

Hughes Probe

Washington

The Internal Revenue Service denied a report yesterday that it has obstructed a Senate probe of a \$100,000 campaign contribution by Howard Hughes.

The denial came in response to reports from sources that the Senate Watergate committee's investigation of the contribution is focusing as much on the IRS as on the money itself.

The report was published yesterday by the New York Times, which said it had

learned from a committee staff memo that staff members believe the IRS had stymied the investigation of Charles (Bebe) Rebozo, President Nixon's friend, at the behest of the White House.

Rebozo took custody of the \$100,000 donation, but sources have said that Rebozo used at least some of the money to make loans to Mr. Nixon's relatives instead of keeping it intact in a safety deposit box, as he has testified.

Associated Press