



IRS' Worried Boss

Jack Anderson

DONALD ALEXANDER, the embattled internal revenue commissioner, is supposed to direct tax investigations of others. Yet he has repeatedly come under investigation himself. Just recently, he tried to find out whether the Treasury Department is keeping criminal files on his activities.

Alexander works for the Treasury Department, which has jurisdiction over the Internal Revenue Service. Yet astonishingly, he lodged an official request, under the Freedom of Information Act, for any files the department might have on him.

The Customs Service is also a Treasury agency, which cooperates closely with the IRS. Yet Alexander submitted a separate Freedom of Information request for the Customs Service's files on him.

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UNDER THE LAW, American citizens are entitled to know what's in their federal files. But it is unprecedented for a high official to request his personal files from his associates.

Perhaps it shouldn't be surprising that Alexander is apprehensive. He was accused of blocking a tax audit of Senator Joseph Montoya (Dem-N.M.). Alexander also impeded another tax investigation, which involved his former law partners. He protested his innocence in both cases.

Subsequently, Customs identified Alexander as a possible defendant in a criminal investigation of Procter and

Gamble, the soap colossus, which has its headquarters in his hometown of Cincinnati.

Back in 1972, Procter and Gamble discovered it owed import duties, totaling \$29,000, on toys purchased from Japan. The firm sought the counsel of Alexander, then a Cincinnati attorney. He advised the company to ignore the \$29,000 deficiency but to pay all future duties. A Customs investigation alleged that Procter and Gamble made false statements to evade the duty payments. Alexander was accused of conspiring to defraud the government.

The \$29,000 was small change for the soap kings. But the company could have been hit with penalties equaling the domestic value of the toys. This could have added up to millions of dollars.

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CUSTOMS referred the case to the Justice Department. Our sources say that Customs also asked the U.S. attorney in Seattle, where the toy shipments arrived, to subpoena Alexander. The prosecutor refused, saying Alexander violated no laws.

Alexander began to stew, nevertheless, over the results of the Customs investigation. His associates at Customs and the Treasury assured him that they had not compiled extensive files on his activities.

Still suspicious, Alexander submitted a formal request on official IRS stationery for his files.