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## RULING ON SCIENTOLOGY CASE FAVORS IRS

The Church of Scientology should hand over stacks of financial documents to the Internal Revenue Service, which is studying whether to deny the organization tax-exempt status, a federal magistrate says.

But Magistrate Elizabeth Jenkins has pared the number of documents the IRS originally sought.

Jenkins' recommendations, issued last week in U.S. District Court, will be forwarded to a federal judge who can adopt or revise them.

The IRS says it has information indicating the Clearwater-based Church of Scientology Flag Service Organization has been involved in commercial operations that should be taxed. The inquiry concerns 1985, 1986 and 1987.

The Scientology organization owns several Clearwater buildings and employs more than 600 members of its organization. Scientology was founded by the late science fiction writer L. Ron Hubbard, who wrote that people can overcome negative experiences through "auditing," a counseling process that involves a device similar to a lie-detector.

In the tax case, the Clearwater Scientologists refused to hand over the documents that the government requested. They accused the IRS of pursuing a vendetta against their organization. They extensively questioned an IRS agent on the witness stand on that subject during hearings in Tampa in January.

Jenkins said those hearings produced nothing to indicate the IRS inquiry was improper.

She wrote that the organization should give the IRS organizational charts, financial reports, salary information, tuition schedules and various deeds and leases, as well as information on its transactions with other Scientology organizations.

But the IRS doesn't have a right to review the names of everyone who has received Scientology training and auditing from the organization, nor should it review all of the organization's board minutes, she wrote.

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