

IRS Chief Doubts Taxpayer Revolt

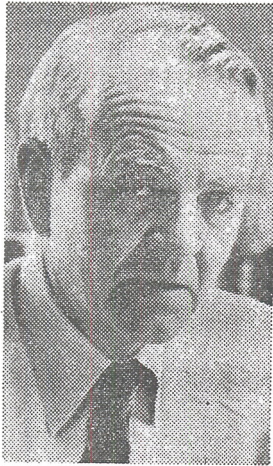
By John P. MacKenzie
Washington Post Staff Writer

There is no sign so far this year of any "revolt" by taxpayers outraged by the low federal income taxes paid by President Nixon, according to Internal Revenue Commissioner Donald C. Alexander.

Early returns from taxpayers show, if anything, fewer indicators of a popular uprising than IRS analysts had projected for this stage of the tax year, Alexander said in an interview.

One tell-tale sign, the rise in the average refund, so far shows less than 5 per cent in crease that could be expected by this time of year.

The former Cincinnati tax lawyer would not discuss the possible reaction of taxpayers



DONALD C. ALEXANDER
... ordinary tax year

to the forthcoming congressional report on the President's taxes. The Joint Committee on Internal Revenue Taxation investigating the President's taxes could release its report within days of the April 15 tax-filing deadline.

Mr. Nixon maintains the report will not find fraud on his part but two committee members have predicted that the findings will be a "bombshell."

Alexander, a onetime Harvard Law Review editor asserted that 1974 would be an IRS enforcement, with no significant impairment to the vaunted U.S. voluntary tax collections systems.

Last December the joint committee reported that the IRS had not succumbed to attempts to "politicize" the agency through tax favoritism for administration friends and selective enforcement against political "enemies."

Alexander did give his reaction to a question about the tax advice rendered in 1969 by Roger V. Barth, then assistant to the commissioner, to White House aides John D. Ehrlichman and Edward L. Morgan.

IRS-White House correspondence has disclosed that when Ehrlichman passed the word that the President wanted to pay his daughter, Julie Eisenhower, for work as a tour guide and then deduct her wages as a business expense, Barth advised against it, citing the "risk of exposure." Mrs. Eisenhower had been billed as an unpaid "volunteer."

Alexander said that "I can't comment on the wisdom of that advice. The service does render assistance to many taxpayers and will continue to do so." He added:

"I've not been asked for such advice. I think I would decline to answer. I'm not in the business of giving advice, I'm in the business of administering the tax laws."

What would he do if his assistant were rendering such a

service? "That's a hypothetical question. I can't believe my assistant would be so asked," said Alexander.

Barth, now in private law practice here, said last week that the joint committee staff had found nothing to criticize about his conduct.

Declining to acknowledge or deny that he gave the tax advice, Barth said if he had given it there would have been no impropriety.

The "risk of exposure," Barth said, would not have concerned wrongdoing but would have been "a public relations exposure. It would have been a legal deduction but it would have looked funny."

Last December the joint committee reported that the IRS had not succumbed to attempts to "politicize" the agency through tax favoritism for administration friends and selective enforcement against political "enemies."