

Punitive Tax Audits-- New 'Enemy' List Probe

Washington

The Joint Committee on Internal Revenue Taxation has asked the Internal Revenue Service for tax returns and any IRS audits on more than 300 hitherto-unpublished "political enemies" of the Nixon administration to determine whether audits have been used punitively against them.

The new list, according to Lincoln Arnold, deputy chief of staff for the committee, is made up of more than 200 new names "out of the White House" plus others that have come to the committee through complaining phone calls and letters.

The list is in addition to the lists totaling 216 names made public through the Senate Watergate hearings. Arnold declined to make public any of the new names.

About 100 personal income-tax files already have been forwarded to the committee, each with returns for the years 1968, 1969, 1970 and 1971, Arnold said. The committee is expected to require about six weeks to review the files, he said.

Examination of the files

Kleindienst To Testify

Washington

Former Attorney General Richard G. Kleindienst is the scheduled witness for the Senate Watergate hearings today.

Assistant Attorney General Henry E. Petersen is listed as next.

The hearings, starting at 6:30 a.m. PDT, are to be broadcast live by the Columbia Broadcasting System and the Public Broadcasting System.

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should determine which of them were audited routinely by IRS computer selection, which were audited on the basis of information from informers and which may have been so-called political audits. Arnold said.

Leading officials at IRS through the first Nixon term, including former IRS commissioners Randolph M. Thrower and Johnnie M.

Walters, and former Undersecretary of Treasury Charles E. Walker, already have been interrogated, Arnold said.

Also under consideration to be called, the staff official said, is John W. Dean III, former White House counsel and the chief accuser of President Nixon in the Senate Watergate hearings.

The investigation was inspired, Arnold said, by testimony at those hearings that the White House had tried to use the IRS to punish or harass those judged to be political opponents or critics of the Nixon administration.

Dean provided to the Watergate committee internal White House memos on establishment of a special unit in IRS to audit tax returns of radical groups and politically oriented individuals, called the special services group. Its objective, Dean testified, was to make the IRS politically responsive to the White House.

Time magazine reported this week that the special IRS unit has collected files on 3000 activist groups and 8000 of their officials and contributors.

Regional IRS director John T. Flynn confined the authenticity of an eight-month-old memo, cited by Time, that described the special services groups as "a central intelligence-gathering facility with the IRS" commissioned to "receive and analyze all available information on organizations and individuals promoting extremists' views or philosophies."

In Washington, an IRS spokesman denied there was any secrecy to the unit but said he could not confirm the number of files it had collected until a full report is received today.

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