1974

34. Book VIII, Vol. 2: Alleged efforts by White House officials to acquire information from the Internal Revenue Service and to direct certain IRS activities

Don Edwards

Follow this and additional works at: http://digitalcommons.law.scu.edu/watergate

Part of the Administrative Law Commons, Ethics and Professional Responsibility Commons, Legal History, Theory and Process Commons, and the Politics Commons

Automated Citation


This Book is brought to you for free and open access by the Law Library Collections at Santa Clara Law Digital Commons. It has been accepted for inclusion in Watergate Hearings by an authorized administrator of Santa Clara Law Digital Commons. For more information, please contact sculawlibrarian@gmail.com.
15. On October 15, 1971 Caulfield wrote a memorandum to Dean recommending that background information obtained from the FBI about the producer of a motion picture derogatory to the President be released to the media and that discreet IRS audits be instituted on the producer, the distributor of the film and a related corporation. Caulfield testified that Dean requested he run an FBI name-check and that, at Caulfield's direction, Anthony Ulasewicz conducted a "pretext inquiry" at the offices of the film's distributor. On October 20, 1971 Caulfield sent a memorandum to Dean reporting on a pretext interview of the film's distributor and recommending that because the financial handling and distribution of the film was in the hands of amateurs, any actions against the producer, including background information and IRS capability, be carefully weighed and well hidden.

15.1 Memoranda from John Caulfield to John Dean, June 25, 1971, October 13, 1971; October 15, 1971; October 20, 1971, with attached undated memorandum from Fred Fielding to John Dean; Exhibit 3, Hearing held before Subcommittee on Administrative Practice and Procedure and Subcommittee on Constitutional Rights of the Committee on the Judiciary, and Subcommittee on Surveillance of the Committee on Foreign Relations, April 8, 1974.

15.2 John Caulfield testimony, SSC Executive Session, March 23, 1974, 88, 102-03.
16. Prior to November 7, 1971 a talking paper and memorandum were prepared with respect to making the IRS politically responsive. Dean has testified that he and Caulfield prepared the documents for Haldeman's use during a meeting with either the Secretary of the Treasury or the Commissioner of Internal Revenue. Haldeman has testified that he could not recall either seeing the briefing memorandum or having any specific conversation with the Secretary of the Treasury.

16.1 Briefing Memorandum (undated and unsigned), SSC Exhibit No. 44, 4 SSC 1682-85.

16.2 John Dean testimony, 4 SSC 1349, 1410-11.

16.3 H. R. Haldeman testimony, 8 SSC 3136-37.
17. In a Political Matters Memorandum dated December 2, 1971 Strachan reported to Haldeman that Mitchell and Dean had discussed the need to develop a political intelligence capability. Strachan stated that Sandwedge had been scrapped and that instead Gordon Liddy would become general counsel to CRP effective December 6, 1971. Strachan stated that Liddy would handle political intelligence as well as legal matters and would also work with Dean on the political enemies project.

17.1 Memorandum from Gordon Strachan to H. R. Haldeman, December 2, 1971 (received from White House).
18. On February 1, 1972 John Dean sent a memorandum to Haldeman, Ehrlichman, Klein, Colson and Ziegler, with a carbon copy to Mitchell, stating that an article by journalist James Polk about Herbert Kalmbach was scheduled for publication by the *Washington Star* the following day.

On or about February 1, 1972 an unsigned memorandum was prepared describing Polk's financial affairs. It stated that in 1968, 1969 and 1970 neither Polk nor his wife had reported any personal income derived from the operation of a corporation in which Polk and his wife had an interest. It also stated that certain facts suggested to IRS professionals that an audit might resultingly be in order. The memorandum also stated that because of the sensitivities of the ongoing inquiry, no audit should be initiated unless directed.

---

18.1 Memorandum from John Dean to H. R. Haldeman, et al., February 1, 1972, with attachments (received from SSC).

18.2 Memorandum, unsigned and unaddressed, re background information on James Ray Polk, February 1, 1972 (received from SSC).
19. On June 12, 1972 Colson sent a memorandum to Dean stating that Colson had received a well informed tip that there were discrepancies in the tax returns of Harold Gibbons, a vice president of the Teamsters Union. Colson stated that Gibbons was an all out enemy and asked that Dean please see if this one could be started on at once. Dean has testified that he put the memorandum in his file and that it remained there.

19.1 John Dean testimony, 4 SSC 1349, 1480.

19.2 Memorandum from Charles Colson to John Dean, June 12, 1972, SSC Exhibit No. 45, 4 SSC 1686.
20. Former Commissioner of Internal Revenue Walters has stated that during the summer of 1972 he was asked by Treasury Secretary Shultz to check on a report by John Ehrlichman that Democratic National Committee Chairman Lawrence O'Brien had received large amounts of income which might not have been reported properly. Walters has stated that he reported to Shultz on the IRS's examination of O'Brien's returns for 1970 and 1971. Walters has stated that Ehrlichman was not satisfied with the report on the status of O'Brien's returns and that because of Ehrlichman's inquiries O'Brien was interviewed during the summer of 1972. Walters has stated that Ehrlichman was not satisfied with the interview and that he told Shultz he needed further information about the matter. Ehrlichman has testified that he had learned from a sensitive case report that the IRS was investigating O'Brien and that he called Shultz to complain that the IRS was delaying the audit until after the election.


20.2 John Ehrlichman testimony, SSC Executive Session. February 8, 1974, 110-12.
21. On or about August 29, 1972 Shultz, Walters and Assistant to the IRS Commissioner Roger Barth telephoned Ehrlichman to report on the IRS investigation of Lawrence O'Brien. Shultz informed Ehrlichman that the IRS had closed the investigation. Ehrlichman complained to Walters that the IRS had been stalling the audit and he told Walters what a bad job he had done.


22. Walters stated that on September 11, 1972 he went to Dean's office. Dean gave Walters a list of McGovern staff members and campaign contributors and requested that the IRS begin investigations or examinations of the people named on the list. The names on the list of McGovern staff members were the same as the names on the list of McGovern staff members identified in paragraph 9. Walters' notes of the meeting state that J. E. [John Ehrlichman] asked to make up the list to see what information could be developed and that Dean had not been asked by the President to have this done. Walters has stated that he advised Dean that compliance with the request would be disastrous for the IRS and for the Administration and that he would discuss the matter with Secretary Shultz and would recommend to Shultz that the IRS do nothing with respect to the request.


22.2 Johnnie Walters handwritten notes, September 11, 1972, September 25, 1972 (received from Joint Committee on Internal Revenue Taxation).

22.3 List of McGovern staff members and campaign contributors (received from Joint Committee on Internal Revenue Taxation).
Walters has stated that on September 13, 1972 he discussed with Secretary Shultz the list given him by Dean, showed Shultz the list and advised Shultz that he believed they should not comply with Dean's request to commence examination or investigation of the people named on the list. Shultz told Walters to do nothing with respect to the list and Walters put it in his office safe. On July 11, 1973 Walters turned the list over to the Joint Committee on Internal Revenue Taxation. On December 20, 1973 the staff of the Joint Committee issued a report stating that it found no evidence that the returns of any persons on the list were screened as a result of White House pressure.


23.2 Johnnie Walters handwritten notes, September 11, 1972 (received from Joint Committee on Internal Revenue Taxation).

23.3 Report of the staff of the Joint Committee on Internal Revenue Taxation, "Investigation into Certain Charges of the Use of the Internal Revenue Service for Political Purposes," December 20, 1973, 7-12.
24. On September 15, 1972 from about 5:23 until about 5:27 p.m., the President met with Haldeman and discussed, among other things, Dean's working through IRS. At about 5:27 p.m. Dean joined the meeting and from about 5:27 to about 6:00 p.m. the President, Haldeman and Dean had a discussion. The Committee has received tape recordings of these conversations.

24.1 Tape recording of a meeting between the President and H. R. Haldeman, September 15, 1972, 5:23 - 5:27 p.m., and House Judiciary Committee transcript thereof.
25. From approximately 6:00 p.m. to approximately 6:17 p.m. on September 15, 1972 the President, Haldeman and Dean continued their meeting. The Committee has not received a tape recording of this portion of the conversation. Haldeman and Dean have testified that at the September 15, 1972 meeting there was a discussion of taking steps to overcome the unwillingness of the IRS to follow up on complaints. According to a memorandum by SSC Minority Counsel Fred Thompson, Special Counsel to the President J. Fred Buzhardt has stated that during the September 15, 1972 meeting Dean reported on the IRS investigation of Lawrence O'Brien. On May 28, 1974 the Watergate Special Prosecutor moved that Judge Sirica turn over the recording of this portion of the conversation for presentation to the appropriate grand juries on the basis that the recording was relevant to alleged White House attempts to abuse and politicize the IRS, including unlawfully attempting in August and September 1972 to have the IRS investigate Lawrence O'Brien. On June 12, 1974 Judge Sirica granted the motion and ordered that the recording of the conversation from 6:00 to approximately 6:13 p.m. be made available to the Special Prosecutor.

25.1 H. R. Haldeman testimony, 7 SSC 2889.
25.2 John Dean testimony, 3 SSC 957-58.
25.3 John Dean testimony, 4 SSC 1535.
25.4 Fred Thompson notes of telephone conversation with J. Fred Buzhardt, SSC Exhibit No. 70A, 4 SSC 1794-96.
25.6 In re Grand Jury, transcript of proceedings, June 7, 1974, 12.
25.7 In re Grand Jury, order, June 12, 1974.
26. Walters has stated that on or about September 25, 1972 Dean telephoned him and inquired as to what progress had been made with respect to the list of McGovern campaign workers and contributors which he had given to Walters on September 11, 1972. Walters has stated that he informed Dean that no progress had been made; that Dean asked if it might be possible to develop information on fifty, sixty or seventy of the names; and that Walters responded that, although he would reconsider the matter with Secretary Shultz, any activity of this type would be inviting disaster. Walters has stated that on or about September 29, 1972 he discussed Dean's request with Shultz and that he and Shultz agreed that nothing be done with respect to the list. Walters has stated that he did not furnish any name or names from the list nor request any IRS employee or official to take any action with respect to the list.


26.2 Johnnie Walters handwritten notes, September 25, 1973 (received from Joint Committee on Internal Revenue Taxation).
27. On March 13, 1973 the President met with Haldeman and Dean. During the conversation the President and Dean discussed, among other things, obtaining information from the IRS.

27.1 Tape recording of a conversation among the President, H. R. Haldeman and John Dean, March 13, 1973, and House Judiciary Committee transcript thereof (received from White House).
28. On May 2, 1973 the Center on Corporate Responsibility, Inc. filed suit claiming that it had been unlawfully denied tax-exempt status because of selective treatment for political, ideological and other improper reasons having no basis in the statute and regulations. On December 11, 1973 the United States District Court held that the tax exemption had been unlawfully denied. The Court stated that its ruling was based in part on the failure of the White House to comply fully with discovery orders. The Court found that the inference of political intervention had been unmistakably raised.

15. On October 15, 1971 Caulfield wrote a memorandum to Dean recommending that background information obtained from the FBI about the producer of a motion picture derogatory to the President be released to the media and that discreet IRS audits be instituted on the producer, the distributor of the film and a related corporation. Caulfield testified that Dean requested he run an FBI name-check and that, at Caulfield's direction, Anthony Ulasewicz conducted a "pretext inquiry" at the offices of the film's distributor. On October 20, 1971 Caulfield sent a memorandum to Dean reporting on a pretext interview of the film's distributor and recommending that because the financial handling and distribution of the film was in the hands of amateurs, any actions against the producer, including background information and IRS capability, be carefully weighed and well hidden.

15.1 Memoranda from John Caulfield to John Dean, June 25, 1971, October 13, 1971; October 15, 1971; October 20, 1971, with attached undated memorandum from Fred Fielding to John Dean; Exhibit 3, Hearing held before Subcommittee on Administrative Practice and Procedure and Subcommittee on Constitutional Rights of the Committee on the Judiciary, and Subcommittee on Surveillance of the Committee on Foreign Relations, April 8, 1974.

15.2 John Caulfield testimony, SSC Executive Session, March 23, 1974, 88, 102-03.
MEMORANDUM FOR JOHN W. DEAN, JR.

FROM: JACK CAULFIELD

SUBJECT: EMILE DE ANTONIO, PRODUCER OF THE FILM "MILLHOUSE: A WHITE COMEDY".

Your attention is directed to the attached article from the Washington Post and the FBI report on De Antonio.

Inquiry by my secretary was made at the American Film Institute Theatre at L'Enfant Plaza and it was determined that the film played only one night. However, De Antonio, according to the article, is attempting to sell it to a distributor.

I recommend we watch the progress of the film, taking particular note to determine if Larry O'Brien is stupid enough to get behind it. If so, we can, armed with the Bureau's information, do a Norziger job on De Antonio and O'Brien, thereby losing the battle but winning the war. Advise.

Attachment

[Signature]

[Note: Handwritten note: "Written Kekeli first as ward held meshes" kept an effort 6/27]
THE WHITE HOUSE
WASHINGTON
October 13, 1971

MEMORANDUM FOR JOHN W. DEAN, III
FROM: JACK CAULFIELD
SUBJECT: MILLHOU SES FILM

This matter seems to be building. You are reminded that a significant derogatory dossier is in the possession of the bureau vis a vis de Antonio.

My view is that we should use such information at a propitious moment - ideally when interest or support for the film is evidenced by Larry O'Brien and company.

Attachment
THE WHITE HOUSE
WASHINGTON
October 15, 1971

MEMORANDUM FOR JOHN W. DEAN

FROM: JACK CAULFIELD

SUBJECT: EMILE DE ANTONIO, PRODUCER OF "MILLHOUSE";
NEW YORKER FILMS, INC.; AND DANIEL TALBOT,
FILM DISTRIBUTOR

Attached is a copy of a Variety article indicating the expected interest of the D.N.C. in "Millhouse"). I recommend that it is time to move on the above firm and individuals, as follows:

A) Release of de Antonio's F.B.I. derogatory background to friendly media.

B) Discreet IRS audits of New Yorker Films, Inc., de Antonio and Talbot

NOTE: Talbot advised our source today that massive distribution of the film is planned for colleges after 1/15/72.

ATTACHMENT
THE WHITE HOUSE
WASHINGTON
October 20, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: DANIEL TALBOT, "MILLHOUSE" FILM DISTRIBUTOR

Talbot has been identified as follows:

Male, white, 42 years of age
Resides at 180 Riverside Drive, Manhattan #362-1243
Occupation - Film Distributor
No criminal record - F.B.I.
Member of Stop the Draft
Movement - N.Y.C. in 1967 - N.Y.C.P.D.

Talbot was pretext interviewed during a visit to his office located at 250 West 89th St., Manhattan on 10/18/71. Such office is adjacent to the New Yorker Theatre located at Broadway and 88th Street, Manhattan. Such theatre is currently showing MILLHOUSE.

Talbot's office was observed as being a sloppy one room operation with one secretary. Rent was determined to be $85 per month.

It was ascertained that the film is also being shown in Philadelphia and San Francisco.

Talbot advised that his future plans for the film include distribution to college groups on a lease basis. He also described plans to distribute the film to other cities, but careful questioning determined a market only in third and fourth rate theatres.

Talbot referred questions about possible Democratic pressures to acquire the film to the producer, Emile D'Antonio.

COMMENTS
Even though the financial handling and distribution of this film appears to be in the hands of amateurs, it must be remembered that it is getting considerable play in the liberal press. Additionally, D'Antonio was interviewed by Agronsky on TV this past week. Further, Variety reported the DNC has approached D'Antonio with a view towards acquiring the film.

I feel that there is potential here for this film to take fire and become a cause celebre. At the moment only the radical left is patronizing it. We must be quite careful not to be identified with any
Memorandum for John W. Dean, III

From: Jack Caulfield

Subject: "Millhouse" Film

Page two

act or actions which would incite the interest of the general public. Resultingly, any action taken vis a vis D'Antonio or Talbot should be weighed carefully and well hidden. This includes my previous comments re D'Antonio's background and our capability at I.R.S.
THE WHITE HOUSE
WASHINGTON
October 30, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACk CAULFIELD

SUBJECT: DANIEL TALBOT, "WILLHOUSE" FILM DISTRIBUTOR

Talbot has been identified as follows:

- Male, white, 42 years of age
- Resides at 180 Riverside Drive, Manhattan #302-12
- Occupation: Film Distributor
- No criminal record - F.B.I.
- Member of Staff of Draft
- Movement-N.Y.C. in 1957 - N.Y.C.P.D.

Talbot was pretext interviewed during a visit to his office located at 250 West 69th St., Manhattan on 10/10/71. Such office is adjacent to the New Yorker Theatre located at Broadway and 68th Street, Manhattan. Such theatre is currently showing "WILLHOUSE.

Talbot's office was observed as being a sloppy one room operation with one secretary. Rent was determined to be $35 per month.

It was ascertained that the film is also being shown in Philadelphia and San Francisco.

Talbot advised that his future plans for the film include distribution to college groups on a lease basis. He also described plans to distribute the film to other cities, but careful questioning determined a market only in third and fourth rate theatres.

Talbot referred questions about possible Democratic pressures to acquire the film to the producer, Emile D'Antonio.

CONCLUSIONS

Even though the financial handling and distribution of this film appears to be in the hands of amateurs, it must be remembered that it is getting considerable play in the liberal press. Additionally, D'Antonio was interviewed by Aginsky on TV this past week. Further, Variety reported the ICS has approached D'Antonio with a view towards acquiring the film.

I feel that there is potential here for this film to take fire and become a cause celebre. As the moment only the radical left is patronizing it. We must be quite careful not to be identified with any
act or actions which would incite the interest of the general public. Resultingly, any action taken vis-à-vis D'Antonio or Talbot should be weighed carefully and well hidden. This includes my previous comments re D'Antonio's background and our capability at I.R.S.
Date

TO: 

FROM: Fred F. Fielding

ACTION:
- Approval/Signature
- Comments/Recommendations
- Prepare Response
- Please Handle
- For Your Information
- File

REMARKS:
This could, of course, be used quite effectively to gain the 16-21 yr old vote for the D's (or against RN) however, having derogatory info is doing IRS audits just doesn't seem to be a solution that will really help us. It might send de Antonio flying into the arms of the DNC as well as giving the film more publicity.

(Continued from page 1)

Dwight West

(Continued from page 1)

wouldn't be able to cast ballots on seats for industrialists. West says this line may be valid, but it's certainly not democratic.

In addition, West says the dissidents support reduction of the current requirements for SAG members and discontinuation of contracts to independents in favor of acceptance or retention of a contract by the reduced group.

Though the first of these films was released as a CAG program before it was printed, and neither the film nor the dissidents' campaign literature, with its anti-Johnston plea, has been included in the independent's campaign literature, West told Newsweek that just two (Continued from page 11)
The United States Senate

Report of Proceedings

Hearing held before

Select Committee on Presidential Campaign Activities:

SENATE RESOLUTION 60 -- GENERAL INVESTIGATION

CONFIDENTIAL

Saturday, March 23, 1974

Washington, D.C.

Duplication or copying of this transcript by photographic, electrostatic or other facsimile means is NOT AUTHORIZED.

Copies available, when authorized by Committee, only through Official Reporters.

WARD & PAUL
410 FIRST STREET, S.E.
WASHINGTON, D.C. 20003

Source: SSC
4/9/74

Source: SSC
4/9/74

COPY OF

Vol. 1 15.2 John Caulfield testimony
that's capital D-e capital A-n-t-o-n-i-o.
Mr. Sears. Can we go off the record for just a moment?
(Discussion off the record)
Mr. Caulfield. I would like to go on the record.
All right?
Mr. Lackritz. Yes.
Mr. Caulfield. This film was receiving significant coverage
in the press, and, as I recall, Mr. Dean asked me to run a name
check on Mr. DeAntonio, who is the producer of the film.
Mr. Lackritz. A name-check with --
Mr. Caulfield. A name-check with the FBI, and also to
stay on top of the progress of the film as it was covered in
the newspaper stories.
Now, the first sentence is merely forwarding on the
results of the FBI name-check and an article that appeared in
the Washington Post regarding the film.
Mr. Lackritz. All right.
What was the information contained in the FBI name-check?
Mr. Caulfield. This would be the normal type name-check
which the FBI ran, I mean the White House ran, on many occasions.
Mr. Lackritz. And, generally, why would the White House
run a name-check with the FBI?
Was it to clear political appointees of some kind?
IRS audit of New Yorker Films, Incorporated, DeAntonio and Talbot."

Did Mr. Dean agree with your suggestions?

Mr. Caulfield. No, he did not.

Mr. Lackritz. Do you recall him specifically turning those down?

Mr. Caulfield. I recall sending a subsequent memorandum on the 20th of October which again dealt with the same subject which emanated from Mr. Ulasewicz conducting a pretext inquiry in New York and following that, I made comments in the final three paragraphs.

Mr. Lackritz. Before we get to the October 20th memorandum, Mr. Caulfield, and the October 15th, you have come to the conclusion that it is the time to release the derogatory information that you have gathered from the FBI.

Is that not correct?

Mr. Caulfield. I made the recommendation, yes.

Mr. Lackritz. You also made the recommendation that discrete IRS audits be done of those three taxpayers, New Yorker Films, DeAntonio and Talbot.

Is that correct?

Mr. Caulfield. Yes.

Mr. Lackritz. How were you going to do those audits?

Mr. Caulfield. Well, if the recommendation were agreed to, I would have approached Mr. Acree about them.
Mr. Lackritz. Off the record.

(Discussion off the record.)

Mr. Lackritz. Back on the record.

Do you have anything to add to that last response?

Mr. Caulfield. No. I want to comment on the 20th.

Mr. Sears. Off the record a minute.

(Discussion off the record.)

Mr. Caulfield. Yes, back on the record, I would like to add the comment with respect to the October 15th memorandum that about this time I did receive information from Mr. Ulasewicz who was conducting a discrete inquiry, and it was at that time that I began to move off the position as recommended in the October 15th memorandum, and the memorandum of October the 20th further indicates that I was moving away from that position.

Mr. Lackritz. When did you ask Mr. Ulasewicz to conduct these inquiries?

Was it about the time of your October 15th memorandum?

Mr. Caulfield. Just prior to it, apparently.

Mr. Lackritz. Prior to?

Mr. Caulfield. Yes.

Mr. Lackritz. Did you ask him to interview DeAntonio and Talbot?

Mr. Caulfield. No. I asked him to conduct a discrete inquiry at the offices of the distributor of the film, Mr. Talbot in New York.
16. Prior to November 7, 1971 a talking paper and memorandum were prepared with respect to making the IRS politically responsive. Dean has testified that he and Caulfield prepared the documents for Haldeman's use during a meeting with either the Secretary of the Treasury or the Commissioner of Internal Revenue. Haldeman has testified that he could not recall either seeing the briefing memorandum or having any specific conversation with the Secretary of the Treasury.

16.1 Briefing Memorandum (undated and unsigned), SSC Exhibit No. 44, 4 SSC 1682-85.

16.2 John Dean testimony, 4 SSC 1349, 1410-11.

16.3 H. R. Haldeman testimony, 8 SSC 3136-37.
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 27, 28, 29, AND JULY 10, 1973
Book 4

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $3.00
Stock Number 5370-01364
## CONTENTS

### HEARING DAYS

<table>
<thead>
<tr>
<th>Day</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wednesday, June 27, 1973</td>
<td>1347</td>
</tr>
<tr>
<td>Thursday, June 28, 1973</td>
<td>1431</td>
</tr>
<tr>
<td>Friday, June 29, 1973</td>
<td>1507</td>
</tr>
<tr>
<td>Tuesday, July 10, 1973</td>
<td>1601</td>
</tr>
</tbody>
</table>

### CHRONOLOGICAL LIST OF WITNESSES

#### WEDNESDAY, JUNE 27, 1973
Dean, John W., III, former counsel to the President, accompanied by Charles N. Shaffer and Robert C. McCandless, counselors, testimony resumed. Shaffer, Charles N., Esq., statement of. 1348 1374

#### THURSDAY, JUNE 28, 1973
Dean, John W., III, testimony resumed. 1431

#### FRIDAY, JUNE 29, 1973
Dean, John W., III, testimony resumed. 1508

#### TUESDAY, JULY 10, 1973
Mitchell, John N., former Attorney General and campaign director of the Committee To Re-Elect the President, accompanied by William G. Hundley, Plato C. Cacheris, and Marvin Segal, counselors. 1601

### INTERROGATION OF WITNESSES BY MEMBERS OF THE COMMITTEE AND COUNSELS

Montoya, Hon. Joseph M. Dean: 1508-1511.
Dash, Samuel, Chief Counsel and Staff Director Dean: 1349, 1350, 1356, 1357, 1408-1411, 1544-1550. Mitchell: 1602-1638.

### EXHIBITS SUBMITTED FOR THE RECORD

No. 44—(1349) Papers from a file entitled “Opponents List” and “Political Enemies Project.” First document is briefing paper prepared for Mr. Haldeman for a meeting with the head of IRS. This is followed by “IRS Talking Paper.” 1682

No. 45—(1349) Memorandum for John Dean from Charles Colson re: Tax discrepancies in income tax return of Harold J. Gibbons, vice president of the Teamsters Union. 1686

No. 46—(1349) Memorandum for John Dean from Charles Colson re: Information received from an informer concerning Jack Anderson. 1687

**Note:** Figures in parentheses indicate page that exhibit was officially made part of the record.
EXHIBITS SUBMITTED FOR THE RECORD

EXHIBIT No. 44

(A) To accomplish: Make IRS politically responsive. Democrat Administrations have discreetly used IRS most effectively. We have been unable.

(B) The Problem: Lack of guts and effort. The Republican appointees appear afraid and unwilling to do anything with IRS that could be politically helpful. For example:

-- We have been unable to crack down on the multitude of tax exempt foundations that feed left wing political causes.

-- We have been unable to obtain information in the possession of IRS regarding our political enemies.

-- We have been unable to stimulate audits of persons who should be audited.

-- We have been unsuccessful in placing RN supporters in the IRS bureaucracy.

(C) HRH should tell the Sec.

Walters must be more responsive, in two key areas: personnel and political actions.

First, Walters should make personnel changes to make IRS responsive to the President. Walters should work with Fred Malek immediately to accomplish this goal. (NOTE: There will be an opening for a General Counsel of IRS in the near future -- this should be a first test of Walters' cooperation).

Second, Walters should be told that discreet political action and investigations are a firm requirement and responsibility on his part. John Dean should have direct access to Walters, without Treasury clearance, for purposes of the White House. Walters should understand that when a request comes to him, it is his responsibility to accomplish it -- without the White House having to tell him how to do it!
I.R.S. TALKING PAPER

BACKGROUND

A) THE BUREAUCRACY

I.R.S. is a monstrous bureaucracy, which is dominated and controlled by Democrats. The I.R.S. bureaucracy has been unresponsive and insensitive to both the White House and Treasury in many areas.

In brief, the lack of key Republican bureaucrats at high levels precludes the initiation of policies which would be proper and politically advantageous. Practically every effort to proceed in sensitive areas is met with resistance, delay and the threat of derogatory exposure.

B) ADMINISTRATION APPOINTEES

Randolph Thrower became a total captive of the democratic assistant commissioners. In the end, he was actively fighting both Treasury and the White House.

Johnnie Walters has not yet exercised leadership. Unevaluated reports assert he has been either reluctant or unwilling to do so.

Walters has appointed as his deputy, William Loeb, career democrat from Georgia. Loeb has asserted his democratic credentials in staff meetings according to reliable sources.
Walters appears oversensitive in his concern that I.R.S. might be labelled "political" if he moves in sensitive areas (e.g. audits, tax exemptions).

During the Democrat Administrations, I.R.S. was used discreetly for political purposes, but this has been unavailable during this Administration.

SUGGESTIONS
Walters should be told to make the changes in personnel and policy which will give the Administration semblance of control over the hostile bureaucracy of I.R.S. Malek should supply recommendations.

Walters must be made to know that discreet political actions and investigations on behalf of the Administration are a firm requirement and responsibility on his part.

We should have direct access to Walters for action in the sensitive areas and should not have to clear them with Treasury.

Dean should have access and assurance that Walters will get the job done — properly!
A knowledgeable source at IRS was contacted and given a hypothetical situation in which the White House made a request for an IRS audit of a group of specific individuals having the same occupation. This source advised that IRS procedures would require that such request be handled by Assistant Commissioner Donald Bacon.

It is known that Bacon is a liberal Democrat holdover who has been continually identified with anti-Nixon intrigues at IRS within the past two years.

The source suggested that a priority target be established within the group with preference given to one residing in the New York area. He further stated such target could discreetly be made subject to IRS audit without the clear hazard for a leak traceable to the White House as postured above.
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 27, 28, 29, AND JULY 10, 1973
Book 4

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $3.00
Stock Number 5270-01964
tion, but I did take at that time, in representing the Department of Justice, a far different position that the Attorney General should have the ability to nullify any request of any committee to grant immunity to any witness, which is far different from the one Congress accepted ultimately.

Mr. Dash. Now, Mr. Dean, did you bring with you this morning the exhibits that you indicated you had and the committee requested you to bring?

Mr. Dean. Yes, I did, Mr. Dash.

Mr. Dash. Could you just submit them and perhaps identify them as you submit them to the committee?

Mr. Dean. These are from a file that is entitled "Opponents List and Political Enemies Project." The first document in the file, and these are not in any chronological order, is a briefing paper that was prepared for Mr. Haldeman for a meeting with the head of Internal Revenue Service. The goal of the briefing paper which was based on material that was provided to me by Mr. Caulfield who, in turn, got information from friends of his within the Internal Revenue Service, was to make the IRS politically responsive to the White House, and I think that the document is self-explanatory. It is not marked other than the heading which says "To Accomplish Make IRS Politically Responsive."

I will mark these as I—

Mr. Dash. Well, you can mark them following your last exhibit number.

Mr. Dean. For the sake of the record, right now I will call it exhibit A.

[The document referred to was marked exhibit No. 44.]

Mr. Dean. The next exhibit, which I will call B, is a memorandum from Charles Colson to me, dated June 12, 1972, regarding tax discrepancies in the income tax return of Mr. Harold J. Gibbons, vice president of the Teamsters Union, in which Colson indicates that he is an all-out enemy, a McGovernite and an anti-Nixon person, and he believes that there should be an audit started at once, and if there is an informer’s fee, he would like to know because he believes there is a good cause in which that informer’s fee can be donated to. [Laughter.]

[The document referred to was marked exhibit No. 45.]

Mr. Dean. The next document is a memorandum from Charles Colson, dated November 17, 1972, regarding the fact that he has received information from an informal, some information regarding Mr. Jack Anderson referring to the fact that Mr. Anderson was found in a room with certain wiretap in private—wiretap equipment in connection with the Dodd investigation.

[The document referred to was marked exhibit No. 46.]

Mr. Dean. The next memorandum is a document from Mr. Caulfield to me, dated August 12, 1971, in which Mr. Caulfield briefly indicates that he has talked with Mr. Nofziger to come up with a candidate to assist in the enemy’s project.

[The document referred to was marked exhibit No. 47.]

Mr. Dean. The next is a copy of a memorandum of August 16, 1971, that was prepared for Mr. Haldeman, Mr. Ehrlichman, and others at the White House by myself, which addresses itself to the general prob-

1 See p. 1582.
2 See p. 1588.
3 See p. 1587.
4 See p. 1583.
The list I have prepared is merely suggestive; it is based on conversations I had with others regarding persons who have both the desire and capability of harming us. The list is limited to less than 20 persons, as it would be most difficult to proceed with more at this time. I would hope we would continue to feed additional names into the process every few months, but we must keep this project within reasonable bounds. I will await the review of these names as I feel certain there will probably be additions and deletions from the list. Before I take any action, please keep the list at least 20 or less.

Attached is a list that was prepared based on a document that Mr. Colson had gone through and picked out some 20 key names. The next document is a page of a news summary. I don't know the date of the news summary. It has a notation on the top, "Dean/L."

Mr. Dash. When you say news summary—

Mr. Dean. This is the daily news summary that is prepared for the President and distributed to various members of the White House staff.

The "Dean/L" indicates that it was to me from Mr. Higby and he has circled DXC Treasurer Robert Strauss, with a note, "Is he on our list? Or should he be?"

Mr. Dash. Did you respond to that?

Mr. Dean. No, sir; I did not. As I say, most of these merely went into a file in my office, where I just gathered them.

The next document I have is a document entitled "Corporate Executives Committee for Peace, Trip to Washington, June 25, 1970," with a list of names. This was another document that was sent as a part of one of the continuing updates.

[The document referred to was marked exhibit No. 63.]

Mr. Dash. What is the source of that document?

Mr. Dean. That would have been from Mr. Colson's office. The next document is entitled "Democratic Contributors of $25,000 or More in the 1968 Campaigns" — from June 20, 1971, New York Times story — with certain names checked on the list. This is a document that came again, from Mr. Colson's staff.

[The document referred to was marked exhibit No. 64.]

Next is a series of documents that relate to Muskie contributors. Part of it is cut off on the top here in the xerography process and this document was forwarded to me from Mr. Colson's office also.

[The document referred to was marked exhibit No. 65.]

The next document begins — it is a blank sheet of paper, which is a briefing paper that I was requested to prepare for Mr. Haldeman so that he could deal with the Secretary of the Treasury with regard to making the Internal Revenue Service politically responsive to the White House.

This document was prepared — the top document was prepared by myself; the attached document was prepared by Mr. Caulfield based on conversations he had had with individuals in the Treasury Department, as well as the last document was prepared by Mr. Caulfield as a result of conversations he had with people in the Treasury Department and in the Internal Revenue Service.

Mr. Dash. That was prepared by you with Mr. Caulfield's assistance to be delivered to Mr. Haldeman?

Mr. Dean. That is correct.
Mr. Dash. Was it delivered to Mr. Haldeman?
Mr. Dean. Yes, it was.
The last document for identification is a memorandum dated August 16, 1971. It was a draft in my files in which I was asked to prepare a strategy for dealing with political enemies that involved the entire White House staff, and it was sent forward, to the best of my recollection, to Mr. Haldeman and Mr. Ehrlichman for approval, disapproval, or comment.
Now, without going to my files in the White House, I can't tell you the disposition of this document.
Mr. Dash. But can you tell us whether or not that document was in fact sent forward?
Mr. Dean. Either in this form or in some form where the names were typed on it.
Mr. Dash. Thank you, Mr. Dean.
Mr. Dean. I just noticed there were two other documents attached to that.
On July 16, 1971, there is another update on the opponents list, adding a name. This again is from Mr. Colson's office.
Senator Ervin. With Senator Inouye's indulgence, I am going to ask you one question about a paper that you identified in this connection called "Subject: Opponent Priority Activity," a three-page document, and see if you can give me the date of the origin of that.
Mr. Dean. Senator, I am not sure which document you are referring to.
Senator Ervin. It is one called, "Subject: Opponent Priority Activity," on the heading. It is three pages. You had it this morning.
Mr. Dash. I have that, Mr. Dean. I didn't forward that to you here. I can forward that to you now. The one I think you identified at the end of the morning session—one that had a memorandum of June 24 from Mr. Bell.
Mr. Dean. Yes. I was forwarding that—
Senator Ervin. I want to find out, on page 2, the name of Sterling Munro, Jr., Senator Jackson's A.A. Do you have anything that indicates whether Mr. Munro was added on the list of opponents?
Mr. Dean. No, I don't. This is one of the—I can only assume that this was around June 24 when the document was prepared by a member of Mr. Colson's staff and forwarded to my office as a part of this general list.
Senator Ervin. That would be June 24, what year?
Mr. Dean. That is 1971.
Senator Ervin. Thank you.
Mr. Dash. Could I have the documents back, Mr. Dean?
Senator Ervin. Mr. Chairman.
Senator Ervin. I can't forbear observing when I consider the list of opponents why the Democratic vote was so light in the general election.
Senator Baker. Mr. Chairman.
Senator Ervin. Yes, sir.
Senator Baker. I really even in my wildest dreams would not think of trying to improve or embellish on your story but you told it better the first time when you leaned over to me and you said "I think I am
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JULY 31, AUGUST 1, AND 2, 1973
Book 8

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973
Mr. Haldeman. I can only comment to the extent, Senator, that there have been, over the time that I was in the White House, a number of inquiries made or pieces of information brought to the attention of various people within the White House, from time to time, that there were potential questions that should be investigated regarding business or financial activities of individuals, and there was a concern or a feeling that the IRS had been—during the time of our administration being out of office and subsequently even during the time that this administration came into office—there had been considerably more zeal shown by the IRS in looking into potential questions of those who were supporters of this administration than zeal shown in looking into inquiries that were directed or raised regarding those who were known and vocal opponents of the administration, and these factors would be brought to the attention of various people at the White House from time to time with a query as to why there wasn't some kind of investigation into the dealings of some particular person with regard to some matter and those would be referred to the IRS. That would be the context in which I recall the question being raised.

Senator Talmadge. Here, I believe, is a talking paper prepared for you to use with Secretary Walters, who was then Secretary of the—or Director of the IRS, and here is paragraph (c). “H. R. Haldeman” or “H.R.H.” I assume that means you, “should tell the Secretary, Walters, that he must be more responsive in two key areas, personnel and political actions. First, Walters should make personnel changes to make IRS responsive to the President. Walters should work with Fred Malek immediately to accomplish this goal. (Note: there will be an opening for General Counsel IRS in the near future. This should be the first test of Walters’ cooperation.)”

Did you use this talking paper?

Mr. Haldeman. Could I see it, please, Senator?

Senator Talmadge. Certainly. Do we have another copy of this? I will show it to you and then ask you to return it to me.

Mr. Haldeman. This doesn’t indicate to whom, by whom it was prepared, or to whom it was directed. I agree with you it does refer to “H.R.H. should tell the Secretary.” I don’t recall seeing it.

Some of the items in discussion or referred to in here—it doesn’t seem to be dated either. Is there any further identification of this paper?

Senator Talmadge. That was one of the exhibits that Mr. Dean placed in the record when he testified here, and I think that was reported to be a talking paper for you to use in discussions with the Secretary of the Treasury to try to make the Bureau of Internal Revenue Service more responsive politically and more responsive to the requests from the White House about audits of foes of the White House tax returns.

Mr. Wilson, Senator Talmadge, I am sure you would not ask any question which isn’t relevant. Would you mind indicating the time factor here, the relevancy of this within your resolution, if the Chairman will permit it?

Senator Talmadge. It all has relevance, I think, to the 1972 election. Apparently that is what it was geared up for and it is within the pur-
view of our committee if it relates to that. I would certainly think that
if you have a paper relating to trying to make the Internal Revenue
Service more politically responsive that it certainly would be within
the purview of this resolution that created this committee.

Mr. Wilson. I was concerned about the date of it. If it had been back
in 1969 or 1970 I would doubt it.

Senator Talmadge. When was Walters revenue commissioner, do we
have the dates here before the committee somewhere, some member of
the staff? Perhaps Mr. Haldeman would know.

Mr. Haldeman. I haven't any idea.

Mr. Dash. It was after 1970 because Mr. Thrower was before him
and there were some documents relating to Mr. Thrower in 1970 and
Mr. Walters came in after Mr. Thrower.

Senator Talmadge. One of the portions of that document does relate
to Mr. Thrower, I believe.

Did you ever have any conversations at any time with the Secretary
of the Treasury or anyone else about making the Internal Revenue
Service more politically responsive?

Mr. Haldeman. Only in this—I don't recall any specific conversa-
tions with the Secretary of the Treasury. If I had any or I was a
participant in any such conversations, they would have been in the
context that I referred to earlier, Senator, which was the question of—
well, as Mr. Dean indicated that the IRS bureaucracy at the lower
levels was very strongly staffed with people or at least it was the feel-
ing that it was—I don't know anything about it because firsthand I
have made no investigation into this, this was the allegation—with
people whose positions were due to previous administrations and
whose interests were in the policies and philosophy of previous admin-
istrations, and that the diligence with which they pursued cases that
had been referred to them relating to potential misdoings by opponents
of this administration were not pursued with the diligence that they
were pursuing matters relating to supporters of this administration.
This had been the case when we were out of office and continued to be
the case even after we had been in office for several years, and there
was discussion of that question, and that, in that context. I may have
had—I know I have been in discussions where that kind of feeling was
under—was a topic under discussion.

I have not. I don't believe, ever met any Commissioner of the IRS
other than Mr. Cohen who was Commissioner before we came in and
who is now the attorney for the Democratic National Committee for
their lawsuit and took a deposition from me some weeks ago.

Senator Talmadge. Did you or anyone, to your knowledge, within
the White House ever request the White House to make a political—
an audit of any taxpayer?

Mr. Haldeman. In the sense of referring information that had come
to our attention or information that appeared to indicate a reason for
an audit, it is quite possible that that was done. I recall no specific such
request.

Senator Talmadge. Now, would they be foes of the administration
or friends of the administration?

Mr. Haldeman. These would be inquiries or information that would
come in from friends of the administration regarding foes of the
administration. Or those who were considered to be.
17. In a Political Matters Memorandum dated December 2, 1971 Strachan reported to Haldeman that Mitchell and Dean had discussed the need to develop a political intelligence capability. Strachan stated that Sandwedge had been scrapped and that instead Gordon Liddy would become general counsel to CRP effective December 6, 1971. Strachan stated that Liddy would handle political intelligence as well as legal matters and would also work with Dean on the political enemies project.

17.1 Memorandum from Gordon Strachan to H. R. Haldeman, December 2, 1971 (received from White House).
The Nixon Finance Committee of Lee Nunn and Hugh Sloan has received 1,700 and disbursed 630, leaving a balance of 1,070. The receipts are low because fundraising was curtailed before the November 9 RNC dinner and Secretary Stans does not return from Russia until December 6. On his return the Attorney General is prepared to discuss with him the position of Financial Chairman for 1972.

Herb Kalmbach now has pledges of 11,600 but "in the barn" receipts are only 1,000. However, he believes there will be a 95% delivery on the pledges.

The RNC financial situation will be reviewed by the Attorney General on December 4. Magruder will meet with Tom Evans on December 2 and 3 to get detailed budget and receipt figures from the RNC with particular focus on the November 9 dinners.

Concerning ambassadorships, Kalmbach will get a case by case determination from the Attorney General as he did in the case of John Safer. Kalmbach has tried to approach Flanigan but continues to have the same problems of having telephone calls returned and reaching an understanding.

The Committee for the Re-Election of the President has a December budget of 100,000, of which 50,000 is salary, 16,000 travel and entertainment, and 36,000 operating expenses. The budget submitted to the Attorney General does not list the 40 employees and their individual salaries.

Cliff Miller -- He met with the Attorney General on December 2 for one hour to review the Campaign. The Attorney General asked Miller to know the details and to supply independent advice on polling and research, advertising, the PR - press area, and telephone - direct mail. Miller expressed his view, that the weakest part of the Campaign was Harry Fleming's
field operation. The Attorney General admitted that there was a problem, which the Attorney General planned to alleviate by bringing in "fellows with a little more stature", such as Mardian. Also, the Attorney General has kept Fleming under "very close reins" so far.

The Attorney General agreed that it might be a good idea to have Miller or someone else go to New Hampshire to take an independent look at the New Hampshire campaign operation.

The Attorney General is concerned that the Shumway move did not proceed quicker and with more careful checking by Miller. Miller assured him that all parties were now in agreement and that he will work directly with Fred Malek.

Without any hard evidence, Miller believes that the Attorney General is pleased with Magruder's performance.

Harry Dent -- The Attorney General is being urged to talk to Governor Holton about a Byrd Coalition candidate for Senator Spong's seat so that Virginia will be an easy victory for the President.

Ehrlichman received a political briefing from Dent on North Carolina in connection with his trip to Duke University. The memorandum emphasizes the impending party primary fight between Jim Holshouser and Jim Gardner for the governorship and the problems getting Jim Broyhill to run for Senator Jordan's Senate seat. However, "the President seems to be in good shape in North Carolina".

After you questioned whether Wallace would forfeit delegates or electors if he runs in the Democratic primary in Florida and then as an independent in another state, Dent double checked. The Florida Democratic Executive Committee passed and then rescinded a provision that would have denied Wallace his delegates. The Secretary of State did not follow the Democratic party's example and rule that he would also lose his electors.

Dent talks with Kevin Phillips periodically. Last week the Attorney General "hit Phillips hard" on some of his recently published remarks. Dent has the highest regard for Phillips' "political brain" and says that although Phillips hates Coisson, Ehrlichman, Fleming and Kleindienst, he is only beginning to turn sour on the Administration. Dent, at the Attorney General's direction, will continue to stay in touch with Phillips, but Dent believes you should see Phillips briefly to convince him that the President still looks to Kevin Phillips for political advice.
Dent attended the Republican Governors Conference on November 20-21 in Indiana and reports that "their public statements and actions were very good". The Governors want to be more political and help the President. They also feel that more information should be made available to the Vice President.

Martha Mitchell was a "smash hit" at a GOP fund raising appearance in South Carolina, November 19.

Dent is urging the Attorney General to contact the Vice President to have him reconsider his change of plans cancelling his appearance before the Southern GOP Conference on December the 4th.

Wallace Henley is tracking George Wallace and reports that he has resigned himself to running as an independent in Alabama because of his problems with the Legislature. The new AIP platform is like a reprint of the Burchers Blue Book. The AIP National Convention will be held in Toledo. The date has not been set.

Murray Chotiner -- Because of Governor Peterson's unpopularity in New Hampshire, Chotiner advised you and the Attorney General that he believes Peterson would "make an excellent appointee somewhere in the Administration".

Cliff White is still meeting with Conservatives and blaming the President for the U.N. result.

John Dean -- The Attorney General discussed with John Dean the need to develop a political intelligence capability. Sandwedge has been scrapped. Instead, Gordon Liddy, who has been working with Bud Krogh, will become general counsel to the Committee for the Re-Election of the President, effective December 6, 1971. He will handle political intelligence as well as legal matters. Liddy will also work with Dean on the "political enemies" project.
Jack Caulfield will go over to the Committee when the Attorney General moves. Caulfield will handle the same projects he currently does. In addition he will assume responsibility for the personal protection of the Attorney General.

Campaign Related Action Memo — A Sigma Delta Chi Convention identified the Campaign's principle issues as the economy (107 of 122 votes), international affairs (9), and law and order (3). While reading the news summary report of this the President "strongly stated that the Democrats must not be allowed to get away with this... international affairs is our issue and the economy is theirs -- regardless of what happens to it because the liberals can always promise more". You, Ehrlichman, and Colson received the memorandum.

You, Ehrlichman, and Colson were also advised that "our political types working the precinct in the ghettos and Navaho Reservations for Republican converts would do well to focus their attention upon the Holy Name Society, the Women's Sodality, and the Polish-American Union".

Magruder's Projects — The weekly report submitted to the Attorney General on December 1 is briefer and better than previous reports. It is attached at Tab A for your review instead of being summarized because you had asked about the youth registration drives, which are covered in some detail.

Magruder reports that the Attorney General met with Lyn Nofziger on December 1. On November 4 you and the Attorney General talked about the importance of getting a Nofziger interpretation of the Dole-Evans split. Unfortunately, Magruder believes this subject was not covered because the meeting focused on the California situation.

Magruder will meet with Tom Evans of the RNC on December 2 and 3 to get his views of the role of the RNC in the Campaign. Magruder and Flemming meet with the Attorney General on December 4 to decide on the role and budget of the RNC vis-a-vis the Committee. On December 6 the Attorney General, Magruder and Flemming will tell Tom Evans of their decisions. Tom Evans will explain the decisions to the RNC at the meeting in Washington on December 9-12. Besides the Budget, Magruder considers the voter registration and get out the vote functions as the only important areas that have not been resolved.

000162
18. On February 1, 1972 John Dean sent a memorandum to Haldeman, Ehrlichman, Klein, Colson and Ziegler, with a carbon copy to Mitchell, stating that an article by journalist James Polk about Herbert Kalmbach was scheduled for publication by the Washington Star the following day. On or about February 1, 1972 an unsigned memorandum was prepared describing Polk's financial affairs. It stated that in 1968, 1969 and 1970 neither Polk nor his wife had reported any personal income derived from the operation of a corporation in which Polk and his wife had an interest. It also stated that certain facts suggested to IRS professionals that an audit might resulting be in order. The memorandum also stated that because of the sensitivities of the ongoing inquiry, no audit should be initiated unless directed.

18.1 Memorandum from John Dean to H. R. Haldeman, et al., February 1, 1972, with attachments (received from SSC).

18.2 Memorandum, unsigned and unaddressed, re background information on James Ray Polk, February 1, 1972 (received from SSC).
February 1, 1972

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: H. R. Haldeman
                John Ehrlichman
                Herb Klein
                Chuck Colson
                Ron Ziegler

FROM:         John Dean

The attached wire was received today by Herb Kalmbach. Chuck Colson informs me that there is nothing we can do to turn the story off or determine the contents of the article without escalating the matter because of White House interest.

Kalmbach plans to make no further response to the wire.

I am also attaching earlier correspondence between Kalmbach and Polk.

cc: The Attorney General
Day Wire - 1:39 PCT
Sent dated February 1 (10:21 AM EST)

Herb Kalmbach
Newport Beach Office

Our article on you as Nixon attorney for San Clemente purchase and as major Nixon campaign fund raiser including details of 1970 money for Senate candidates is scheduled to appear tomorrow in the Washington Star.

We again invite comment if desired and would welcome phone call.

Best wishes.

James Polk
December 30, 1971

Herbert W. Kalmbach
Kalmbach, DeMarco, Knapp & Chillingworth
Suite 900
550 Newport Center Drive
Newport Beach, California 92660

Dear Mr. Kalmbach,

I am currently completing an article focusing closely on the law firm of Kalmbach, DeMarco, Knapp & Chillingworth as counsel to the President and on yourself in your political capacities in the field of campaign finance. The article is tentatively scheduled for the March or April issue of Harper's Magazine.

I regret that it was not possible to obtain an appointment to talk with you during my past 10 days in California. As you are aware, I did call both your Newport Beach and Los Angeles offices a number of times.

If it should become convenient for you to permit me the interview requested, I'm prepared to fly back to California on whatever date you should designate. I would appreciate very much the opportunity to discuss the topic of the forthcoming article with you.

Please call me at 703, 356-6108, if this is possible.

With best wishes for a very happy new year.

Sincerely yours,

James R. Polk
5621 Tucker Avenue
McLean, Virginia 22101
January 21, 1972

Mr. James R. Polk
6621 Tucker Avenue
McLean, Virginia 22101

Dear Mr. Polk:

While not in any way wishing to appear rude or discourteous, we must respectfully decline your recent request for an interview.

The Canons of Professional Ethics of the American Bar Association and the Rules of Professional Conduct of the State Bar of California make it clear that it is not only improper but unprofessional for an attorney to discuss client matters or otherwise publicize his practice.

Given these circumstances, I'm certain that as a responsible writer you understand our inability to grant you the requested interview.

Sincerely,
JAMES RAY POLK

Date of Birth: September 12, 1937. Oaktown, Illinois

Present address: 6621 Tucker Avenue, McLean, Virginia

Previous address: 6406 North 26th Street, Arlington, Virginia

Social Security Number: 304-38-1964

Description: White, Male, 5'9", 195 lbs., Brown Hair, Blue Eyes

Criminal Record: 1958 Disorderly Conduct at Washington, D.C.

Occupation: News Reporter

Wife: Bonnie B. Polk

Children: Jeffrey, Ann

It has been determined that Polk is currently a full time reporter for the Associated Press working out of 1300 Connecticut Avenue, N.W. His salary in 1970 was $17,000 per annum. His wife is a part-time History and Geography teacher at Falls Church High School in Fairfax, Virginia. Polk is on the White House access list as of 7/1/71.

Polk in addition to his A.P. employment is a writer of articles for magazines. In 1970 he wrote an article on Ford's Theatre, Washington for United Airlines' Travel Magazine. Also in 1970 he wrote an article for T.W.A. on the National Art Gallery.

In June 1970 it is known that he was collaborating with two individuals, Richard Barnes and John Lang (both not further identified), concerning an arrangement with the New York publishing firm of Harcourt and Brace regarding the preparation of a journalism textbook on politics.

In 1970 Polk, his wife and one Lee Motherspoon of Cincinnati, Ohio formed a Delaware Corporation known as International News, Inc. which has been determined to be a subscription service to foreign magazines and newspapers used mainly by schools and colleges.

Polk operates the above business from his residence and at peak periods retains as many as seven employees.
Prior to the formation of the corporation, such entity functioned as a partnership with Polk having a 50% interest and Wotherspoon the other 50%. Wotherspoon is currently Chairman of the Board of the corporation.

Gross receipts in 1970 amounted to $80,000 dollars, but it is noted that neither Polk or his wife drew income from the firm. A professional opinion has been rendered indicating that there was an inordinate amount of advertising expenditures reported ($46,000) in connection with the above $80,000 gross income. It was further determined the corporation and partnership in the years 1968, 1969 and 1970 reported business losses in connection with the activities of the firm. Further, that neither Polk or his wife in those years reported any personal income derived from the firm's operations.

These facts suggest to I.R.S. professionals that an audit might resultingly be in order. The writer has directed that because of the sensitivities of the ongoing inquiry no audit be initiated unless direction comes from the inquiring source. The reader should so advise - suggestively following the publication of the proposed article.

The filed returns do not indicate that Polk has a financial arrangement with the Stern Family Fund, Philadelphia Inquirer or Walter Annenberg. It is possible that if such a relationship now exists it would show on his 1971 return. The earliest time that such return would be available would be June of 1972.

A discreet check of Polk's toll calls from residence is ongoing. If the results are informative, such information will be passed along.

Any additional information or leads requiring investigation should be forwarded so that we can remain on top of this matter.
JAMES RAY POLK

Date of Birth: September 12, 1937, Oaktown, Illinois
Present address: 6621 Tucker Avenue, Mc Lean, Virginia
Previous address: 6406 North 25th Street, Arlington, Virginia
Social Security Number: 304-38-1964
Description: White, Male, 5'9", 195 lbs., Brown Hair, Blue Eyes
Criminal Record: 1958 Disorderly Conduct at Washington, D.C.
Occupation: News Reporter
Wife: Bonnie B. Polk
Children: Jeffrey, Ann

It has been determined that Polk is currently a full time reporter for the Associated Press working out of 1310 Connecticut Avenue, N.W. His salary in 1970 was $27,000 per annum. His wife is a part-time History and Geography teacher at Falls Church High School in Fairfax, Virginia. Polk is on the White House access list as of 7/1/71.

Polk in addition to his A.P. employment is a writer of articles for magazines. In 1970 he wrote an article on Ford's Theatre, Washington for United Airlines' Travel Magazine. Also in 1970 he wrote an article for T.W.A. on the National Art Gallery.

In June 1970 it is known that he was collaborating with two individuals, Richard Fornes and John Lang (both not further identified), concerning an arrangement with the New York publishing firm of Harcourt and Brace regarding the preparation of a journalism textbook on politics.

In 1970 Polk, his wife and one Lee Watherspoon of Cincinnatti, Ohio formed a Delaware Corporation known as International News, Inc. which has been determined to be a subscription service to foreign magazines and newspapers used mainly by schools and colleges.

Polk operates the above business from his residence and at peak periods working at least 12 hours per day.
Prior to the formation of the corporation, such entity functioned as a partnership with Polk having a $50 interest and Watherspoon the other $50. Watherspoon is currently Chairman of the Board of the corporation.

Gross receipts in 1970 amounted to $60,000 dollars, but it is noted that neither Polk or his wife drew income from the firm. A professional opinion has been rendered indicating that there was an inordinate amount of advertising expenditures reported ($46,000) in connection with the above $30,000 gross income. It was further determined the corporation and partnership in the years 1968, 1969 and 1970 reported business losses in connection with the activities of the firm. Further, that neither Polk or his wife in those years reported any personal income derived from the firm's operations.

These facts suggest to I.R.S. professionals that an audit might resulting be in order. The writer has directed that because of the sensitivities of the ongoing inquiry no audit be initiated unless direction comes from the inquiring source. The reader should so advise - suggestively following the publication of the proposed article.

The filed returns do not indicate that Polk has a financial arrangement with the Stern Family Fund, Philadelphia Inquirer or Walter Annenberg. It is possible that if such a relationship exists it would show on his 1971 return. The earliest time that such return would be available would be June of 1972.

A discreet check of Polk's toll calls from residence is ongoing. If the results are informative, such information will be passed along.

Any additional information or leads requiring investigation should be forwarded so that we can remain on top of this matter.
19. On June 12, 1972 Colson sent a memorandum to Dean stating that Colson had received a well informed tip that there were discrepancies in the tax returns of Harold Gibbons, a vice president of the Teamsters Union. Colson stated that Gibbons was an all out enemy and asked that Dean please see if this one could be started on at once. Dean has testified that he put the memorandum in his file and that it remained there.

19.1 John Dean testimony, 4 SSC 1349, 1480.

19.2 Memorandum from Charles Colson to John Dean, June 12, 1972, SSC Exhibit No. 45, 4 SSC 1686.
19.1 John Dean testimony

PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES, SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 27, 28, 29, AND JULY 10, 1973
Book 4

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $3.00
Stock Number 5270-01964
tion, but I did take at that time, in representing the Department of Justice, a far different position that the Attorney General should have the ability to nullify any request of any committee to grant immunity to any witness, which is far different from the one Congress accepted ultimately.

Mr. Dash. Now, Mr. Dean, did you bring with you this morning the exhibits that you indicated you had and the committee requested you to bring?

Mr. Dean. Yes, I did, Mr. Dash.

Mr. Dash. Could you just submit them and perhaps identify them as you submit them to the committee?

Mr. Dean. These are from a file that is entitled "Opponents List and Political Enemies Project." The first document in the file, and these are not in any chronological order, is a briefing paper that was prepared for Mr. Haldeman for a meeting with the head of the Internal Revenue Service. The goal of the briefing paper which was based on material that was provided to me by Mr. Caulfield who, in turn, got information from friends of his within the Internal Revenue Service, was to make the IRS politically responsive to the White House, and I think that the document is self-explanatory. It is not marked other than the heading which says "To Accomplish Make IRS Politically Responsive."

I will mark these as I——

Mr. Dash. Well, you can mark them following your last exhibit number.

Mr. Dean. For the sake of the record, right now I will call it exhibit A.

[The document referred to was marked exhibit No. 44.]

Mr. Dean. The next exhibit, which I will call B, is a memorandum from Charles Colson to me, dated June 12, 1972, regarding tax discrepancies in the income tax return of Mr. Harold J. Gibbons, vice president of the Teamsters Union, in which Colson indicates that he is an all-out enemy, a McGovernite and an anti-Nixon person, and he believes that there should be an audit started at once, and if there is an informer's fee, he would like to know because he believes there is a good cause in which that informer's fee can be donated to. [Laughter.]

[The document referred to was marked exhibit No. 45.]

Mr. Dean. The next document is a memorandum from Charles Colson, dated November 17, 1972, regarding the fact that he has received information from an informal, some information regarding Mr. Jack Anderson referring to the fact that Mr. Anderson was found in a room with certain wiretap in private—wiretap equipment in connection with the Dodd investigation.

[The document referred to was marked exhibit No. 46.]

Mr. Dean. The next memorandum is a document from Mr. Caulfield to me, dated August 12, 1971, in which Mr. Caulfield briefly indicates that he has talked with Mr. Nofziger to come up with a candidate to assist in the enemy's project.

[The document referred to was marked exhibit No. 47.]

Mr. Dean. The next is a copy of a memorandum of August 18, 1971, that was prepared for Mr. Haldeman, Mr. Ehrlichman, and others at the White House by myself, which addresses itself to the general prob-
Senator Baker. What else was said by him or by Mr. Haldeman or by you in that context?

Mr. Dean. Well, this evolved into a, immediately into a conversation about the Internal Revenue Service and using the Internal Revenue Service to audit returns of people.

I had—again, we were on, you know, I knew the wavelength we had had been talking about, because I had had similar requests in the past to audit returns of people, and I told the President that the Internal Revenue Service had been—

Senator Baker. Wait, wait, wait. You knew the wavelength because you knew from your previous use of the Internal Revenue Service?

Mr. Dean. That is correct. I had requests from Mr. Haldeman in the past that certain individuals have audits commenced on them.

Senator Baker. What did you do with that?

Mr. Dean. Well, I can—the one time I recall getting one I did not know exactly what I was going to do with it because I was always reluctant to call Mr. Walters at that time, who was the head of the Internal Revenue Service, so I went to Mr. Caulfield, who had friends in the Internal Revenue Service and he said, "I think I know a way this can be done."

Apparently there is some system where the appropriate anonymous letter comes into a regional office and if it is—those who know how to do this can write the right letter and sufficient information will prompt an audit on that individual.

Senator Baker. Is that known as the informer statute?

Mr. Dean. No; I do not believe it is an informer statute. It is just something that will be of sufficient attention to that regional office, that branch of the, audit branch of that regional office, that will institute an audit.

I went on to tell the President that we did not seem to have the clout at the White House to get this done. I had talked to Walters about it in the past, and told him that I had had instructions from Mr. Haldeman on one occasion, and he said that, he brought to my attention the making of the IRS political, and said that,

You will recall what happened back in 1948 with Truman and that administration and the cleaning house and the changing of the Internal Revenue Service.

And these were all new facts to me, and what he was telling me was "Don't call me with this sort of thing."

Senator Baker. Tell me, if you do not mind, what you did. Did you in fact set up an audit? Your counsel is trying to reach you and I think he may have something to say.

Mr. Dean [concurring with counsel]. He just said, which was quite accurate, I do not mind telling you any fact that is true. [Laughter.]

Senator Baker. I would say that was a very lawyer-like piece of advice. [Laughter.]

Mr. Dean. So in this instance there was, the one I was referring to in the past, there was an audit commenced. Now, I, for example, read a memorandum into the record this morning per request of some material requested by the committee that had to do with an audit of Mr. Gibbons of the Teamsters Union. I merely put that in my file, and that is where it has remained to this day.
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 27, 28, 29, AND JULY 10, 1973
Book 4

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 · Price 85.00
Stock Number 0270-0194
CONTENTS

HEARING DAYS

Page

Wednesday, June 27, 1973.................................................. 1347
Thursday, June 28, 1973......................................................... 1431
Friday, June 29, 1973.......................................................... 1507
Tuesday, July 10, 1973......................................................... 1601

CHRONOLOGICAL LIST OF WITNESSES

WEDNESDAY, JUNE 27, 1973

Dean, John W., III, former counsel to the President, accompanied by
Charles N. Shaffer and Robert C. McCandless, counsels, testimony
resumed................................................................. 1348
Shaffer, Charles N., Esq., statement of.................................. 1574

THURSDAY, JUNE 28, 1973

Dean, John W., III, testimony resumed................................... 1431

FRIDAY, JUNE 29, 1973

Dean, John W., III, testimony resumed................................... 1508

TUESDAY, JULY 10, 1973

Mitchell, John N., former Attorney General and campaign director of the
Committee To Re-Elect the President, accompanied by William G.
Hundley, Plato C. Cacheris, and Marvin Segal, counsels.................. 1601

INTERROGATION OF WITNESSES BY MEMBERS OF THE
COMMITTEE AND COUNSEL

Ervin, Hon. Sam J., Jr..................................................... Dean: 1338, 1359, 1420, 1439, 1452-1456, 1431, 1532, 1586, 1537, 1599, 1596, 1599, 1650.
Montoya, Hon. Joseph M.................................................... Dean: 1508-1511.
Gurney, Hon. Edward J..................................................... Dean: 1351-1357.
Weicker, Hon. Lowell P., Jr................................................. Dean: 1495-1504.
Dash, Samuel, Chief Counsel and Staff Director........................ Dean: 1349, 1350, 1386, 1387, 1408-1411, 1564-1580. Mitchell: 1602-1636.
Thompson, Fred D., minority counsel................................. Dean: 1350-1357. Mitchell: 1336-1552.

EXHIBITS SUBMITTED FOR THE RECORD

No. 44—(1349) Papers from a file entitled "Opponents List" and "Political
Enemies Project." First document is briefing paper pre-
pared for Mr. Haldeman for a meeting with the head of
IRS. This is followed by "IRS Talking Paper.".............. 1682
No. 45—(1349) Memorandum for John Dean from Charles Colson re:
Tax discrepancies in income tax return of Harold J.
Gibbons, vice president of the Teamsters Union............. 1686
No. 45—(1349) Memorandum for John Dean from Charles Colson re:
Information received from an informer concerning Jack
Anderson.......................................................... 1587
MEMORANDUM FOR: JOHN DEAN
FROM: CHARLES COLSON

I have received a well informed tip that there are income tax discrepancies involving the returns of Harold J. Gibbons, a Vice President of the Teamsters Union in St. Louis. This has come to me on very, very good authority.

Gibbons, you should know, is an all out enemy, a McGovernite, ardently anti-Nixon. He is one of the 3 labor leaders who were recently invited to Hanoi.

Please see if this one can be started on at once and if there is an informer's fee, let me know. There is a good cause at which it can be donated.
Former Commissioner of Internal Revenue Walters has stated that during the summer of 1972 he was asked by Treasury Secretary Shultz to check on a report by John Ehrlichman that Democratic National Committee Chairman Lawrence O'Brien had received large amounts of income which might not have been reported properly. Walters has stated that he reported to Shultz on the IRS's examination of O'Brien's returns for 1970 and 1971. Walters has stated that Ehrlichman was not satisfied with the report on the status of O'Brien's returns and that because of Ehrlichman's inquiries O'Brien was interviewed during the summer of 1972. Walters has stated that Ehrlichman was not satisfied with the interview and that he told Shultz he needed further information about the matter. Ehrlichman has testified that he had learned from a sensitive case report that the IRS was investigating O'Brien and that he called Shultz to complain that the IRS was delaying the audit until after the election.


20.2 John Ehrlichman testimony, SSC Executive Session, February 8, 1974, 110-12.
JOHNNIE M. WALTERS, being duly sworn, deposes and says:

1. This statement is made upon my best recollection of the facts as they occurred, without my having had the benefit of reference to files and other materials in the possession of the Internal Revenue Service (IRS) which might permit a more precise statement.

2. I served as Commissioner of Internal Revenue from August 6, 1971 through April 30, 1973.

3. Beginning late in 1971 or early in 1972 the IRS began an intensive investigation of the Howard Hughes organizations and operations. During the course of that investigation, IRS learned that some fairly substantial amounts of money had been paid by the Hughes organization to Lawrence O'Brien and his associates. Sensitive case reports with respect to the Hughes investigation reflected the O'Brien payments. (Sensitive case reports are sent to
the Commissioner from the field each month to keep him and the Secretary of the Treasury advised of IRS investigations or proceedings relating to prominent persons or sensitive matters.) A Special Assistant to the Commissioner (during my tenure as Commissioner, Roger Barth) regularly delivered to the Secretary of the Treasury the monthly sensitive case reports.

4. During the summer of 1972, Secretary Shultz informed me that someone in the White House (subsequently identified as John Ehrlichman) had information that Mr. O'Brien had received large amounts of income which might not have been reported properly. The Secretary asked whether IRS could check on the matter, and I advised that IRS could.

5. I thereupon requested Assistant Commissioner Hanlon (Compliance) to determine whether Mr. O'Brien had filed returns which reflected substantial amounts of income. After a few days, he reported orally that Mr. O'Brien had filed returns which reported large amounts of income during the preceding years, that IRS had examined the returns for 1970 and 1971, that Mr. O'Brien had paid a small deficiency for one year, and that the examinations were closed. I reported this to Secretary Shultz.
6. Thereafter, from Secretary Shultz I learned that Mr. Ehrlichman was not satisfied with the report on the status of Mr. O'Brien's returns. I informed Secretary Shultz that Mr. O'Brien would be interviewed in connection with the Hughes investigation. I do not recall specifically whether scheduling of the interview of Mr. O'Brien originated in the Field investigation independently of Secretary Shultz's inquiries or as a result of Secretary Shultz's inquiries, but in any case, IRS needed the interview and would have scheduled it. During 1972, however, it was IRS policy to postpone investigations involving sensitive cases, to the extent possible without loss of position or revenue, until after the election. In line with that policy, IRS probably would not have interviewed Mr. O'Brien prior to the election; however, because of the indicated inquiries, IRS did interview Mr. O'Brien during the summer of 1972.

7. To the best of my recollection, the IRS field personnel had some difficulty in scheduling an interview with Mr. O'Brien and at one point they agreed to interview his son instead (who had informed the IRS agents that he had information about his father's financial matters). Before that interview took place, however, I was informed
by Secretary Shultz that Mr. Ehrlichman thought IRS should
interview Mr. O'Brien, not his son. I agreed with that
and directed that IRS interview Mr. O'Brien rather than
his son. I do not know how Mr. Ehrlichman learned of some
of the details of which he had knowledge.

8. IRS interviewed Mr. O'Brien on or about
August 17, 1972. Mr. O'Brien was cooperative although the
interview was limited timewise, and Mr. O'Brien suggested
that any further interview be postponed until after the
election. My recollection is that IRS furnished a copy of
the Conference Report to Secretary Shultz. A short time
thereafter, Secretary Shultz informed me that Mr. Ehrlichman
was not satisfied and that he needed further information about
the matter. I advised the Secretary that IRS had checked
the filing of returns and the examination status of those
returns (closed) and that there was nothing else IRS could
do.

9. On or about August 29, 1972, at the request
of Secretary Shultz, I went to his office with Roger Barth
so that we could conclude review of the O'Brien matter and
dispose of it. Secretary Shultz, Mr. Barth and I discussed
the matter and agreed that IRS could do no more. We then
jointly telephoned Mr. Ehrlichman. Secretary Shultz
informed Mr. Ehrlichman of that; I stated that IRS had verified that Mr. O'Brien had filed returns, that those returns reflected large amounts of income, that IRS already had examined and closed the returns, and that we (Shultz, Walters and Barth) all agreed that there was nothing further for IRS to do. Mr. Ehrlichman indicated disappointment, and said to me "I'm goddamn tired of your foot dragging tactics." I was offended and very upset but decided to make no response to that statement. Following the telephone conversation, I told Secretary Shultz that he could have my job any time he wanted it.

10. The meeting with the Secretary and telephone conversation with Mr. Ehrlichman stand out in my recollections as the final incidents in the O'Brien matter, however, in concluding the matter, I may have furnished some data with respect to Mr. O'Brien's returns to Secretary Shultz shortly after (5 or 6 days) that encounter (some questions posed seem to indicate this).

Johnnie M. Walters
Sworn to before me this 10th day of June, 1974.

Vickie F. Henderson
Notary Public
My Commission expires May 14, 1979
CONFIDENTIAL

SENATE RESOLUTION 60
GENERAL INVESTIGATION

Friday, February 8, 1974

The Select Committee met, pursuant to notice, at 11:45 a.m., in Room 1418, Dirksen Senate Office Building.

Present: Samuel Dash, Chief Counsel; David Dorsen, Assistant Chief Counsel; James Hamilton, Assistant Chief Counsel; Marc E. Lackritz, Assistant Counsel; Allan Weitz, Assistant Counsel; Donald Sanders, Deputy Minority Counsel; Robert Silverstein, Assistant Minority Counsel; Scott Armstrong, Investigator; Benjamin Plotkin, Minority Investigator; Gordon Freedman, Research Assistant; Emily Sheketoff, Research Assistant

Retyped from indistinct original
Mr. Lackritz. But he never pinned it down?

Mr. Ehrlichman. I have no knowledge.

Mr. Lackritz. Do you have any knowledge if any of these instances were connected with any of the organized crime families? What do you use for colloquial terms?

Mr. Ehrlichman. I don't think so, not that I was aware of.

Mr. Lackritz. Did the name Sam Giacomo come into it at all, do you recall?

Mr. Ehrlichman. No. It was a name that I never heard before.

Mr. Lackritz. And any other context of O'Brien with organized crime contacts come up on any other occasions with Colson?

Mr. Ehrlichman. No, not that I recall.

Mr. Lackritz. How about by any other?

Mr. Ehrlichman. No. As I say, that would have been the only reference of O'Brien contacts like that.

Mr. Armstrong. Two short.

At about the time that Secretary Shultz became the Secretary of the Treasury, do you recall a conversation with the Secretary regarding ongoing tax investigation against Hughes Tool Company which involved Mr. O'Brien?

Mr. Ehrlichman. Yes.

Mr. Armstrong. Can you recall what information you had
available to you and from what source about the nature of that investigation?

Mr. Ehrlichman. I had a sensor case report from the IRS about that.

Mr. Armstrong. Now at the conclusion of that investigation did you have a conversation of that investigation did you have a conversation with Secretary Shultz, Commissioner Walters and Mr. Barth; a conference call from the Secretary's office —

Mr. Ehrlichman. Not a conference called. I talked to them all on the phone and the Commissioner was there in his office at the time.

Mr. Armstrong. Can you recall for us the nature of that conversation?

Mr. Ehrlichman. Yes. He was reporting to me that the audit had been completed and that it had disclosed no improprieties or delinquencies and as far as they were concerned the matter was closed.

Mr. Armstrong. And what was your response to that?

Mr. Ehrlichman. Okay. You know, there it is. My concern was throughout that the IRS down in the woodwork was delaying the audit until after the election and that seemed to be the case, that there was a stall on because when the sensitive case report came in, I said, aha, when are you going to audit him? Well, they had 75 well selected reasons why they should not audit him and they weren't having any of the same reasons
with regard to Republicans at that time and I thought there
was a little unevenhandedness and I am talking to the Secretary
now, "George, your guys are being lopsided. Here is a probable
cause for auditing O'Brien and it's apparently not going
forward and we can read in the paper everyday about audits of
Republicans. Now how come?" And he said, "Well, I will check
in to it and he checked into it and he came back and he said, --
he had a whole list of why he shouldn't be audited right now.
His son is sick, he's out of town. They can't find the books.
And I said, "Are you satisfied with that?" And he said, "No."
And I said, "Well, neither am I." And I wanted them to turn
up something and send him to jail before the election and
unfortunately it didn't materialize.

Mr. Armstrong. On the occasion when Commissioner Walters
was done with the audit and there were no improprieties, do
you recall discussing with Commissioner Walters that either
they had been stalling the audit --

Mr. Ehrlichman. Sure.

Mr. Armstrong. You had a discussion with him too?

Mr. Ehrlichman. You are darn right. It was my first
crack at him. George wouldn't let me at him. George wanted
to stand between him and his Commissioner and this was the
first time it -- I had a chance to tell the Commissioner what
a crappy job he had done.

Mr. Armstrong. And did you suggest that they reopen the
CONFIDENTIAL

SENATE RESOLUTION 60

GENERAL INVESTIGATION

Friday, February 8, 1974

United States Senate,

Select Committee on

Presidential Campaign Activities,

Washington, D.C.

The Select Committee met, pursuant to notice, at 11:45
a.m., in Room 416, Dirksen Senate Office Building.

Present: Samuel Dash, Chief Counsel; David Dorson, Assistant
Chief Counsel; James Hamilton, Assistant Chief Counsel;
Marc E. Lachnitt, Assistant Counsel; Allan Weitz, Assistant
Counsel; Donald Sanders, Deputy Minority Counsel; Robert Silver-
stein, Assistant Minority Counsel; Scott Armstrong, Investigator;
Benjamin Plotkin, Minority Investigator; Gordon Freedman, Re-
search Assistant; Emily Shaketoff, Research Assistant
Mr. Lackritz. But he never pinned it down?

Mr. Ehrlichman. I have no knowledge.

Mr. Lackritz. Do you have any knowledge if any of these instances were connected with any of the organized crime families? What do you use for colloquial terms?

Mr. Ehrlichman. I don't think so, not that I was aware of.

Mr. Lackritz. Did the name 'San Giacomo' come into it at all, do you recall?

Mr. Ehrlichman. No. It was a name that I never heard before.

Mr. Lackritz. And any other context of O'Brien with organized crime contacts come up on any other occasions with Colson?

Mr. Ehrlichman. No, not that I recall.

Mr. Lackritz. How about by any other?

Mr. Ehrlichman. No. As I say, that would have been the only reference of O'Brien contacts like that.

Mr. Armstrong. Two short.

At about the time that Secretary Shultz became the Secretary of the Treasury, do you recall a conversation with the Secretary regarding ongoing tax investigation against Hughes Tool Company which involved Mr. O'Brien?

Mr. Ehrlichman. Yes.

Mr. Armstrong. Can you recall what information you had
available to you and from what source about the nature of that investigation?

Mr. Ehrlichman. I had a sensor case report from the IRS about that.

Mr. Armstrong. Now at the conclusion of that investigation did you have a conversation of that investigation did you have a conversation with Secretary Shultz, Commissioner Walters and Mr. Barth; a conference call from the Secretary's office --

Mr. Ehrlichman. Not a conference called. I talked to them all on the phone and the Commissioner was there in his office at the time.

Mr. Armstrong. Can you recall for us the nature of that conversation?

Mr. Ehrlichman. Yes. He was reporting to me that the audit had been completed and that it had disclosed no improprieties or delinquencies and as far as they were concerned the matter was closed.

Mr. Armstrong. And what was your response to that?

Mr. Ehrlichman. Okay. You know, there it is. My concern was throughout that the IRS down in the woodwork was delaying the audit until after the election and that seemed to be the case; that there was a stall on because when the sensitive case report came in, I said, ah, when are you going to audit him? Well, they had 75 well selected reasons why they should not audit him and they weren't having any of the same reasons
with regard to Republicans at that time and I thought there
was a little unresponsiveness and I am talking to the Secretary
now. "George, your guys are being lopsided. Here is a probable
cause for auditing O'Brien and it's apparently not going
forward and we can read in the paper everyday about audits of
Republicans. How come?" And he said, "Well, I will check
in to it and he checked into it and he came back and he said,
he had a whole list of why he shouldn't be audited right now.
His son is sick, he's out of town. They can't find the books.
And I said, "Are you satisfied with that?" And he said, "No."
And I said, "Well, neither am I." And I wanted them to turn
up something and send him to jail before the election and
unfortunately it didn't materialize.

'Mr. Armstrong. On the occasion when Commissioner Walters
was done with the audit and there were no improprieties, do
you recall discussing with Commissioner Walters that either
they had been stalling the audit --

'Mr. Ehrlichman. Sure.

'Mr. Armstrong. You had a discussion with him too?

'Mr. Ehrlichman. You are darn right. It was my first

Mr. Armstrong. And did you suggest that they reopen the
21. On or about August 29, 1972 Shultz, Walters and Assistant to the IRS Commissioner Roger Barth telephoned Ehrlichman to report on the IRS investigation of Lawrence O'Brien. Shultz informed Ehrlichman that the IRS had closed the investigation. Ehrlichman complained to Walters that the IRS had been stalling the audit and he told Walters what a bad job he had done.


CONFIDENTIAL

SENATE RESOLUTION 60
GENERAL INVESTIGATION

Friday, February 8, 1974

United States Senate,
Select Committee on
Presidential Campaign Activities,
Washington, D.C.

The Select Committee met, pursuant to notice, at 11:45 a.m., in Room 1418, Dirksen Senate Office Building.

Present: Samuel Dash, Counsel; David Dorsen, Assistant Chief Counsel; James Hamilton, Assistant Chief Counsel; Marc E. Lackritz, Assistant Counsel; Allan Weitz, Assistant Counsel; Donald Sanders, Deputy Minority Counsel; Robert Silverstein, Assistant Minority Counsel; Scott Armstrong, Investigator; Benjamin Plotkin, Minority Investigator; Gordon Freedman, Research Assistant; Emily Shaketoff, Research Assistant.

Retyped from indistinct original.
available to you and from what source about the nature of that investigation?

Mr. Ehrlichman. I had a sensor case report from the IRS about that.

Mr. Armstrong. Now at the conclusion of that investigation did you have a conversation of that investigation did you have a conversation with Secretary Shultz, Commissioner Walters and Mr. Barth; a conference call from the Secretary's office --

Mr. Ehrlichman. Not a conference called. I talked to them all on the phone and the Commissioner was there in his office at the time.

Mr. Armstrong. Can you recall for us the nature of that conversation?

Mr. Ehrlichman. Yes. He was reporting to me that the audit had been completed and that it had disclosed no improprieties or delinquencies and as far as they were concerned the matter was closed.

Mr. Armstrong. And what was your response to that?

Mr. Ehrlichman. Okay. You know, there it is. My concern was throughout that the IRS down in the woodwork was delaying the audit until after the election and that seemed to be the case, that there was a stall on because when the sensitive case report came in, I said, aha, when are you going to audit him? Well, they had 75 well selected reasons why they should not audit him and they weren't having any of the same reasons
with regard to Republicans at that time and I thought there was a little unevenhandedness and I am talking to the Secretary now, "George, your guys are being lopsided. Here is a probable cause for auditing O'Brien and it's apparently not going forward and we can read in the paper everyday about audits of Republicans. Now how come?" And he said, "Well, I will check in to it" and he checked into it and he came back and he said,--he had a whole list of why he shouldn't be audited right now. His son is sick, he's out of town. They can't find the books. And I said, "Are you satisfied with that?" And he said, "No." And I said, "Well, neither am I." And I wanted them to turn up something and send him to jail before the election and unfortunately it didn't materialize.

Mr. Armstrong. On the occasion when Commissioner Walters was done with the audit and there were no improprieties, do you recall discussing with Commissioner Walters that either they had been stalling the audit --

Mr. Ehrlichman. Sure.

Mr. Armstrong. You had a discussion with him too?

Mr. Ehrlichman. You are darn right. It was my first crack at him. George wouldn't let me at him. George wanted to stand between him and his Commissioner and this was the first time it -- I had a chance to tell the Commissioner what a crappy job he had done.

Mr. Armstrong. And did you suggest that they reopen the
audit at that time?

Mr. Ehrlichman. No. They told me it was closed, so there wasn't any.

Mr. Armstrong. So you accept it as a fate of happening?

Mr. Ehrlichman. Sure.

Mr. Armstrong. Other than the O'Brien was there any other information you had about the Hughes IRS investigation going on in Nevada at that time?

Mr. Ehrlichman. Well, it was a very long report and involved a lot of other people.

Mr. Armstrong. Did it make any mention of Mr. Rebozo?

Mr. Ehrlichman. Yes.

Mr. Armstrong. And do you recall if you discussed that information with Mr. Rebozo at anytime prior to the time when Barth indicated they wanted to?

Mr. Ehrlichman. No. You see, when it came over, it came over with a note from Barth saying that I need to talk to you about this and so I immediately called him and he said at that time I need to have a green light on interviews of Rebozo and Don Nixon. And so I said, you know, okay, I think it is from my standpoint it is indicated I will give you the green light if you are notified with that.

Mr. Armstrong. And that was -- go ahead, I'm sorry.

Mr. Ehrlichman. And he said, well, this is a little touchy. I am a little concerned about how we make these
21.1 John Ehrlichman testimony

CONFIDENTIAL

SENATE RESOLUTION 60

GENERAL INVESTIGATION

Friday, February 8, 1974

The Select Committee met, pursuant to notice, at 11:45
a.m., in Room 1418, Dirksen Senate Office Building.

Present: Samuel Dash, Chief Counsel; David Dorson, Assis-
tant Chief Counsel; James Hamilton, Assistant Chief Counsel;
Marc E. Lackritz, Assistant Counsel; Allan Weitz, Assistant
Counsel; Donald Sanders, Deputy Minority Counsel; Robert Silver-
stein, Assistant Minority Counsel; Scott Armstrong, Investigator;
Benjamin Plotkin, Minority Investigator; Gordon Freedman, Re-
search Assistant; Emily Sheketoff, Research Assistant

United States Senate,
Select Committee on
Presidential Campaign Activities,
Washington, D.C.
available to you and from what source about the nature of that investigation?

Mr. Ehrlichman. I had a sensor case report from the IRS about that.

Mr. Armstrong. Now at the conclusion of that investigation did you have a conversation of that investigation did you have a conversation with Secretary Shultz, Commissioner Walters and Mr. Barth; a conference call from the Secretary's office —

Mr. Ehrlichman. Not a conference called. I talked to them all on the phone and the Commissioner was there in his office at the time.

Mr. Armstrong. Can you recall for us the nature of that conversation?

Mr. Ehrlichman. Yes. He was reporting to me that the audit had been completed and that it had disclosed no improprieties or delinquencies and as far as they were concerned the matter was closed.

Mr. Armstrong. And what was your response to that?

Mr. Ehrlichman. Okay. You know, there it is. My concern was throughout that the IRS down in the woodwork was delaying the audit until after the election and that seemed to be the case; that there was a stall on because when the sensitive case report came in, I said, ah, when are you going to audit him? Well, they had 75 well selected reasons why they should not audit him and they weren't having any of the same reasons
with regard to Republicans at that time and I thought there
was a little unverifiableness and I am talking to the Secretary
now, "George, your guys are being lopsided. Here is a probable
cause for auditing O'Brien and it's apparently not going
forward and we can read in the paper everyday about audits of
Republicans. How can that?" And he said, "Well, I will check
in to attend his check and he came back and he said,
had a whole list of why he shouldn't be audited right now.
His son is sick, he's out of town. They can't find the books.
And I said, "Are you satisfied with that?" And he said, "No."
And I said, "Well, neither am I." And I wanted them to turn
up something and send him to jail before the election and
unfortunately it didn't materialize.

Mr. Armstrong. On the occasion when Commissioner Walters
was done with the audit and there were no improprieties, do
you recall discussing with Commissioner Walters that either
they had been stalling the audit —

Mr. Ehrlichman. Sure.

Mr. Armstrong. You had a discussion with him too?

Mr. Ehrlichman. You are damn right. It was my first
crack at him. George wouldn't let me at him. George wanted
to stand between him and his Commissioner and this was the
first time it — I had a chance to talk the Commissioner what
a crappy job he had done.

Mr. Armstrong. And did you suggest that they respect the
audit at that time?

Mr. Ehrlichman. No. They told me it was close to there
couldn't be any.

Mr. Armstrong. So you accept it as a fate of happening?

Mr. Ehrlichman. Sure.

Mr. Armstrong. Other than the O'Brien was there any other
information you had about the Hughes IRS investigation going on in
Nevada at that time?

Mr. Ehrlichman. Well, it was a very long report and in-
volved a lot of other people.

Mr. Armstrong. Did it make any mention of Mr. Rebozo?

Mr. Ehrlichman. Yes.

Mr. Armstrong. And do you recall if you discussed that
information with Mr. Rebozo at anytime prior to the time when
Earth indicated they wanted to?

Mr. Ehrlichman. No. You see, when it came over, it came
over with a note from Earth saying that I need to talk to you
about this and so I immediately called him and he said at that
time I need to have a green light on interviews of Rebozo and
Don Nixon. And so I said, you know, okay, I think it is from
my standpoint it is indicated I will give you the green light
if you are satisfied with that.

Mr. Armstrong. And that was -- go ahead, I'm sorry.

Mr. Ehrlichman. And he said, well, this is a little
touchy. I am a little concerned about how we make these
JOHNNIE M. WALTERS, being duly sworn, deposes and says:

1. This statement is made upon my best recollection of the facts as they occurred, without my having had the benefit of reference to files and other materials in the possession of the Internal Revenue Service (IRS) which might permit a more precise statement.

2. I served as Commissioner of Internal Revenue from August 6, 1971 through April 30, 1973.

3. Beginning late in 1971 or early in 1972 the IRS began an intensive investigation of the Howard Hughes organizations and operations. During the course of that investigation, IRS learned that some fairly substantial amounts of money had been paid by the Hughes organization to Lawrence O'Brien and his associates. Sensitive case reports with respect to the Hughes investigation reflected the O'Brien payments. (Sensitive case reports are sent to
the Commissioner from the field each month to keep him and the Secretary of the Treasury advised of IRS investigations or proceedings relating to prominent persons or sensitive matters.) A Special Assistant to the Commissioner (during my tenure as Commissioner, Roger Barth) regularly delivered to the Secretary of the Treasury the monthly sensitive case reports.

4. During the summer of 1972, Secretary Shultz informed me that someone in the White House (subsequently identified as John Ehrlichman) had information that Mr. O'Brien had received large amounts of income which might not have been reported properly. The Secretary asked whether IRS could check on the matter, and I advised that IRS could.

5. I thereupon requested Assistant Commissioner Hanlon (Compliance) to determine whether Mr. O'Brien had filed returns which reflected substantial amounts of income. After a few days, he reported orally that Mr. O'Brien had filed returns which reported large amounts of income during the preceding years, that IRS had examined the returns for 1970 and 1971, that Mr. O'Brien had paid a small deficiency for one year, and that the examinations were closed. I reported this to Secretary Shultz.
6. Thereafter, from Secretary Shultz I learned that Mr. Ehrlichman was not satisfied with the report on the status of Mr. O'Brien's returns. I informed Secretary Shultz that Mr. O'Brien would be interviewed in connection with the Hughes investigation. I do not recall specifically whether scheduling of the interview of Mr. O'Brien originated in the Field investigation independently of Secretary Shultz's inquiries or as a result of Secretary Shultz's inquiries, but, in any case, IRS needed the interview and would have scheduled it. During 1972, however, it was IRS policy to postpone investigations involving sensitive cases, to the extent possible without loss of position or revenue, until after the election. In line with that policy, IRS probably would not have interviewed Mr. O'Brien prior to the election; however, because of the indicated inquiries, IRS did interview Mr. O'Brien during the summer of 1972.

7. To the best of my recollection, the IRS field personnel had some difficulty in scheduling an interview with Mr. O'Brien and at one point they agreed to interview his son instead (who had informed the IRS agents that he had information about his father's financial matters). Before that interview took place, however, I was informed
by Secretary Shultz that Mr. Ehrlichman thought IRS should interview Mr. O'Brien, not his son. I agreed with that and directed that IRS interview Mr. O'Brien rather than his son. I do not know how Mr. Ehrlichman learned of some of the details of which he had knowledge.

8. IRS interviewed Mr. O'Brien on or about August 17, 1972. Mr. O'Brien was cooperative although the interview was limited timewise, and Mr. O'Brien suggested that any further interview be postponed until after the election. My recollection is that IRS furnished a copy of the Conference Report to Secretary Shultz. A short time thereafter, Secretary Shultz informed me that Mr. Ehrlichman was not satisfied and that he needed further information about the matter. I advised the Secretary that IRS had checked the filing of returns and the examination status of those returns (closed) and that there was nothing else IRS could do.

9. On or about August 29, 1972, at the request of Secretary Shultz, I went to his office with Roger Barth so that we could conclude review of the O'Brien matter and dispose of it. Secretary Shultz, Mr. Barth and I discussed the matter and agreed that IRS could do no more. We then jointly telephoned Mr. Ehrlichman. Secretary Shultz
informed Mr. Ehrlichman of that; I stated that IRS had verified that Mr. O'Brien had filed returns, that those returns reflected large amounts of income, that IRS already had examined and closed the returns, and that we (Shultz, Walters and Barth) all agreed that there was nothing further for IRS to do. Mr. Ehrlichman indicated disappointment, and said to me "I'm goddamn tired of your foot dragging tactics." I was offended and very upset but decided to make no response to that statement. Following the telephone conversation, I told Secretary Shultz that he could have my job any time he wanted it.

10. The meeting with the Secretary and telephone conversation with Mr. Ehrlichman stand out in my recollections as the final incidents in the O'Brien matter, however, in concluding the matter, I may have furnished some data with respect to Mr. O'Brien's returns to Secretary Shultz shortly after (5 or 6 days) that encounter (some questions posed seem to indicate this).

Sworn to before me this 10th day of June, 1974.

[Signature]

Johnnie M. Walters

Notary Public

My Commission expires

May 14, 1979
22. Walters stated that on September 11, 1972 he went to Dean's office. Dean gave Walters a list of McGovern staff members and campaign contributors and requested that the IRS begin investigations or examinations of the people named on the list. The names on the list of McGovern staff members were the same as the names on the list of McGovern staff members identified in paragraph 9. Walters' notes of the meeting state that J. E. [John Ehrlichman] asked to make up the list to see what information could be developed and that Dean had not been asked by the President to have this done. Walters has stated that he advised Dean that compliance with the request would be disastrous for the IRS and for the Administration and that he would discuss the matter with Secretary Shultz and would recommend to Shultz that the IRS do nothing with respect to the request.


22.2 Johnnie Walters handwritten notes, September 11, 1972, September 25, 1972 (received from Joint Committee on Internal Revenue Taxation).

22.3 List of McGovern staff members and campaign contributors (received from Joint Committee on Internal Revenue Taxation).
AFFIDAVIT

DISTRICT OF COLUMBIA) ss:

JOHNNIE M. WALTERS, being first duly sworn, deposes and says:

1. I served as Commissioner of Internal Revenue from August 6, 1971, through April 30, 1973.

2. On September 11, 1972, I met with John W. Dean, III, pursuant to his request, in his office at the Old Executive Office Building. At that meeting he gave me a list of names, and requested that IRS undertake examinations or investigations of the people named on the list. The list appeared to contain names of persons on the 1972 Presidential campaign staff of Senator George McGovern and of contributors to that campaign.

3. Mr. Dean stated that he had been directed to give the list to me. It was my impression at the time of the September 11, 1972 meeting that John D. Ehrlichman was the one who had given Mr. Dean his directions, but I do not recollect on what my impression was based.
Mr. Dean stated that he had not been asked by the President to have this done and that he did not know whether the President had asked that any of this activity be undertaken. Mr. Dean expressed the hope that the IRS could do this in such a manner that would "not cause ripples." He indicated that he was not yet under pressure with respect to this matter.

4. I advised Mr. Dean that compliance with the request would be disastrous for the IRS and for the Administration and would make the Watergate affair look like a "Sunday school picnic." I asked whether he had discussed the matter with Secretary Shultz, and he said no. I advised him that I would discuss the matter with Secretary Shultz, and that I would recommend to Secretary Shultz that we do nothing on the request.

5. On September 13, 1972, at the earliest opportunity, I discussed the matter with Secretary Shultz, showed him the list, and advised him that I believed that we should not comply with Mr. Dean's request. Mr. Shultz looked briefly at the list, and said do nothing with respect to it. I placed the list in a sealed envelope and placed it in my office safe. I believe I may have
informed Mr. Dean of the decision, but do not specifically recall doing so.

6. On or about September 25, 1972, I received a telephone call from Mr. Dean. He inquired as to what progress I had made with respect to the list. I told him that no progress had been made. He asked if it might be possible to develop information on fifty-sixty-seventy of the names. I again told him that, although I would reconsider the matter with Secretary Shultz, any activity of this type would be inviting disaster.

7. Thereafter, on or about September 29, 1972 and again at the earliest opportunity, I discussed the matter again with Secretary Shultz. We again agreed that nothing would be done with respect to the list. I have no recollection of any further discussions about the matter during my tenure as IRS Commissioner, except the possibility of mentioning (without showing) it to the present Commissioner, Donald C. Alexander, as he was in the process of being named Commissioner.

8. At no time did I furnish any name or names from the list to anyone, nor did I request any IRS employee or official to take any action with respect to the list.
9. I removed the list from the safe when I left IRS and thereafter personally kept it in the sealed envelope and locked in my present office.

10. On July 11, 1973, upon written request, I submitted the list, along with my handwritten notes of the September 11, 1972 meeting, to the Joint Committee on Internal Revenue Taxation in connection with that Committee's investigation of allegations that the IRS took enforcement actions for political purposes.

Dated: 5/6/74

5/6/74

Subscribed and sworn to before me this 6 day of May, 1974.

Evelyn M. Purdy
Notary Public
My Commission expires

My Commission Expires Feb. 14, 1973
June 10, 1974

Received from the Joint Committee on Internal Revenue Taxation:


Gary Sutton
Committee on Judiciary
House of Representatives
To JMW

1. Received from John Dean at conference Suite 106; EOB, today.

2. JE asked to make up list (staff & large contributors) & to see what info can be developed.

3. J. Dean has not been asked by P to have IRS work

Retyped from indistinct original
and he does not know
whether P has asked directly
that any of this be done.

4 J Dean wonders if there
are items IRS may have
or can pick up easily that
will not cause ripples.

5 J Dean is not yet
under pressure.

6 JMW advised Dean JMW
would discuss with the
Secretary.

7 9-13: Discussed Secy Shultz.
He directed: "Do nothing."
Johnnie M. Walters notes, September 25, 1972
Retyped from indistinct original

Commissioner of Internal Revenue

To

John Dean telcalled to ask what progress on list.

JMW told him JMW had discussed with Secy Shultz & that so far no progress has been made in actually checking the list.

JMW advised Dean again that any checking such as suggested would be inviting disaster. He agreed however to consider the matter again with Secy Shultz & recall Dean

Retyped from indistinct original
Commissioner of Internal Revenue

Johnnie M. Walters

Date 9-11-72

To JMW

1. Received from John Dean at 2 1/2 a.m., June 10th, E.O. today.
2. JE asked to make up light (Staff + edge contribution) + to see what info can be developed.
3. J. Dean has not been asked by P to come 125 worth.
And he does not know whether it is valid and direct that any of this to devil.

4. I send notice that there are items 125 may have been picked up early that will not cause ripple.

5. Dean is not yet under pressure.

6. IMW advised Dean in MW to discuss with the Secretary.

7. 9-13: "Discard Sea Jet."

He directed: "Do nothing."
To

Dear [Recipient],

I called to ask what progress on the 1976 flood relief program has been made. I have discussed with [Name] and that we are making progress. I have been made in actually checking.

Please check the record.

I asked the question that any checking need be stopped. I would like to include the flood disaster in the matter again. We will try to help.

Sincerely,
[Signature]
<table>
<thead>
<tr>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abzug, Rep. Bella</td>
</tr>
<tr>
<td>Armstrong, Robert</td>
</tr>
<tr>
<td>Brown, Willie L.</td>
</tr>
<tr>
<td>Caddell, Patrick</td>
</tr>
<tr>
<td>Caplin, Mortimer</td>
</tr>
<tr>
<td>Chayes, Dr. Abram</td>
</tr>
<tr>
<td>Clifford, Clark</td>
</tr>
<tr>
<td>Cohen, Dick</td>
</tr>
<tr>
<td>Cunningham, George</td>
</tr>
<tr>
<td>Daniels, Harley</td>
</tr>
<tr>
<td>Davis, Lon</td>
</tr>
<tr>
<td>DeWind, Adrian</td>
</tr>
<tr>
<td>Dougherty, Richard</td>
</tr>
<tr>
<td>Duffey, Rev. Joe</td>
</tr>
<tr>
<td>Dutton, Frederick G.</td>
</tr>
<tr>
<td>Farenthold, Frances (Sissy)</td>
</tr>
</tbody>
</table>
Gavin, Lt. Gen. James M. (Retired)

Guggenheim, Charles

Halsted, Tom

Hart, Gary

Heller, Walter O

Himmelman, Harold

Holum, John D.

James, William S.

Jones, Kirby

Kimelman, Henry

Kuh, Edwin

LaRocque, Rear Adm. Gene (Retired)

Levett, Michael

Lobell, Martin

MacLaine, Shirley
Mankiewicz, Frank
Martindell, Anne

McPherson, Mike

Meyers, Henry
O'Brien, Lawrence
Okun, Arthur M.

Patterson, Basil
Pechman, Joseph A.

Pokorny, Gene

Proxmire, Senator William

Rapp, Stan

Rubin, Miles

Salinger, Pierre
Schultze, Charles L.

Scoville, Herbert Jr.
Smith, Floyd

Stearnes, Rick

Surrey, Stanley S.

Sylvester, Edward S., Jr.

Tobin, James

Van Dyck, Ted

Warnke, Paul C.

Weil, Gordon

Westwood, Jean

Wexler, Anne

White, Cissy

Willens, Harold

York, Herbert F.
M/M Richard Abrons  
10 Rigene Road  
Harrison, N. Y. 10528

Joseph Antonow  
111 East Wacker Drive  
Chicago, Ill.

Thomas Boylston Adams  
Concord Road  
Lincoln, Mass. 01773  

Paul S. Armington  
3031 Macomb St.  
Washington, D. C. 20008

Isadore Adelman  
1035 Summit Drive  
Beverly Hills, Calif.

Mrs. Elaine Attias  
605 N. Bedford Drive  
Beverly Hills, Calif.

Julius Ochs Adler  
50 E. 77th St.  
New York, N. Y. 10021  

Milton S. Axelrad  
687 Driftwood Lane  
Northbrook, Ill.

Dr. Sheldon Adler  
474 Duquesne Dr.  
Pittsburgh, Pa. 15243  

M/M John Axtell  
10 Lincoln Road  
Scarsdale, N. Y.

Archibald Alexander  
744 Broad St.  
Newark, N. J. 07102  

Mildred E. Barad  
(No Address)

Henry Alker  
512 Wyckoff Rd.  
Ithaca, N.Y.

Irving Barr  
11-5th Ave.  
New York, N. Y. 10003

Bruce Allen  
5411 S. Harper Ave.  
Chicago, Ill. 60615  

Jim Barrett  
7621 N. W. 34th  
Oklahoma City, Okla. 73008

Herb Alpert  
1416 North LaBrea Ave.  
Hollywood, Calif.

Robert Batinovich  
100 Flying Cloud Island  
Foster City, Calif. 94406

Judith H. Alpert  
Box 452  
Princeton, N. J.

Doris Z. Bato  
Cognewaugh Road  
Cos Cob, Conn. 06807

Frank Altschul,  
730 Fifth Ave.  
New York, N. Y. 10019  

Dr. /Mrs. Bernard Batt  
31 Livingston Road  
Sharon, Mass.

William R. Anixter  
279 Moraine Road  
Highland Park, Ill.

Dr. /Mrs. Theodore B. Bayles  
94 Summer St.  
Weston, Mass. 02193
Mrs. J. (Helen) Beardsley
7336 Monte Vista
La Jolla, Calif. 92037

John M. Behr
10820 Vicenza Way
Los Angeles, Calif.

Charles Benton
585 Ingleside Place
Evanston, Ill.

Marjorie Benton
585 Ingleside Place
Evanston, Ill. 60201

Polly Bergen
Los Angeles, Calif.

Jerome Berger
35 Ridgemoor Drive
Clayton, Mo. 63105

Louise Berman
6 West 77th St.
New York, N. Y.

Nahum A. Bernstein
295 Madison Ave.
New York, N.Y. 10017

Peter L. Bernstein
767 Fifth Ave.
New York, N.Y. 10022

Harold Berry
19330 Stratford
Detroit, Mich.

Harold & Vivian Berry
16300 N. Park Dr.
Apt. 1517
Southfield, Mich. 48075

Mrs. Carly Billings
P.O. Box 1014
Sag Harbor, N. Y. 11963

Eugene C. Blake
256 Country Club Road
New Canaan, Conn.

Louis C. Blau
9777 Wilshire Blvd.
Beverly Hills, Calif. 90212

Leonard Block
257 Cornelison Ave.
Jersey City, N. J. 07302

Elizabeth Blossom
56 Linnaean St.
Cambridge, Mass.

Mrs. Frances Boehm
1 Willow Lane
Hewlett Harbor, N. Y. 11557

M/M Robert Boehm
1 Willow Lane
Hewlett Harbor, N. Y. 11557

Edward G. Boettiger
Dunham Pond Road
Storrs, Conn. 06268

Alva T. Bonda
11 Bratenahl Place
Suite 14E
Bratenahl, Ohio
and
1700 Investment Plaza
Cleveland, Ohio 44114

Joel Bonda
Investment Plaza
Cleveland, Ohio 44114

Lou Bonda
Investment Plaza
Cleveland, Ohio 44114

Richard Borow
1800 Ave. of the Stars
Los Angeles, Calif. 90067

7/11/73
M/M Constantine & Elizabeth Boukas
P.O. Box 116
Dunnigan, Calif. 97102

Michael Brande
1360 N. Sandburg
Chicago, Ill.

M/M Irwin H. Braun
546 N. Cliffwood Ave.
Los Angeles, Calif.

Gerald Breslauer
3306 Barbydell Drive
Los Angeles, Calif.

John Briscoe
Silent Meadow Farm
Lakeville, Conn. 06039

Robert L. Brock
1153 Stratford Road
Topeka, Kan.

Earl Brockelsby
Box 2063
Rapid City, S. Dakota

George Brockway
63 Brevoort Rd.
Chappaqua, N.Y.

Edward R. Broida
2222 Corinth Ave.
Los Angeles, Calif. 90064

John Brown
5811 Orton Road
Louisville, Ky.

M/M Lester R. Brown
8716 Preston Place
Chevy Chase, Md. 20015

Robert W. Brown
371 Noco Lane
Menlo Park, Calif.

M/M Roger Brown
3249 O Street, N.W.
Washington, D.C. 20007

M/M Thomas Buckner
445 Boynton
Berkeley, Calif. 94707

Stimson Bullitt
1125 Harvard E.
Seattle, Washington 98102

Carter Burden
305 E. 79th St.
New York, N.Y.

Walter Burke
Winding Lane
Greenwich, Conn.

Michael Butler
Los Angeles, California

Michael Butler
Oak Brook, Ill.

Alexander and Luisa Calder
Roxbury, Conn. 06783

William D. Carleboch
1112 Hardscrabble Rd.
Chappaqua, N.Y. 10514

M/M Robert Carlson
495 Prospect Blvd.
Pasadena, Calif.

William H. Carter
2222 Ave. of the Stars
Los Angeles, Calif. 90067

Jerome Cassidy
3515 Wilshire Blvd.
Los Angeles, Calif.

Raymond Cerf
1000 Sunset Drive
Lawrence, Kan.

Mrs. David (Joan R.) Challinor
3117 Hawthorne St., N.W.
Washington, D.C. 20008
Tertius Chandler
2720 Elmwood Ave.
Berkeley, Calif.

R.B. Chaote
3508 Macomb St., N.W.
Washington, D.C. 20016

Ann Chapman
1026 Maxine
Flint, Mich.

Edwin Child
73 W. Cedar St.
Boston, Mass. 02114

John C. Childs
1020 Cromwell Bridge Rd.
Baltimore, Md. 21204

Ellis Chingos
7707 North Federal Highway
Boca Raton, Fla. 33432

Jane Ann Choate
Hudson House
Ardsley-on-Hudson, N.Y.

Willard Chotiner
10501 Wyton Dr.
Los Angeles, Calif.

Blair Clark
229 E. 48th St.
N.Y., N.Y.

Mrs. Alice Erdman Cleveland
Bonnytop
Tamworth, N.H. 03886

Michael Coburn
26 Witherspoon Lane
Princeton, N.J. 08540

Isadore M. Cohen
1290 Ave. of the Americas
New York, N.Y.

Lionel Cohen
P.O. Box 884
Gary, Indiana 46401

M/M Ronald B. Cohen
3509 Severn Road
Cleveland Heights, Ohio 44118

Saul and Amy Cohen
203 Hommocks Rd.
Larchmont, N.Y.

A. Cohn
1440 North Lake Shore Drive
Chicago, Ill.

Catherine W. Coleman
101 West Monument St.
Baltimore, Md. 21201

Louis L. Colen
2727 Krim Drive
Los Angeles, Calif.

Ms. Lucinda C. Collins
19 W. 12th St.
New York, N.Y. 10011

M/M Randolph P. Compton
53 Brookby Rd.
Scarsdale, N.Y. 10583

Edward T. Cone
18 College Road West
Princeton, N.J. 08540
P. F. Conrad
29328 North Bay Road
Palos Verdes, Calif.

M/M Andrew D. Cook
48 Academy Rd., Apt. 6
Westmount, P.Q., Canada

Tim Cooney
201 East 21 St.
New York, N. Y.

Edward T. Corre
18 College Road West
Princeton, N. J.

Phyllis Cox
88 Garden St.
Cambridge, Mass.

William H. Crocker
3333 P Street, N.W.
Washington, D. C.

P. McEvoy Cromwell
710 Circle Road
Ruxton, Md.

Ruth Cromwell
710 Circle Road
Ruxton, Md.

Priscilla Cunningham
160 East 72nd St.
New York, N. Y. 10021

Dorothy V. Dalton
1130 Short Rd.
Kalamazoo, Mich.

Eugene S. Daniell, Jr.
Franklin National Bank Bldg.
Franklin, N. H.

Joan K. Davidson
(No Address)

Alan S. Davis
37 West 12th St.
New York, N. Y.

Ed G. Davis
319 Harden Burg
Demarest, N. J. 07627

Irving Davis
1300 Midvale
Los Angeles, Calif. 90024

Stewart W. Davis
Innstrasse 16
8 Munich 80, Germany

Mark B. Dayton
900 Old Long Lake Rd.
Wayzata, Minn.

Lucy P. DeAngulo
2845 Buena Vista Way
Berkeley, Calif. 94708

Morris Dees
Rolling Hills Ranch
Matthews, Ala. 36052
or
P. O. Box 2087
Montgomery, Alabama

Mrs. June Oppen Degnan
Ames Ave. & Shady Lane
P. O. Box 1036
Ross, Calif. 94957

Lawrence Deutsch
1800 W. Magnolia Blvd.
Burbank, Calif.

Adrian W. DeWind
345 Park Ave.
New York, N. Y. 10021

Carl Djerassi
127 Cresta Vista
Portola Valley, Calif.

7/11/73
Henri G. Doll
18 East 78th St.
New York, N. Y.

Inez W. Dries
61 Superior Drive
Campbell, Calif.

Martha Ward Dudley
2942 Macomb St., N.W.
Washington, D. C. 20008

Angier Biddle Duke
47 Chester Square
London, SW 1, United Kingdom

Abe Dunn
3100 West Alabama
Suite 203
Houston, Tex. 77520

Cornelius Dutcher
7712 Moonridge Place
La Jolla, Calif. 92037

Cornelius & Barbara Dutcher
7617 Convoy
San Diego, Calif.

M/M Oscar Dystel
666 Fifth Ave.
New York, N. Y. 10019

Norman Eisner
16 Shady Brook Rd.
Great Neck, N. Y.

Richard A. Eisner
280 Park Ave.
New York, N. Y. 10016

Donald F. Eldridge
167 Isabella Ave.
Atherton, Calif. 94025

Lawrence Ellman
1 W. 72nd St.
New York, N. Y.

Helen W. Ellsworth
Salisbury, Conn. 06068

Victor Elmaleh
860 United Nations Plaza
New York, N. Y. 10017

James S. Ely
170 Gregory Hill Rd.
Rochester, N. Y.

Richard Emerson
Wells Hill
Lakeville, Conn. 06039

George G. Emert
9512 Singleton Drive
Bethesda, Md. 20034

Beatrice Blair Epstein
292 Ambassador Dr.
Rochester, N. Y. 14610

Michael C. Erlanger
Redding, Conn. 06875

Dominick Etcheverry
41 E. 10th St.
New York, N. Y. 10011

Ralph Ettlinger, Jr.
1370 Lincoln Ave., So.
Highland Park, Ill. 60035

S. Sanford Ezralow
9556 Sherwood Forest
Beverly Hills, Calif. 90210

Max Factor
336 S. Hudson
Los Angeles, Calif.
M/M Gary & E. Familian
1011 Cove Way
Beverly Hills, Calif.
or
9134 Sunset Blvd.
Los Angeles, Calif.

Mary Dupont Faulkner
c/o State Street & Trust
Boston, Mass.
and
255 Goddard Ave.
Brookline, Mass.

S. Ferry
1572 Massachusetts Ave.
Cambridge, Mass. 02138

Stanley Feuer
23140 Mariposa De Oro
Malibu, Calif.

Martin D. Fife
180 Madison Avenue
New York, N. Y.

John Fisher
123 Part St.
Buffalo, N. Y.

Mark H. Fleischman
36 East 38th St.
New York, N. Y. 10016

Moe Foner
Drug Hospital Union

M/M J. Malcomb Forbes
133 Coolidge Hill
Cambridge, Mass.

Orville Forte, Jr.
40 Nobscott Rd.
Weston, Mass.

M/M Stanley A. Frankel
161 E. 42nd St.
New York, N. Y.

John French
100 Wall Street
New York, N. Y. 10005

Michel Fribourg
Two Broadway
New York, N. Y.

Jules L. Furth
2450 Lakeview Ave.
Chicago, Ill.

Mrs. Helen Fuson
325 College Ave.
Richmond, Indiana 47374

Andrew Gagarin
Gallos Lane
Litchfield, Conn. 06758

John B. Gage
683 Santa Barbara Rd.
Berkeley, Calif.

Margaret Gage
11769 Sunset Blvd.
Los Angeles, Calif.

Mrs. Elizabeth Galande
Dickson Mill
Greene Village, N. J.

John Kenneth Galbraith
Harvard University
207 Littaner
Cambridge, Mass.

Florence Gardner
Chicken Valley Rd.
Locust Valley, N. Y.

Samuel Gary
1776 Lincoln St.
Denver, Colo.

Jerome Ginzberg
25 Hutchinson Pkwy
Lynbrook, N. Y.
J. W. Gitt (Gritt(?))
Hanover, Pa.

M/M: J. W. Gitt
Pinehurst, North Carolina 28374

Ralph Gleason
10th and Parker
Berkeley, Calif.

M/M Martin L. Gleich
2210 - 4th Ave.
San Diego, Calif. 92101

Alan Glen
5454 Wisconsin Ave., N.W.
Chevy Chase, Md. 20015

Seth M. Glickenhaus
30 Broad St.
New York, N. Y. 10004

Robert & Susan Glickman
29 Oxford Rd.
Scarsdale, N. Y. 10503

Michael J. Goldberg
15366 Longbow Drive
Sherman Oak, Calif.

Margaret S. Coheen
Princeton University
Princeton, N. J.

Dr. Orville J. Golub
359 Veteran Ave.
Los Angeles, Calif.

Elinor Goodspeed
1230 - 13th St., N.W.
Washington, D. C.

Howard Gottlieb
1000 Lake Shore Blvd.
Evanston, Ill. 60202

Isabella Grandin
301 Berkley St.
Boston, Mass. 02116

Edith B. Greenberg
10591 Rocca Way
Los Angeles, Calif.

Kenneth L. Greif
4000 N. Charles St.
Baltimore, Md.

I. A. Grodzins
5737 S. Blackstone
Chicago, Ill.

George Gund
Gund Ranches
Lee, Nevada 89801

Richard S. Gunther
707 North Bedford Drive
Beverly Hills, Calif.

John H. Gutfreund
Salomon Bros. & Hutzler
(Address unknown)

Richard Tod Gutknecht
19890 Lures Lane
Huntington Beach, Calif. 92646

Gene Hackman
9171 Wilshire Blvd.
Los Angeles, Calif.

Hugh Hamill
384 Milne St.
Philadelphia, Pa. 19144
Victor G. Hanson
15929 W. Seven Mile Rd.
Detroit, Mich. 48235

Irving B. Harris
First National Plaza
Chicago, Ill. 60670

Anne B. Harrison
3556 Macomb St., N.W.
Washington, D. C. 20016

Carmen Harschaw
417 S. Hill St., #434
Los Angeles, Calif. 90013

Nan A. Harvie
3317 Paty Drive
Honolulu, Hawaii 96822

Henry Waldron Havemeyer
350 Fifth Ave.
New York, N. Y. 10001

Mr. Heckler
201 East 42nd St.
New York, N. Y.

Hugh M. Hefner
919 North Michigan Ave.
Chicago, Ill.

William Hegarty
448 North St.
Greenwich, Conn.

Fred Heim
2973 Passmore Drive
Los Angeles, Calif.

Frank Heineman
120 East 34th St.
New York, N. Y.

Alfred E. Heller
121 Woodland
Kentfield, Calif. 94904

Clarence S. Heller
244 California St.
San Francisco, Calif.

Ruth B. Heller
121 Woodland
Kentfield, Calif. 94904

M/M Paul & Ruth Henning
4250 Navajo St.
North Hollywood, Calif.

R. Allen Hermes
R.D. #2
West Redding, Conn. 06896

M/M Alexander P. Hixon, Jr.
5443 Palisade Ave.
Bronx, N. Y. 10471

Harrison Hoblitzelle
16 Gray Gardens West
Cambridge, Mass. 02138

Harold Hochschild
Blue Mt. Lake, N. Y. 12812

John P. Hodgkin
515 Madison Ave.
New York, N. Y. 10021

LeRoy E. Hoffberger
900 Garrett Bldg.
Baltimore, Md. 21209

Janet Hoffheimer
198 Green Hills Rd.
Cincinnati, Ohio

Joseph Hofheimer
2 Great Jones St.
New York, N. Y. 10012
Alice A. Hoge  
63 East Bellevue  
Chicago, Ill.  

David L. Hollander  
2518 Talbot Rd.  
Baltimore, Md. 21216  

Louis Honig  
3555 Pacific Ave.  
San Francisco, Calif.  

Tim Horan  
Wunderman, Ricotta & Kline  
575 Madison Ave.  
New York, N. Y. 10022  

Raymond Horne  
725 Bryson St.  
Youngstown, Ohio 44502  

Alice A. Howe  
63 East Bellevue  
Chicago, Ill.  

Rudolph Hurwich  
Box 1030  
Berkeley, Calif.  

Peter Hutchinson  
221 D. Halsey  
Princeton, N. J. 08540  

Raymond Iekes  
111 Alvarado  
Berkeley, Calif. 94705  

James H. Inglis  
8811 Colvesville Rd., #803  
Silver Spring, Md.  

Jennifer L. Jacobs  
577 West Ferry, Apt. 3  
Buffalo, N.Y.  

Edwin Janss, Jr.  
104 Thousand Oaks Blvd.  
Thousand Oaks, Calif. 91360  

Christopher Jencks  
C/O Cambridge Trust Co.  
Cambridge, Mass.  

Esther Johnson  
R.D. Oldrick, N.J.  

M/M Walter Johnson  
19641 Coral Gables  
Southfield, Mich. 48075  

Alfred W. Jones  
435 E. 52nd St.  
New York, N. Y. 10022  

Catherine S. Jones  
2728 32nd St., N.W.  
Washington, D. C. 20008  

Larry Kagan  
1900 Ave. of the Stars  
Los Angeles, Calif.  

Albert J. Kallis  
528 N. Palm Drive  
Beverly Hills, Calif.  

Sheila Kamerman  
1125 Park Place  
New York, N. Y.  

Louis Kane  
10 Chestnut St.  
Boston, Mass.  

Jack Kaplan  
760 Park Ave.  
New York, N. Y.  

Frank Karelsen  
600 Park Ave.  
New York, N.Y.
David Karr  
47 Rue Faubourg St. Honore  
Paris, France

Samuel Katzin  
5530 S. Southshore  
Chicago, Ill.

Anita Katzman  
100 Sands Point Rd.  
Longboat Key  
Sarasota, Fla. 33577

Don Kaufman  
3100 Mandeville Canyon Rd.  
Los Angeles, Calif.

M/M Elwood P. Kaufman  
148 Library Place  
Princeton, N. J.

Gloria Kaufman  
3100 Mandeville Canyon Rd.  
Los Angeles, Calif.

Harold Keith  
93 Malibu Colony  
Malibu, Calif. 90265

Dorothy Kent  
San Juan  
Pueblo, New Mex. 87566

James R. Kerr  
1275 King St.  
Greenwich, Conn.

Jim Kerr  
10850 Wilshire Blvd.  
Los Angeles, Calif.

Peter Kessner  
112 W. 34th St.  
New York, N. Y. 10001

Henry L. Kimelman  
P. O. Box 250  
St. Thomas, Virgin Islands 00801

Dr. & Mrs. J. J. King  
7121 W. Manchester Ave.  
Los Angeles, Calif.

David B. Kinney  
3636 N. 38th St.  
Arlington, Va. 22207

Travis Kleefeld  
8929 Wilshire Blvd., #212  
Beverly Hills, Calif. 90211

Mrs. S. B. Knight  
Box 174  
Gates Mills, Ohio 44040

Arthur J. Kobacker  
3172 Homewood Ave.  
Steubenville, Ohio 43952

Harvey L. Koizim  
145 Main St.  
Westport, Conn. 06880

Gilman Kraft  
401 St. Cloud Rd.  
Los Angeles, Calif.

Herbert Kronish  
1345 - 6th Ave.  
New York, N.Y.

Violet Krum  
43 N. Housac Rd.  
Williamstown, Mass.

Norman Kunin  
600 Old Country Road  
Garden City, N.Y. 11530
Mrs. Joseph Lachowicz  
1042 N. 5th Ave.  
Tucson, Ariz. 85705

Lou Lamberty  
301 South 51st Ave.  
Omaha, Nebr.

M/M Corliss Lamont  
315 W. 106 St.  
New York, N.Y. 10025

Mrs. Helen Lamont  
315 W. 106th St.  
New York, N.Y. 10025

Roy Lamson  
68 Francis Ave.  
Cambridge, Mass. 02138

Burt Lancaster  
(No Address)

Peter Lake  
10005 Reevesbury Dr.  
Beverly Hills, Calif.

Bert Lane  
224 South June St.  
Los Angeles, Calif. 90004

Theodore V. Lane  
1330 De Soto  
Canoga Park, Calif.

Frank E. Laplin  
Princeton, N.J.

H. Irgens Larsen  
10 Frog Rock Rd.  
Armonk, N.Y. 10504

Frank Lautenberg  
405 Route 3  
Clifton, N.J.  
or  
36 Stonebridge Rd.  
Montclair, N.J.

Norman Lear  
132 S. Rodeo Drive  
Beverly Hills, Calif.

Mrs. Lucy B. Lemann  
525 Park Ave.  
New York, N.Y.

Timothy Leonard  
1027 City Park  
Columbus, Ohio

George Leppert  
20 Leroy St.  
Potsman, N.Y. 13676

M/M Albert W. Lerch  
1511 Amalfi Dr.  
Pacific Palisades, Calif.

Mrs. Beatrice Lerner  
300 Lillore Road  
South Orange, N.J.

Alvin Levin  
Old Winter St.  
Lincoln, Mass. 01773

Robert A. & Kay Levin  
1411 Judson Ave.  
Evanston, Ill.

Abner Levine  
2 Amberly Road  
Lawrence, N.Y.

Joseph E. Levine  
1301 Ave. of the Americas  
New York, N.Y.

M/M Bernard Levy  
91 Chatham Road  
Kensington, Conn. 06037

Diana B. Lewis  
778 Park Ave.  
New York, N.Y.
M/M Peter B. Lewis
18930 South Woodland Rd.
Shaker Heights, Ohio 44122

Robert K. Lifton
201 E. 42nd Street
New York, N. Y.

Timothy Light
104 Eastern Heights Dr.
Itahca, N. Y.

William E. Little, Jr.
220 Fifth Avenue
New York, N. Y. 10001

William Louis-Dreyfus
One State Street Plaza
New York, N. Y. 10004

Dr. A. A. Lumsdaine
University of Washington
Seattle, Washington 98105

Mrs. Frances B. McAllister
P. O. Box 1874
Flagstaff, Ariz. 86001

Fred McConnaughey
2230 S. Patterson Blvd.
Dayton, Ohio 45409

P. R. McConnaughey
4385 Tam-o-Shanter Way
Kettering, Ohio 45429

Alan McGowan
16785 Bayview Drive
Sunset Beach, Calif.

Priscilla McMillan
12 Hilliard St.
Cambridge, Mass.

John E. Mack
111 Beverly Road
Chestnut Hill, Mass.

Elizabeth Mackie
98 Bayard Lane
Princeton, N. J.

Milton Maidenberg
1100 Euclid Ave.
Marion, Ind.

Lewis Manilow
105 W. Adams St.
Chicago, Ill. 60603

Stanley Marsh
115 W. 7th Ave.
Amarillo, Texas

Anne Martindell
1 Battle Road
Princeton, N. J. 08450

Priscilla Mason
2817 N Street, N.W.
Washington, D. C. 20007

Stephanie May
Duncaster Rd.
Bloomfield, Conn. 06002

Kenneth Pray Maytag
21 East Canon Perdido
Santa Barbara Calif.

C. W. V. Meares
307 East 44th St.
New York, N. Y. 10017

J. J. Meeker
4511 Ridgehaven Rd.
Fort Worth, Tex.

7/11/73
Daniel Melcher
228 Grove St.
Montclair, N. J.

M/M Charles Merrill
23 Commonwealth Ave.
Boston, Mass. 02116

Robert Mertens
P. O. Box 245
Woodstock, Vermont 05091

Mrs. LuEsther T. Mertz
860 United Nations Plaza
Apt. 30E
New York, N. Y. 10017

Howard M. Metzenbaum
1700 Investment Plaza
Cleveland, Ohio 44114

Ruth Meyer
252 Huntington St.
New Haven, Conn. 06511

Harry C. Meyerhoff
6301 Reistertown Rd.
Baltimore, Md. 21215

Jack Meyerhoff
5560 Collins Avenue
Miami Beach, Fla.

Robert Meyerhoff
3209 Fallstaff Road
Baltimore, Md.

Jean Milgram
5 Longford St.

Gerald J. Miller
1220 Blair Mill Rd.
Silver Spring, Md. 20910

Joseph Miller
1913 Delancey Place

M/M Marshall Miller
Gateway Towers, Apt. 20K
Pittsburgh, Pa.

M/M Richard G. Miller
Box 624, R.R. #1
Carson City, Nev. 89701

Leon R. Miral, M.D.
4821 E. McNichols
Detroit, Mich. 48212

Ralph Mishkin
7130 LaPresa Drive
Los Angeles, Calif.

Robert L. Misrack
901 S. Hill St.
Los Angeles, Calif. 90015

Stuart Moldaw
49 Faxon Road
Atherton, Calif.

Kenneth Monfort
1902 25th Ave.
Greeley, Colo.

Jenny McKean Moore
6619 Newark St., N.W.
Washington, D. C.

[10393]
Carol S. Moss  
335 S. Rimpau  
Los Angeles, Calif.

M/M Jerome S. Moss  
1416 N. LaBrea Ave.  
Hollywood, Calif.

Stewart Mott  
515 Madison Avenue  
New York, N. Y. 10022

M/M Stuart Mudd  
734 Millbrook Lane  
Haverford, Pa. 19041

William W. Mullins  
509 S. Linden  
Pittsburgh, Pa.

Eleanor E. Murdock  
301 Berkeley St.  
Boston, Mass. 02116

David C. Nash  
305 E. 40th St., Apt. 5F  
New York, N. Y. 10016

Mrs. Margaret De. Neufville  
Thomas Road  
Mendham, New Jersey 07945

C. M. Newman  
9820 Spring  
Omaha, Nebr.

Murray Newman  
8405 Indian Hills Dr.  
Omaha, Nebr. 68124

Paul & Joanne Newman  
Westport, Conn. 06880

Frederick M. Nichols  
9454 Wilshire Blvd.  
Beverly Hills, Calif.

Georgia O'Keefe  
Albuquerque, New Mexico

Wilfred A. Openhym  
230 Park Ave.  
New York, N. Y. 10017

M/M Harold Oram  
77 Park Ave.  
New York, N. Y. 10016

Albert Ornstein  
210 E. 86th Street  
New York, N. Y. 10028  
and  
Apt. M-11, Bldg. 2  
Washington Square Village  
New York, N. Y.

Moe Ostin  
Warner Brothers  
Burbank, Calif.

Mrs. Louise Ottinger  
150 Central Park South  
New York, N. Y. 10019

Mrs. Joan B. Overton  
(No Address)

Janet F. Page  
1007 Paseo de la Cuma  
Santa Fe, New Mex. 87501

Jōan Palevsky  
623 S. Beverly Glen Blvd.  
Los Angeles, Calif. 90024
Max Palevsky
755 Stradella
Los Angeles, Calif. 90024

Victor Palmieri
107 Malibu Colony
Malibu, Calif.

Esther Parker
177 Lake St.
Sherborn, Mass.

Mrs. Grace Parr
Box 463
Taos, New Mex. 87571

J. R. Parten
1603 Bank of the Southwest Building
Houston, Texas

Isaac Patch
185 Maple St.
Englewood, N. J. 07631

Henry Pearlman
630 Third Ave.
New York, N. Y. 10017

Edward R. Peckerman, Jr.
230 Park Ave.
New York, N. Y. 10017

Martin Peretz
Assistant Professor
Harvard University (No Address)

Harry J. Perry
PNB Building

Robert O. Peterson
530 B St.
San Diego, Calif. 92101

Donald A. Petrie
2500 Virginia Ave., N.W.
Washington, D. C.

Gifford Phillips
825 S. Barrington Ave.
Los Angeles, Calif.

M. Platov
Tannersville, N. Y. 12485

Gene Pokorny
Rte. #2
Howells, Nebr.

A. Polland
716 W. Arbor Drive
San Diego, Calif.

Jerry E. Poncher
7400 Caldwell Avenue
Chicago, Ill. 60648

Sidney L. Port
2961 Gregory St.
Chicago, Ill.

Bibb Porter
78 E. 56th St.
New York, N. Y.

Rubin Potoff
574 E. Main St.
Waterbury, Conn.

Diane S. Poucher
303 N. Deere Park Dr.
Highland Park, Ill. 60035

7/11/73
M/M Charles Pratt
242 E. 68th St.
New York, N.Y. 10021

George Pratt (George D., Jr.)
Bridgewater, Conn. 06752

Mrs. Jean Wood Preston
Weston Road
Lincoln, Mass. 01773

Julian Price II
1776 Butler Creek Rd.
Ashland, Oregon
and
Box 5786
Greensboro, N.C.

Bernard Rabinowitz
2 Laurel Lane
Clifton, N.J.

Reuben Rabinowitz
2 Laurel Lane
Clifton, N.J.

Bernard Rapoport
Box 208
Waco, Tex.

Joan Rea
510 Park Ave.
New York, N.Y.

Charles R. Reed
402 A Deueux
Princeton, N.J. 08540

Walter T. Ridder
1325 E St., N.W.
Washington, D.C. 20004

Ellis Ring
11400 Rochester Ave.
Los Angeles, Calif.

M/M Joseph Robbie
1301 N.E. 100th St.
Miami, Fla. 33138

James Robbin
740 Cordova Ave.
San Diego, Calif.

Edward Hutchinson Robbins
5303 Boxwood Court
Washington, D.C. 20016

Bernard M. Rodin
919 Third Ave.
New York, N.Y.

M/M Richard Rogers
2 East 61 St.
New York, N.Y. 10021

M/M Frank Roosevelt
404 Riverside Drive
New York, N.Y. 10025

Carl Rosen
Essex, N.Y.

Jaclyn B. Rosenberg
1155 Shadow Hill Way
Beverly Hills, Calif.

Richard S. Rosenzweig
1519 Euclid Ave.
Marion, Indiana

Mike Roshkind
6464 Sunset Blvd.
Los Angeles, Calif.
Stanley Rothenfeld  
19100 South Park Blvd.  
Shaker Heights, Ohio

Arvin K. Rothschild  
Universal Marion Bldg.  
Jacksonville, Fla.

Walter Rothschild, Jr.  
521 Fifth Ave.  
New York, N. Y. 10017

James W. Rouse  
10354 Windstorm Drive  
Columbia, Md.

Miles Rubin  
77 Malibu Colony  
Malibu, Calif. 90265

Mrs. Vera Rubin  
1080 Fifth Ave.  
New York, N. Y.

*Dr. Vera Rubin  
1028 Fifth Ave.  
New York, N. Y.

Madeline Russell  
3778 Washington St.  
San Francisco, Calif.

Edward L. Ryerson, Jr.  
71 Washington Ave.  
Cambridge, Mass.

John D. Ryan  
Northville, N. Y. 11234

M/M Eli Sagan  
153 Dwight Place  
Englewood, N. J. 07631

Eli J. Sagan  
520 8th Ave.  
New York, N. Y.

Alan Sagner  
301 So. Livingston Ave.  
Livingston, N. J. 07039

Alan Saks  
3840 West Fullerton Ave.  
Chicago, Ill.

Elizabeth M. Salett  
6 Kensington Ave.  
Trenton, N. J. 08618

Richard Salomon  
870 United Nations Plaza  
New York, N. Y.  
and  
Riverbank Road  
Stamford, Conn.

Maxwell H. Salter (and Mrs. Janet)  
804 N. Linden Drive  
Beverly Hills, Calif.

Edward and Rose Sanders  
509 Tuallitan Road  
Los Angeles, Calif. 90049

Stanley Sands  
2601 Woodcrest  
Lincoln, Nebr.

David Sanford  
614 Pearson  
Flint, Mich.

* Dr. Vera Rubin may be same as Mrs. Vera Rubin listed at address above.
William H. Scheide
133 Library Road
Princeton, N. J.

Fred Schiener
18 Beverly Drive
Great Neck, N. Y. 11021

J. L. Schiffman
15 Exchange Place
Jersey City, N. J.

Robert Schlossberg
3846 Virginia St.
Lynwood, Calif.

Leland Schubert
2 Bratenahl Place
Bratenahl, Ohio

Leonard Schulman
444 Park Ave., S.
New York, N.Y.

Mrs. Milton Schulman
737 Park Ave.
New York, N. Y.

Edward L. Schuman
4201 Cathedral N.W.
Washington, D. C. 20016

Kenneth L. Schwartz
4280 North Hills Drive
Hollywood, Fla. 33021

Burnell Scott
276 N. Pleasant
Oberlin, Ohio

Peter J. Scott
P. O. Box 388
Lyndhurst, N. J. 07071

Marvin Shapiro
1800 Ave. of the Stars
Los Angeles, Calif.

Betty Warner Sheinbaum
819 San Ysidro Lane
Santa Barbara, Calif. 93103

Stanley K. Sheinbaum
819 San Ysidro Lane
Santa Barbara, Calif.

Ralph Shekes
16 W. 77th St.
New York, N. Y. 10024

Malcolm Sherman
10450 Waterfowl Terrace
Columbia, Md. 21044

Richard Sherwood
9606 Feather Road
Beverly Hills, Calif. 90210

Mrs. Richard T. Shields
812 Fifth Ave.
New York. N. Y. 10021

Emilie Helene Siebert
310 Riverside Dr.
New York. N.Y. 10024

Jerome A. Siegel
1175 Old White Plains Rd.
Maranoneck, N. Y. 10543

Joan Simon
7 Gracie Square
New York, N. Y. 10028
Alfred P. Slaner
640 Fifth Ave.
New York, N. Y. 10019

Howard Sloan
75 Maiden Lane
New York, N. Y.

George A. Smith
17 Ames St.
Rutherford, N. J. 07070

Ruth P. Smith
1 West 72nd St.
New York, N. Y.

*Mrs. Randolph Smitherman
617 Tinkerbell Rd.
Chapel Hill, N. C. 27514

*Mrs. M. R. Smitherman
617 Tinkerbell Rd.
Chapel, Hill, N. C. 27514

George Soros
25 Central Park South
New York, N. Y.

Leonard and Libbie Spacek
1550 Lake Shore Drive
Chicago, Ill. 60610

L. M. Sperry
20 Crest Road
Belvedere, Calif. 94920

Mrs. Leonard M. Sperry
9198 Cordell Dr.
Los Angeles, Calif.

M/M Paul J. Sperry
115 Central Park West
New York, N. Y. 10023

* Mrs. Randolph Smitherman
& Mrs. M. R. Smitherman may
be same person

V. Sperry
500 Crestline Drive
Los Angeles, Calif. 90049

Mrs. Victoria H. Sperry
500 Crestline Dr.
Los Angeles, Calif. 90049

Vicki Sperry
c/o Carol Moss
335 S. Rimpau
Los Angeles, Calif.

Lyman Spitzer
659 Lake Dr.
Princeton, N. J. 08540

Jon Splane
619-1/2 Third
Flint, Mich.

Fortney Stark, Jr.
Security Bank Building
1500 Newell Ave.
Walnut Creek, Calif. 94596

Dinah Starr
198 Beacon St.
Boston, Mass. 02116

Leften Stavrianos
53-109 Kam Hwy.
Punaluu, Hawaii

Hy Steirman
1 Chesterfield Rd.
Scarsdale, N. Y.

John A. Stephens
4400 Via Abrigado
Hope Ranch, Calif.

Carl W. Stern
55 Raycliff Terrace
San Francisco, Calif. 94115
M/M Philip Stern
2301 S Street, N.W.
Washington, D. C. 20008

Alvin Sternlieb
20 Willowbrook Lane
Freeport, N. Y. 11520

Dr. & Mrs. R. J. Stoller
1100 Rivas Canyon
Pacific Palisades, Calif.

Martain and Elaine Stone
10889 Wilshire Blvd.
Los Angeles, Calif.

Mrs. Myron K. Stone
56 East 80th St.
New York, N. Y. 10021

Robert C. Stover
150 College Ave.
Poughkeepsie, N. Y. 12603

Donald B. Straus
140 West 51st St.
New York, N.Y. 10020

Marvin A. Strin
11110 Ohio Ave.
West Los Angeles, Calif.

Bernard Stryer
104 Raymond Ave.
Millburn, N. J.

Lee J. Stull
New Delhi
Dept. of State
Washington, D. C.

John Sturges
13063 Ventura Blvd.
N. Hollywood, Calif. 91604

Mark Swann
R. D. #1
New Park, Pa. 17352

O. W. Switz
P. O. Box 723
Red Bank, N. J.

George H. Talbot
125 East 4th St.
Charlotte, N. C.
and
417 Hermitage Rd.
Charlotte, N. C.

A. A. Taubman
Special Account
Southfield, Mich.

Michael Taylor
32 Gramercy Park South
New York, N. Y.

Michael Tennenbaum
c/o Bear Sterns & Co.
1 Wall St.
New York, N.Y.

Frank Thielen, Jr.
P. O. Box 427
Baytown, Tex. 77520

Lee B. Thomas, Sr.
Box 1523
Louisville, Ky.

Matthew D. Thomases
1450 Broadway
New York, N. Y.

J. B. Tietz
410 Douglas Bldg.
257 S. Spring St.
Los Angeles, Calif.
Bardyl Tirana
3509 Lowell St., N.W.
Washington, D. C. 20016

John L. Tishman
885 Park Avenue
New York, N. Y.

Belmont Towbin
C. E. Unterberg
(No Address)

Robert C. Townsend
45 Sutton Place South
New York, N. Y.

R.C. Townsend
Duck Pond Road
Locust Valley, N. Y. 11560

Mrs. Katharine W. Tremaine
1512 Miramar Beach
Santa Barbara, Calif. 93108

David H. Tucker
10383 Barcan Circle
Columbia, Md. 20144

Joyce B. Turner
4948 S. Kimbark Ave.
Chicago, Ill. 60615

Eugene K. Twining
Commonwealth Building
Allentown, Pa.

Frances Vicario
North Bennington, Vt. 05257

Fred Viehe
9320 S. W. Eighth Ave.
Portland, Ore. 97219

Norman Wain
15809 Onaway Rd.
Shaker Heights, Ohio 44115

Dr. George Wald
21 Lakeview Ave.
Cambridge, Mass.

Linda Wallace
435 S. Lafayette
Los Angeles, Calif.

Ira Wallach
Central National Corp.
100 Park Ave.
New York, N.Y.

Joan Warburg
60 East 42nd St.
New York, N. Y.

Maxine F. Warner
100 Malibu Colony
Malibu, Calif.

Carmen Warschaw
417 S. Hill St., #434
Los Angeles, Calif.

Samuel Warshauer
187 Leroy St.
Tenafly, N. J. 07670

Jean S. Weaver
445 El Arroyo
Hillsborough, Calif. 94010

Robert Weil
1880 Century Park East
Los Angeles, Calif. 90067

Samuel Weiner, Jr.
451 West Broadway
New York, N. Y. 10012
Howard Weingrow  
201 E. 42nd St.  
New York, N. Y.

Howard A. Weiss  
209 South LaSalle St.  
Chicago, Ill.

Molly Weiss  
1040 North Lake Shore Drive  
Chicago, Ill.

Robert G. Weiss  
209 South LaSalle St.  
Chicago, Ill.

Bernard Weissbourd  
111 East Wacker Dr.  
Chicago, Ill. 60601

Stanley S. Weithorn  
405 Lexington Ave.  
New York, N. Y. 10017

Mr. Wellington  
Princeton, N. J.

Albert B. Wells  
250 Golden Hills Dr.  
Portola Valley, Calif.

Joseph P. Wells  
673 Second Ave.  
New York, N. Y. 10016

Barbara Wheatland  
P. O. Box 271  
Topsfield, Mass. 01983

Keith Wheelock  
Todd Pond Rd.  
Lincoln, Mass.

Henry Willcox  
38 Dock Road  
South Norwalk, Conn. 06854

Harold Willens  
1122 Maple Ave.  
Los Angeles, Calif. 90015

Estelle Williams  
723 N. Elm Dr.  
Beverly Hills, Calif. 90210

Charles E. Wilson  
4513 Coachmen  
Baytown, Tex.

Mrs. Catherine Winkler  
4660 Kenmore Ave.  
Alexandria, Va. 22304

Werner F. Wolfen  
Suite 900, Gateway East  
Los Angeles, Calif.

or  
1800 Ave. of the Stars  
Los Angeles, Calif.

Louis Wolfson  
Financier  
(No Address)

Mrs. Dudley Wood  
320 E. 72nd St.  
New York, N. Y. 10021

Miss Lucia Woods  
214 E. 70th  
New York, N. Y. 10002

Mrs. Elizabeth G. Woodward  
800 Seminole Ave.  
Frederick Worden  
45 Hilltop Road  
Boston, Mass.  

Lyn Wyman  
650 Nash  
Menlo Park, Calif.  

George Yntema  
RFD 2, Box 80A  
Manchester, Conn.  

Quentin D. Young, M.D.  
1418 E. 55th St.  
Chicago, Ill. 60615  

Floyd Yudelson  
9021 Melrose  
Los Angeles, Calif.  

Alejandro Zaffaroni  
214 Polhemus Ave.  
Atherton, Calif.  

Meyer Zeiler, M.D.  
710 North Walden Dr.  
Beverly Hills, Calif.
Walters has stated that on September 13, 1972 he discussed with Secretary Shultz the list given him by Dean, showed Shultz the list and advised Shultz that he believed they should not comply with Dean's request to commence examination or investigation of the people named on the list. Shultz told Walters to do nothing with respect to the list and Walters put it in his office safe. On July 11, 1973 Walters turned the list over to the Joint Committee on Internal Revenue Taxation. On December 20, 1973 the staff of the Joint Committee issued a report stating that it found no evidence that the returns of any persons on the list were screened as a result of White House pressure.


23.2 Johnnie Walters handwritten notes, September 11, 1972 (received from Joint Committee on Internal Revenue Taxation).

23.3 Report of the staff of the Joint Committee on Internal Revenue Taxation, "Investigation into Certain Charges of the Use of the Internal Revenue Service for Political Purposes," December 20, 1973, 7-12.
Walters has stated that on September 13, 1972 he discussed with Secretary Shultz the list given him by Dean, showed Shultz the list and advised Shultz that he believed they should not comply with Dean's request to commence examination or investigation of the people named on the list. Shultz told Walters to do nothing with respect to the list and Walters put it in his office safe. On July 11, 1973 Walters turned the list over to the Joint Committee on Internal Revenue Taxation. On December 20, 1973 the staff of the Joint Committee issued a report stating that it found no evidence that the returns of any persons on the list were screened as a result of White House pressure.


23.2 Johnnie Walters handwritten notes, September 11, 1972 (received from Joint Committee on Internal Revenue Taxation).

23.3 Report of the staff of the Joint Committee on Internal Revenue Taxation, "Investigation into Certain Charges of the Use of the Internal Revenue Service for Political Purposes," December 20, 1973, 7-12.
AFFIDAVIT

DISTRICT OF COLUMBIA) ss:

JOHNNIE M. WALTERS, being first duly sworn, deposes and says:

1. I served as Commissioner of Internal Revenue from August 6, 1971, through April 30, 1973.

2. On September 11, 1972, I met with John W. Dean, III, pursuant to his request, in his office at the Old Executive Office Building. At that meeting he gave me a list of names, and requested that IRS undertake examinations or investigations of the people named on the list. The list appeared to contain names of persons on the 1972 Presidential campaign staff of Senator George McGovern and of contributors to that campaign.

3. Mr. Dean stated that he had been directed to give the list to me. It was my impression at the time of the September 11, 1972 meeting that John D. Ehrlichman was the one who had given Mr. Dean his directions, but I do not recollect on what my impression was based.
Mr. Dean stated that he had not been asked by the President to have this done and that he did not know whether the President had asked that any of this activity be undertaken. Mr. Dean expressed the hope that the IRS could do this in such a manner that would "not cause ripples." He indicated that he was not yet under pressure with respect to this matter.

4. I advised Mr. Dean that compliance with the request would be disastrous for the IRS and for the Administration and would make the Watergate affair look like a "Sunday school picnic." I asked whether he had discussed the matter with Secretary Shultz, and he said no. I advised him that I would discuss the matter with Secretary Shultz, and that I would recommend to Secretary Shultz that we do nothing on the request.

5. On September 13, 1972, at the earliest opportunity, I discussed the matter with Secretary Shultz, showed him the list, and advised him that I believed that we should not comply with Mr. Dean's request. Mr. Shultz looked briefly at the list, and said do nothing with respect to it. I placed the list in a sealed envelope and placed it in my office safe. I believe I may have
informed Mr. Dean of the decision, but do not specifically recall doing so.

6. On or about September 25, 1972, I received a telephone call from Mr. Dean. He inquired as to what progress I had made with respect to the list. I told him that no progress had been made. He asked if it might be possible to develop information on fifty-sixty-seventy of the names. I again told him that, although I would reconsider the matter with Secretary Shultz, any activity of this type would be inviting disaster.

7. Thereafter, on or about September 29, 1972 and again at the earliest opportunity, I discussed the matter again with Secretary Shultz. We again agreed that nothing would be done with respect to the list. I have no recollection of any further discussions about the matter during my tenure as IRS Commissioner, except the possibility of mentioning (without showing) it to the present Commissioner, Donald C. Alexander, as he was in the process of being named Commissioner.

8. At no time did I furnish any name or names from the list, to anyone, nor did I request any IRS employee or official to take any action with respect to the list.
9. I removed the list from the safe when I left IRS and thereafter personally kept it in the sealed envelope and locked in my present office.

10. On July 11, 1973, upon written request, I submitted the list, along with my handwritten notes of the September 11, 1972 meeting, to the Joint Committee on Internal Revenue Taxation in connection with that Committee's investigation of allegations that the IRS took enforcement actions for political purposes.

Dated: 5/16/74

Subscribed and sworn to before me this 6 day of May, 1974.

Johnnie M. Waiters

Evelyn M. Pardy
Notary Public

My Commission expires Febr. 14, 1973
June 10, 1974

Received from the Joint Committee on Internal Revenue Taxation:


Gary Sutton
Committee on Judiciary
House of Representatives
Johnnie M. Walters notes, September 11, 1972
Retyped from indistinct original

Commissioner 
of
Internal Revenue

Johnnie
M.
Walters

Date 9-11-72

To JMW

1. Received from John
Dean at 2:00 conference
Suite 106; EOB, today.

2. JE asked ___ to
make up list (staff &
large contributors) & to see
what info: can be
developed.

3. J. Dean has not been
asked by P to have IRS work

Retyped from indistinct original
and he does not know
whether P has asked directly
that any of this be done.

4) J Dean wonders if there
are items IRS may have
or can pick up easily that
will not cause ripples.

5) J Dean is not yet
under pressure.

6) JMW advised Dean JMW
would discuss with the
Secretary.

7) 9-13: Discussed Secy Shultz.
He directed: "Do nothing."
To JM

1. Received from John Dean at 2:30 p.m., conference suite 106, EOB, today.
2. JE asked — to make up list (staff & large contributors) to see what info can be developed.
3. J. Dean has not been asked by P to have IRS work.

Commissioner of Internal Revenue

Date: 9-11-72

JM

9-11-72

JM

1. Received from John Dean at 2:30 p.m., conference suite 106, EOB, today.
2. JE asked — to make up list (staff & large contributors) to see what info can be developed.
3. J. Dean has not been asked by P to have IRS work.
and he does not know whether P has asked directly that any of this be done.

4 J Dean wonders if there are items IRS may have or can pick up easily that will not cause ruffles.

5 J Dean is not yet under pressure.

6 JMW advised Dean JMW would discuss with the secretary.

7 9-13: Discussed: Secy Shultz. He directed: "Do nothing."
INVESTIGATION INTO CERTAIN CHARGES OF THE USE OF THE INTERNAL REVENUE SERVICE FOR POLITICAL PURPOSES

PREPARED FOR THE
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION
BY ITS STAFF

DECEMBER 20, 1973

U.S. GOVERNMENT PRINTING OFFICE
26-719 WASHINGTON : 1973 JCS 37-73
Finally, some returns are manually selected for screening. Manual selection can occur for a variety of reasons. Many returns are manually selected because they are related to other returns which were selected for audit. For example, partners in a business may have their returns screened as a result of an audit of any one partner, and a taxpayer's return in one year may be screened in connection with an audit of a prior or subsequent year's return. When audits of trusts or businesses lead to adjustments that should be carried through to individuals' tax returns, these returns are audited so that the changes can be made. Other returns are manually selected as a result of information from intelligence activities, news reports or informants' letters, or in connection with an IRS investigation of specific economic activities in a local area. The IRS routinely screens for audit the tax returns of people involved in criminal investigations. It also routinely screens tax returns of people who request a refund or who want to carry back an investment credit or a net operating loss.

Once a return is manually selected for screening, it will in most cases be given a full audit only after the person selecting the return examines it and determines that the return has significant audit potential. If he finds little audit potential, the IRS does not contact the taxpayer. Returns that are selected for audit consideration through the computerized DIF and Automatic systems are sent to the IRS District Office in which the taxpayer resides. At that point, the return is examined by a classifying officer of the District Office, who similarly determines whether the return has significant audit potential. If he finds little audit potential, the District Office sends the return back, and no taxpayer contact is made. The returns believed by the classifying officer to have high audit potential are assigned to revenue agents. The agents then screen the returns a second time and audit as many as they can, starting with those they think have the highest audit potential. Returns selected through the TCMP do not go through a screening process, but are automatically audited.

IV. INVESTIGATION OF INTERNAL REVENUE SERVICE FILES ON WHITE HOUSE POLITICAL OPPONENTS

The Joint Committee staff has examined the Internal Revenue Service's files on over 700 individuals who appeared on various lists of political opponents made up in the White House. List 1 consists of the 216 individuals mentioned as political opponents of the White House in John Dean's testimony before the Senate Watergate Committee. The Joint Committee staff has no evidence that this list ever went to the IRS. Nevertheless, the staff examined the returns in those cases in the same manner as in the case of the returns of people whose names were given to the IRS. List 2 consists of 490 individuals whose names were given by Dean to IRS Commissioner Johnnie Walters in

1 Dean presented three lists of political opponents to the Senate Watergate Committee, consisting of 29, 16, and 324 names. There are substantial overlaps, and the lists include 215 different individuals. In addition, Dean presented a note from Lawrence Higby stating that Democratic National Committee Treasurer Robert Strauss should be added to the list of White House political opponents. In the wake of his testimony, Dean indicated that John Coubalie arranged to have a reporter from Newsday newspaper audited, and the staff also added to the opponents list two people affiliated with Newsday who participated in the article about C. G. Behnle that occasioned Dean's interest. These are the 216 individuals on list 1.
8

1972. For list 1, the Joint Committee staff investigation applied to individual income tax returns filed for the years 1968 to 1971. For the second list, however, the investigation was confined to returns filed for the years 1970 and 1971 unless a return for one of those years was audited, in which case the investigation was extended to one or two prior or subsequent years. In most cases, returns tend to be audited one or two years after the year for which they are filed, if they are audited at all.

The staff has not looked into the cases of people on the various supplementary lists presented by Dean to the Senate Watergate Committee unless they were also on lists 1 or 2.

**Summary Statistics on Audits—List 1**

Table 1 summarizes the audit experience of the 216 individuals on list 1. Over the four-year period 1968-1971 these people could have filed a maximum of 864 returns. In five cases, however, the individual was not required to file a return in the United States either because the individual had died or did not reside in the United States. In addition, in 17 other cases no return was filed. Thus, 842 returns were filed by the individuals on list 1.

Of these 842 returns, 491, or 58.3 percent, were screened for possible audit; and 187, or 22.2 percent, were actually audited. Twelve returns were accepted as filed but referred to a State under the Federal-State Exchange Program.

**Table 1.—Audit Experience of 216 White House Political Opponents 1968-1971**

<table>
<thead>
<tr>
<th>Percent of returns filed</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not required to file a return in United States</td>
<td>5</td>
</tr>
<tr>
<td>No record of being a return and no assurance that no return was required</td>
<td>17</td>
</tr>
<tr>
<td>Return filed and not selected for screening</td>
<td>351</td>
</tr>
<tr>
<td>Audited</td>
<td>182</td>
</tr>
<tr>
<td>Referred to a State</td>
<td>17</td>
</tr>
<tr>
<td>Total possible returns</td>
<td>854</td>
</tr>
<tr>
<td>Total returns filed</td>
<td>842</td>
</tr>
</tbody>
</table>

A question which naturally arises is, how does the audit experience of the 216 enemies compare with that of the population at large. The percentage of all individual income tax returns audited during fiscal years 1969 to 1972 is available by several adjusted gross income classes.

Of the 842 returns filed by the 216 enemies, 437, or 51.9 percent, had adjusted gross income (AGI) of over $50,000; and 387, or 46.0 percent, had AGI between $10,000 and $50,000. Only 18 returns, or 2.1 percent, had AGI over $50,000.

---

1 The second list consists of 575 names. In 45 cases, the staff could not determine the identity of the individual, and there were 41 duplications either with list 1 or identical in list 2. In one case, the staff could not decide which of two persons was on the list, so it included both of them. Thus, 130 cases were examined.

2 The IRS has agreements for the exchange of information with all States except Texas and Nevada. Most of the referrals on both lists were to the State of New York. Under the Federal-New York State Tax Agreement, the IRS refers to the State several thousand tax returns that it has screened and not audited because of workload limitations. New York then furnishes the results of any audit it undertakes on those returns to the IRS.

3 Adjusted gross income is income before the deduction of personal exemptions and
had AGI below $10,000. Thus, the White House political opponents were a relatively affluent group, and it is probably appropriate to compare them with the national statistics for high income people. Internal Revenue Service data show that people with adjusted gross income over $50,000 tend to be audited about 14 percent of the time.

Since 22 percent of the returns on the White House enemies list 1 were audited, they appear to have been audited significantly more frequently than random individuals with roughly the same incomes. A finer breakdown of the national statistics, however, might not show that this was true.

There are several reasons why people on the White House political opponents list might be audited more frequently than average. First, they tend to be involved in a wider range of business activities than the average person with the same income. Second, a large fraction of the political opponents in the middle income range are journalists and writers. These people tend to have large deductions for business expenses, and under the DIF formulas in use between 1968 and 1971 this tends to give them higher-than-average DIF scores for people in their income range.

Table 2 shows the reasons why the 491 returns of people on list 1 that were screened as possible candidates for audit were selected. Of these, 425, or 86.6 percent, were selected for screening under one of the three computerized systems. Two hundred and eighty-seven returns were selected under the Standard or DIF systems, 134 under the Automatic or Special systems, and 4 under the Taxpayer Compliance Measurement Program. Twenty-one returns were screened in connection with prior or subsequent year audits. Eighteen returns were picked up in relation to audits of trusts, partnerships, or corporations. Three more were screened in connection with claims or requests for refunds. Seven were screened as part of special projects (generally, Strike Forces or Joint Compliance Projects). Two were referrals from the Intelligence Division. In 15 cases there was some other reason for the screening.

In the cases in which a return was computer-selected for screening, the Joint Committee staff has verified this by examining various documents that the IRS computer routinely generates when such a selec-

<table>
<thead>
<tr>
<th>Reason for Screening</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total screened</td>
<td>491</td>
<td>100.0</td>
</tr>
<tr>
<td>Computer selected</td>
<td>425</td>
<td>86.6</td>
</tr>
<tr>
<td>Standard or DIF</td>
<td>397</td>
<td>81.5</td>
</tr>
<tr>
<td>Automatic or Special</td>
<td>134</td>
<td>27.3</td>
</tr>
<tr>
<td>Taxpayer Compliance Measurement Program</td>
<td>4</td>
<td>0.8</td>
</tr>
<tr>
<td>Multi-year audit</td>
<td>21</td>
<td>4.3</td>
</tr>
<tr>
<td>Related pickup</td>
<td>13</td>
<td>2.7</td>
</tr>
<tr>
<td>Citations and other</td>
<td>3</td>
<td>0.6</td>
</tr>
<tr>
<td>Intelligence Division referrals or requests</td>
<td>2</td>
<td>0.4</td>
</tr>
<tr>
<td>Special projects</td>
<td>7</td>
<td>1.4</td>
</tr>
<tr>
<td>Other</td>
<td>15</td>
<td>3.0</td>
</tr>
</tbody>
</table>

1. Returns picked up in connection with audits of other returns.
2. Mainly Strike Forces and Joint Compliance Projects.
3. Strike Forces refer to the use of the investigative resources of several Federal agencies, including the IRS, to fight tax-related crime. In 1972, the IRS closed 5,834 audits in connection with Strike Forces. Joint Compliance Projects are carried out by the Audit and Intelligence Divisions within each District. They are directed against any individuals in the District who engage in specific economic activities that the IRS suspects are associated with failure to comply with the tax laws.
tion is made. In the cases where a return was audited in connection with a prior or subsequent year audit, the staff has verified that the prior or subsequent year audit did indeed occur and determined why the return was selected for screening that year. In cases of related pick-ups, the staff has verified that the related trust, partnership or corporation was indeed audited. In the cases of returns in which there were claims or requests for refunds, the staff has verified that such claims were made. In the case of special projects, the staff has either traced a project to an investigation begun by some other government agency or, if it was initiated by the IRS itself, examined the project to see that it was conducted without regard to the political views or activities of the individuals under investigation. In the other cases, the staff has satisfied itself that screening was not the result of White House pressure on the IRS.

Informants' letters present special problems. Any person who wishes to have somebody audited by the IRS can try to do so by sending a convincing informant's letter. Presumably, there is no reason why somebody in the White House could not send an anonymous letter (or even a signed letter) as well. Dean testified before the Senate Watergate Committee that this is how Caulfield arranged to have the Senate reporter audited. (The staff, however, did not find any informant's letters in this file.) The files on the individuals on list 1 contained 30 informant's letters on 19 people, of which 8 were anonymous. In many cases, these were the sort of crank letters that are routinely written to, and about, public figures. In no case was a return screened or audited because of such a letter. In one case, however, a letter was referred to an agent who was already auditing the subject of the letter, and the letter led to the assessment of a §365 deficiency.

Of the 187 audits, 121 had been completed by the time of the Joint Committee staff investigation. Thirty-one led to no change in tax liability; 82 to a tax increase; and 8 to a tax reduction.

**Summary Statistics on Audits—List 2**

The staff has also examined files on 1,417 returns of the 490 individuals on list 2. Table 5 summarizes the audit experience of the individuals on list 2 only for the years 1970 and 1971. In those two years the 490 individuals could have filed a maximum of 980 returns. Actually, they filed 962 returns. Of these, 569, or 59.1 percent, were selected for screening and 233, or 24.3 percent, were audited. Seven returns were referred to States under the exchange program. As was true in the case of list 1, this represents a higher percentage of cases audited than for people with high incomes generally. However, as previously pointed out, there are differences between this group and high income persons generally which may well account for the higher percentage audited.

Of the 1,417 returns examined for all years, the IRS selected a total of 999 returns for screening. Table 4 summarizes the reasons why these returns were selected. In 802 cases, or 80.3 percent of the total, the return was selected by one of the computer systems. Of these, 367 were selected under the Standard or DIF systems, 416 under the Automatic or Special systems, and 19 under the Taxpayer Compliance Measurement Program. In 17 cases, the screening was associated with a
claim or request for a refund; and in 35 cases it was a result of a prior or subsequent year audit. There were 65 pick-ups related to audits of businesses or trusts. Five returns were screened because of Intelligence referrals or requests. Eleven returns were screened as the result of special projects. Sixty-four returns were screened for some other reason.

TABLE 3.—AUDIT EXPERIENCE OF 490 WHITE HOUSE POLITICAL OPPONENTS 1970 AND 1971

<table>
<thead>
<tr>
<th>Number</th>
<th>Percent of returns filed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not required to file a return in 1970 or 1971</td>
<td>2</td>
</tr>
<tr>
<td>No record of having a return and no assurance that no return was required</td>
<td>16</td>
</tr>
<tr>
<td>Return filed and not selected for screening</td>
<td>393</td>
</tr>
<tr>
<td>Return filed and selected for screening</td>
<td>569</td>
</tr>
<tr>
<td>Audited</td>
<td>253</td>
</tr>
<tr>
<td>Referred to a State</td>
<td>7</td>
</tr>
<tr>
<td>Not audited after screening</td>
<td>309</td>
</tr>
<tr>
<td>Total possible returns</td>
<td>980</td>
</tr>
<tr>
<td>Total returns filed</td>
<td>962</td>
</tr>
</tbody>
</table>

TABLE 4.—REASONS FOR SCREENING RETURNS FROM LIST 2

<table>
<thead>
<tr>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Screened</td>
<td>999</td>
</tr>
<tr>
<td>Computer selected</td>
<td>832</td>
</tr>
<tr>
<td>Standard or DIF system</td>
<td>317</td>
</tr>
<tr>
<td>Automatic or Special systems</td>
<td>416</td>
</tr>
<tr>
<td>Taxpayer Compliance Assurance Program</td>
<td>19</td>
</tr>
<tr>
<td>Multi-year audit</td>
<td>15</td>
</tr>
<tr>
<td>Return pickup</td>
<td>64</td>
</tr>
<tr>
<td>Claims and other requests for refunds</td>
<td>17</td>
</tr>
<tr>
<td>Appeals or Intelligence Division referrals or requests</td>
<td>5</td>
</tr>
<tr>
<td>Special projects</td>
<td>11</td>
</tr>
<tr>
<td>Other</td>
<td>64</td>
</tr>
</tbody>
</table>

1 See notes to Table 2.

As with the returns from list 1, the staff has verified the reasons why each of these 999 returns on list 2 were selected for screening. It has found no evidence that any returns were screened as a result of White House pressure on the IRS.

CONDUCT OF AUDITS AND COLLECTION AND INTELLIGENCE ACTIVITIES

In addition to determining whether an individual on one of the political opponents lists was audited in a particular year, the staff has examined the revenue agents' reports and the workpapers of each audit to judge whether the audits were conducted without harassment or undue strictness. Income tax audits necessarily involve some inconvenience for the taxpayer being audited. However, the staff has found no evidence that revenue agents attempted to increase unnecessarily this inconvenience for people on the political opponents lists. In some cases, the agents were relatively strict. However, this was usually motivated by a previous lack of cooperation on the part of the taxpayer. In an equal number of cases the agents were somewhat lax. The staff has found absolutely no evidence that audits of people on the political opponents lists were on the average conducted more harshly than normal.
The staff has also reviewed the collection activities of the IRS concerning people on the lists. It has found no evidence that the IRS has been more vigorous in its attempts to collect unpaid taxes from political opponents of the White House than normal. Indeed, if anything, the opposite is true. Several individuals on the lists appear to pose collection problems for the IRS. The Service has been quite lenient in granting extensions to file in many cases, and has not yet attempted to collect taxes from several political opponents who have failed to file returns or even to ascertain the reasons for the failure to file.

The staff has also found no indication that the IRS was more vigorous than normal in recommending prosecution for tax violations in the cases of political opponents of the White House.

CASES OF ALLEGED IRS BIAS

The staff's investigation paid particular attention to the cases of those individuals mentioned in the press as victims of politically motivated audits. The Joint Committee staff has difficulty in discussing these cases specifically because of the problem this would present in violating the individuals' rights of confidentiality. However, in none of these cases has the staff found any evidence that the taxpayer was unfairly treated by the Internal Revenue Service because of political views or activities. If the staff were freed from restraint as to disclosure of information, it believes the information it has would indicate that these taxpayers were treated in the same manner as taxpayers generally.

In one case, it is possible to make some comments since the information involved does not come from Internal Revenue Service files. This was the case involving Robert W. Greene, a reporter for *Newsday* who had authored an article on C. G. Rebozo. In this case, Dean stated that John Caulfield had initiated an audit with an informant's letter. According to statements made by Greene, however, his return was not audited by the Internal Revenue Service but rather by New York State under the Federal/State exchange program. The staff has talked with Mr. Greene, the New York revenue agent who audited Greene's State return, and other people in the New York State Department of Taxation and, as a result, believes that his audit by New York State was unrelated to his being classified as a White House enemy.

V. INVESTIGATION OF INTERNAL REVENUE SERVICE FILES ON “FRIENDS” OF THE WHITE HOUSE

Seven individuals have been reported in the media or in testimony before the Senate Select Committee on Presidential Campaign Activities to be friends of people in the White House who allegedly received some favorable tax treatment because of actions taken by persons in the White House. In all of the 7 cases called to the staff's attention, audits were undertaken by the Internal Revenue Service. It is believed that all 7 of these were, at one time or another, listed as "sensitive case reports." Such reports are maintained on a current basis within the Internal Revenue Service for cases involving prominent persons. A listing of this type apparently has been used
24. On September 15, 1972 from about 5:23 until about 5:27 p.m. the President met with Haldeman and discussed, among other things, Dean's working through IRS. At about 5:27 p.m. Dean joined the meeting and from about 5:27 to about 6:00 p.m. the President, Haldeman and Dean had a discussion. The Committee has received tape recordings of these conversations.

24.1 Tape recording of a meeting between the President and H. R. Haldeman, September 15, 1972, 5:23 - 5:27 p.m., and House Judiciary Committee transcript thereof.
24.1 NOTE

See "Transcript Prepared by the Impeachment Inquiry Staff for the House Judiciary Committee of a Recording of a Meeting Between the President and H. R. Haldeman on September 15, 1972 from 5:23 to 5:27 P.M."
25. From approximately 6:00 p.m. to approximately 6:17 p.m. on September 15, 1972 the President, Haldeman and Dean continued their meeting. The Committee has not received a tape recording of this portion of the conversation. Haldeman and Dean have testified that at the September 15, 1972 meeting there was a discussion of taking steps to overcome the unwillingness of the IRS to follow up on complaints. According to a memorandum by SSC Minority Counsel Fred Thompson, Special Counsel to the President J. Fred Buzhardt has stated that during the September 15, 1972 meeting Dean reported on the IRS investigation of Lawrence O'Brien. On May 28, 1974 the Watergate Special Prosecutor moved that Judge Sirica turn over the recording of this portion of the conversation for presentation to the appropriate grand juries on the basis that the recording was relevant to alleged White House attempts to abuse and politicize the IRS, including unlawfully attempting in August and September 1972 to have the IRS investigate Lawrence O'Brien. On June 12, 1974 Judge Sirica granted the motion and ordered that the recording of the conversation from 6:00 to approximately 6:13 p.m. be made available to the Special Prosecutor.

25.1 H. R. Haldeman testimony, 7 SSC 2889.
25.2 John Dean testimony, 3 SSC 957-58.
25.3 John Dean testimony, 4 SSC 1535.
25.4 Fred Thompson notes of telephone conversation with J. Fred Buzhardt, SSC Exhibit No. 70A, 4 SSC 1794-96.
25.6 In re Grand Jury, transcript of proceedings, June 7, 1974, 12.
25.7 In re Grand Jury, order, June 12, 1974.
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JULY 26, 27, AND 30, 1973
Book 7

Printed for the use of the
Select Committee on Presidential Campaign Activities
U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $4
ings of the meetings in the President’s Office or of the President’s phone calls.

The President did not open the meeting of September 15 with the statement that, “Bob has kept me posted on your handling of the Watergate,” or anything even remotely resembling that. He said, “Hi, this was quite a day, you’ve got Watergate on the way,” or something to that effect. Dean responded that it had been quite a 3 months and reported to the President on how the press was handling the indictments and, apparently, a Clark MacGregor press conference.

The discussion then covered the matter of the new bug that had recently been discovered in the Democratic National Committee headquarters and the question of whether it had been planted by the DNC and the matter of Mr. Nixon’s campaign being bugged in 1968 and some discussion of whether to try to get out evidence of that. There was some discussion about Judge Richey hearing the civil case and a comment that he would keep Roemer McPhee abreast of what was happening. I don’t recall any comment about the judge trying to accommodate Dean’s hopes of slowing down the suit, but there was some discussion about the problem of the civil case depositions interfering with the criminal prosecution—apparently as a result of a conversation between Judge Richey and Assistant U.S. Attorney Silbert.

Dean indicated that the indictments meant the end of the investigation by the grand jury and now there would be the GAO audit and some congressional inquiries, such as the Patman committee, but he assured the President that nothing would come out to surprise us. In other words, there was apparently no information that would be harmful that had not been uncovered already. The President did at that point commend Dean for his handling of the whole Watergate matter, which was a perfectly natural thing for him to do. Dean reported that he was keeping a close eye on possible campaign law violations by the opposition; said there were some problems of bitterness at the reelection committee between the finance committee and political groups; and said he was trying to keep notes on people who were emerging out of all this that were clearly not our friends.

There was, as Mr. Dean has indicated, quite a lengthy discussion of the Patman hearings and the various factors involved in that. There was some discussion of the reluctance of the IRS to follow up on complaints of possible violations against people who were supporting our opponents because there are so many Democrats in the IRS bureaucracy that they won’t take any action.

There was a discussion of cleaning house after the election, moving quickly to replace people at all levels of the Government. The meeting closed, as I recall, with a fairly long philosophical discussion.

I totally disagree with the conclusion that the President was aware of any type of cover-up and certainly Mr. Dean did not advise him of it at the September 15 meeting.

**SENATE COMMITTEE**

On February 7, 1973, the Watergate case moved into a new phase with the establishment of the Senate Select Committee. The announcement of the plans for the Senate probe was the reason for holding a weekend meeting, February 10 and 11, in southern California with Mr. Ehrlichman, Mr. Dean, Mr. Moore, and myself. These meetings have
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 25 AND 26, 1973
Book 3

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
96-296 0
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $3
Stock Number 5270-01963
but that I wasn't going to suggest filing any lawsuit or taking any action that was not well founded.

I had talked with Mitchell, Ken Parkinson, and Paul O'Brien about the matter and Mr. Parkinson informed me that he was working on several potential counteractions. I requested that he submit a memorandum to me as soon as possible because there was great interest at the White House in a counterattack, including the interest by the President. On September 11, 1972, Mr. Parkinson submitted his memorandum to me and after the memorandum, I redrafted his documents for submission to Haldeman. I have submitted to the committee copies of both Mr. Parkinson's memorandum and the memorandum I submitted to Haldeman.

[The documents referred to were marked exhibit No. 34-19.*]

Mr. Dean, you will note that my memorandum of September 12, 1972, to Mr. Haldeman has a "P" with a checkmark in the upper right-hand corner, which indicates that the document was forwarded directly to, or reviewed by, the President. I later learned that the President was pleased and wanted a full followup on the items in the memorandum. The markings on the memo are Mr. Haldeman's markings.

It was also about this time, later July—early September, that I learned during a meeting in Mitchell's office that Mr. Rhoemer McPhee was having private discussions with Judge Richey regarding the civil suit filed by the Democrats. I believe this fact was known to Mr. Mitchell, Mr. LaRue, Paul O'Brien, and Ken Parkinson—and later again by McPhee—that Judge Richey was going to be helpful whenever he could. I subsequently talked with Mr. McPhee about this, as late as March 2 of this year, when he told me he was going to visit the judge in the judge's rose garden over the weekend to discuss an aspect of the case.

**MEETING WITH THE PRESIDENT—SEPTEMBER 15, 1972**

On September 15 the Justice Department announced the handing down of the seven indictments by the Federal grand jury investigating the Watergate. Late that afternoon I received a call requesting me to come to the President's Oval Office. When I arrived at the Oval Office I found Haldeman and the President. The President asked me to sit down. Both men appeared to be in very good spirits and my reception was very warm and cordial. The President then told me that Bob—referring to Haldeman—had kept him posted on my handling of the Watergate case. The President told me I had done a good job and he appreciated how difficult a task it had been and the President was pleased that the case had stopped with Liddy. I responded that I could not take credit because others had done much more difficult things than I had done. As the President discussed the present status of the situation I told him that all that I had been able to do was to contain the case and assist in keeping it out of the White House. I also told him that there was a long way to go before this matter would end and that I certainly could make no assurances that the day would not come when this matter would start to unravel.

*See p. 1173.*
Early in our conversation the President said to me that former FBI Director Hoover had told him shortly after he had assumed office in 1968 that his campaign had been bugged in 1968. The President said that at some point we should get the facts out on this and use this to counter the problems that we were encountering.

The President asked me when the criminal case would come to trial and would it start before the election. I told the President that I did not know. I said that the Justice Department had held off as long as possible the return of the indictments, but much would depend on which judge got the case. The President said that he certainly hoped that the case would not come to trial before the election.

The President then asked me about the civil cases that had been filed by the Democratic National Committee and the common cause case and about the counter suits that we had filed. I told him that the lawyers at the reelection committee were handling these cases and that they did not see the common cause suit as any real problem before the election because they thought they could keep it tied up in discovery proceedings. I then told the President that the lawyers at the reelection committee were very hopeful of slowing down the civil suit filed by the Democratic National Committee because they had been making ex parte contacts with the judge handling the case and the judge was very understanding and trying to accommodate their problems. The President was pleased to hear this and responded to the effect that "Well, that's helpful." I also recall explaining to the President about the suits that the reelection committee lawyers had filed against the Democrats as part of their counteroffensive.

There was a brief discussion about the potential hearings before the Patman committee. The President asked me what we were doing to deal with the hearings and I reported that Dick Cook, who had once worked on Patman's committee staff, was working on the problem. The President indicated that Bill Timmons should stay on top of the hearings, that we did not need the hearings before the election.

The conversation then moved to the press coverage of the Watergate incident and how the press was really trying to make this into a major campaign issue. At one point in this conversation I recall the President telling me to keep a good list of the press people giving us trouble, because we will make life difficult for them after the election. The conversation then turned to the use of the Internal Revenue Service to attack our enemies. I recall telling the President that we had not made much use of this because the White House did not have the clout to have it done, that the Internal Revenue Service was a rather democratically oriented bureaucracy and it would be very dangerous to try any such activities. The President seemed somewhat annoyed and said that the Democratic administrations had used this tool well and after the election we would get people in these agencies who would be responsive to the White House requirements.

The conversation then turned to the President's postelection plans to replace people who were not on our team in all the agencies. It was at this point that Haldeman, I remember, started taking notes and he also told the President that he had been developing information on which people should stay and which should go after the election. I recall that several days after my meeting with the President, I was talking to Dan Kingsley, who was in charge of developing the list for
hearing, and you will recall that I requested, after a discussion with Mr. Haldeman, that we check the financial or the campaign filing requirements of the members of the Patman committee. I did receive a document, I have submitted that document. To this day I have not read that document and I can't tell you what it says, I didn't have any interest in that. I had also been suggesting, I had had a suggestion, for Mr. Haldeman to call Governor Connally, to ask him about Mr. Patman and he said, "I think Mr. Patman might have one soft spot," but he also indicated some Republicans might have similar soft spots, and when Mr. Timmons and I discussed this we realized this might create more problems than it would solve.

Now, coming back to this committee, I can recall a comment when this discussion came up that it would be very difficult for some members, possibly some of the members of this committee, to throw stones when they were living in a glass house, and that is the comment I recall making.

Senator Inouye. Returning to the President's statement which you quoted, "That we will take care of them after the election," did the President ever tell you what he meant by that?

Mr. Dean. To me, the way the conversation was evolving, and it moved right from there to the Internal Revenue Service, and there may have preceded that—because I am taking such care in any reference that I make to any conversations I recall with the President—to something about the Internal Revenue Service that led into the fact that I should keep a good list and then he went on to talk, I do recall him very clearly telling me to make a good list of those who are giving us problems, that we will take care of them after the election. We will make life less than pleasant for them, and it moved, the conversation moved, directly from there to a discussion of the Internal Revenue Service, and I told him how, I was really telling him the fact that I could not call Mr. Walters and tell Mr. Walters to get an audit started. And the President was rather annoyed at this and I told him the reason why when he asked me and I said, well, because the bureaucracy of the Internal Revenue Service is primarily Democratic and something like this cannot be done.

Senator Inouye. Did you ever call Mr. Walters to attempt to provide special treatment for anyone?

Mr. Dean. To provide special treatment?

Senator Inouye. Yes or to—

Mr. Dean. No. I called him and asked him a number of questions on occasions on tax cases, yes, but I don't recall ever asking him for special treatment and, to the contrary, Mr. Walters is the type of man that he and I discussed on a number of occasions the extreme danger of the White House doing anything that would politicize the Internal Revenue Service and he felt very strongly about that and the like.

Now, I got criticisms——

Senator Inouye. Mr. Walters was not the man to see, who was your contact man in the Internal Revenue Service?

Mr. Dean. Mr. Caulfield had a contact man and he will have to tell you who that is because I do not know.

Senator Inouye. I thank you very much, Mr. Dean.

Mr. Dean. Thank you, Senator.
HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION
WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 27, 28, 29, AND JULY 10, 1973
Book 4

Printed for the use of the
Select Committee on Presidential Campaign Activities

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $3.00
Stock Number 96-296 O

[10442]
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>47</td>
<td>Memorandum for John Dean from Jack Caulfield. Subject: Opposition Activity.</td>
</tr>
<tr>
<td>48</td>
<td>Memorandum prepared by John Dean for members of the White House staff. Subject: Dealing with our Political Enemies.</td>
</tr>
<tr>
<td>49</td>
<td>Memorandum for John Dean from Charles Colson re: Names given top priority on enemies list.</td>
</tr>
<tr>
<td>50</td>
<td>Memorandum for Larry Higby from John Dean concerning names for enemies list.</td>
</tr>
<tr>
<td>51</td>
<td>Section of a news summary from Higby to Dean, indicating that DNC treasurer Robert Strauss should be on the list.</td>
</tr>
<tr>
<td>52</td>
<td>Additions to enemies list sent to John Dean from Gordon Strachan.</td>
</tr>
<tr>
<td>53</td>
<td>Memorandum for John Dean from Gordon Strachan. Subject: Political Enemies. (Re: Chet Huntley.)</td>
</tr>
<tr>
<td>54</td>
<td>Memorandum for Larry Higby from John Dean concerning names for enemies list.</td>
</tr>
<tr>
<td>55</td>
<td>Memorandum from a member of Charles Colson's staff re: People who attended a rally for a “dump Nixon” program.</td>
</tr>
<tr>
<td>56</td>
<td>List of McGovern campaign staff with asterisks beside key names that were to be included in the opponents project.</td>
</tr>
<tr>
<td>57 and 58</td>
<td>(1938) Marked for identification only and are not for publication.</td>
</tr>
<tr>
<td>59</td>
<td>Bank statement on account of John Wesley [sic] Dean, III.</td>
</tr>
<tr>
<td>60</td>
<td>Additional document updating the enemies list, entitled “Politicos Continued.”</td>
</tr>
<tr>
<td>61</td>
<td>Memorandum from members of Charles Colson's staff re: Opponents Lists.</td>
</tr>
<tr>
<td>62</td>
<td>Memorandum re: Updating of opponents list.</td>
</tr>
<tr>
<td>63</td>
<td>Document entitled “Corporate Executives Committee for Peace, Trip to Washington—June 23, 1970.” This document also is an update of the enemies list.</td>
</tr>
<tr>
<td>64</td>
<td>List of Democratic contributors of $25,000 or more in 1968 campaigns (from New York Times Story, June 20, 1971).</td>
</tr>
<tr>
<td>65</td>
<td>Memorandum re: List of Muskie contributors to be added to opponents list.</td>
</tr>
<tr>
<td>66</td>
<td>Letter from J. Fred Buzhardt, special counsel to the President, to Senator Inouye re: Questions and a memorandum previously furnished the committee in questioning Mr. Dean.</td>
</tr>
<tr>
<td>67</td>
<td>Memo and questions pertaining to exhibit No. 66.</td>
</tr>
<tr>
<td>68</td>
<td>Memorandum of Law, Admissibility of Hearsay Statements of a Co-conspirator. Submitted by Samuel Dash, chief counsel and staff director, Senate Select Committee on Presidential Campaign Activities.</td>
</tr>
<tr>
<td>69</td>
<td>Letter from Congressman Garry Brown to Senator Ervin re: Certain statements made by Mr. Dean.</td>
</tr>
<tr>
<td>70</td>
<td>Letter from Senator Strom Thurmond to Senators Baker and Gurney and Mr. Fred Thompson re: Mr. Harry Dent declining to do research against Senator Ervin.</td>
</tr>
<tr>
<td>70A</td>
<td>Detailed notes of Fred D. Thompson, minority counsel, of telephone conversation with J. Fred Buzhardt, special counsel to the President re: Conversation between the President and Mr. Dean.</td>
</tr>
<tr>
<td>71</td>
<td>Letter to Mr. Garnett D. Inscoe, Suburban Trust Co., from Shaffer, McKeeer &amp; Fitzpatrick with enclosures.</td>
</tr>
<tr>
<td>72</td>
<td>Request for transportation dated October 11, 1972.</td>
</tr>
<tr>
<td>73</td>
<td>Request for transportation dated October 19, 1972.</td>
</tr>
<tr>
<td>74</td>
<td>Memorandum for the Attorney General from Jeb S. Magruder, dated December 3, 1971.</td>
</tr>
</tbody>
</table>

**Note:** Figures in parentheses indicate page that exhibit was officially made part of the record.
IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

SENATE SELECT COMMITTEE ON PRESIDENTIAL
CAMPAIGN ACTIVITIES, ET. AL.: 

Plaintiffs

v.

RICHARD M. NIXON, 
INDIVIDUALLY AND AS PRESIDENT OF THE UNITED STATES)

THE WHITE HOUSE
WASHINGTON, D.C.

Defendant

AFFIDAVIT OF FRED D. THOMPSON

Fred D. Thompson, being sworn, deposes and says:

1. Early in June, 1973, the White House transmitted
to the Select Committee a memorandum (which is attached to this
affidavit) listing certain oral communications, both face-to-face and
telephonic, between President Richard M. Nixon and John Wesley Dean III.
This memorandum, inter alia, includes the exact times and durations of
these communications, and, in the case of face-to-face communications,
the other participants, if any, in those conversations.
2. Shortly thereafter, I received a telephone call from J. Fred Buzhardt, Special Counsel to the President. During this telephone call, Mr. Buzhardt related to me his understanding as to the substance of certain portions of the enumerated conversations between the President and Mr. Dean.

3. During my discussion with Mr. Buzhardt, I made detailed notes on the information that he gave me. Upon conclusion of the conversation, I promptly prepared a "Memorandum of Substance of Dean's Calls and Meeting with the President," a copy of which is attached to this affidavit. It is my belief that this memorandum accurately reflects the information imparted to me by Mr. Buzhardt.

Fred D. Thompson

Subscribed and sworn to, before me, this 9th day of August, 1973.

Notary Public, D.C.
MEMORANDUM OF SUBSTANCE OF DEAN'S CALLS AND MEETINGS WITH THE PRESIDENT

September 15, 1972
Dean reported on IRS investigation of Larry O'Brien.
Dean reported on Watergate indictments.

February 27, 1973
Discussed executive privilege, minority counsel for Watergate Committee. Dean suggested White House aides submit answers to interrogatories.

February 28, 1973
President inquired of Watergate, Dean said no White House involvement, Stans was victim of circumstance, Colson was lightning rod because of his reputation. Discussed wiretappings which had been brought up in the Gray hearings. Sullivan, Deputy Director, was friend of Dean and Dean suggested they make sure that wiretaps of prior years (other Administrations) be made known.

March 1, 1973
Preparation for press conference -- go over question and answer book. Was decided the question would come up as to why Dean was sitting in on FBI interviews and that the reason was he was conducting an investigation for the President. President asked Dean to write a report. Dean was also critical of Gray.

(March 2 press conference)

March 6, 1973
Discussed executive privilege guidelines, decided to cover former White House personnel as well as present.

March 7, 1973
Again discussion executive privilege guidelines. Dean again told the President the White House was clear. The President inquired as to how Pat Gray was doing. Dean informed him E.B. Williams had dropped out of the civil case.
IN RE GRAND JURY SUBPOENA
DUces TECUM ISSUED TO
RICHARD M. NIXON, OR ANY
SUBORDINATE OFFICER,
OFFICIAL, OR EMPLOYEE
WITH CUSTODY OR CONTROL
OF CERTAIN DOCUMENTS OR
OBJECTS.

MOTION FOR RECONSIDERATION

The Special Prosecutor on behalf of the
United States hereby moves this Court to reconsider
two rulings contained in its Order dated December 19,
1973, sustaining claims of executive privilege ad-
vanced by the President in opposition to the produc-
tion of materials listed in the above-captioned grand
jury subpoena duces tecum.

In that Order, the Court sustained the
President's claims of privilege with respect to,
inter alia, (1) the latter portion of the tape-
recording of a meeting from 5:27 to 6:17 p.m. on
September 15, 1972, in the Oval Office of the White
House, involving the President, H. R. Haldeman and
John Dean (designated "Item IVA" in the Analysis,
Index and Particularized Claims of Executive Privilege
for Subpoenaed Materials, hereafter "Analysis," filed
on behalf of the President on November 26, 1973),
and (2) the notes of H. R. Haldeman relating to the
latter portion of that meeting (designated "Item IVB").
As to these two matters the Court accepted the asser-
tion of Counsel for the President that this portion of
this meeting related to "discussions with and advice
from the President's senior Assistant and his counsel
on matters relating to the President's conduct of his official duties and are unrelated to Watergate matters." (Analysis, pp. 14, 16)

On the basis of information that has recently become available, it appears that Item IVA and Item IVB are relevant both to matters at issue in United States v. John N. Mitchell, et al., Crim. No. 74-110, and to Watergate-related matters under investigation by the federal grand juries empanelled on August 13, 1973, and January 7, 1974. The facts in support of this conclusion are set forth in greater detail in the attached affidavit of Special Prosecutor Leon Jaworski. For the reasons therein stated the United States respectfully requests this Court to reconsider the aforesaid portions of its December 19, 1973 Order, and to rule that Item IVA and Item IVB are not privileged and to order that they be turned over forthwith to the Special Prosecutor for presentation to the appropriate grand juries and for such other use as is in accordance with law.

Respectfully submitted,

LEON JAWORSKI
Special Prosecutor

PHILIP A. LACOVARA
Counsel to the Special Prosecutor

RICHARD BEN-VENISTE
Assistant Special Prosecutor

JAY BERGMAN
Assistant Special Prosecutor

HEINZ F. PIENIAT
Assistant Special Prosecutor

Watergate Special Prosecution Force
1425 K Street, N. W.
Washington, D. C. 20005

Dated: May 23, 1974

Attorneys for the United States
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

IN RE GRAND JURY SUBPOENA
DUCE TECUM ISSUED TO
RICHARD M. NIXON, OR ANY
SUBORDINATE OFFICER,
OFFICIAL, OR EMPLOYEE
WITH CUSTODY OR CONTROL
OF CERTAIN DOCUMENTS OR
OBJECTS.

Misc. No. 47-73

AFFIDAVIT OF LEON JAWSKI

Leon Jaworski, being duly sworn, deposes
and says:

1. I am the Special Prosecutor, Watergate
Special Prosecution Force. I submit this affidavit
in support of the Government's motion to have this
Court reconsider portions of its Order dated December 19,
1973, in the above-captioned case. Except where other-
wise indicated this affidavit is based upon information
and belief.

2. By Order dated December 19, 1973, this
Court sustained the President's claim of privilege
opposing production of (1) the latter portion of a
tape recording of a meeting involving the President,
H. R. Haldeman and John Dean, in the Oval Office of
the White House, from 5:27 to 6:17 p.m. on September 15,
1972, and (2) the notes of H. R. Haldeman pertaining to
that part of the meeting. These materials had been
designated in the President's Analysis, Index and Parti-
cularized Claims of Executive Privilege for Subpoenaed
Materials (hereafter "Analysis"), as Item IVA and Item
IVB, respectively. In this Analysis, pp. 14, 16,
2. Counsel for the President claimed that the conversations in question related only to "discussions with and advice from the President's senior assistant and his counsel on matters relating to the President's conduct of his official duties and are unrelated to Watergate matters." There is evidence, however, that refutes this assertion and supports the conclusion that the materials in question do relate to investigations of the Watergate break-in and related matters.

3. (a) During the public hearings before the Senate Select Committee on Presidential Campaign Activities both Mr. Dean and Mr. Haldeman testified about the portion of the September 15, 1972, meeting in question. Mr. Dean testified that consistent with his discussion that day with the President concerning the press coverage of the Watergate issue and the advisability of preparing a list of press personnel who had written critically about the Administration he discussed with the President the use of the Internal Revenue Service (hereafter "IRS") to attack enemies of the White House. Hearings before the Senate Select Committee on Presidential Campaign Activities, 93rd Cong., 1st Sess., Book 3, p. 958. (See Appendix A) Dean claimed that the President asserted that Democratic administrations had "used" the IRS and that after the upcoming Presidential election the White House would attempt to do so. Ibid.

(b) Mr. Haldeman testified also that there had been discussion at the time about the Democratic orientation of the IRS and the reluctance of the IRS to
3. Follow up on complaints of possible violations against people who were supporting opponents of the White House.

Hearings before the Senate Select Committee on Presidential Campaign Activities, 93rd Cong., 1st Sess., Book 7, p. 2889. (See Appendix B)

(c) During those hearings the White House corroborated this testimony, at least in part.

In or about early June 1973, J. Fred Buzhardt, then Special Counsel to the President, advised Fred D. Thompson, Minority Counsel of the Senate Select Committee, that the meeting on September 15, 1972, concerned a tax investigation of Lawrence F. O'Brien, Sr., then the Campaign Director for Senator McGovern's 1972 Presidential campaign, and in June 1972, Chairman of the Democratic National Committee. Mr. Thompson reduced his notes of his conversation with Mr. Buzhardt to writing, appended to his affidavit which was made part of the record of the Select Committee's proceedings. Hearings before the Senate Select Committee on Presidential Campaign Activities, 93rd Cong., 1st Sess., Book 4, pp. 1794-1800. (See Appendix C)

4. Allegations concerning the White House's attempt to abuse and politicize the IRS have been and are the subjects of investigation by both the federal grand jury empanelled on August 13, 1973, and the federal grand jury empanelled on January 7, 1974. Insofar as is relevant here those investigations have focused on allegations: (1) that in September 1972, the White House presented lists of individuals ("enemies")
to the IRS with the direction that they be audited or otherwise harassed; and (2) that in August and September 1972, the White House unlawfully attempted to have the IRS investigate Mr. O'Brien. Evidence assembled by this Office, much of which has been presented before the grand juries, substantiates both of those allegations. This evidence also indicates the likelihood that on September 15, 1972, the President did in fact have discussions with Mr. Dean and Mr. Haldeman, concerning those matters. If the Court desires, a detailed review of the witnesses can be submitted for in camera examination.

5. In addition portions of a transcript of this meeting which was apparently prepared by the staff of the House Judiciary Committee, recently have been made public and support the relevance of these discussions. The transcript of the portion of the meeting between the President and H. R. Haldeman on September 15, 1972, just prior to Mr. Dean's entry, which had not been available previously to the Special Prosecutor, reflect that Mr. Haldeman was aware that Mr. Dean was engaged in investigating "McGovern people" by use of the IRS. The Washington Post, May 17, 1974, p. A26. (See Appendix D)

6. These matters may well be relevant to the trial of United States v. John N. Mitchell, et al., Crim. No. 74-110, in which Mr. Haldeman and others are charged with a conspiracy to obstruct justice in attempting to cover up the identities of persons responsible for the illegal break-in and electronic surveillance of the Democratic National Committee
5.

headquarters of the Watergate office building. See also United States v. Liddy, et al., Crim. No. 1827-72. Portions of the September 15, 1972, meeting as to which the claim of privilege has been sustained may well bear on the possible motives of one or more of the alleged conspirators in connection with the Watergate break-in and alleged cover-up.

Wherefore, for all the reasons set forth above, it is respectfully requested that this Court reconsider and modify its Order dated December 19, 1973, to provide that Items IVA and IVB as identified above, are relevant and non-privileged and to direct that they be turned over forthwith to the Special Prosecutor for use in the appropriate judicial proceedings.

LEON JANORSKI
Special Prosecutor

Subscribed and sworn to before me this 33rd day of May, 1974.

Notary Public

My Commission Expires March 14, 1979
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA

vs

JOHN N. MITCHELL, et al

Criminal No. 74-110

IN RE: POST TRIAL WATERGATE
GRAND JURY PROCEEDINGS - SUB-
POENA DUCESE TECUM ISSUED TO
PRESIDENT RICHARD M. NIXON
FOR PRODUCTION OF TAPES, ETC.

Misc. No. 47-73

Friday, June 7, 1974

The above-entitled causes comes on for hearing at
2:00 p.m. before THE HONORABLE JOHN J. STERICA (Cr. No. 74-110:
Motion by all defendants to defer argument on all pretrial motions
by all defendants pending final decision on the writ of mandamus
to recuse the trial judge); (Misc. No. 47-73: Motion re special
appearance and motion to dismiss the motion for reconsideration
and motion of White House counsel to lift protective order.)

APPEARANCES:

PHILIP LACOVARA
RICHARD BEN-VENISTE
JILL VOLKER
PHILIP LACOVARA
LARRY LASON

GEORGE FRAMPTON
PETER RIENT
GERALD GOLDMAN
JAY NORMAN
HENRY HECHT

JAMES D. ST. CLAIR
JEROME MURPHY
MICHAEL STEILACO
to our brief with the exception of the matter concerning the Grand Jury's action about co-conspirators.

THE COURT: All right, very well.

Now with regard to the Special Prosecutor's Motion for Reconsideration, I have read the motions and memoranda submitted, and I have listened to the September 15th 1972 tape. I view the matter in this manner:

The Court examined this tape last December looking only for Watergate material. The Court used and understood the term Watergate as meaning matter related to the Watergate break-in and the alleged cover-up. Even though the Special Prosecutor suggested in a footnote on page 12 of his response to the White House Index and Analysis filed November 29, 1973, that he was investigating misuse of the IRS, the Court, frankly overlooked it.

The Special Prosecutor has made a more than adequate showing of probable relevance to current grand jury Watergate investigations, using the word Watergate in the broader sense. After examining the tape and the third page of Mr. Haldeman's September 15 notes, previously declared privileged, I find the notes and almost all of the tape unquestionably relevant.

The Special Prosecutor's showing of need for the material is compelling, especially when weighed against the public interest in maintaining total confidentiality of all except a part. There is no national security or other weighty reason to withhold the matter from the grand jury.
IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

IN RE GRAND JURY SUBPOENA
DUCES TECUM ISSUED TO
RICHARD M. NIXON, ETC.

MISC. NO. 47-73

ORDER

The Court having examined in camera the two
items noted below pursuant to its order and opinion of
August 29, 1973, and the mandate of the United States
Court of Appeals for the District of Columbia Circuit
entered October 12, 1973 in Nixon v. Sirica, No. 73-1962,
and the Special Prosecutor on behalf of the United States
having moved for reconsideration of certain portions of
this Court's order of December 19, 1973, and the Court
having considered the Opposition of the President
and the Supplemental Memoranda and Affidavits supplied
by the Special Prosecutor, it is hereby

ORDERED that the motion for reconsideration
is granted and the order of December 19, 1973 is modified
in the following respects:

1. With respect to Item IVA (tape recording of
   a meeting between the President, H. R. Haldeman
   and John W. Dean, III on September 15, 1972
   in the Oval Office from 5:27 to 6:17 p.m.,
   required under part 1(d) of the grand jury
   subpoena duces tecum), the claim of executive
   or other privilege which relates to the latter
   portion of the recorded conversation is
   denied excepting the final 3 minutes and 37
seconds of said recorded conversation.

2. With respect to Item IVB (notes of H. R. Haldeman relating to the meeting between the President, Mr. Haldeman, and John W. Dean, III on September 15, 1972 in the Oval Office from 5:27 to 6:17 p.m., required under part 1(d) of the grand jury subpoena duces tecum), the claim of executive or other privilege for those portions of Item IVB relating to the latter portion of Item IVA is denied.

and it is

FURTHER ORDERED that Item IVA and Item IVB, to the extent noted, will be made available forthwith to the Special Prosecutor for presentation to the appropriate grand juries and for such other use as is in accordance with law; and it is

FURTHER ORDERED that execution of this Order is hereby stayed until 4:00 p.m., Friday, June 14, 1974, to permit the initiation of appellate review by the President; and it is

FURTHER ORDERED that should the President elect to seek appellate review of this Order within the time specified, execution of the Order shall be stayed pending completion of such review.

Dated: June 12, 1974.
26. Walters has stated that on or about September 25, 1972 Dean telephoned him and inquired as to what progress had been made with respect to the list of McGovern campaign workers and contributors which he had given to Walters on September 11, 1972. Walters has stated that he informed Dean that no progress had been made; that Dean asked if it might be possible to develop information on fifty, sixty or seventy of the names; and that Walters responded that, although he would reconsider the matter with Secretary Shultz, any activity of this type would be inviting disaster. Walters has stated that on or about September 29, 1972 he discussed Dean's request with Shultz and that he and Shultz agreed that nothing be done with respect to the list. Walters has stated that he did not furnish any name or names from the list nor request any IRS employee or official to take any action with respect to the list.


26.2 Johnnie Walters handwritten notes, September 25, 1973 (received from Joint Committee on Internal Revenue Taxation).
JOHNNIE M. WALTERS, being first duly sworn, deposes and says:

1. I served as Commissioner of Internal Revenue from August 6, 1971, through April 30, 1973.

2. On September 11, 1972, I met with John W. Dean, III, pursuant to his request, in his office at the Old Executive Office Building. At that meeting he gave me a list of names, and requested that IRS undertake examinations or investigations of the people named on the list. The list appeared to contain names of persons on the 1972 Presidential campaign staff of Senator George McGovern and of contributors to that campaign.

3. Mr. Dean stated that he had been directed to give the list to me. It was my impression at the time of the September 11, 1972 meeting that John D. Ehrlichman was the one who had given Mr. Dean his directions, but I do not recollect on what my impression was based.
Mr. Dean stated that he had not been asked by the President to have this done and that he did not know whether the President had asked that any of this activity be undertaken. Mr. Dean expressed the hope that the IRS could do this in such a manner that would "not cause ripples." He indicated that he was not yet under pressure with respect to this matter.

4. I advised Mr. Dean that compliance with the request would be disastrous for the IRS and for the Administration and would make the Watergate affair look like a "Sunday school picnic." I asked whether he had discussed the matter with Secretary Shultz, and he said no. I advised him that I would discuss the matter with Secretary Shultz, and that I would recommend to Secretary Shultz that we do nothing on the request.

5. On September 13, 1972, at the earliest opportunity, I discussed the matter with Secretary Shultz, showed him the list, and advised him that I believed that we should not comply with Mr. Dean's request. Mr. Shultz looked briefly at the list, and said do nothing with respect to it. I placed the list in a sealed envelope and placed it in my office safe. I believe I may have
informed Mr. Dean of the decision, but do not specifically recall doing so.

6. On or about September 25, 1972, I received a telephone call from Mr. Dean. He inquired as to what progress I had made with respect to the list. I told him that no progress had been made. He asked if it might be possible to develop information on fifty-sixty-seventy of the names. I again told him that, although I would reconsider the matter with Secretary Shultz, any activity of this type would be inviting disaster.

7. Thereafter, on or about September 29, 1972 and again at the earliest opportunity, I discussed the matter again with Secretary Shultz. We again agreed that nothing would be done with respect to the list. I have no recollection of any further discussions about the matter during my tenure as IRS Commissioner, except the possibility of mentioning (without showing) it to the present Commissioner, Donald C. Alexander, as he was in the process of being named Commissioner.

8. At no time did I furnish any name or names from the list to anyone, nor did I request any IRS employee or official to take any action with respect to the list.
9. I removed the list from the safe when I left IRS and thereafter personally kept it in the sealed envelope and locked in my present office.

10. On July 11, 1973, upon written request, I submitted the list, along with my handwritten notes of the September 11, 1972 meeting, to the Joint Committee on Internal Revenue Taxation in connection with that Committee's investigation of allegations that the IRS took enforcement actions for political purposes.

[Signature]
Johnnie M. Walters

Dated: 5/6/74

Subscribed and sworn to before me this 6 day of May, 1974.

[Signature]
Evelyn M. Curley
Notary Public
My Commission expires

My Commission Expires Feb. 14, 1975
June 10, 1974

Received from the Joint Committee on Internal Revenue Taxation:


Gary Sutton
Committee on Judiciary
House of Representatives
Commissioner
of
Internal Revenue

To

John Dean telephoned to
ask what progress on list.

JMW told him JMW had
discussed with Secy Shultz
& that so far no progress
has been made in actually
checking the list.

JMW advised Dean again
that any checking such as
suggested would be inviting
disaster. He agreed however
to consider the matter again
with Secy Shultz & recall
Dean
To the Commissioner of Internal Revenue

[Signature]

Date

[Signature]

[Handwritten text]

[Handwritten text]

[Handwritten text]

[Handwritten text]

[Handwritten text]

[Handwritten text]

[Handwritten text]
27. On March 13, 1973 the President met with Haldeman and Dean. During the conversation the President and Dean discussed, among other things, obtaining information from the IRS.

27.1 Tape recording of a conversation among the President, H. R. Haldeman and John Dean, March 13, 1973, and House Judiciary Committee transcript thereof (received from White House).
See "Transcript Prepared By the Impeachment Inquiry Staff for the House Judiciary Committee of a Recording of a Meeting among the President, John Dean and H.R. Haldeman on March 13, 1973 from 12:42 to 2:00 p.m."
28. On May 2, 1973 the Center on Corporate Responsibility, Inc. filed suit claiming that it had been unlawfully denied tax-exempt status because of selective treatment for political, ideological and other improper reasons having no basis in the statute and regulations. On December 11, 1973 the United States District Court held that the tax exemption had been unlawfully denied. The Court stated that its ruling was based in part on the failure of the White House to comply fully with discovery orders. The Court found that the inference of political intervention had been unmistakably raised.

case involving the present plaintiff and indistinguishable from the one here involved.

There Judge Coleman, speaking for the court, said:

"We think the correct standard for the determination of the issue now before us was enunciated by the Third Circuit in The Travelers Insurance Company v. Blue Cross of Western Pennsylvania, [July 10, 1973], 481 F. 2d 80:

'The anti trust laws, however, protect competition, not competitors; and stiff competition is encouraged, not condemned.'

"This statement was preceded by the observation that:

'...in its negotiating with hospitals, Blue Cross has done no more than conduct its business as every national enterprise does, i.e., get the best deal possible...Blue Cross passes along the saving thus realized to consumers.'

"That is the situation here. American Family Life does not write broad coverage hospital and medical insurance. Blue Cross-Blue Shield do write such coverage. American Family Life sells cancer plan policies. Blue Cross-Blue Shield writes such coverage only as incidental to or as a part of its broad coverage which protects the insured as to many diseases or disabilities. When they include COB in their policies these companies are simply providing that to a certain extent they shall not make the payments received or to be received from some other insurance policy, thus reducing the cost of their broad risk coverage as well as its cost to the insured.

'This may be tough competition for American Family Life, which chooses to concentrate on only one dread risk, but the test is whether any restraint of trade thus caused is reasonable, North-ern Pacific Railway Company v. United States, 356 U.S. 1, 78 S.Ct. 514, 2 L.Ed.2d 545 (1958). In our opinion, there is no logical way in the context of this case by which the COB provisions can be pronounced 'unreasonable'. We cannot say under § 1 of the Sherman Act that an insurance company insuring against only one risk is entitled to dictate the terms upon which broad risk companies may offer their benefits to those individuals who need protection against many risks.

"Stated another way, may the Blue Cross-Blue Shield COB provisions be invalidated under the Sherman Act so that American Family Life may write its cancer policies in the form it desires while at the same time denying the same right to Blue Cross-Blue Shield as to broad coverage? We think not, and we so hold."

The motion for summary judgment is granted and the case dismissed.4

It is so ordered.

4. The court intends this dismissal to be with prejudice; however, should certiorari be granted by the Supreme Court in the Florida Blue Cross case, we suggest that counsel move the Fifth Circuit to withhold any opinion in this case until that case is disposed of. In this way, additional appeals of the same question may be avoided.
The Defendants have failed to comply with the Court's Order of July 6. Within the scope of the Order were all White House files plus the Treasury and the IRS files regarding tax-exempt organizations since Jan. 20, 1969, and certain tape recordings now before Judge Sirica.

Neither of the two searches of the White House files met the scope of the Order. The first was limited solely to materials in the White House files which mentioned the Plaintiff. In addition, Mr. Kehrli's affidavit regarding the first search of "all White House files referred, was between the President, Mr. Dean and Mr. Haldeman, not Mr. Ehrlichman.

17. "... Moreover, notwithstanding the stated grounds for the May 16 ruling, Plaintiff in fact was denied a favorable ruling because it was singled out for selective treatment for political, ideological and other improper reasons which have no basis in the statute and regulations." Plaintiff's Amended Complaint, para. 21, second sentence.

18. Mr. Buchanan's testimony referred to a memorandum from himself to the President, dated March 31, 1971, which discussed the Administration's intent to use the IRS to combat those "anti-Administration institutions like the Stern Foundation." See, New York Times, September 27, 1973, p. 31.
files” was misleading. As his deposition indicates, he did not in fact search all of the White House files. He did not search the impounded files of Messrs. Colson, Ehrlichman, Haldeman, Dean or Caulfield.

The second time, the Defendants limited the search to documents, memoranda or writings in the White House central and special files which either related to or mentioned the Plaintiff or related to “White House interest in the tax-exempt status of left-wing activist organizations.” Mr. Buzhardt’s affidavit indicated that he conducted a complete search of the files which produced four documents which he submitted for in camera inspection. Mr. Buzhardt’s complete search, however, failed to produce the documents, memoranda, and writings relating to this issue which were specifically referred to by Mr. Dean and Mr. Buchanan in their Ervin Committee testimony and by Mr. Kinsey in his deposition.

As to the Defendants’ duty to search the Treasury and IRS files, they have simply replied that the Order is “excessively burdensome.” They made no request for a protective order. They provided no objective facts to support their claim, which would have allowed the Court to treat the reply as a form of protective request and determine if there was “good cause” under Rule 26(c), F.R.C.P., to limit the scope of the search.

In addition to failing to comply with the Court’s general discovery orders, the Defendants have failed to comply fully with the Court’s Order Compelling Answers to Interrogatories in either substance or in deadlines. The Court can only consider this is another example of the Defendants’ efforts to evade the Court’s orders. Considering both the necessity for the information sought in the discovery orders and the fact that the Defendants have sole possession of that information, failure to comply with the orders is grounds for imposition of Rule 37(b), F.R.C.P., sanctions. See, Campbell v. Eastland, 5 Cir., 397 F.2d 478, 491-492 (1962), cert. denied, 371 U.S. 955, 83 S.Ct. 502, 9 L.Ed.2d 502.

[2, 3] There is one other facet of the Defendants’ Response to the Court’s Show Cause Order which concerns the Court. The tape of the conversation between the President, Mr. Dean and Mr. Haldeman regarding the use of the IRS against White House “enemies”, will not be produced because of “executive privilege.” Mr. Buzhardt’s affidavit states that he is “authorized to say that the White House was claiming “executive privilege” as to any and all tapes as well as the four documents submitted for the Court’s in camera inspection. Evidently this single statement is intended to be a claim of executive privilege. United States v. Reynolds (1954), 345 U.S. 1, at 7-8, 73 S.Ct. 528, 97 L.Ed. 727, requires that a valid claim of executive privilege can be made only by the head of the agency which has custody of the documents in issue. Wright & Miller, Federal Practice and Procedure, Civil

19. The four documents demonstrate that the White House staff did in fact consider using the IRS against their “enemies.” This conduct is at best reprehensible. The Court finds that the documents contain information relevant to this action, and are discoverable. The Court has summarized the reasons for this finding in a statement which it has submitted to the U. S. Court of Appeals for the District of Columbia Circuit for their in camera review pursuant to their direction at page 39 in Nixon v. Sirica, 487 F.2d 700, Nos. 73-1962, 73-1967, 73-1089, D.C.Cir., 1973. See Appendix for statement of reasons. Should the Court of Appeals’ requirement for a sealed review apply solely to that suit and not to the circumstances of this case, the Court shall make the documents part of the record sua sponte.

19a. The October 2 Order ordered the production of the tape of the conversation on September 15, 1972 between the President, John Dean and John Ehrlichman. Mr. Buzhardt’s affidavit informed the Court that the taped conversation of that date was between the President, Mr. Dean and H. R. Haldeman.