

NYTimes MAY 19 1973
A Plea for Tax Data Is Laid to Caulfield

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Special to The New York Times

WASHINGTON, May 18—John J. Caulfield, a former White House aide whose name figured prominently in today's Senate Watergate testimony, tried three years ago to obtain Internal Revenue Service intelligence for the White House on one of President Nixon's closest friends, according to sources directly acquainted with the matter.

The sources said that Mr. Caulfield tried unsuccessfully to get a special I.R.S. agent to report to John D. Ehrlichman, then the President's counsel, intelligence gathered by the agency on C. Arnholdt Smith, whose friendship and financial support of Mr. Nixon spans nearly three decades.

I.R.S. sources told The New York Times today that what Mr. Caulfield was reported to have been asking the agent to

do was a violation of Federal law and agency regulations governing the disclosure of Internal Revenue information.

Neither Mr. Caulfield nor Mr. Ehrlichman could be reached for comment on this matter.

James W. McCord Jr., a convicted Watergate conspirator, swore before the Senate Watergate committee today that it was Mr. Caulfield who "conveyed" to him what he believed was White House pressure to remain silent in exchange for executive clemency and financial aid.

The sources who told The Times about the alleged effort by Mr. Caulfield to obtain the I.R.S. information on Mr. Smith for the White House gave the following account:

In the spring of 1970, Mr. Caulfield, then an assistant to Mr. Ehrlichman, tried to persuade the I.R.S. agent to visit the White House secretly and discuss his agency's investigation of Mr. Smith. The agent was also asked to report on John Alessio, Mr. Smith's closest business associate who later went to prison for Federal income tax evasion.

Mr. Smith is an important Republican fund-raiser who heads a far-flung business empire. He recently resigned as the chief executive officer of the United States National Bank and is chairman and chief executive of the Westgate-California Corporation, a conglomerate with assets ranging from hotels to canning. He is also majority stockholder of the San Diego Padres major league baseball team.

In his only direct conversation with the agent, via long-distance telephone, Mr. Caulfield asked about Alessio and Mr. Smith, who both live in San Diego.

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When the agent outlined the inquiries and also told of problems encountered at the United States Attorney's office in connection with the Smith inquiry, Mr. Caulfield requested that the agent send him a memorandum detailing the information.

The White House aide requested that there be nothing in the memorandum to indicate where the document originated or for whom it was prepared. The agent dictated the memorandum and it was sent to Mr. Caulfield at his White House office. No copies of the document were made and the secretary who prepared it destroyed her notes.

A short time later, Mr. Caulfield got in touch with the agent through a Federal law enforcement officer who works in Southern California. The intermediary is not an I.R.S. agent. He told the I.R.S. agent that Mr. Caulfield wanted him to make a trip to Washington to talk to Mr. Ehrlichman about the contents of the memorandum.

The intermediary said the White House did not want anyone in the I.R.S. to know of the trip. The agent was asked either to take some annual leave or to make the trip over a weekend to insure secrecy. The intermediary told him his expenses would be taken care of "somehow." But the agent, who was stationed in San Diego, balked.

"If they want to use what I know for a legitimate prosecutive purpose, then they would have no compunction about putting in an official request for me to come back," he told the intermediary. "If it's to be used for some type of political decision, to protect Smith or feed into a decision the Administration is going to make relative to San Diego, I don't want any part of it."

The agent told the intermediary to tell Mr. Caulfield that he did not like the idea of sneaking around on his agency and to put his request in writing through the agent's superiors in I.R.S., but the White House rejected that approach.

Alternative Proposal

On June 19, 1970, the intermediary presented the agent with an alternative proposal from Mr. Caulfield. This time, the agent was asked to come to the Western White House in San Clemente, Calif., for talks. The agent responded that he was about to start a vacation in Mexico and that if someone from the White House wanted to see him he could be reached there.

The following week, the intermediary visited the agent in Mexico and told him the White House had decided against a meeting with him. The intermediary stressed the sensitivity of the situation and said the reason the White House had backed away was that the agent began to appear to Mr. Caulfield as an "idealist—the type of guy that job security was not all that important, and, consequently, who would expose what he thinks to be a wrong."

The intermediary put the agent and Mr. Caulfield together on the telephone and, from the outset, the White House aide had impressed upon the intermediary the importance of secrecy.

"We can't let this ever get out," the intermediary quoted Mr. Caulfield as telling him.

When Mr. Caulfield was asked about the matter last year by the now-defunct Life magazine, he acknowledged that he made inquiries about the Alessio tax case in June, 1970, but he denied ever talking to the I.R.S. agent and said he had never mentioned it to Mr. Ehrlichman.

Agent Resigns Post

The agent has since resigned from the I.R.S.

Mr. Caulfield, a former New York City policeman, left the White House in March of last year to act as a law enforcement consultant to the Committee for the Re-election of the President. Following his stint at the committee, he was a Treasury Department consultant, and then last July he became acting assistant director of criminal enforcement in the Alcohol, Tobacco and Firearms Bureau of the Treasury Department. He was appointed to the post permanently on Dec. 17.

He was paced on administrative leave today, which means he has been relieved of all duties but continues to be paid.