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Nixon file

IRS: A Different Analysis of the Past

Tom Braden's recent column, "Tax Collection: Is It Punitive?" contains so much error, and so little truth, that a massive correction is in order.

Mr. Braden starts off with a quote from Sen. Walter Mondale. This reply will do likewise. In the midst of a discussion of the Special Service Staff at the Oct. 2, 1975, hearing before the Senate Select Intelligence Committee, Sen. Mondale addressed IRS Commissioner Donald Alexander as follows: "Now, happily, what we have here is a commissioner—and I hear this from all sources—who once again believes in the law and resisting these kinds of pressures."

The difference in analysis is striking—Mondale, after a thorough review of IRS activities by the Intelligence Committee staff, compliments Alexander as presenting a new approach and attitude, a change from the problems of the past. Braden, evidently on the basis of very little research, attempts to tar Alexander's veracity in asserting that "only a few hundred" of the Special Service Staff files were referred to field officers for audit or collection—"If Alexander's right. . . . Of course he's right—that was established years ago. You have your choice of congressional committees, all in essential agreement on the limited number of field referrals—the Senate Select Committee on Intelligence, in its staff report dated April 23, 1976; the Joint Committee on Internal Revenue Taxation, in its staff report dated June 5, 1975; and even the Senate Judiciary Subcommittee on Constitutional Rights, in its staff report way back in

December 1974. So it is clear that, in Braden's words, "the suspicions of tens of thousands of Americans are wrong." The Special Service Staff is gone. The Internal Revenue Service is not a weapon to be wielded against the current target of dissatisfaction.

And as soon as the Congress can make up its mind whether the Service should or should not continue to maintain those files on political dissidents, the IRS will be able to put the Special Service Staff behind it and deal with current problems. (The current congressional position is, apparently, that it is bad to maintain but bad to destroy.)

As for the abolition of the Special Service Staff, first, give the New York Times the credit, not Time magazine, for the first story on this unit in January 1972—some 16 months before Alexander came on the scene. (Time's story came in the summer of 1973.) Second, give credit where credit is due—Alexander did abolish the staff, less than 3 months after he took office, and as soon as he learned what the staff was really doing. ("There was nothing to do but get rid of it.") If Braden's analysis is correct, why wasn't the staff "gotten rid of" when the New York Times revealed it in January 1972? As the record shows, it took Alexander to get rid of it.

As to the "hook" on which Braden hangs his piece—the disagreement over whether an attempt should be made to notify the approximately 10,000 individuals or organizations on whom the Special Service Staff opened a file, and collected or received information, but took no other action—forget some time the IRS has been saying publicly that it will tell all who ask whether they were in the Special Service Staff files.

As far as writing to the 10,000, in many cases there is a substantial identity problem: It is unclear from the material in the file just who the person is. There may be a name, but no address, Social Security number, or even any geographical indicator. Who should we notify? Will harm be done if we notify the wrong person? And, even in the 731 cases where a field referral was made—where we do have address and Social Security number information—a substantial portion of our letters are being returned as undeliverable—297 of the 731 so far. In our view, the benefit/detriment analysis just doesn't support the proposal.

Next, we move to Braden's gratuitous attempt to create guilt by association. Braden's statement that Alexander was "strictly a White House choice," and that "his nominal boss, Secretary of the Treasury George Shultz, was not even consulted" is totally false. If Braden had but bothered to check with Shultz, he could have so easily found that Alexander was, in fact, suggested to the White House from the Treasury by Shultz.

Taking Exception

Braden is apparently trying to imply some skulduggery in the appointment of Alexander—an inference of taking care of Nixon friends. Again, one only has to look at the record. The Rebozo investigation is a matter of public record—and that investigation went forward under Alexander. (For example, see pages 82-84 of the October 1975 Watergate Special Prosecution Force Report.) Braden's attempt to discredit Alexander because an investigation allegedly went forward only after Alexander was appointed only shows the

depth of Braden's bias. And on Nixon himself, who decided that his audit should be reopened? The reopening of the audit resulted in a nearly half-million dollar tax bill. Here, too, the public record is clear that Alexander decided on the reopening. (See Book X of the House Judiciary Committee Statement of Information, pages 17-18.)

And then the Teamsters. No "staff" investigating the Teamsters was ever abolished by Alexander. Even the investigative reporters who have gone into this in depth agree on that.

And the final irony—that the IRS "has not been subjected to the same kind of searching examination that the CIA and FBI have survived." In fact, over the past two years IRS has received more outside scrutiny than any other federal agency, with the possible exception of the CIA. In calendar year 1975 and thus far in 1976, Commissioner Alexander has testified 55 times on Capitol Hill before congressional committees and commissions. The Service has been examined by the Senate Intelligence Committee; the House Intelligence Committee; a subcommittee of the House Government Operations Committee; a subcommittee of the House Ways and Means Committee; the Joint Committee on Internal Revenue Taxation; several other committees, and the General Accounting Office.

The IRS has been putting its own house in order at the same time—identifying problems, developing guidelines, and imposing controls, all with a view to ensuring that the Service is an effective administrator and enforcer of the tax laws—fair and impartial—not a weapon to be wielded against the opponent of the day.

One wonders where Mr. Braden has been, or what motives he has for an attack so wide of the mark.