

Tax Snooping on Radicals

IRS Ending Special Unit

Washington

The Internal Revenue Service is abolishing its special division that has for four years investigated liberal and radical organizations and their sponsors for possible tax law violations.

Commissioner Donald C. Alexander announced yesterday that what was originally known as the agency's Activist Organizations Group and is now called the Special Services Staff is being "dismantled."

He said that the special staff, as of now, is limited to one area of activity — the investigation of "tax resistance organizations and those

individuals who publicly advocate noncompliance with the tax laws."

'REBELS'

This work, aimed at those whom Alexander called "tax rebels," will continue, he said, and will be assigned to "other units" of the agency.

The Special Services Staff was created in August, 1969. Its existence was first disclosed to the public in January, 1972 in the memoirs of a former FBI agent, Robert N. Wall.

The staff became the subject of even greater public attention as a result of the Senate's Watergate hearings.

Internal White House docu-

ments that were given to the Senate committee by John W. Dean III, the former White House counsel, indicated that President Nixon himself had asked the Internal Revenue Service to mount a drive against "leftist organizations taking advantage of tax shelters."

Mr. Nixon was quoted as having ordered such a drive "nearly 18 months ago" in a memorandum dated September, 1970, from Tom Charles Huston, a former White House assistant to H. R. Haldeman, the former White House chief of staff.

The Huston memo said that "what we cannot do in a courtroom via criminal pro-

secutions to curtail the activities of some of these groups, IRS could do by administrative action."

CREATION

In his statement yesterday announcing his intention to dismantle the Special Services Staff, Alexander said that the special group had been created as an outgrowth of a Senate investigation of extremist organizations, not at the request of the White House.

The special staff was organized in August, 1969, which would be at least a month after the reported White House request for a drive by the Internal Revenue Service against what the

San Francisco Chronicle 13
 ★★ Fri., Aug. 10, 1973

Huston memos called "ideological organizations."

In announcing the planned dismantling of the Special Services staff, Alexander expressed his belief that "political or social views, extremist or otherwise, are irrelevant to taxation." That is why future targets of special investigations based on political beliefs will be confined to those espousing non-compliance with the tax laws.

New York Times