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WASHINGTON, D.C. | IRS ALLEGATIONS

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Obama walking a familiar path on scandal

Associated Press

WASHINGTON — The Internal Revenue Service controversy dogging President Barack Obama is hardly the first time a White House and the tax agency have been accused of political meddling and bias. Nor is it the first time that political and social advocacy groups have searched for and exploited loopholes and fine points in the federal tax code.

Over the past week, Republicans have been trying to link Obama to what the IRS has acknowledged was improper extra scrutiny of conservative political groups seeking tax-exempt status. That's despite the fact that little — if anything — has surfaced to suggest White House officials had advance knowledge of the

IRS actions.

The line between IRS misconduct and the Oval Office appears to less fuzzy in IRS political incidents in previous administrations.

President Franklin D. Roosevelt's frequent use of the IRS as a weapon of political retribution is well-documented. He reportedly had the IRS scrutinize tax returns of his harshest critics, including Sen. Huey Long of Louisiana and Hoover Treasury Secretary Andrew Mellon.

And President Richard Nixon famously subjected those on his "enemies list" to tax audits and was even caught on Watergate tapes boasting of it to aides in the Oval Office.

When Treasury Secretary George Schultz questioned Nixon's directive to dig into financial dealings of businessman Henry Kimmelman, a major backer of Nixon's 1972 oppo-

nent, Sen. George McGovern, Nixon complained to aides: "What's he trying to do, say that we can't play politics with the IRS?"

President Dwight Eisenhower used federal tax collectors to go after members of the Communist Party. President John F. Kennedy set up an IRS program to "explore the political activities" of conservative nonprofit organizations. President Jimmy Carter's IRS director, Jerome Kurtz, ended the tax-exempt status of private Christian schools out of compliance with federal policy against racial discrimination.

During Bill Clinton's presidency, the IRS audited the conservative Heritage Foundation and the National Rifle Association. And during President George W. Bush's tenure, the agency audited the NAACP for remarks its leaders made during the

2004 election urging Bush's defeat. The IRS alleged it amounted to improper political activity. The civil-rights organization argued it was the victim of political bias. The case dragged on for two years.

"It is true that, in the past, presidents going back as far as at least Franklin Roosevelt used — or attempted to use — the IRS to intimidate or go after their political opponents. So it's a bipartisan thing," said economist Bruce Bartlett, a tax-policy official in the administrations of Republican Presidents Ronald Reagan and George H. W. Bush.

"But this one seems to have been driven more from the bottom up rather than the top down, promoted by lower-level IRS officials," Bartlett said.

In the latest flare up over political interference with the tax system, the

IRS acknowledged that organizations applying for tax-exempt status during the 2012 election season were singled out for extra scrutiny if they had "tea party" or "patriot" in their titles. In some cases, groups were asked for names of donors. The agency apologized and insisted the practice was not politically motivated.

But it touched off anger on Capitol Hill, coming at the same time as controversies over the Justice Department's seizure of phone records of The Associated Press and lingering questions over the administration's handling of September's deadly terrorist attack on a U.S. Libya — inquires that in combination threatened the president's credibility and, thus, his second-term agenda.