

TAX EXPERT CALLS I.R.S. INQUIRY LAX

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Lawyer Says Congressmen
Have Set Aside Study of
Alleged White House Role

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WASHINGTON, June 4 — A leading public interest lawyer in the tax field charged today that Congressional investigators had set aside, without completing it, their investigation of White House interference with the operations of the Internal Revenue Service.

Samuel Hastings-Black of Tax Analysts and Advocates said that the Joint Committee on Internal Revenue Taxation had failed even to interview key individuals who allegedly applied political pressure on the agency or responded to it.

These persons range from former members of the White House staff, John W. Dean 3d and H. R. Haldeman, to a former top career official of I.R.S., Vernon D. Acree, who was subsequently promoted by the Nixon Administration to Commissioner of Customs.

Some Items An Listed

Among the items that the joint committee has "put on a back burner," according to Mr. Hastings-Black, are the following:

¶ Whether a special investigating group within I.R.S., known as the Special Services Staff, was created in response to a White House proposal that I.R.S. be used to harass left-wing groups that opposed Nixon Administration policies. A memorandum has been made public showing that this was, in fact, proposed by a member of the White House staff, but the connection if any, between the proposal and the formation of the special group three weeks later, has not been demonstrated.

¶ Whether there was any connection between a White House suggestion and the issuance by I.R.S. of a ruling that large political contributions would be exempt from the gift tax, provided they were split into parcels of no more than \$3,000 each.

¶ How and under what authority "low ranking" members of the White House staff were able to get the tax returns of an individual who was being considered for a job not in the Government but at the Committee for the re-election of the President.

¶ Just what was meant by a handwritten notation of Mr. Haldeman's, "It's already covered," on a memo from a subordinate detailing an Internal Revenue audit of the Rev. Billy Graham and asking, "Can we do anything to help?" Mr. Graham has been a friend and supporter of President Nixon.

Charges Denied

Laurence N. Woodworth, the staff director of the joint committee, disputed the charges made by Mr. Hastings-Black.

He said that the joint committee's investigation of political influence on I.R.S. "is active and that he expected to issue a further report, which might not be a final report, by the end of summer.

He also said that Mr. Hastings-Black was wrong in asserting that no one from the joint committee's staff had interviewed Robert Green, the reporter for Newsday whose taxes were audited by New York State after an article on the financial dealings of President Nixon's friend Charles G. Rebozo approved in the Long Island newspaper.

The joint committee has also talked to Mr. Dean, Mr. Woodworth said, although he conceded that the interview had been mainly on matters related to President Nixon's tax returns, a subject on which the joint committee completed a four-month inquiry in April. The panel's staff found that Mr. Nixon had underpaid his taxes for the four years 1969-1972 by \$444,000.

Mr. Woodworth said that his investigators had also talked to Mr. Acree's name began coming into prominence as an alleged contact-man between the White House and I.R.S.

Mr. Woodworth also said that his staff had not talked to Mr. Haldeman or several others who have been identified as part of the chain of contacts between the White House and I.R.S., including former White House staff members John J. Caulfield and Lawrence Higby.

No Charge of Impropriety

In making his allegations that the joint committee had slowed its investigation of political influence on the Internal Revenue Service, Mr. Hastings-Black made no charge of corruption or improper influence. "The committee staff is really

The problem, he said, is that on the joint committee's staff, not oriented toward oversight and investigation." "Instead", he said, "the staff is more comfortable with issues and legislation. Currently, they are giving priority to energy tax legislation, pension legislation and tax reform.

"Another attitude may help explain the slow pace of this investigation. This is the common Washington attitude that intra-governmental problems should be solved behind closed doors—that it is bad to wash dirty linen in public. The committee may well believe that taxpayer confidence in government will be hurt least if these problems are put on a "back burner."