

# America's Gestapo, IRS targets LaRouche

by EIR Staff

The Internal Revenue Service, America's Gestapo, has recently escalated a politically motivated campaign aimed at Democratic presidential candidate Lyndon H. LaRouche, Jr. The conduct of the IRS toward LaRouche is consistent with its long-standing practice of targeting political enemies for harassment, criminal frameups, and abuse, under the pretext of "tax collection."

In three ostensibly separate, but clearly coordinated cases, the IRS has made wild and frivolous assertions that taxes are owed by LaRouche personally and by some of his political associates.

LaRouche was jailed in 1989, for an unheard-of 15-year prison term, after conviction in Alexandria, Virginia federal court—a court known as the "rocket docket." He was convicted on an assortment of "conspiracy" charges, including conspiracy to obstruct the IRS "in the ascertainment, computation, assessment and collection" of his income tax. He was never accused of tax evasion, contrary to many reports in the media.

## Targeting political enemies

The new actions against LaRouche are typical of the use of the IRS as a Gestapo against the government's political enemies, and have nothing to do with collecting taxes. Even though the IRS is one of the largest enforcement agencies in the United States, "Direct enforcement accounts for less than 3% of total tax revenues, but fully two-thirds of IRS's money and staffing are devoted to enforcement," according to a 1981 study (*Sage Annual Reviews of Studies in Deviance*).

A wealth of documents released over the years under the Freedom of Information Act (FOIA) reveals the unconstitutional nature of the IRS's assault on the First Amendment. The project really took off at the end of the Kennedy administration. An internal IRS Memorandum to Regional Commissioners, dated Aug. 27, 1963, and titled "Audit of Ideological Exempt Organizations," reveals how the IRS set up a political police unit. The memo detailed how the project was initiated in November 1961 with a test audit of 22 "extremist groups" on both sides of "center," to determine whether the IRS could put them out of business.

By 1965, the structure for a political "thought police" at IRS was well in place. A Dec. 31, 1965 assessment of the "Ideological Organizations" project, written by William Lehrfeld, Senior Tax Law Specialist, praised the program for

having started a project to "purge from the rolls of exemption alleged propagandists, extremists, and such other movements whose ideals and opinions did not conform to those in America's mainstream." So much for democracy. In a footnote, Lehrfeld admitted, "The use of the terms 'extremist,' 'right wing,' 'left wing,' etc. is for rhetorical purposes only and does not represent a legally appropriate characterization of organizational ideology."

From 1969 until 1973, the IRS established the Special Service Staff. During its four-year official life, the SSS compiled files on more than 2,873 organizations and 8,585 individuals. These were targets of that intelligence-gathering Gestapo, not because of known or even suspected tax violations, but rather because of their "extremist" political activities. The SSS was officially disbanded in 1973, but its functions were transferred to other units within the IRS.

## Frivolous charges

The latest outrages toward LaRouche are:

1) The IRS has conducted what it calls a "review" of the 1988 Alexandria, Virginia trial testimony and, based on wild assumptions, has fabricated what it claims was LaRouche's income from 1979 through 1986. Based on this non-existent income, the IRS now claims that LaRouche owes over \$5 million in taxes and penalties plus interest!

2) The IRS is attempting to collect taxes of the three companies associated with LaRouche that the U.S. government shut down via an illegal involuntary bankruptcy seizure, from the directors and officers of those companies. The IRS is doing this despite the fact that from April 21, 1987 on, these companies were under the control of Bankruptcy Trustees for the U.S. government, and therefore ceased to exist. During the entire time that these companies were under control of the trustees, the IRS made no attempt to collect any outstanding taxes. LaRouche, as a former member of the board of directors of the Fusion Energy Foundation (one of the three companies), has been targeted personally for taxes the IRS claims the FEF owes, despite the fact that his only role with the foundation was to promote scientific research projects.

3) An IRS auditor recently told an accountant representing the firm Publications and General Management that the IRS intends to declare all loans to PGM to be fraudulent, and therefore they are to be deemed income to the company and subject to tax. The auditor said his evaluation is based on information from Virginia State Police officer C.D. Bryant, a former IRS agent and key operative of the "Get LaRouche" task force.

The IRS targeting of LaRouche is blatantly political. In its 1989 annual report, the IRS enforcement division cited the prosecution of LaRouche as one of its major accomplishments. In its May 1989 *Bulletin*, the Anti-Defamation League of B'nai B'rith claimed to have initiated the IRS case against LaRouche.