \$10,000 additional optional insurance and authorize the required deductions from my salary, compensation, or annuity to pay the full cost of the optional insurance. This optional insurance is in addition to my regular insurance.

Mark here if you **DO NOT WANT** OPTIONAL but do want regular insurance

(B)

DECLINATION OF OPTIONAL (BUT NOT REGULAR) INSURANCE

I decline the \$10,000 additional optional insurance. I understand that I cannot elect optional insurance until at least 1 year after the effective date of this declination and unless at the time I apply for it I am under age 50 and present satisfactory medical evidence of insurability. I understand also that my regular insurance is not affected by this declination of additional optional insurance.

Mark here if you **WANT NEITHER** regular nor optional insurance

(C)

WAIVER OF LIFE INSURANCE COVERAGE

I desire not to be insured and I waive coverage under the Federal Employees Group Life Insurance Program. I understand that I cannot cancel this waiver and obtain regular insurance until at least 1 year after the effective date of this waiver and unless at the time I apply for insurance I am under age 50 and present satisfactory medical evidence of insurability. I understand also that I cannot now or later have the \$10,000 additional optional insurance unless I have the regular insurance.

| | |
|---|--|
| <p>4 DATE AND SIGN. RETURN THE ENTIRE FORM TO YOUR EMPLOYING OFFICE.</p> <p>SIGNATURE (do not print) <i>Richard Nixon</i></p> <p>DATE January 23, 1969</p> | <p>FOR EMPLOYING OFFICE USE ONLY</p> <p>(official receiving date stamp)</p> <hr/> <p>See Table of Effective Dates on back of Original</p> |
|---|--|

ORIGINAL COPY—Retain in Official Personnel Folder

STANDARD FORM No. 176
APRIL 1968
FPM Supplement 870-1

#3
P. 1/23

SAVINGS BONDS/SAVINGS NOTES AUTHORIZATION

Standard Form 1192
(Formerly Treasury Form No. 2254)
3 Treasury FRM 1000
Fiscal Service, Bureau of Accounts
1192-101

UNITED STATES SAVINGS BONDS AUTHORIZATION
FOR PURCHASE AND REQUEST FOR CHANGE

FOR AGENCY USE

DATE January 23, 1969

| | | | | |
|---|-------------------------|-----------------|----------------------|--|
| EMPLOYEE'S NAME (MR.) --(MRS.)-- --(MISS)-- | (FIRST NAME) Richard | (INITIAL) M. | (LAST NAME) Nixon | SOC. SEC. OR EMP. PAYROLL NO. 567-68-0515 |
|---|-------------------------|-----------------|----------------------|--|

| | | |
|----------------------|------------------|-------------|
| DEPARTMENT OR AGENCY | BUREAU OR OFFICE | LOCATION |
| | | White House |

A. NEW ALLOTMENT B. INCREASE ALLOTMENT C. CHANGE DENOMINATION D. CHANGE INSCRIPTION E. OTHER ACTION (Describe on reverse)

| | | | |
|---|--|--------------------------------------|----------------|
| (If you checked A, B, or C above, complete the following) → | AMOUNT TO BE ALLOTTED EACH PAY PERIOD **\$..... | BOND DENOMINATION **\$ <u>100</u> | SERIES OF BOND |
|---|--|--------------------------------------|----------------|

BOND INSCRIPTION (If you checked A or D above, complete the following—Type or Print)

| | | | | |
|--|-------------------------|--------------------------------|----------------------|------------------------------------|
| OWNER'S NAME (MR.) --(MRS.)-- --(MISS)-- | (FIRST NAME) Richard | (MIDDLE NAME OR INITIAL) M. | (LAST NAME) Nixon | SOCIAL SECURITY NO. 567-68-0515 |
|--|-------------------------|--------------------------------|----------------------|------------------------------------|

| | | | |
|---------|--|------------|------------|
| ADDRESS | (NUMBER AND STREET) The White House | Washington | D. C. |
| | (CITY OR TOWN) | (STATE) | (ZIP CODE) |

| | | | | |
|---|--------------|--------------------------|-------------|---------------------|
| (CHECK ONE) <input type="checkbox"/> (MR.) CO-OWNER <input type="checkbox"/> (MRS.) BENEFICIARY <input type="checkbox"/> (MISS) | (FIRST NAME) | (MIDDLE NAME OR INITIAL) | (LAST NAME) | SOCIAL SECURITY NO. |
|---|--------------|--------------------------|-------------|---------------------|

I hereby authorize the foregoing allotment from my pay with the understanding that U.S. Savings Bonds will be issued as requested. This authorization is to remain in effect until canceled by me in writing or termination of my Federal employment.

EFFECTIVE ON FIRST PAYROLL PERIOD AFTER
....., 19.....

→ *Richard Nixon*
Employee's Signature (Must be same as shown on payroll)

Deliver (check one): In person By mail

* Married woman's first name must be shown, not that of her husband.
** See allotment table on back.

#3
1-23-69

INCOME TAX WITHHOLDING

FORM W-4 (Rev. Jan. 1967)
U.S. Treasury Department
Internal Revenue Service

EMPLOYEE'S WITHHOLDING EXEMPTION CERTIFICATE

Type or print full name Richard Milhous Nixon Social Security Number 567-68-0515
Home address The White House City Washington State D.C. ZIP code _____

EMPLOYEE:
File this form with your employer. Otherwise, he must withhold U.S. income tax from your wages without exemption.
EMPLOYER:
Keep this certificate with your records. If the employee is believed to have claimed too many exemptions, the District Director should be so advised.

HOW TO CLAIM YOUR WITHHOLDING EXEMPTIONS

1. If SINGLE (or if married and wish withholding as single person), write "1." If you claim no exemptions, write "0" . . . _____
2. If MARRIED, one exemption each is allowable for husband and wife if not claimed on another certificate.
(a) If you claim both of these exemptions, write "2"; (b) If you claim one of these exemptions, write "1"; (c) If you claim neither of these exemptions, write "0" . . . _____ 2
3. Exemptions for age and blindness (applicable only to you and your wife but not to dependents):
(a) If you or your wife will be 65 years of age or older at the end of the year, and you claim this exemption, write "1"; if both will be 65 or older, and you claim both of these exemptions, write "2" . . . _____
(b) If you or your wife are blind, and you claim this exemption, write "1"; if both are blind, and you claim both of these exemptions, write "2" . . . _____
4. If you claim exemptions for one or more dependents, write the number of such exemptions. (Do not claim exemption for a dependent unless you are qualified under Instruction 4 on other side.) . . . _____
5. If you claim additional withholding allowances for itemized deductions fill out and attach Schedule A (Form W-4), and enter the number of allowances claimed (if claimed file new Form W-4 each year) . . . _____
6. Add the exemptions and allowances (if any) which you have claimed above and write total . . . 2
7. Additional withholding per pay period under agreement with employer. (See Instruction 1.) . . . \$ _____

I CERTIFY that the number of withholding exemptions claimed on this certificate does not exceed the number to which I am entitled.
(Date) January 23, 1969 (Signed) _____ e48-16-70061-1

FORM W-4 (Rev. Jan. 1967)
U.S. Treasury Department
Internal Revenue Service

EMPLOYEE'S WITHHOLDING EXEMPTION CERTIFICATE

Type or print full name Richard Milhous Nixon Social Security Number 567-68-0515
Home address The White House City Washington State D.C. ZIP code _____

EMPLOYEE:
File this form with your employer. Otherwise, he must withhold U.S. income tax from your wages without exemption.
EMPLOYER:
Keep this certificate with your records. If the employee is believed to have claimed too many exemptions, the District Director should be so advised.

HOW TO CLAIM YOUR WITHHOLDING EXEMPTIONS

1. If SINGLE (or if married and wish withholding as single person), write "1." If you claim no exemptions, write "0" . . . _____
2. If MARRIED, one exemption each is allowable for husband and wife if not claimed on another certificate.
(a) If you claim both of these exemptions, write "2"; (b) If you claim one of these exemptions, write "1"; (c) If you claim neither of these exemptions, write "0" . . . _____ 2
3. Exemptions for age and blindness (applicable only to you and your wife but not to dependents):
(a) If you or your wife will be 65 years of age or older at the end of the year, and you claim this exemption, write "1"; if both will be 65 or older, and you claim both of these exemptions, write "2" . . . _____
(b) If you or your wife are blind, and you claim this exemption, write "1"; if both are blind, and you claim both of these exemptions, write "2" . . . _____
4. If you claim exemptions for one or more dependents, write the number of such exemptions. (Do not claim exemption for a dependent unless you are qualified under Instruction 4 on other side.) . . . _____
5. If you claim additional withholding allowances for itemized deductions fill out and attach Schedule A (Form W-4), and enter the number of allowances claimed (if claimed file new Form W-4 each year) . . . _____
6. Add the exemptions and allowances (if any) which you have claimed above and write total . . . 2
7. Additional withholding per pay period under agreement with employer. (See Instruction 1.) . . . \$ _____

I CERTIFY that the number of withholding exemptions claimed on this certificate does not exceed the number to which I am entitled.
(Date) January 23, 1969 (Signed) _____ e48-16-70061-1

113
10/15

THE WHITE HOUSE
WASHINGTON

TO: ED MORGAN

FROM: BUD KROGH 

Here's the Washington, D. C., income tax
information for the President.

(File No. 96 enclosed)

Rose Woods
advised.

Send back to
Krogh.

ELM

January 22, 1969

MEMORANDUM TO: John Ehrlichman
FROM : Dwight Chapin
RE : The President's Payroll and Salary Deductions

Attached you will find the payroll and salary papers which
The President must fill out prior to receiving his first paycheck.
You will note that the comptroller would like to receive these papers
back by January 24th. I leave this matter in your hands. Thank you.

Dove



*#3
pigs*

social and financial connections, retention and strength of affiliations in the community of origin, and payment of taxes in the old community which might be avoided by surrendering that domicile.

The burden of proof of domicile outside the District is on the taxpayer. In the *Murphy* and *De Hart* cases the Supreme Court stated that "It is not an unreasonable burden upon the individual who knows best whence he came, what he left behind, and his own attitudes, to require him to establish domicile elsewhere if he is to escape the tax."

Any person not specifically exempted who has moved into the District during the taxable year and has maintained a place of abode within the District on the last day (but for a period of less than seven months) of the taxable year must complete and file Form FR-131, Domicile Questionnaire (§ 13-462), with the Department of Finance and Revenue.

For definition of resident estates or trusts, see § 12-005.

.15 Acquisition of domicile.—While it is possible to acquire a statewide domicile by leaving one locality within a state to accept employment in the District of Columbia with the intention of returning to another locality within the same state at the termination of the employment, it is not possible to abandon a domicile in one state before going to work in the District and to acquire a domicile in another state by means of intention alone without at least physically establishing a residence in the new state in the interim. *Baker v. District of Columbia*, B. T. A., July 27, 1943; agreement for dismissal of petition for appeal and for settlement, stipulating for refund of taxes and penalties paid under protest together with costs of perfecting appeal, filed in United States Court of Appeals for the District of Columbia. Order signed by Board of Commissioners, March 6, 1944.

.152 To acquire a new domicile there must be an abandonment of the former domicile, physical presence in the new locale and an intention to reside permanently, or at least indefinitely, therein. The taxpayer did not establish domicile in California on the basis of a four-day stay in San Francisco on required government business by reason of (1) registration for voting, (2) maintenance of a bank account in California and (3) payment of personal income taxes, which he was not required to pay, to California. *Buchanan et al. v. District of Columbia*, D. C. Tax Court, December 30, 1960.

.20 Choice of domicile.—A domicile of choice cannot be acquired by an intention to make a home in the future, but only by an intention to make a home at the moment. *Fowler, John E. and Pearl G., v. District of Columbia*, Board of Tax Appeals, December 17, 1942.

.25 Deceased persons (N. Y.).—Under the New York personal income tax law, defining residents to include "any person who shall, at any time during the last six months of the calendar year, be a resident of the State," held that the use of the word "includes" was not meant to make the above designation exclusive, but that a resident at the time of his death in April was a resident and not a nonresident for tax purposes. *People ex rel. Estate of Woolworth v. State Tax Commission* ('22), 200 App. Div. 287, 192 N. Y. S. 772.

.35 Intention of individual.—In order to retain his former domicile, one who comes to the District to enter the Government service must always have a fixed and definite intent to return and take up his home there when separated from the service. A mere sentimental attachment will not hold the old domicile. Residence in the District with a nearly equal readiness to go back where one came from or to any other community offering advantages upon the termination of the service is not enough. *Halsey v. District of Columbia*, Board of Tax Appeals, May 5, 1942.

.352 An individual's intention to return to the State of his domicile must be definite in order to avoid the creation of a new domicile in the District. *Leighton et al. v. District of Columbia*, Board of Tax Appeals, December 8, 1942.

.354 Where the intention to return to the State of domicile is definite, no District domicile can be acquired even though the actual date of the intended return is indefinite. *Bush v. District of Columbia*, Board of Tax Appeals, December 8, 1942.

.50 Nonresident power of attorney.—When a taxpayer came to the District in the course of her employment and resided

[Editorial Comment:] For District income tax purposes, a "resident" is

(1) any individual who is domiciled within the District on the last day of the taxable year; or

(2) any individual who maintains a place of abode within the District for more than seven months of the taxable year, whether domiciled in the District or not.

While a person may qualify as a "resident" under (1) and (2) above and, therefore, is subject to tax, the taxation of income earned outside the District before such person was domiciled or came into the District was held invalid. *Paul S. Davis v. D. C.*, United States Court of Appeals, D. C. Circuit, January 5, 1967, Certiorari denied by the Supreme Court, Docket, 1221, May 8, 1967. (See ¶ 200-106 for full text of the Court of Appeals' opinion.) The District has adopted this view and revised Form D-40 and Instructions to effect this change in tax treatment. See ¶ 13-438, 13-439.

Certain federal officials and employees do not fall within the definition of "resident." Those excluded are:

(1) any elective officer of the federal government;

(2) any employee on the staff of a Congressman who is a bona fide resident of the Congressman's home state;

(3) any officer appointed by the President subject to Senate confirmation whose tenure of office is at the pleasure of the President unless the officer is domiciled within the District at the end of the taxable year.

Prior to the present income and franchise tax the test of taxability was whether or not an individual was domiciled within the District. A great number of cases arose involving federal officials and employees. The present law makes it clear which persons employed by the federal government are to be excluded.

Domicile.—In determining whether a person is domiciled in the District on the last day of the taxable year, the reasoning in *District of Columbia v. Murphy; Same v. De Hart* ('41), 1 stc ¶ 228, 314 U. S. 441, 62 S. Ct. 303, relating to the domicile of federal employees, is still applicable. The Supreme Court found domicile to be a question of fact to be decided in each individual case. It held that where a person changes his residence to the District of Columbia upon the acceptance of employment with the federal government, the question of his change of domicile for a determination of his taxability under the District income tax act must be decided from all the circumstances both at the time he originally moves there and after he has established himself. No simple factor, such as the individual's oral declarations of intention or the maintenance of his voting franchise, is controlling, but the change or retention of domicile must be determined from all relevant considerations. To be considered are the nature of the position held, the manner of living,

[¶ 10-066] "Include," "Includes" or "Including" Defined.—The law provides:

Sec. 47-1551c. * * *

(p) The words "include," "includes," or "including," when used in a definition contained in this subchapter, shall not be deemed to exclude other things otherwise within the meaning of the word or words defined.

* * * [Sec. 47-1551c, D. C. Code.]

[¶ 10-067] "Individual" Defined.—The law provides:

Sec. 47-1551c. * * *

(f) The word "individual" means all natural persons (other than fiduciaries), whether married or unmarried.

* * * [Sec. 47-1551c, D. C. Code.]

[¶ 10-068] "Nonresident" Defined.—The law provides:

Sec. 47-1551c. * * *

(t) The word "nonresident" means every individual other than a resident.

* * * [Sec. 47-1551c, D. C. Code.]

[Editorial Comment:] For definition of "resident," see ¶ 10-071.

[¶ 10-069] "Payroll Period" Defined.—The law provides:

Sec. 47-1551c. * * *

(x) The term "payroll period" means payroll period as defined in section 3401 (b) of the Internal Revenue Code of 1954.

* * * [Sec. 47-1551c, D. C. Code.]

[Editorial Comment:] For administrative interpretation, see Reg. Secs. 12.8(b)(1) and 12.8(b)(2) at ¶ 13-182 and 13-184.

[¶ 10-070] "Person" Defined.—The law provides:

Sec. 47-1551c. * * *

(e) The word "person" means an individual (other than a fiduciary), a fiduciary, a partnership (other than an unincorporated business), an association, an unincorporated business, and a corporation.

* * * [Sec. 47-1551c, D. C. Code.]

[¶ 10-071] "Resident" Defined.—The law provides:

Sec. 47-1551c. * * *

(s) The word "resident" means every individual domiciled within the District on the last day of the taxable year, and every other individual who maintains a place of abode within the District for more than seven months of the taxable year, whether domiciled in the District or not. The word "resident" shall not include any elective officer of the Government of the United States or any employee on the staff of an elected officer in the legislative branch of the Government of the United States if such employee is a bona fide resident of the State of residence of such elected officer, or any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, unless such officers are domiciled within the District on the last day of the taxable year.

* * * [Sec. 47-1551c, D. C. Code.]

therein, abandoning her domicile in another state, it was determined that her domicile was in the District, even though she had built a year-round house in Delaware and had voted in Delaware after her arrival in the District, but had paid no income tax to the State of Delaware. It was determined that she had impliedly considered herself as domiciled in the District by failing to file a "nonresident power of attorney" required of nonresident executors of wills probated in the District, when she had acted as a co-executor of a will and her co-executor had filed such a power of attorney. *Newman v. District of Columbia*, B. T. A., July 12, 1943.

.55 **Presumption of domicile.**—Where a taxpayer offers no direct proof to show his intention as to his domicile, and where conflicting circumstances and conflicting inferences do not clearly establish his domicile, the Board holds that he has not overcome the presumption created that he is domiciled in the District, and is, therefore, subject to the District Income Tax. *Scott v. District of Columbia*, B. T. A., January 22, 1941. Followed in *Duff v. District of Columbia*, B. T. A., February 28, 1941.

.70 **Statewide domicile.**—A domicile may be of a "statewide" nature and need not be confined to some restricted geographic area, such as a city, or village and its environs, or a county within the particular State. *McMurray v. District of Columbia*, B. T. A., July 12, 1943. See also *Hornor v. District of Columbia*, B. T. A., July 16, 1943.

.74 **Sufficiency of proof of change (Mass.).**—A resident of Massachusetts who had previously expressed his intention to permanently change his domicile from Massachusetts to Florida left the State December 27, 1928, and arrived in Florida waters at 3:00 A. M., January 1, 1929, was held not to have given up his Massachusetts domicile until a new domicile was established in Florida, and that he was, accordingly, an "inhabitant" of Massachusetts during a part of 1929. Under the current statute he was taxable upon 1928 net income in Massachusetts. *Ness v. Commissioner* ('32), 279 Mass. 369, 181 N. E. 178.

See also *Com. v. Bogigian et al.* ('29), 265 Mass. 531, 164 N. E. 472, sustaining a finding that a resident had clearly established

a domicile elsewhere so as to terminate his Massachusetts domicile for tax purposes; *Feehan v. Trefry* ('21), 237 Mass. 169, 129 N. E. 292, holding that one spending the most of his time in the State and sharing household expenses had acquired a domicile in the State; *Com. v. Davis* ('33), 284 Mass. 41, 187 N. E. 33, holding that a resident had failed to prove change of domicile to another State. CCH.

.80 **Temporary residence.**—A taxpayer is not domiciled in the District for income tax purposes where he resides in another jurisdiction during the greater part of the year and only during the winter months occupies an inherited residence in the District as his temporary residence which is maintained for sentimental and historical reasons. *Blair v. District of Columbia*, B. T. A., December 4, 1940.

.84 **Two homes.**—In the case of an individual having two homes, there is a strong presumption in favor of the retention of domicile in the home or residence first acquired, which presumption can only be overcome by a fair preponderance of evidence that the residence last acquired has become the individual's principal home. *Brewster v. District of Columbia*, B. T. A., May 6, 1943; *Mead v. District of Columbia*, B. T. A., May 1, 1943.

.85 **Wife's domicile.**—Where the deceased husband of the taxpayer was a Federal Government employee in the District at the time of his death, and had during his life time declared his domicile to be in the District, the Board holds that the wife's domicile is also in the District despite her intentions to the contrary and the fact that she maintained a residence in Philadelphia and was independently wealthy in her own right. *Meigs v. District of Columbia*, B. T. A., April 28, 1941.

.852 For tax purposes, the domicile of the husband will also be the domicile of the wife. *Kerr v. District of Columbia*, B. T. A., September 27, 1940.

.854 The petitioning wife has never been in California. Of course, that is not essential to domicile therein, if the husband actually was so domiciled. *Buchanan et al. v. District of Columbia*, D. C. Tax Court, December 30, 1960.

1034 - include in parent -
1 year period.

de

-ok

NY - Feb 6 -

Decemb - started to sell

Jan - first spent

THE WHITE HOUSE
WASHINGTON

TO: ROSE MARY WOODS

FROM: BRUCE KEHRLI *BK*

Please note General Haig's comments
on the attached note.

*File
RN
Personal
Property*

*Comment has
received*

8/14/73

Phil Watson, Los Angeles County Assessor called Murray Chotiner to report the following:

Hollis of the New York Times is in Los Angeles and has been checking on the assessed valuation of the house the President owns (the one his mother had lived in and now someone from Whittier Friends Church stays in it) -- the assessed value (they are allowed to look at the property rolls is \$68,950 -- Hollis did not take their word for this and had a real estate firm - ~~Colwell Banker~~ Colwell Banker - give him their appraisal and they said \$70,000 so there could not be much of a story there.

Then he said that Ron Kessler of the Washington Post is out there as well and he is asking to see the property that was involved in the Don Nixon-Howard Hughes loan. Again Watson has told them they cannot see anything but the property rolls. (That is the piece of property that was given to Hughes and they have had a gasoline station on there for years -- I would imagine they have made money on that and this is really beating an old horse over the head).

Watson said he would be glad to be helpful to anyone if he can -- or if we prefer to not have anyone contact him directly we can go through Murray who is at the Balboa Bay Club for the balance of this week. (Code 714 645-5000 - Room 218).

- 2 -

Apparently the problem out there has been with the State Board of Equalization -- and Watson said that the assessors are meeting tomorrow morning in Sacramento and the County assessors are going to try to pass a resolution telling the State Board of Equalization to ~~keep~~ keep their nose out of any of the county's business -- Orange/ Los Angeles, etc.
