

WITNESS DISPUTES NIXON DEED DATE

Ex-White House Aide Denies
Seeing Draft in April, '69

Special to The New York Times

LOS ANGELES, Oct. 1—Edward L. Morgan, a former White House aide, testified today in Federal District Court here that no draft deed for Richard M. Nixon's gift of his pre-Presidential papers was drawn up in his presence on April 21, 1969, as Mr. Nixon's former tax lawyer, Frank De Marco Jr., is reported to have asserted.

Mr. Morgan's testimony appeared to be the strongest

statement so far against the 49-year-old Mr. De Marco in the three weeks of his trial. Mr. De Marco is accused of making false statements to the Internal Revenue Service about the gift and of obstructing a Congressional inquiry into Mr. Nixon's taxes.

Mr. Morgan said, in response to a question from Shirrah Neiman, assistant Watergate special prosecutor, that he had not seen Mr. De Marco type a draft of the deed on April 21, 1969, and went on to say that the gift of the papers was not discussed at a meeting they had that day. *29 SEP*

On Monday, Laurence N. Woodworth, chief of the staff of the Joint Congressional Committee on Internal Revenue Taxation, testified that on Jan. 18, 1974, Mr. De Marco told members of the committee that he had made a rough copy

of the deed April 21, 1969, in Mr. Morgan's presence.

The timing is critical because a December, 1969, change in the tax laws—effective back to July 25, 1969—eliminated, for all practical purposes, tax deductions for donations of papers by public figures.

Last November, Mr. Morgan, 37, pleaded guilty in Washington to participating in a criminal conspiracy to create a fraudulent \$576,000 tax deduction for Mr. Nixon. He had served for a time as deputy to John D. Ehrlichman, former White House domestic affairs adviser. Mr. Morgan conceded last November that he had knowingly backdated documents involved in the gift of Nixon papers to the Government.

Mr. De Marco also stands accused of backdating documents to circumvent the change in tax law that would

have prevented a deduction of the papers, as does Ralph Newman, a Chicago appraiser.

In April, 1974, the I.R.S. disallowed the deductions Mr. Nixon got the papers for the years 1969-73 on the ground that the gift had been made too late, and he had to pay more than \$400,000 in back taxes.

The defense has contended that no deed was necessary for a gift of the papers.