

Nixon's Name Spotted on

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Bahamian bank records viewed by an undercover Internal Revenue Service informant indicate Richard Nixon had a secret bank account there while he was President.

Nixon has repeatedly denied having any foreign bank accounts.

But the IRS informant, code-named TW-24, told a closed-door congressional hearing he had seen an October 1972 computer printout listing account numbers and depositors at the Castle Bank and Trust Co. in the Bahamas.

"I saw a name that said Richard Nixon," TW-24 told the congressmen while under oath. "This was a printout that had folded over. When I reached down and leafed through that . . . one of the first

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names I saw was Richard Nixon. That kind of took the wind out of my sails."

The testimony came last Nov. 4 before the House Monetary Af-

fairs subcommittee chaired by Rep. Ben Rosenthal, D-N.Y. It will be made public shortly. The subcommittee has been investigating decisions by IRS Commissioner Donald Alexander which suspended "Operation Tradewinds" and "Project Haven." Both probes sought to determine if American-held Bahamian bank trust accounts were genuine investments or simply phony accounts set up to provide tax shelters.

The IRS informant, a Florida investigator named Norman Casper, told the subcommittee he tried to confirm this information on Nixon with sources at the Castle Bank, but "couldn't come up with it."

This lack of confirmation led Casper to suspect the Nixon entry might have been a hoax. But the Nixon name and account number did appear in alphabetical order on the printout. And the informant's findings were taken seriously by his IRS superiors. His report was included in an IRS memorandum so it could be checked out by agents working on Watergate-related investigations.

Written by IRS special agent Richard Jaffe, Casper's contact, the April 15, 1974, memo suggests seeking confirmation of the Nixon bank account from Alan Bickerton, a former treasurer of the Castle Bank. The memo says Bicker-

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ton could be helpful "because of his close involvement with the computerization of the Castle records."

When IRS agents interviewed Bickerton, "his immediate reaction was 'I guess you want to talk to me about your former President,'" Jaffe testified at the same closed-door hearing. Bickerton, however, would not divulge any information to the IRS or to us.

Nixon was not the only prominent American whose name turned up in Casper's reports. The informant also named Hugh Hefner, publisher of Playboy; the Pritzker family, owners of the Hyatt Hotel chain, and the Borden and Esso companies as clients of the Bahamian bank. Several reputed crime figures, including Moe Dalitz, Morris Kleinman and Sam Goodrich, also allegedly had accounts at Castle Bank, according to Casper.

Other Casper reports name actor Tony Curtis, Penthouse magazine, Toyota and Creedence Clearwater Revival, a rock group. All were allegedly using Castle Bank as a tax shelter.

Jaffe testified that in 1973 the bank had at least 308 customers "representing about \$250 million in assets in various trusts." This unusual bank does no business with the public and has accounts

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only for "shareholders." So information about the bank had to be obtained in unusual ways.

Casper "borrowed" a briefcase full of bank records from Castle general manager H. Michael Wolstencroft. While the bank official was dining with a female friend of Casper's, the informant took the briefcase's contents to Jaffe who photographed the documents. The briefcase was then returned "undetected."

Jaffe never concealed the way in which the information was obtained. But IRS Commissioner Alexander used the so-called

"briefcase incident" to justify suspending the tax haven probe.

The Justice Department and the courts have since ruled the briefcase evidence can be used legally. Justice has now revived the tax haven investigation and is presenting Casper's evidence to a Florida grand jury.

Meanwhile, published reports by the Los Angeles Times and other newspapers have cast suspicion on Alexander's motives for closing down the tax investigations. A telephone card file in Castle Bank's office listed the number of Alexander's former law firm. The IRS commissioner flatly denies his decisions were influenced by his former law firm's possible involvement.

The probes, however, had been highly successful. They had turned up information on the flow of illegal narcotics, organized crime and corporate money from the United States to the Bahamas. The projects uncovered at least \$24.9 million in unpaid taxes and assessments and generated numerous criminal prosecutions.