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Cloud on IRS Chief

Chicago

The Chicago Sun-Times said yesterday the U.S. Customs Service named the head of the Internal Revenue Service, Donald C. Alexander, as a possible defendant in a criminal investigation into an alleged coverup of import duties owed by Procter & Gamble Co.

Alexander, a lawyer, represented Procter & Gamble before he was named head of the IRS in 1973.

The newspaper said it had

learned the customs service has been investigating Alexander's role in the soap maker's failure in 1972 to notify them of import duties it owed the government on toys imported from Japan.

The Sun-Times quoted "well placed federal sources" as saying the customs service report concluded that Procter & Gamble made false statements to avoid the duty payments and that Alexander, company officials and others conspired to defraud the government of duty.

The sources, according to the Sun-Times, said the report cites as evidence of Alexander's role in the alleged conspiracy a letter he wrote advising Procter & Gamble not to reveal "at this time" past duties owed.

United Press