

# Report Says Non-Tax IRS Spying Continues

Los Angeles

Despite a public announcement by the Internal Revenue Service 20 months ago that it was halting all non-tax-related intelligence gathering activities, such clandestine efforts by the agency continued at least through January, 1975, the Los Angeles Times has learned.

Unlike disclosures made during the Watergate hearings that IRS-collected data was used to harass so-called White House enemies, the continuing effort appears to have been aimed primarily, if not exclusively, at income tax protest groups.

IRS intelligence agents have a legitimate role investigating actual or prospective criminal acts related to tax evasion.

But affidavits filed in federal court here quote excerpts from internal IRS files which reveal that agents went far afield from legitimate tax-related investigations.

The affidavits were filed by Deputy Federal Public Defender Laurie S. Harris on behalf of income tax protester Terrence Oaks who is seeking — on grounds of discriminatory prosecution — to overturn his 1972 conviction for failure to file 1971 income tax returns and filing a false withholding exemption form.

The documents reveal IRS agents between June 1972, and January, 1975, IRS agents:

- Followed some tax protesters to church and reported on the contents of the sermons given.

- Recorded the names, telephone numbers and car license numbers of all persons attending meetings of the Los Angeles Tax Rebellion Committee and other anti-income tax groups — apparently whether the individuals were members of the organizations or not.

- Included in their intelligence reports the names of any politician who attended meetings of tax protesters or just had his name mentioned at such gatherings.

- Monitored the conversations of Oaks while in the corridors of the U.S. courthouse here, possibly overhearing privileged conversations between Oaks and his attorney.

The Times has also learned that on Aug. 15, 1973, five days after IRS Commissioner Donald C. Alexander announced dissolution of the secret intelligence gathering Special Services Staff, the IRS adopted a policy of prosecuting tax protest leaders as a means of protest."

IRS officials contacted in Washington, D.C., said they would not comment on the latest allegations of agency spying because they were part of a pending court action.

But an IRS spokesman pointed out that following other recent allegations of improper agency surveillance programs Commissioner Alexander January 21 ordered an indefinite halt to all intelligence gathering by IRS pending a review to make sure only tax-related data is collected.

The Oaks case is scheduled for a hearing before U.S. District Judge William P. Gray today and Miss Harris has asked the court to dismiss the case against the 37-year-old electrician on grounds that he was "singled out for prosecution because he is a vocal opponent of the income tax system."

Miss Harris gained access to the IRS intelligence files

— something even congressional investigating committees have been denied — only on the condition by Gray that she not reveal the names of any third parties listed.

As a result, her affidavits delete the actual names of persons besides Oaks who were listed as being under surveillance by IRS.

But the affidavits nonetheless reveal extensive infil-

tration of tax protest groups and the collection of some seemingly extraneous material on members and their activities.

Common practice, according to the memos cited in the affidavits, was to take down the names, telephone numbers and car license numbers of persons in attendance at tax protest meetings.

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