

ITT Favors**IRS Accused of Aiding 'Coverup'**

Washington

Representative J. J. Pickle of Texas has accused the Internal Revenue Service of playing a part in what he calls the "coverup" of "government favors" extended to the International Telephone and Telegraph Corp.

In a letter last Tuesday to special Watergate prosecutor Leon Jaworski, Pickle, ranking Democrat of the House Commerce Subcommittee on Investigations, charged that the Revenue Service "is refusing to divulge any information" on a controversial tax ruling in 1969.

The ruling not only assured International Telephone's takeover of the Hartford Fire Insurance Co. but also enabled the conglomerate to gain a large profit.

The subcommittee has been investigating all as-

pects of the merger.

Pickle charged that "for nearly one year" the national office of the tax agency had done "nothing with a recommendation (last April 17) from its New York office that the somewhat questionable, earlier ruling be revoked."

The Internal Revenue Service declined to comment on Pickle's letter to Jaworski and on another making the same charges to the commissioner of Internal Revenue, Donald C. Alexander.

However, the tax agency previously told Pickle that it would neither disclose the reasons for the recommendation of the New York district office, nor discuss any investigation as a result of it, nor make public "any final decision" reached.

Pickle told Jaworski that the Revenue Service, in refusing to give information, was extending to tax rulings the requirement of the law that tax returns be kept confidential.

The agency's interpretation has been successfully attacked in the United States District Court here under the Freedom of Information act. Last June, Judge Aubrey E. Robinson Jr. held that rulings were not part of returns "but documents generated by the agency" and therefore subject to public disclosure. The tax agency has appealed the ruling.

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