

Haig Tells Probers of Hughes Cash

Washington

White House chief of staff Alexander M. Haig told the Senate Watergate Committee yesterday that now-Treasury Secretary William E. Simon tipped off the White House last year that the Internal Revenue Service was investigating a \$100,000 Nixon campaign contribution from Howard Hughes, a committee source said.

Haig, the source said, testified that President Nixon has been "upset and angry" about official probes of his close friend C. G. (Bebe) Rebozo in connection with the Hughes contribution and at one point ordered aides to find Rebozo "a good tax lawyer."

Haig testified at a three-hour closed committee meeting after Mr. Nixon released him from earlier orders to answer no questions — orders that risked a con-

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HAIG TESTIFIES

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tempt citation.

According to the committee source, Haig told of receiving two calls from Simon, then deputy treasury secretary, in May last year shortly after Haig moved into the job of H. R. Halde- man, who resigned in the wake of the Watergate scandal.

The source said Haig testified that Simon called the White House twice to report that an IRS tax audit was underway on the \$100,000 Hughes gift through Rebozo.

He said Haig testified that he told Mr. Nixon of the Simon calls but he felt the President "had been informed of it before." Some days later, Mr. Nixon was reported to have told Haig to find a good tax attorney for Rebozo.

Haig was reported to have testified he consulted presidential lawyer Leonard Garment and on his recommendation passed along to Rebozo the name of Kenneth Gemmill, who had assisted in preparation of Mr. Nixon's tax returns.

According to the committee source, Haig said Gemmill reported to him in September or October last year that the IRS had "cleared Bebe" but that Watergate prosecutor Leon Jaworski would not let him make that fact public because of his ongoing investigations.

Haig also was reported to have testified that Mr. Nixon has the "absolute conviction" that neither his brothers nor his secretary, Rose Mary Woods, received any of the \$100,000 Hughes gift, as has been alleged.

The source said Haig shed little further light on the Hughes-Rebozo transaction.

Haig had refused to answer any committee questions when first subpoenaed two weeks ago, saying Mr. Nixon had ordered his silence on grounds of "executive privilege."

Haig told reporters he had not been informed at his first appearance of the "specific areas of inquiry" the committee wished to pursue, but was later advised that the questions would deal



AP Wirephoto

ALEXANDER HAIG
Free to talk

with the Hughes - Rebozo matter.

"Based on that, any my discussions with the President on the matter of the Rebozo \$100,000, the President relieved me of my obligation of abiding by his earlier instructions with respect to executive privilege," Haig said.

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