

INQUIRY REVEALS I.R.S. MASTER LIST

JUN 21 1975

House Unit Tells of Index of Groups and Persons Under Possibly Illegal Scrutiny

NYTimes

By EILEEN SHANAHAN
Special to The New York Times

WASHINGTON, June 20—The Mayor of Los Angeles, a member of Congress, a former Ambassador to Britain, a former Attorney General, the American Legion and the American Civil Liberties Union are listed in what appears to be part of a master index of persons and organizations that were under scrutiny by the Internal Revenue Service.

The list was made public today at a hearing by a House Government Operations subcommittee that is looking into improper enforcement activities on the part of Internal Revenue.

I.R.S. officials said that they could not vouch for the authenticity of the document, but they conceded that it appeared to be a genuine copy of a part of the index to a master list of 466,442 names that was kept in an Internal Revenue computer at the Detroit I.R.S. data center.

The master list is part of a computerized data collection and storage system known as the tax agency's information gathering and retrieval system, created in 1973. The operation of the system was suspended earlier this year after disclosures that the files contained much information not related to tax-law enforcement.

Donald C. Alexander, the commissioner of Internal Revenue, told the subcommittee that the appearance of the name of an individual or organization on the list was not necessarily evidence of wrongdoing or suspected wrongdoing.

His own name is in the com-

Continued on Page 40, Column 2

House Inquiry Reveals I.R.S. Master List

Continued From Page 1, Col. 5

puter, Mr. Alexander said, a fact he was "distressed" and "discomfited" to learn. Mr. Alexander said that the computerized information about him related to some criticisms he had made of alleged differences in the penalties given tax-evaders in different parts of the country. Some of the information relates to speeches he made since becoming the head of the Revenue Service in May, 1973, and is presumably there for handy reference by his subordinates, he said. Other information on the computer deals with comments he made earlier when he was a lawyer in private tax practice, he said.

If the 172 names in the document made public by the subcommittee are typical of the 465,000 on the whole computerized list, then Mr. Alexander would be one of the few conservatives on the list.

Like most of the Governmental lists of persons to be watched that were made during the Nixon Administration, today's list is dominated by liberals, radicals, antiwar activists and blacks.

Representative Augustis F. Hawkins, Democrat of California, (what is obviously his name appears on the list as Augustus Hawkin) and Mayor Thomas Bradley of Los Angeles are both black.

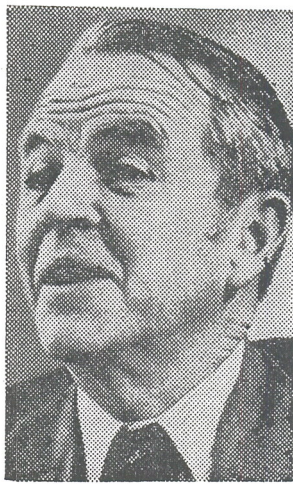
Medical Group on List

Individuals and organizations from the left who are listed include former Attorney General Ramsey Clark and the Medical Committee for Human Rights, which fought the use of napalm and defoliants in Vietnam.

Among the few prominent conservatives on the list are Walter Annenberg, the former Ambassador to Britain, a friend of President Nixon and a contributor to his campaigns, and Armand Hammer (spelled "Ormond" on the list), who was also a big Nixon contributor.

John Wayne, the actor, who is a conservative, is also on the list. The service has charged Mr. Wayne with some very large underpayments of tax in recent years and has forced him to pay up, a fact that became known from some internal White House memorandums that were published earlier in connection with the effort to impeach Mr. Nixon. Those documents showed that Mr. Wayne had tried, without success, to get the Nixon White House to halt the I.R.S. enforcement actions against him.

Other entertainers whose names appeared on the ap-



The New York Times

Donald C. Alexander,
Commissioner of the
I.R.S., at he appeared at
House hearing yesterday.

parent index to a portion of the I.R.S. files included Frank Sinatra, Dean Martin, Jill St. John and Doris Day.

The American Civil Liberties Union, the Black Panther party, the Gay Liberation Front and the Medical Committee for Human Rights are indexed under a code that identifies them as organizations engaged in "subversive activities."

"CPUSA, an apparent reference to the Communist party of the United States, is also carried under this code.

Commissioner Alexander said that a full report on the operations of the computerized intelligence gathering and retrieval system was to be submitted to him by his staff soon and that he expected to be able to discuss future use of the system with the subcommittee on Tuesday, when he is to come before it again.

The intelligence gathering and retrieval system was supposed to have been a system for gathering, cross-indexing and disseminating, within I.R.S., information on potential tax violators. There is no dispute that the files contain material on persons who are in no way suspected of tax-law violation, Mr. Alexander said.

And he repeatedly said today, as he has previously, that he believes it is wrong for Internal Revenue to collect information unrelated to the enforcement of the tax laws.

Three Democratic members of the subcommittee all found the position taken by Mr. Alexander inadequate.

Chairman Benjamin S. Rosenthal, of Queens said, "I don't think you are sensitive to the

problem we perceive of the invasion of civil rights and civil liberties in the United States." He said that he wanted an outside agency to review Internal Revenue practices and procedures and suggested the General Accounting Office for the job.

Internal Revenue has previously resisted G.A.O. attempts to look at its operations in instances in which the office, which is an arm of Congress, has felt it necessary to examine tax returns in order to do its evaluations. Commissioner Alexander indicated that he would continue to attempt to stave off a G.A.O. inquiry if it were attempted again, basing his objection on the ground of confidentiality of tax returns.

Representative Robert F. Drinan of Massachusetts protested to Mr. Alexander that "I see no feeling on the part of your people that you are embarrassed and horrified and going to put a stop to it."

Representative Andrew Maquire of New Jersey, who was the subcommittee member who put the index of 172 names into the committee's record, thus making them public, said that United States citizens need to know what Internal Revenue is doing in the guise of tax-law enforcement.

Illegal Surveillance

The day's hearing also brought disclosures that a one-week investigating of improper use of electronic equipment had turned up cases of 18 different I.R.S. agents who had acquired and used such equipment without proper authorization. Some of the agents used the equipment only once, according to Mr. Alexander, who argued that the number of agents acting improperly was "tiny compared to the aggregate" of 2,700 agents who do criminal investigations.

Widespread use by I.R.S. agents of concealed devices that broadcast the location of the wearer of the device was also disclosed. These devices are used, Mr. Alexander said, so that other agents can determine the location of their colleagues and, thus, the location of a person under surveillance.

The devices have been hidden in objects ranging from lunch boxes to chap sticks, an internal I.R.S. document given to the subcommittee disclosed.

The document also listed 12 instances in which special agents had recorded telephone conversations without proper authorization, three in which they wiretapped an agent's home without proper authorization.