

# Secret IRS Data That Nixon Got

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PRESIDENT NIXON has been getting a steady stream of confidential data from his friends in the Internal Revenue Service about cronies, contributors and aides in trouble with the tax collector.

As a result of this intimate White House-IRS axis, the White House has stepped in to suggest that presidential friends such as the Rev. Billy Graham and actor John Wayne may have been harassed by the IRS.

In other tax cases, like that of former presidential osteopath Dr. Kenneth Ri-land, Mr. Nixon was notified, but did not intervene.

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THE INTRICATE NETWORK that alerts the President to tax hot-spots is described for the first time in a still-secret statement to the Senate Watergate committee by the Internal Revenue Service deputy chief counsel, Roger Barth.

Barth is a well-trained tax lawyer who came to the IRS in 1969 after serving as a political impresario for Julie and Tricia Nixon during the 1968 campaign. At IRS he swiftly became known as the resident honcho for the White House.

This last role brought him before the committee sleuths where he conceded that "senators, congressmen, entertainers, associates of the President, certain citizens in a high-income bracket . . . , the President's friends, a large contributor" were all flagged as "sensitive cases" when IRS field offices had reason to question their tax returns.

"The sensitive case reports are received from the districts each month," Barth said, according to the confidential summary of his committee interview. "Of the approximate 200 received each month, approximately 20 to 25 are culled."

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BARTH CONFIDED that he met with Treasury Secretary George Shultz and, earlier, with Secretary John Connally, to decide which of "the culled files" were significant enough to bring to the attention of the President. Special attention was paid to big contributors and presidential pals, he said.

The purpose, Barth insisted, was not to flag cases to be fixed but "to avoid any embarrassment for the President" on appointments, White House invitations and the like.

Once the list was culled, Barth personally called presidential aide John Ehrlichman, while "the Secretary would contact the President direct."

As an example, Barth mentioned that the tax woes of Nixon's osteopath were "brought to the attention of the President." No sooner had Barth inadvertently revealed this to the committee than he and Treasury counsel Edward Schmults rushed from "the room for five minutes," according to committee records of the interview.

When they returned, they "requested that this information remain confidential."