

# Order on Tax Privacy Expected

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The Ford administration is planning to issue an executive order banning White House access to confidential income tax returns.

The order, expected shortly, would insulate the Internal Revenue Service from future attempts to use the IRS for political purposes—one of the abuses singled out by the Senate Watergate committee and the House Judiciary Committee's impeachment investigation.

However, congressional advocates of tighter controls on the confidentiality of tax records denounced the proposed presidential order as a move designed to take the steam out of a drive to legislate even tougher restrictions.

Last July 18, the Senate approved an amendment to the White House expense authorization bill sponsored by Sen. Lowell Weicker (R-Conn.) to limit the use of income tax returns to purposes related to tax enforcement. Nixon administration lobbyists opposed the amendment, which was subsequently knocked out in the House-Senate conference report.

At that time, officials of the Internal Revenue Service and the Treasury Department said the Nixon Administration was working with the House Ways and Means Committee on a bill to accomplish the same objectives, with less sweeping restrictions. That proposal is now under consideration by the Office of Management and Budget.

However, on Aug. 7 the Senate voted 54 to 34 to insist on the Weicker amendment. Since then, the White House expense authorization bill has been deadlocked.

Rep. Jerry Litton (D-Mo.), co-sponsor of a new bill to protect tax return confidentiality, said of the latest proposal, "If they're sincere they should be backing legislation. I don't want to have to get up every morning and check whether there's a new executive order."

Litton was one of the key

congressional opponents of the Nixon administration's Jan. 1973, order giving the Agriculture Department access to tax information, supposedly for statistical purposes. The White House rescinded that order, Litton recalled, but substituted a new one "full of loopholes." The newer order was eventually withdrawn.

The latest executive order, Litton charged, is only a move to take support away from the Weicker amendment.

In response to inquiries about the proposed order, Treasury Department officials had no comment. A spokesman indicated that if such an order is issued it would be as a "supplement," not a replacement fir legislation.

However, a White House official confirmed that the order was being drafted by the Treasury "at White House request and to White House specifications." He said the order was an outgrowth of the Domestic Council Committee on the Right of Privacy, which Mr. Ford headed while Vice President.

According to this official, the order would only bar disclosure of tax information to the White House, and not to other executive departments.

Congressional critics have urged that other agencies not concerned with tax enforcement also be denied access to tax records. According to IRS Commissioner Donald Alexander, the administration bill,

which is now apparently being shelved in favor of the executive order, provides that IRS compile statistical tabulations for other agencies rather than giving the agencies raw tax data, as is now the case.

At a Senate hearing July 31, Alexander said that new legislation is necessary to protect taxpayer privacy. Last week, Alexander issued formal instructions to IRS employees providing that all White House requests for tax information must be handled by the commissioner personally.

IRS takes the position that additional restrictions on disclosure of tax information would require amendments to the tax code.