

15/9  
**I.R.S. Chief Accused of Forcing  
Dissident Aides Into Retirement**

NYTimes

Special to The New York Times MAR 9 1976

WASHINGTON, March 8— Two former Internal Revenue Service officials and one present official have told House investigating committee members that pressure had been unfairly put on them to retire because their policies did not suit Donald C. Alexander, the I.R.S. Commissioner, Congressional sources said today.

In one case, A. J. O'Donnell, who until last July was regional commissioner for the Southeast, suggested that the enforced retirements might be connected with his knowledge that Mr. Alexander's former law firm had come up in a major I.R.S. inquiry into Bahamian tax fraud schemes.

Mr. O'Donnell, in a letter to

Representative Charles A. Vanik, the Ohio Democrat who heads the committee, said, "I was made aware of the possibly serious allegations concerning Mr. Alexander's, or his former partner's, connections with the compromise of a large tax liability."

"I viewed the allegation as just that and nothing more — an allegation, but did determine that the matter had properly been reported to I.R.S. inspection," he wrote.

"I was subsequently visited by a representative from inspection whose main concern

**Continued on Page 43, Column 4**

TO . . . AETNA Casualty & Surety Co.,  
Thank You. Libby & Bernard Fleischer &  
The Six Children.—Advt.

**I.R.S. Chief Accused of Forcing  
Dissident Aides Into Retirement**

Continued From Page 1, Col. 4

seem to be who knew about the allegations. Of those who knew, by the end of July 1975, four of the five had already announced their retirement plans or were under pressure to leave," he wrote.

Mr. O'Donnell said the actual pressure for him to retire came from William Williams, Deputy Commissioner of I.R.S. in the summer of 1975. He said Mr. Williams had told him that if he tried to resist retiring, "Commissioner Alexander could transfer me out of Atlanta to a place of his choosing and then added, 'You know how he is.'"

He said that in the months before his retirement, however, he had found several instances where Mr. Alexander appeared unfair to his handling of allegations that the I.R.S. intelligence division agents in Miami had been too close to the Department of Justice's organized crime strike force and had improperly set up the now famous "Operation Leprechaun" to snoop into the sex lives and drinking habits of prominent Floridians.

Miami was under Mr. O'Donnell's overall command.

He said that his experience in working under Mr. Alexander had led him to conclude "that

anyone and everyone connected with intelligence activities in Florida, specifically Miami, during the investigation of political corruption (and other [investigations] was being sacrificed on someone's altar for reasons still obscure to me."

He also said that he believed Mr. Alexander's "disregard for the rights and feelings" of some intelligence division personnel "had so polarized the intelligence segment . . . against him and perhaps others in Washington that he could never put it together again." Mr. O'Donnell said it was these and several other reasons he finally agreed to retire.

E. J. Vitkus, the assistant regional Commissioner for the Southeast, has not technically retired but says he was put under pressure to file retirement papers that will cause him to leave the revenue service on Friday, March 12.

He said, in a letter to the committee, that he came under these pressures because he would not condemn Operation Leprechaun as did Mr. Alexander until the I.R.S. conducted an internal investigation.

A spokesman for the I.R.S. said the service had copies of the letters and was studying them. He had no immediate comment.

Reports on Operation Leprechaun, this file beginning 15 Mar 75. Beginning 1 Aug 75 they are filed CIA (d).

LATimes version of story above (SFC 9 Mar 76), filed CIA (d). This NYT clipping is an extra.