IRS presses bogus tax claims against LaRouche supporters

After a Washington, D.C. appeals court found in July that Federal Election Commission action against the 1992 presidential campaign of Lyndon LaRouche was thoroughly illegal, the Internal Revenue Service (IRS) is now fully activated as the out-front government agency against the LaRouche movement. An Oct. 12 trial is scheduled in U.S. Tax Court on an outrageous and bogus tax claim made by the IRS against a company run by political supporters of Lyndon LaRouche. The IRS claims Publications and General Management, Inc. (PGM), a management firm associated with many companies which publish literature or promote the political campaigns of Lyndon LaRouche, owes \$4.5 million in corporate income taxes for 1985-88; the claim follows an "audit" in which PGM was given no opportunity to substantiate its returns, and also an administrative process riddled with highly unusual tactics and practices, according to experts who have reviewed the case.

The IRS decision to pursue the tax case comes at a time when the agency's own illegal actions against LaRouche and his friends are being exposed.

The PGM "audit" began in March 1990, as IRS agent David Griffin focused on the 1985-86 returns. The IRS had complete physical access to the documents necessary to substantiate the PGM returns, since the IRS, along with other government agencies, had seized the documents in a 400man raid on Oct. 6, 1986 in Leesburg, Virginia, on companies associated with LaRouche.

For two years after March 1990, while making sporadic efforts to conduct the "audit," Griffin admitted he was really being guided by corrupt members of the "Get LaRouche" task force, particularly Assistant U.S. Attorney Kent Robinson and Virginia State Police Agent C.D. Bryant, himself a former IRS official. Robinson, Bryant, and others on the task force have repeatedly and illegally sought to shut down any entity associated with LaRouche, and are said to be outraged that the LaRouche movement has survived their previous attacks.

They are also very upset by California authorities' probes into political spying by the Anti-Defamation League of B'nai B'rith (ADL), their colleagues on the "Get LaRouche" task force, and by recent prosecutions of task force members Donald L. Moore and Galen Kelly for kidnapping. While PGM answered IRS questions and provided documents the IRS requested, suddenly, in February 1992, Griffin terminated the audit, assessing PGM the maximum possible tax due and disallowing every expense claimed—including for the years 1987 and 1988, even though they had not been the subject of the "audit"! Oddly, the IRS assigned the case to Robert Misey, an associate chief counsel in the International Division. Instead of sending the case back for a full audit, Misey is pressing ahead for trial.

IRS corruption

That the IRS actions are corrupt is betrayed by the role of Donald Moore, a former Loudoun County, Va. deputy sheriff and former deputy U.S. Marshal who was the chief investigator for the U.S. federal and Virginia state prosecutions of LaRouche and others. In 1992, Moore was indicted for conspiracy to kidnap LaRouche associate Lewis du Pont Smith. During the investigation of that case, Moore was secretly taped by an FBI undercover informant.

On the tapes, Moore brags that the way to get the LaRouche movement is to $g\phi$ after PGM, and that he is in contact with the IRS on the PGM tax case. He also says he obtained the Social Security numbers of people he thought would vote for LaRouche from Loudoun County voter records and gave them to the IRS for investigation, and calls his activity "illegal as s—t."

Protecting LaRouche's enemies

While using underhanded tactics against LaRouche and his friends, the IRS was equally underhanded in protecting LaRouche's enemies.

In 1986, various supporters of LaRouche filed complaints with the IRS seeking revocation of the tax-exempt status of the Anti-Defamation League of B'nai B'rith on the grounds that the ADL was illegally engaging in political action. The IRS took no action against the ADL, even though the Federal Election Commission later found that the ADL had violated federal election laws. Following the IRS lead, the FEC also let the ADL off the hook.

When Galen Kelly, one of Moore's co-conspirators, was on trial for another kidnapping this past May, IRS agent Patrick Lance Lydon, the agent on the LaRouche case and a friend of Don Moore's, executed a search warrant on the home of Kelly's chief accuser. Despite those blatant IRS attempts at witness intimidation and obstruction of justice, Kelly was convicted.

Moore's conniving with the IRS goes way back. In 1985, IRS special agent Larry Lucey hooked up with Moore to target LaRouche and his supporters. Lucey, then a Loudoun County resident, began his own probe of LaRouche without any authorization by IRS.

Called to testify at a pre-trial hearing, Lucey refused to answer questions on his relationship with Moore. Since then, Lucey has left the IRS and moved to an undisclosed location.