

**I.R.S. INVESTIGATING
MONTROYA TAX CASE**

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WASHINGTON, Oct. 23 (AP) — The Internal Revenue Service is conducting an internal investigation into allegations that the agency's Commissioner, Donald C. Alexander, blocked tax audits and investigations of Senator Joseph M. Montroya, Democrat of New Mexico, an I.R.S. official said Thursday.

A written report of the investigation will be given to Treasury Secretary William E. Simon, said Warren A. Bates, Assistant Commissioner for Inspection.

Mr. Montroya heads the subcommittee that oversees the

Senate. He has not had his tax returns audited for the past 25 years, even though he became a millionaire during that time and twice was re-elected to the Senate in 1945 and 1946, according to a Washington Post article Oct. 18.

The newspaper said there was no evidence that Mr. Montroya had sought special treatment. Mr. Alexander has declined to comment on the report. Mr. Montroya has said "I'm clean."

Mr. Bates said investigators had been assigned to the case in Washington and in the Service's regional office in Dallas. He said the investigation would also attempt to determine whether Mr. Montroya ever received favorable treatment on his tax affairs.