

# Charges to Be Pursued Over Nixon Tax Return

Washington

The special Watergate prosecutor's office will appeal the dismissal of all charges against Frank DeMarco Jr., who was accused of obtaining an illegal tax break for former President Nixon, a spokesman for the office said yesterday.

U.S. District Judge Warren J. Ferguson ordered the charges dropped October 9 on grounds the prosecutors acted improperly by failing to turn over certain evidence to the defense.

Abruptly ending the trial in Los Angeles, Ferguson dismissed charges that DeMarco, Mr. Nixon's former tax lawyer, blocked a congressional investigation and gave false answers to Internal Revenue Service agents.

DeMarco and Chicago documents appraiser Ralph Newman were accused in a grand jury indictment of seeking to make it appear that a gift of Mr. Nixon's vice-presidential papers had been made while it still qualified as a tax deduction.

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