

Nixon Tax Case --Jaworski Role

Washington

The question of whether there was fraud in the preparation of President Nixon's tax returns has been referred to the special Watergate prosecutor's office by the Internal Revenue Service, attorney general William G. Saxbe said yesterday.

Saxbe insisted, however, that the question of whether the President himself was involved in fraud was one for the House Judiciary Committee to decide, not the special prosecutor.

"I think this is an area that the judiciary committee must dispose of," Saxbe said, during a breakfast meeting with reporters. "I just don't think you should have criminal actions against the President" when the constitution provides impeachment as a "remedy," he said.

The House committee said Monday it was investigating possible fraud by Mr. Nixon.

The special prosecutor's involvement in the case, as Saxbe described it, has come about as a result of a decision by the IRS to give his office material about at least one of the persons who helped prepare the President's now disputed tax returns, Frank Demarco.

The Justice Department is the "enforcer" for the IRS, Saxbe pointed out; the special prosecutor's office is the unit of the Justice Department assigned to Watergate related cases, and the IRS commissioner is entitled to refer to the special prosecutor "items which he believes to be in his area."

Saxbe told of the transmittal of the Demarco material after being asked about reports that such a transfer had taken place. He said he could not "recall" whether the IRS had also given the special prosecutor material involving others who helped

in the preparation of the President's tax returns.

Saxbe disclosed earlier that special prosecutor Leon Jaworski had requested and apparently obtained the tax returns of a dozen persons who are either under indictment or under investigation in Watergate-related matters.

In each case, Saxbe said, Jaworski had asked Saxbe for the returns, and had contended that the returns were necessary for the completion of his investigation. The attorney general said that he had transmitted the requests to the IRS and that he would know if the requests had been denied.

In the Demarco matter, however, he said, he had not received such a request from the prosecutor.

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