

'A Marked Man'

'Sacrifice' of IRS Informant Blasted

Washington

A member of a House subcommittee investigating the Internal Revenue Service said yesterday that actions of Commissioner Donald C. Alexander had turned an IRS undercover informant "into a marked man who must fear for his life."

In a speech on the House floor, Edward Mezvinsky (Dem-Iowa) also criticized the IRS' "lack of pursuit" of wealthy tax evaders who use secret overseas bank accounts. He contended that "failure to prosecute . . . the super-rich" increases the burden on middle income taxpayers.

Mezvinsky said Alexander had publicly disclosed enough details about the informant that anyone involved in a major IRS investigation of offshore tax havens could easily identify him.

"In my mind, this was a needless sacrifice of an individual," Mezvinsky said. "The informant, referred to as TW-24, has every reason to be afraid now. Some of the names he gave to IRS are allegedly connected with organized crime. Alexander has turned TW-24 from a respectable citizen into a marked man. . ."

The informant, a Florida resident with broad contacts in Bahamian banking circles, sup-

plied the IRS with names of hundreds of individuals and firms with secret accounts in Caribbean banks. This information was fed into Project Haven, a long-running IRS probe of tax evasion schemes alleged to involve prominent businessmen as well as organized crime figures.

The informant testified last week at a closed session of the House Commerce, Consumer and Monetary Affairs Subcommittee, and Mezvinsky told the House that "he is on the point of breaking down."

"He is a marked man by organized crime, by people who traffic in drugs and by those who have abused foreign trusts," the congressman said.

An IRS spokesman had no immediate comment on Mezvinsky's speech.

In another development in the continuing controversy over Alexander's IRS stewardship, the IRS and the Treasury Department announced that the Justice Department "has found no basis" for allegations that Alexander advised a former client, Procter and Gamble, on ways to avoid paying customs duties on a shipment of toys from Japan.

The "case has been completed and closed," the announcement said.

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