

Limits on Tax Data Access Backed by 5 IRS Ex-Chiefs

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Five former commissioners of the Internal Revenue Service yesterday unanimously endorsed congressional attempts to limit disclosure of tax information to other government agencies.

Four of the commissioners, testifying before the Senate Finance Subcommittee on Administration of the Internal Revenue Code, warned, however, against going too far.

"We should not put ourselves in a sterilized tax vacuum," former commissioner Johnnie M. Walters told the subcommittee. "Because if we do, we're going to do ourselves a lot of harm."

The lone exception was T. Coleman Andrews Sr., President Eisenhower's first IRS commissioner. Andrews told the subcommittee that he would limit knowledge of tax information to the IRS, affected taxpayers, and possibly

the President, if he stated in writing why he wanted information.

Mortimer M. Caplin, President Kennedy's first IRS commissioner, said there was "no question within the narrow interests of IRS" that a policy of no disclosure to other government agencies would make it easier for IRS to collect information from taxpayers. "But I question whether that would be in the public interest."

Last year, according to testimony last week by the current IRS commissioner, Donald C. Aldxander, the agency provided information from returns of 63 million taxpayers to their home states and made return of 8,210 taxpayers available to a dozen federal agencies.

Deputy Attorney General Harold R. Tyler Jr., who testified last week told the subcommittee that bills it was considering, offered by Sens. Lowell P. Weicker Jr. (R-Conn.) and Lloyd M. Bentsen

(D-Tex.), would restrict the Justice Department in investigations and prosecutions that do not involve tax laws.

Weicker, testifying yesterday, conceded the point. "That information we supply in our tax returns is for purposes of paying taxes and nothing else," he said. "And if it makes life more difficult for the Justice Department (to deny it access), then it makes life more difficult."

Rep. Jerry Litton (D-Mo.), sponsor of a House bill identical to Weicker's, testified that the Justice Department could go to court and obtain an order if it needed tax information for a non-tax related investigation or prosecution.

In addition to Caplin, Andrews and Walters, the two other former IRS commissioners who appeared yesterday were Sheldon S. Cohen, commissioner under President Johnson, and Randolph W. Thrower, first commissioner under President Nixon.