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Security Check by I.R.S.

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WASHINGTON, April 26 — In the mid-1950's, the Central Intelligence Agency decided to test the security arrangements of Air America, a charter airline service that was secretly a wholly owned operation of the agency.

The agency asked that an unwitting agent of the Internal Revenue Service be sent to conduct a normal audit of the operation. The agent would, the C.I.A. said, be told at the proper time that he was dealing with a Government agency. Lawrence R. Houston, now retired, was then general counsel to the C.I.A. and he recounted the experiment to the Senate Select Committee on Intelligence Activities this way:

"They put a very bright young fellow on, and he went into it. They came up with discrepancies and things that would be settled in the normal tax argument, corporate-I.R.S. argument, and all of these were worked out eventually, and then we went to this fellow and said, 'Now, this was owned and backed by the C.I.A. The U.S. Government. What was your guess as to what was happening?'

"And he said, 'Well, I knew there was something there, and I thought, what a wonderful asset it would be for the Russians to have, but I came to the conclusion that it was Rockefeller money.'"

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