

## STATEMENT

IT:E:Aj  
HWS-27609-90D

In re: Mr. Nicholas Roerich  
c/o L.L. Horch  
310 Riverside Drive.  
New-York, New-York

| Year  | Tax due     | Tax Assessed | Deficiency<br>in Tax | 25%<br>Penalty | 50%<br>Penalty | Interest    |
|---|-------------|--------------|----------------------|----------------|----------------|-------------|
| 1926  | \$10,680.41 | none         | \$10,680.41          | \$2,670.10     | \$5,340.20     | \$5,567.86  |
| 1927  | 10,824.82   | none         | 10,824.82            | 2,706.20       | 5,412.41       | 4,993.65    |
| 1934  | 314.21      | none         | 314.21               | 78.55          | 157.11         | 12.98       |
| Totals  | \$21,819.44 | None         | \$21,819.44          | \$5,454.85     | \$10,909.72    | \$10,574.49 |
| Total deficiencies in taxes, penalties and interest |             |              |                      |                |                | \$48,758.50 |

1926

|                                       |             |
|---------------------------------------|-------------|
| Net Income reported (No return filed) | None        |
| Income from sale of paintings         | \$76,200.00 |
| Interest received on bank deposits    | 413.18      |
| Net Income                            | \$76,613.18 |

## Computation of Tax

|                            |             |
|----------------------------|-------------|
| Net income                 | \$76,613.18 |
| Less                       |             |
| Exemption                  | 3,500.00    |
| Subject to normal tax      | \$73,113.18 |
| Tax on \$4,000.00 at 1½%   | \$ 60.00    |
| Tax on \$4,000.00 at 3%    | 120.00      |
| Tax on \$65,113.18 at 5%   | 3,255.66    |
| Surtax on \$76,613.18      | 7,250.37    |
| Total                      | \$10,686.03 |
| Less:                      |             |
| Earned income credit       | 5.62        |
| Tax due                    | \$10,680.41 |
| Tax assessed               | none        |
| Deficiency in tax          |             |
| assessed November 23, 1935 | \$10,680.41 |



Mr. Nicholas Roerich

Statement

|  |             |
|--|-------------|
| 25% penalty for failure to file<br>return assessed November 23, 1935                           | \$ 2,670.10 |
| 50% penalty as provided by section<br>275(b) Revenue Act of 1926<br>assessed November 23, 1935 | 5,340.20    |
| Interest, assessed November 23, 1935   | 5.567.86    |

1927

|   |                  |
|---|------------------|
| Net income reported (no return filed)           | none             |
| Interest received on bank<br>deposits and bonds | \$ 1,399.23      |
| Royalty received                                | 100.00           |
| Taxable Liberty Bond interest received          | 637.50           |
| Profit received on the sale of<br>Liberty bonds | 971.11           |
| Income received from the sale of paintings      | <u>74.271.78</u> |
| Net income                                      | \$77.379.62      |

Computation of Tax

|            |             |
|------------|-------------|
| Net income | \$77.379.62 |
|------------|-------------|

Less:

|                                  |           |                 |
|----------------------------------|-----------|-----------------|
| Taxable Liberty<br>Bond interest | \$ 637.50 |                 |
| Exemption                        | 3.500.00  |                 |
|                                  |           | <u>4.137.50</u> |

|                       |             |
|-----------------------|-------------|
| Subject to normal tax | \$73.242.12 |
|-----------------------|-------------|

|                          |                 |
|--------------------------|-----------------|
| Tax on \$4.000.00 at 1½% | \$ 60.00        |
| Tax on \$4.000.00 at 3%  | 120.00          |
| Tax on \$65.242.12 at 5% | 3.262.11        |
| Surtax on \$77.379.62    | <u>7.388.33</u> |

|       |             |
|-------|-------------|
| Total | \$10.830.44 |
|-------|-------------|

Less:

|                      |             |
|----------------------|-------------|
| Earned income credit | <u>5.62</u> |
|----------------------|-------------|

|              |             |
|--------------|-------------|
| Tax due      | \$10,824.82 |
| Tax assessed | <u>none</u> |

|   |              |
|---|--------------|
| Deficiency in tax<br>assessed November 23, 1935 | \$10,824.82. |
|---|--------------|



Mr. Nicholas Roerich

Statement

|  |             |
|--|-------------|
| 25% penalty for failure to file<br>return, assessed November 23, 1935                            | \$ 2.706.20 |
| 50% penalty as provided by section<br>275(b), Revenue act of 1926<br>assessed November 23, 1935. | 5,412.41    |
| Interest, assessed November 23, 1935   | 4,993.65    |

1934

|  |             |
|--|-------------|
| Net income reported (No return filed)  | None        |
| Income received from sale of paintings | \$ 8,569.00 |
| Net income                             | \$ 8.569.00 |

Computation of Tax

|   |                 |
|---|-----------------|
| Net income                                      | \$ 8,569.00     |
| Less:   |                 |
| Exemption                                       | <u>2,500.00</u> |
| Net income subject to surtax                    | \$ 6,069.00     |
| Less:   |                 |
| Earned income credit                            | <u>300.00</u>   |
| Net income subject to normal tax                | \$ 5,769.00     |
| Normal tax on \$5,769.00 at 4%                  | \$ 230.76       |
| Surtax on \$6.069.00                            | <u>83.45</u>    |
| Tax due   | \$ 314.21       |
| Tax assessed                                    | <u>None</u>     |
| Deficiency in tax<br>assessed November 23, 1935 | \$ 314.21       |

|  |        |
|--|--------|
| 25% penalty for failure to file<br>return, assessed November 23, 1935                          | 78.55  |
| 50% penalty as provided by section<br>293(b) Revenue Act of 1934<br>assessed November 23, 1935 | 157.11 |
| Interest, assessed November 23, 1935   | 12.98  |



WEINBERG & JOSEPHSON

CERTIFIED PUBLIC ACCOUNTANTS

11 WEST 42<sup>ND</sup> STREET

NEW YORK

LACKAWANNA 4-8741

HARRY WEINBERG, C. P. A.

PHILIP JOSEPHSON, C. P. A.

STENECK TRUST BLDG.

HOBOKEN, N. J.

HOBOKEN 8400

February 7, 1934.

Mr. Louis L. Horch, President,  
Roerich Museum,  
310 Riverside Drive,  
New York City.

Dear Sir:

In response to your inquiry, a search of our files shows that Federal and New York State Income Tax Returns for the years 1931 and 1932 were prepared for Professor Nicholas Roerich, and duly filed as required by law.

Very truly yours,

WEINBERG & JOSEPHSON

By: *Philip Josephson*

PJ:HS



5

Figures for filling in the Income Tax Form for 1934.

1 Salary from Apr. 7th 1934 to Dec. 31, 1934 at the rate of  
\$237.50 per half month.....8 3/4 months....4146.25

2 Income from Profession ... (Hiss) ... There may have been other... 5750.-  
small payments for paintings but they were made to Mr.  
11. Other income per diem allowance \$6 for ~~Heran~~ and are not known  
here.  
260 days and 15 days per 2.50 on ship.....1597.50

(and the same amount is to be deducted under  
para 18).

-----  
11,493.75

To be deducted

16 Bad debts.....Given on Mr. Horv's requests to  
institutions from Hiss money.....\$...1300/-/-

" " Outlaid for  
" " ....~~known~~ to "rusvati up to the end of  
Dec. 1934 and not returned.....\$...1470.-

" " Commision on sale of Painting.....\$...150.-

18 per diem allowance.....\$...1597.50

22 Personal exemption .(with wife \$2500).....\$...2500.-

-----  
\$ 7017.50.-  
-----

taxable  
As far as I know this is the total income.....4,476.25

Please correct if you know of any differences.

but I am not aware of these. ~~There are no other~~  
~~the amount of money and how much~~



FIGURES FOR FILING THE INCOME TAX FORM for 1934.

INCOME

point 1 Salary from April 7th to Dec. 31st 1934 at the rate of  
\$237.50 per half month..... 8-3/4 months..... \$4,146.25

" 2 Income from Profession (Hiss painting)..... \$5,750.--  
Note: there may have been other small payments  
for paintings, but I am not aware of these.

" 11 Other income: per diem allowance \$6 for 260 days  
and 15 days per \$2.50 on ship..... \$1,597.50  
Note: This same amount is to be deducted  
below under point 18.

\$11,493.75

DEDUCTIONS

point 16 Bad Debts (Given to Mr. Horch upon his request to  
the institutions from Hiss money)..... \$1,300.-

" " " (Outlayed for Urusvati up to the end of  
Dec. 1934 Rs: 3900 and not returned)..... \$1,470

Commission on sale of Painting to Hiss..... \$ 150.-

" 18. Deduct per diem allowance..... \$1,597.50

" 22 Less Personal Exemption..... \$2,500.-

NOTE: When the income tax was paid in April  
on leavin America and \$489 was then  
the cincome for the first 3-1/4 months  
a deduction on account of this personal  
exemption of \$625 (for the quarter year)  
was already made then. (And thus nothing  
was payable at that time. Probably this  
\$625 already having been deducted the  
personal exemption now for the 8-3/4 months  
will only be \$1,875 ?

\$7,017.50

Thus as far as I know the total taxable income is..... \$4,476.25

Please correct if you know of any differences.



COPY

N O T I C E

272m Rev Sept 1934.

APPEALS SHOULD BE ADDRESSED TO THE  
UNITED STATES BOARD OF TAX APPEALS  
WASHINGTON, D.C.

IF YOU DECIDE TO INITIATE A PROCEEDING BEFORE THE UNITED STATES BOARD OF TAX APPEALS, your petition and proofs in the proceeding must be in accordance with the rules of practice of this agency. Under the Revenue Acts of 1926, 1928 and 1932 as amended, the Revenue Act of 1934 and the rule of the Board, a petition (together with a filing fee of \$10.00) must be mailed in sufficient time or filed so as to be RECEIVED BY THE BOARD within ninety days after the attached registered notice is mailed (not counting Sunday or a legal holiday in the District of Columbia as the ninetieth day).

The United States Board of Tax Appeals is in no way connected with the Bureau of Internal Revenue or the Treasury Department. Under no circumstances should a petition for redetermination be forwarded to the Commissioner of Internal Revenue or a collector of internal revenue.



2

TREASURY DEPARTMENT  
INTERNAL REVENUE SERVICE.  
NEW-YORK, N.Y.

Office of the Collector.  
Third District of New-York  
U.S. Parcel Post Building.  
9th Avenue and 29th Street

Nov. 29th 1935.

In reply refer to WARRANT 352912

Personal

IT IS IMPORTANT THAT YOU ENCLOSE  
THIS LETTER WITH YOUR REMITTANCE

Nicholas Roerich  
c/o L L Horch  
310 Riverside Drive  
N Y C

Dear Sir

This is to inform you that a warrant for distraint has been issued against you in the sum of \$ 24258.57, with interest. This represents tax on your 1926 Income Tax.

Under the terms of the warrant, I am authorized and directed to enforce collection by seizure, etc. but you may avail yourself of the opportunity of making payment before these extreme measures are taken.

I hope to promptly receive your check which please mail, together with this letter, for my personal attention.

Very truly yours,

Joseph T. Higgins,  
Collector

By:

(signed)

---

James H. Fay.

Chief Field Deputy.

Tax.....\$ 24258.57

Interest...  
\_\_\_\_\_

Total..... 24258.57

Mim.-lp



3

TREASURY DEPARTMENT  
INTERNAL REVENUE SERVICE.  
NEW-YORK, N.Y.

Office of the Collector.  
Third District of New-York  
U.S. Parcel Post Building.  
9th Avenue and 29th Street

Nov. 29th 1935.

In reply refer to WARRANT 352913

Personal

IT IS IMPORTANT THAT YOU ENCLOSE  
THIS LETTER WITH YOUR REMITTANCE

Nicholas Roerich  
c/o L L Horch  
310 Riverside Drive  
N Y C

Dear Sir

This is to inform you that a warrant for distraint has been issued against you in the sum of \$ 23937.08, with interest. This represents tax on your 1927 Income Tax.

Under the terms of the warrant, I am authorized and directed to enforce collection by seizure, etc. but you may avail yourself of the opportunity of making payment before these extreme measures are taken.

I hope to promptly receive your check which please mail, together with this letter, for my personal attention.

Very truly yours,

Joseph T. Higgins,  
Collector

By: (signed)

---

James H. Fay.

Chief Field Deputy.

Tax.....\$ 23937.08

Interest...

---

Total..... 23937.08

Mim.-lp



10

TREASURY DEPARTMENT  
INTERNAL REVENUE SERVICE,  
NEW-YORK, N.Y.

Office of the Collector.  
Third District of New-York  
U.S. Parcel Post Building.  
9th Avenue and 29th Street

Nov. 29th 1935.

In reply refer to WARRANT 352914

Personal

IT IS IMPORTANT THAT YOU ENCLOSE  
THIS LETTER WITH YOUR REMITTANCE

Nicholas Roerich  
c/o L. L. Horch  
310 Riverside Drive  
N Y C

Dear Sir

This is to inform you that a warrant for distraint has been issued against you in the sum of \$ 562.85, with interest. This represents tax on your 1934 Income Tax.

Under the terms of the warrant, I am authorized and directed to enforce collection by seizure, etc. but you may avail yourself of the opportunity of making payment before these extreme measures are taken.

I hope to promptly receive your check which please mail, together with this letter, for my personal attention.

Very truly yours,

Joseph T. Higgins,  
Collector

By:

(signed)

---

James H. Fay.

Chief Field Deputy.

Tax.....\$ 562.85

Interest...  
\_\_\_\_\_

Total..... 562.85

Mim.-lp



11  
e. From Annex # 26, dated March 29, 1933:

" \$ 200,000 represents Purchases of Paintings. The \$ 200,000 Principal or Capital was donated by Prof. Roerich with the understanding that 4 % interest per year should be paid to Prof. R.

The \$ 21,086 are Trip Expenses of Prof. Roerich to the United States and Return to India (1929-1930). The Capital Sum of \$ 21,086 was donated and Interest of 4% to be paid to Professor Roerich.

-----  
Roerich Museum.

310 Riverside Drive

New York City, N.Y.

1 November 6, 1929.

Professor Nicholas Roerich  
310 Riverside Drive.  
New York City.

Dear Professor Roerich:

According to our verbal agreement regarding the perpetuation of all your paintings as referred to in the last catalogue of 1929, we confirm herewith that we are including in our yearly budget as well as in the budgets of every and all consecutive years the sum of \$ 8,000.00, to be payable to you, or to whom you may so designate this sum in monthly payments of \$ 666.00, beginning November 1st, 1929.

Anticipating your confirmation of this agreement,  
we are,

Respectfully yours,

(sgd) Louis L. Horch.

President

(sgd) M.M. Lichtmann,

Vice-President.

-----  
The above sums do not include the sum of \$ 20,000 representing the price of "Madonna Laborix" and of a groupe of paintings acquired by the Museum Trustees for the Museum Collection.



COPY

TREASURY DEPARTMENT  
WASHINGTON.

Office of the Commissioner  
of Internal Revenue.  
Address reply to Commissioner  
of Internal Revenue and refer  
to:

Dec. 2, 1935.

Mr. Nicholas Roerich  
c/o L.L.Horch.  
310 Riverside Drive.  
New-York, New-York.

Sir:-

In accordance with the provisions of section 279(a) of the Revenue Act of 1926, and section 273(a) of the Revenue Act of 1934, there has been assessed against you a deficiency amounting to \$48,758.50, income tax, penalties and interest, for the taxable years 1926, 1927 and 1934, the details of which are set forth in the statement attached.

In accordance with section 274(a) of the Revenue Act of 1926, as amended by section 501 of the Revenue Act of 1934, and section 272(a) of the Revenue Act of 1934, notice is hereby given of the deficiency mentioned. Within ninety days (not counting Sunday or a legal holiday in the District of Columbia as the ninetieth day) from the date of the mailing of this letter, you may file a petition with the United States Board of Tax Appeals for a redetermination of the deficiency.

Respectfully,

Guy T. Helvering,

Commissioner.

by

(signed)

Chas. T. Russell,

Deputy Commissioner.

Enclosure:  
Statement.



COPY

ROERICH MUSEUM  
310 Riverside Drive.  
NEW-YORK, N.Y.

Office of the President.

December 3, 1935.

Professor Nicholas de Roerich  
NAGGAR, Kulu,  
Province of Punjab.  
British India.

My dear Professor Roerich:

Enclosed please find the following, which I am forwarding to you:

1. Letter dated December 2, 1935 from Charles T. Russell, Deputy Commissioner, Treasury Department, Washington in regard to tax deficiency.
2. Statement of taxes due.
3. Notice regarding Appeals.
4. Three letters dated Nov. 29, 1935. from James H. Fay, Chief Field Deputy, Treasury Department, New-York in regard to warrants for distraint.

Very truly yours,

(signed)

Louis L. Horch, President.

8 pages enclosed.