

DIVIDENDS ON WAY

By PAUL THARP



GEORGE W. BUSH

January 8, 2003 --

Some companies say they're ready to start paying dividends if President Bush can succeed in making the checks exempt from taxes.

Two companies that said yesterday they're interested in the Bush dividend bandwagon also saw their stocks inch higher.

Oracle Corp. said it would consider paying dividends for the first time to stockholders if the White House can win its repeal of dividend taxes.

"If in fact, no tax on dividends became law, we certainly would have to reconsider our policy," Oracle's CFO Jeff Henley told an investors conference yesterday.

Oracle, the world's third-largest software maker, has cash and securities valued at about \$5.48 billion, some of which could be passed on to shareholders as dividends.

Radio and billboard giant Clear Channel Communications also said it would most likely start paying dividends if they're tax exempt.

CFO Randall Mays said Clear Channel "would support very strongly" any plan to make dividends tax exempt.

Clear Channel, the nation's No. 2 radio broadcaster with 1,200 radio stations in its fold, also owns 19 TV stations, events promoter SFX and 730,000 outdoor billboards. It has cash and securities of nearly \$2 billion.

Stocks of both companies inched higher, with Oracle up 73 cents to \$12.69 and Clear Channel up a penny at \$41.10.

Software giant Microsoft in the past had vowed to pay dividends if they ever became exempt - a scenario that seemed unlikely in past years.

But with a possible change in law now likely to make the dividends exempt, Microsoft remained silent yesterday on whether it would agree to divvy up its giant cash hordes.

As recently as November, Microsoft CFO John Connors said his company had no plans to pay a dividend - but that was before President Bush asked Congress to repeal taxes on dividends.

Microsoft has \$40.5 billion in cash and securities in its treasury. Company founder Bill Gates would reap a great tax windfall on his 612 million Microsoft shares if his company starts paying dividends.

Intel Corp., the world's biggest maker of semiconductors, has paid regular cash dividends to shareholders for the last 10 years.

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