

# Fay Denies All Tax Evasion Charges

*Journal*  
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Joseph S. Fay, convicted labor racketeer, today denied all in the Government's income tax evasion trial against him.

Taking the stand again for cross-examination by Prosecutor Edgar Rossbach in Federal Court, Newark, Fay at times was obviously relishing his role.

Referring to a meeting with one contractor in the New York Athletic Club, previously testified to, Rossbach asked Fay:

"You just went there cold?"

"I went there," Fay answered, "but I don't know whether I was cold or not."

## ACKNOWLEDGES LAUGH.

The courtroom obligingly laughed and Fay smiled in acknowledgment.

Fay denied categorically the previous testimony of William J. Brewster, New Jersey contractor, that Brewster's firm had paid Fay a total of \$150,000 during 1940, '41 and '42 to act as "labor advisor."

This amount is part of the money on which the Government charges Fay evaded taxes to the tune of \$118,000.

He said he had received only \$40,000 from the Brewster firm and turned it over to Richard Nolan, secretary of Fay's union of Operating and Hoisting Engineers, AFL.

Q. Was the money used for entertaining union delegates?

A. Yes.

Fay said he had complete disposition of the money, but that Brewster did ask that certain things be done to keep his Delaware Water Project obs running, such as the employment of counter pickets.

## QUESTIONED BY JUDGE.

Q. (By Judge Thomas Meaney): Who ordered the counter-pickets?

A. I did.

Q. Why was it necessary to send counter-pickets to the Delaware job?

A. They didn't go there to picket, but to fight it out. They had hard fights and they were hurt.

Q. It sounds very disorderly to me.

A. It was, your honor, very.

The trial is being conducted before 11 jurors, the 12th having been excused without prejudice when it was discovered that at one time he had belonged to Fay's union.

# Fay Acquitted Of Tax Evasion

NEWARK, N. J., Jan. 15 (AP).—A jury of 11 persons acquitted Joseph S. Fay, A.F.L. construction trades union leader, of income tax evasion tonight after deliberating two hours and 39 minutes.

A scattering of applause rippled through the crowd of 100 persons in the Federal courtroom, and Judge Thomas F. Meaney ordered quiet. He announced he would clear the courtroom and hold offenders in contempt of court if there were any further demonstrations.

Members of the jury said they reached a verdict on the fourth ballot.

One of the twelve jurors who started to hear the trial was excused because of a former affiliation with Fay's union, the International Union of Operating and Hoisting Engineers.

The Government charged Fay with failure to report \$118,879 in income in 1940-42. Two contractor witnesses testified to paying him \$180,000, but Fay admitted receiving only \$80,000, which he said was spent on union activities and was not taxable.

When the verdict was announced Fay wept silently. "Words cannot express my happiness and appreciation," he commented later.

JANUARY 16, 1947

# U. S. Court Kills Van Riper Case

NEWARK, N. J., Jan. 15 (AP).—Federal Judge John C. Knox ordered dismissal today of four indictments charging State Attorney General Walter D. Van Riper with a check-kiting conspiracy and violating Government gasoline rationing, thus ending further prosecution of the State official and three co-defendants.

The orders were signed in U. S. District Court by Judge Knox on request of U. S. Attorney Edgar H. Rossbach, who told the judge that the Government did not think "any real use" would result in further prosecution in view of previous trials.

## CHARGES LISTED

The first check-kiting indictment accused Van Riper, his secretary, Mrs. Florence Grim Bennett of Jersey City, and William F. Redpath of Millburn, cashier of the First National Bank of Orange, of misapplying bank funds.

The second indictment, which also alleged misapplication of bank funds, named the same three and Abe Scher of Newark, a professional bondsman. The third indictment, alleging use of the mails to defraud, named Van Riper, Scher and Redpath.

## MANAGER CONVICTED

The gasoline rationing indictment named only Van Riper.

Following a trial which began May 28, 1945, John Praml, manager of Van Riper's West Orange Imperial Service station, was sentenced to 16 months in prison and the company was fined \$15,000 on the gasoline charge. Van Riper was acquitted.

A second trial, which started Nov. 29, resulted in a directed dismissal of check-kiting conspiracy charges against Van Riper, Scher, Redpath and Mrs. Bennett.