

Church's Questions About IRS

Washington

An organization investigated by a secret Internal Revenue Service intelligence agency said yesterday that the IRS suddenly and inexplicably tried to settle a long-running legal dispute with the organization last week.

Hugh Wilhere, a spokesman for the Church of Scientology, said his group's lawyers were surprised and somewhat mystified by the unexpected approach "to settle with us real quick."

The Church of Scientology was one of 99 organizations named Sunday in newly released documents describing the operations of the IRS Special Service Staff that gathered intelligence on so-called "activist organizations" during the Nixon administration.

Publication of the list "proves what we've been saying for years," Wilhere said. "That the IRS is often motivated not by service, nor guided by respect for law but operating immorally or illegally for vested interests."

A spokesman for the Internal Revenue Service had no immediate comment on Wilhere's remarks.

The church spokesman said IRS has illegally intercepted the group's mail and carried out a campaign of harassment against the group for years, particularly since Richard Nixon took office in 1969. The Church of Scientology is a self-proclaimed religion founded in 1955.

Based on the philosophy of a one-time science fiction writer, L. Ron Hubbard, it charges fees for ministrations and has been involved in feuds with the governments of several countries.

The IRS has challenged

the organization's tax-exempt status, and the church has sued for refunds of the taxes it has paid since the challenge.

Wilhere said that on Friday, when the IRS knew the Special Service Staff records were about to be made public, the tax agency's lawyers approached the church and offered to settle.

"They told us we could have our money back, they'd give us our tax-exempt status back and pay our legal fees if we'd settle the case and stay out of court," Wilhere said.

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