

Watergate Figure's Tax Conviction

New York

A former New York policeman who worked as a confidential investigator for ex-President Nixon was convicted yesterday on two counts of filing false income tax returns in connection with \$45,000 that Nixon White House insiders paid him.

The jury debated for only 90 minutes at the conclusion of the three-day trial before finding Anthony Ulasewicz guilty of filing the false returns in 1971 and 1972.

Among those who testified for the prosecution were Mr. Nixon's White House chief of staff, John D. Ehrlichman; Herbert W. Kalmbach, the former president's personal counsel, and John Dean, a former White House counsel.

The three witnesses, including Ehrlichman — who was flown here to testify from the federal prison at Safford, Ariz. where he is serving a sentence for his own Watergate involvement — agreed in the broad outline of their testimony that Ulasewicz received the money over two years to undertake investigative duties for the Nixon White House.

The defense argued that \$20,000 Ulasewicz received was a prepayment for future services and that the defendant was not compelled to consider the money as income until he had rendered service to White House staffers.

Ulasewicz also maintained that an additional \$25,000 sum he received was to be declared on an amended return to indicate the original \$20,000 as well as the second amount.

Ulasewicz filed an amended return on July 25, 1976, paying the back taxes, penalties and interest, totaling \$7000.

The government argued that when Ulasewicz filed the original returns for 1971 and 1972, he knew the amount of income he listed was false.

Reuters