

Digging into Rebozo Fund

Washington

The federal grand jury investigating charges that campaign funds were used for former President Nixon's personal benefit is considering allegations that official government favors were granted in return for some of the contributions, according to papers filed in court this week.

Moreover, the papers, which for the first time disclosed the 12 criminal statutes governing the scope of

the investigation, suggest that the special Watergate prosecutor believes that Mr. Nixon or Charles G. Rebozo, his friend, may have evaded federal taxes on some of the money.

Additional questions were raised about the source of the funds by the inclusion, in an affidavit signed by assistant prosecutor Paul R. Michel, of statutes concerning illegal political contributions by corporations for government contractors.

Michel's citation of three laws prohibiting false statements and declarations under oath suggests that the prosecutors do not believe some of the testimony by the principals involved about the disposition of the funds.

In explaining to the court the direction of his investigation, Michel cited statutes prohibiting bribery, defined as offering anything of value "to influence any official act" of government, and another making it illegal to promise anything of "benefit" in return for political contributions.

There have been reports for several months that special prosecutor Leon Jaworski was looking into Rebozo's handling of at least \$150,000 in "contributions" to Mr. Nixon's 1972 campaign.

It had been previously

thought that the inquiry, which has picked up where the Senate Watergate committee staff left off, was confined to possible violations of federal campaign finance laws in the handling of a \$100,000 payment from Howard R. Hughes, the billionaire industrialist, and \$50,000 from A. D. Davis, a Florida grocery executive.

But the Michel documents, filed in opposition to an attempt by Rebozo's attorneys to suppress the prosecution's subpoena for certain financial records, indicate that every facet of the still-clouded transactions is being investigated, from the motivations of the donors, to the circumstances of the actual donations, to the expenditure of the money itself.

U.S. District Judge George L. Hart Jr. ^{22 AUG} denied the motion Thursday on behalf of Thomas Wakefield, Rebozo's attorney, and ordered that the records of the cash transactions be surrendered to the prosecutors.

Jaworski's office has been silent about the investigation, which apparently has been under way since April.

At one point, his spokesmen even declined to confirm that Michel worked there.

The spokesmen still decline any official comment on the course the probe is taking, particularly with respect to the involvement of Mr. Nixon.

But well-placed sources have said that no aspect of the complicated affair will be overlooked — "we just can't afford to," one said yesterday—and that Mr. Nixon's potential liability in the matter will be fully explored.

That liability, apparently, focuses on one of the 12 statutes cited by Michel, which makes it a felony to attempt to "evade or defeat" a federal tax.

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