

Scholar Is Fined \$10,000 In Fraud on Nixon Papers

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CHICAGO, Jan. 6—Ralph G. Newman, a literary appraiser and prominent Lincoln scholar, was fined \$10,000 today for his role in backdating Richard M. Nixon's personal papers, giving the then President a \$450,000 illegal income tax deduction.

In sentencing Mr. Newman, who was convicted last November in what may be the last of the Watergate-related trials, United States District Judge Frank J. McGarr said a prison sentence would not be an appropriate resolution to the crime nor did the President of the Chicago Library Board and proprietor of the Abraham Lincoln Book Shop here "need the supervision of Probation."

Referring to the backdating of the deed giving Vice-Presidential papers to the National Archives, Judge McGarr noted that Mr. Newman had "abetted this fraud."

But he added that "in these somber and critical post-Watergate days, it is difficult to remember the prestige of being chosen to help the President architects of the fraud," the judge continued. "Nevertheless, the crime it is no less reprehensible, and a respected public figure such as Mr. Newman has a greater responsibility to uphold the law."

False Affidavit

A jury found Mr. Newman guilty of lying to Internal Revenue Service agents and preparing a false affidavit that was attached to Mr. Nixon's 1969 Federal income tax return.

Mr. Newman, who had previously appraised personal papers for Presidents Johnson and Eisenhower, and for Jacqueline Kennedy Onassis, valued the Nixon papers at \$576,000.

Mr. Nixon used this gift to claim large deductions on his 1970, 1971 and 1972 tax returns.

In his tax returns, Mr. Nixon reported that he had donated the papers to the National Archives. Mr. Newman, in his affidavit, stated that the donation was made in the spring of 1969.

But the prosecution in the Newman trial charged that the gift was actually made in the spring of 1970, although Congress had passed a law, which Mr. Nixon signed, prohibiting tax deductions for gifts made after July 25, 1969.

During the trial, William McDaniel, Mr. Newman's attorney, told the jury that Mr. Newman had made "some unintentional mistakes" in his affidavit and again when he was interviewed by I.R.S. investigators.

But, Mr. McDaniel had argued, Mr. Newman subsequently realized these mistakes and admitted his errors to a Congressional investigating committee.

Plea for Leniency

In pleading for leniency for Mr. Newman, Mr. McDaniel told Judge McGarr, "One cannot dismiss the ego involvement of a person who views himself as working with the President and his closest associates. This involvement did result in submerging of better judgments in deference to a perceived interest in the Presidency."

Mr. McDaniel also mentioned the pardon given Mr. Nixon by President Ford, though he added that this did not "immunize Mr. Newman."

Judge McGarr said that health was also a major factor in his decision to impose only a fine. Mr. Newman, 64 years old, suffered a heart attack last spring and spent more than three weeks in a hospital. He is also facing surgery for numerous gall stones, his attorney said.

Before the judge pronounced sentence, Mr. Newman said to the court, "These last two years have been an agony and an ordeal for my family and myself. Now that this ordeal has come to an end, I am prepared to face the sentence of this court."

After hearing his sentence, Mr. Newman, a short, plump man with white hair and a heavy black mustache, smiled wanly and left the courtroom without saying anything more.



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Ralph G. Newman, a literary appraiser, leaving court in Chicago with his wife after he was fined \$10,000 for helping Richard M. Nixon get an illegal tax deduction.