

Hughes Fled IRS



— Jack Anderson

THE LATE Howard Hughes, according to his secret papers, fled the country in 1970 to escape the clutches of the Internal Revenue Service.

His dark-of-the-night departure has remained an unsolved mystery for more than six years. He was sneaked out of his Desert Inn penthouse in a stretcher and hauled down the fire escape for nine floors. He was flown to another penthouse in Nassau's Britannia Beach Hotel.

Within a year, he began to get restless, and changed penthouses again to the Intercontinental Hotel in Managua, Nicaragua. Then an earthquake forced him suddenly to flee on Dec. 23, 1972.

A top IRS official, G.T. Register, got wind of Hughes' movements and had agents waiting at Ft. Lauderdale with a subpoena for the elusive Hughes. But the agents received instructions not to serve Hughes with the subpoena.

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THROUGH our own Hughes investigation, meanwhile, we gained access to his private files and arranged for the IRS to photograph them. These show his personal financial empire was valued over \$2.3 billion.

It included seven hotel-casinos, 1200 mines, an airline, a munitions works, assorted television properties and 30,000 acres of undeveloped desert. The Nevada casinos alone frequently handle more than \$1 million in a day of wagering.

The billionaire controlled most of his operations through the Las Vegas-

based Summa Corporation and the Miami-based Howard Hughes Medical Institute.

His papers show that, by ordinary standards, he had plenty of loose cash on hand. The year before he died, for example, Summa amassed \$182.4 million in savings and liquid investments. Yet this was a decrease, the records disclose of \$32.5 million from the previous year. According to a secret analysis, Hughes was short of cash "to cover nonoperating and nonrecurring costs."

With all these millions to juggle, the old eccentric sometimes lost track of huge sums. He failed, for instance, to cash 109 checks totalling \$186,250.03 that were issued to him by the Hughes Tool Company between 1957 and 1961. His aides had to urge him to redeem the checks.

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HE WAS ALSO absentminded about his will, which explains the controversy that has now developed among his would-be heirs. According to the secret papers, there was confusion over which of two wills was the authentic version.

The files also contain personal notes for such breathtaking personal loans as \$6,250,000 from the First City National Bank of Houston, \$5 million from the Bank of the Southwest and \$3,750,000 from the Texas Commerce Bank.

Footnote: Neither the IRS nor Summa spokesmen would comment on Howard Hughes' finances. The Summa spokesman conceded, however, that "the IRS has been auditing us for I don't know how long."