

To Nixon

Queried

Democrats Eye Service's Use To Harass

By Richard L. Lyons and William Chapman
Washington Post Staff Writers

Several Democrats on the House Judiciary Committee said they heard evidence yesterday that raised serious questions whether President Nixon was involved in the use of the Internal Revenue Service to harrass political enemies and help friends.

"My impression," said Rep. Edward Mezvinsky (D-Iowa), "is that the use of IRS is as significant as, if not more so than, Watergate" as a possible impeachable offense. "Legitimate questions were raised and should be pursued."

Rep. Wayne Owens (D-Utah) said the evidence raised the possibility that serious criminal acts had been committed. "The question of whether the President will be tied to them is a question" which has to be answered, he said.

Committee Chairman Peter W. Rodino (D-N.J.) said the allegation of misuse of the IRS "goes to the heart of the question of whether there has been a serious abuse of power by the President." He said the committee will deal with the issue "very seriously."

On the other hand, Rep. Robert McClory (R-Ill.), acting senior committee Republican, said: "I didn't feel the presentation was too serious" so far as showing any improper act by the President.

The committee is seeking a 17-minute tape of a Sept. 15, 1972, conversation in which then-White House counsel John W. Dean III said he talked with the President about the use of the IRS to attack political enemies, and a report on an IRS investigation of Lawrence F. O'Brien, then Democratic National Committee chairman. This was seven weeks before Mr. Nixon won re-election in a landslide.

Committee special counsel John Doar told newsmen he

will ask the committee to issue a subpoena ordering the President to turn over this tape.

Two versions of this tape are already on the public record. In the edited version, released by the White House, the President said to Dean:

"I want the most comprehensive notes on all those who tried to do us in. . . . We have not used the power in this first four years, as you know. . . . We have not used the bureau and we have not used the Justice Department, but things are going to change now. . . ." The "bureau" presumably referred to the FBI.

See IRS, A11, Col. 1

IRS, From A1

No mention was made of the IRS in the White House version.

In transcribing the tape, the committee found that an earlier segment has been omitted. In that portion, H. R. (Bob) Haldeman, then White House chief of staff, said to the President: "Chuck has gone through you know, has worked on the list and Dean's working the, the thing through IRS. . . . He turned out to be tougher than I thought he would. . . ."

This was a four-minute conversation between Haldeman and the President before Dean joined the meeting. It was played for the committee again yesterday. The 17-minute segment that the committee hopes will shed light on the President's involvement in political use of the IRS was the final 17 minutes of the meeting.

When sorting out tapes that should be given to the Watergate special prosecutor, U.S. District Court Judge John J. Sirica held back the 17-minute segment on grounds that it was not related to the Watergate issue. Last week he said he would give it to the Watergate prosecutors, but not to the Judiciary Committee.

Committee lawyers said it is a felony either to interfere with the administration of the IRS or to impede an IRS investigation. It has been alleged that someone in the White House tried to get the IRS to audit tax returns of 490 White House "enemies" and to give special favorable treatment to some presidential friends, such as actor John Wayne and evangelist Billy Graham.

A staff report by the congressional Joint Committee on Internal Revenue Taxation last winter said former IRS Commissioner Johnnie M. Walters ignored a 1972 White House request for special audits of the 490 White House enemies. Most of the names were supplied by Dean, the report said. O'Brien's name was said to be on the list.

Last year O'Brien said he had been under scrutiny by the IRS since 1970, when he returned as Democratic national chairman, but had no previous reason to believe it was politically motivated. He said the audits resulted in upward adjustments of tax due by a few hundred dollars.

Committee sources said evidence presented yesterday showed that one request for an audit of O'Brien's returns originated with John D. Ehrlichman, a top White House aide. He reportedly asked for a check on a report that O'Brien had received a large amount of money he had not reported as income.

The sources said Walters subsequently reported back through then Secretary of the Treasury George P. Shultz that the IRS had closed its investigation. Ehrlichman reportedly was displeased. This evidence originated in closed session testimony given the Senate Watergate committee, the sources said. This apparently was a separate request from the blanket list of enemies Dean gave the IRS in 1972.

Another former IRS commissioner, Randolph W. Thrower, confirmed last June that he had resisted strong White House pressure to hire John J. Caulfield and G. Gordon Liddy Jr. in 1970 when the White House wanted to crack down on radicals in the peace movement and elsewhere. Caulfield and Liddy figured in events leading up to the Watergate break-in, and Liddy is serving a prison term for his role.

Thrower later resigned after failing to get an appointment with the President. However, he denied published reports yesterday that he resigned specifically to protest political tampering with the revenue service.

A series of leaks of material from the impeachment inquiry, most of it not helpful to the President, apparently stopped yesterday as members feared it would damage the image of the committee for fairness and responsible action.

House Speaker Carl Albert (D-Okla.) reportedly took a hand in urging members to stop leaking secrets. One Democratic committee member refused to talk to a reporter for fear of contributing to polarizing the committee and Congress along partisan lines.