

THE ORIGINAL
ROMEIKE
PRESS CLIPPINGS

220 W. 19th ST., NEW YORK
Tel. CHelsea 3-8860

Circ. (D 144,762) (S 156,574)

This Clipping From
WASHINGTON, D. C. ✓
STAR

SEP 3 - 1940

126/1

Russian Painter Loses Tax Case in Court of Appeals

Alien Is Held Liable For Income Payments; Fraud in One Return

Nicholas Roerich, Russian artist, scientist, writer and leader of a mystic cult, failed to convince the United States Court of Appeals today that he had the right not to pay certain Federal taxes.

The appellate tribunal, in an opinion written by Associate Justice Henry W. Edgerton, upheld Commissioner of Internal Revenue Guy T. Helvering and the United States Board of Tax Appeals, which found that Mr. Roerich, a non-resident alien, was liable for taxes on incomes of \$73,300 and \$74,271 received in 1926 and 1927. Further, the court today decided that Mr. Roerich's failure to file a return for 1934 was due to fraud with intent to evade the tax, affirming the board's opinion.

Joining Justice Edgerton in the decision were Chief Justice L. Lawrence Groner and Justice Fred M. Vinson.

Said Sums Were Gifts.

Mr. Roerich contended that the sums in dispute were contributions made to him as agent to meet the expense of an Asiatic expedition. He said that the sums, in income, were compensation for labor performed outside the United States by a non-resident alien and therefore exempt from tax. He maintained that he was retained to paint pictures for a museum in which he was interested and did not, as the board claimed, own and sell the pictures.

Coming to the United States in 1920, Mr. Roerich, with friends and followers, chiefly a Mr. Horch, organized in New York three corporations concerned with artistic instruction, exhibition or sales; Corona Mundi, Inc., Master Institute of United Arts, Inc., and Roerich Museum, Inc.

Mr. Roerich painted pictures in Mongolia, Finland and other parts of the world and the Federal Government claimed that the income in dispute was derived from the sale of his paintings to Mr. Horch.

Sought to Save Art.

A few years ago Mr. Roerich conducted a campaign in this country and abroad in behalf of a "banner of peace"—a special flag to be flown over galleries and other art centers—which would be respected by all belligerents in wartime, thereby protecting art treasures from destruction.

His fellow sponsors of the idea held a convention here at one time. The plan received a sympathetic reception from the Committee on Intellectual Co-operation of the League of Nations, but governmental action to recognize the flag, the design of which featured a circle inclosing three dots, did not follow.

The Roerich Gallery in New York City was devoted almost exclusively to Mr. Roerich's works and contained some 1,000 of his paintings, an attache of the Corcoran Gallery of Art said today.

THE ORIGINAL ROMEIKE PRESS CLIPPINGS

220 W. 19th ST., NEW YORK
Tel. CHelsea 3-8860

Circ. (D 126,708) (S 121,836)

This Clipping From
WASHINGTON, D. C.
POST

126/2
SEP 4 - 1940

Artist Must Pay Tax on \$150,000 Gifts

Nicholas Roerich, artist and museum director, who in 1935 authored an ill-fated international treaty guaranteeing preservation of art works in time of war, was told by the United States Court of Appeals yesterday that he must pay income taxes on nearly \$150,000 received by him during a five-year Asiatic expedition.

A Russian, Roerich contended that \$73,000 and \$74,271.78 received in 1926 and 1927 were to defray expenses of an Asiatic expedition which began in 1923 and ended in 1928. The amounts were given him as a nonresident alien for work outside the United States, he maintained, and as such were tax exempt.

The Court of Appeals upheld the opinion of the United States Board of Tax Appeals in the case in which the board found Roerich liable for taxation. The court further stated that the artist's failure to file a tax return for 1934 was due to fraud with intent to evade tax.

The decision was written by Associate Justice Henry W. Edgerton and concurred in by Chief Justice L. Lawrence Groner and Associate Justice Fred M. Vinson.

Roerich came to the United States in 1920. With friends he formed three organizations in New York devoted to instruction, exhibition and sale in the field of art. He has painted in many sections of the world.

THE ORIGINAL ROMEIKE PRESS CLIPPINGS

220 W. 19th ST., NEW YORK
Tel. CHelsea 3-8860

Circ. (D 81,593) 128/3

This Clipping From
WASHINGTON, D. C.
NEWS

SEP 4 - 1940

Russian Artist Loses \$147,571 Tax Appeal

Nicholas Roerich, Russian artist, writer and leader of a mystic cult, yesterday lost his fight to prevent the Internal Revenue Bureau from requiring him to pay taxes of \$147,571 given to him by an art patron while Mr. Roerich was on a five-year expedition in Asia. Upholding the U. S. Tax Appeals Board, the U. S. Appeals Court ruled that the money was received by Mr. Roerich for some 400 paintings which the artist sent back to the United States from Asia.

Mr. Roerich, however, claimed that the money was given him to meet the expense of the expedition, and that even if it did represent income it was "compensation for labor or personal services performed without the United States" by a non-resident alien, and therefore not subject to tax. This view was rejected by the Appeals Court.

THE ORIGINAL ROMEIKE PRESS CLIPPINGS

220 W. 19th ST., NEW YORK
Tel. CHelsea 3-8860

Circ. (D 187,090) (S 191,697)

This Clipping From 126/4
WASHINGTON, D. C.
TIMES HERALD

SEP 4 - 1940

Roerich Loses Fight Against Income Tax

Russian Artist's Appeal Is Denied

Efforts of Nicholas Roerich, artist, scientist and explorer of Asiatic deserts, to thwart the Federal Government from dipping into income he received from paintings made in the Far East, failed yesterday in the United States Court of Appeals.

In a unanimous decision, Chief Justice D. Lawrence Groner and Justices Fred M. Vinson and Henry W. Edgerton upheld a decision of the United States Board of Tax Appeals that \$73,300 received by Roerich in 1926 and \$74,271 received the next year were taxable income, despite Roerich's contention the sums were merely contributions toward his five-year trip to Asia, undertaken in 1923.

\$48,759 Claim Filed

The previous ruling declared the amounts were income derived from sale of Roerich's artistic output, the Board of Tax Appeals finding him "guilty of fraud with intent to evade tax" when he failed to file a return in 1934.

Including a 50 per cent assessment on back taxes owed, the Government placed a claim of \$48,759 against the scientist.

Roerich, a native of Russia, came to the United States in 1920 and with friends and followers organized the Roerich Museum of Art in New York for the purpose of collecting and exhibiting his Eastern paintings and art objects.

Backed by New Yorker

His principal backer was Louis L. Horch, of New York, who acted as his agent while the artist was traveling through Asia, and who paid him the sums the Government contended was, in effect, a purchase of the 400 paintings sent from Asia to New York during his trip.

Roerich in 1934 led an expedition to the Far East for the Agriculture Department, but returned in 1936 when it was rumored Manchukuo authorities had "unofficially" protested his presence on alleged grounds he was connected with espionage plots.

126/5

Washington newspapers.