99 organizations probed by IRS' secret group

WASHINGTON (AP) — Newly revealed documents identify 99 political and activist organizations investigated by a secret intelligence gathering arm of the Internal Revenue Service during the Nixon administration.

The IRS has refused for more than a year to name the organizations, which include such nationally known groups as the Americans for Democratic Action, National Student Association, the Urban League and Unitarian Society.

The groups were named in more than 200 pages of documents made public Sunday as a result of a Freedom of Information Act suit filed against the tax agency by Ralph Nader's Tax Reform Research Group.

The documents reveal that, contrary to repeated public denials by the IRS, the secret Special Service Staff was set up as an intelligence-gathering unit within the to identify activist organizations and individuals for possible income tax

audits and collection of unpaid taxes.

The present IRS commissioner,
Donald C. Alexander, and other agency
spokesmen have insisted for the past
year the IRS never succumbed to the political pressures of the Nixon White
House.

The documents show that even as the Special Service Staff was being disbanded last year in the midst of the Watergate scandal, Alexander attempted to conceal the true activities of the unit by claiming it had been set up solely to investigate tax protesters and people who refused to pay income tax.

By the time it was abolished, the organization had collected files on 11,458 individuals and groups, most of whom still have not been identified. The IRS is refusing to reveal what has become of the top secret files.

According to the papers made public in the court case, the unit began operations with a list of 22 organizations from the extreme right and extreme left identified by a Senate committee as likely candidates for collection of back taxes.

But as the intelligence group quickly expanded its files the organization names covered a much broader political spectrum, nearly all of them identified with left-of-center social and political causes.

One document shows the group sought at least some information regarding the Ford Foundation, a long-time enemy of several top aides in the Nixon White House.

The organizational files of the Special Service Staff gives some idea of how the unit operated.

"What we are doing," said a memo dated July 29, 1969, "is trying to assemble all information available from within the (Internal Revenue) Service, from the FBI, from the Department of Defense, from any other federal agency having information and from any congressional committee having information. We do not want to have this rather sensitive information handled loosely."

A month later, as the unit's file grew, a briefing paper said, "Many of the organizations are controversial, all are newsworthy, and a large number are known to be militant, revolutionary and subversive."

An October 1969 status report said, "As our file expanded, it soon revealed that in many instances the organizations were, for practical purposes, insolvent, while data being accumulated on their operations represented information relevant to tax matters of the individuals ... every file established represents potential for worthwhile IRS field effort."

It is not clear from the newly released materials and others made public by the Senate Watergate Committee and similar investigative groups how many of the organizations and individuals identified later had tax problems.

However, some of the organizations on the list of 99 later had their tax exempt status revoked by the revenue agency, and at least some of the people associated with one or more of the groups had their tax returns audited.