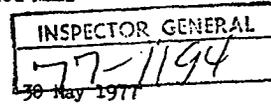


C O N F I D E N T I A L By Certified Mail

Aleks Kurgvel  
4605, 90 Str. Elmhurst, N.Y. 11373



TO: The Inspector General,  
Central Intelligence Agency  
Washington, D.C. 20505

Subject: Retired agent's request for help.

Reference: My letter to the Director of the Agency, dated 13 Feb. 1974,  
a copy herewith.

Sir:

I was retired on 13 September 1974, my 70th birthday. Before this I had asked for help (see the Reference) in my dispute with the New York State concerning the income taxes. I was not helped then, I think, because my request did not reach the proper level.

Still plagued with those and additional tax assessments by New York State; not being able to solve the problem entirely on my own; and not wanting to cause undue embarrassment to the Agency by acting without your advice, I am asking for your competent help.

After the events and steps described in the attachments there have been the following steps:

- 1) On March, 1974 I sent a check for \$ 4,799.19 to the New York State Tax Commission to be held in escrow pending the outcome of the dispute concerning the taxes for the years 1966-1972.
- 2) On May 3, 1974 I filed a formal petition for reassessment of those taxes.
- 3) For September 10, 1975 a calendar call was set and convened. During this meeting I asked for a formal hearing in case that the explanations given in my petition were not enough for decision in my favor. Up to now there has been no word from the Tax Commission in this matter.
- 4) On March 28, 1977 I received from the Tax Commission a statement of audit changes concerning the taxes for the years 1973 and 1974, totaling \$ 2,332.30. I have up to June 27, 1977 either to agree and to pay, or to file a petition against this finding. These audit changes are based on the same findings which the Tax Commission made concerning the years 1962 - 1965, against which I protested and the validity of which I tried to explain in the petition mentioned under point 2 above.

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CONFIDENTIAL

Aleks Kurgval to Inspector General, CIA.

Page 2.

I have pondered about the situation for a long time. I was bound and I still am bound by the security pledge and the cover stories put upon me during my service with the Agency. No one has released me of this pledge. Because of this, at the formal hearing before the N.Y. State Tax Commission on December 14, 1972, I testified under oath that I was employed by the Department of the Army. I had to stick to the same cover story in my petition mentioned before (point 2).

If now, called by the N.Y. tax authorities, for a formal hearing in connection with this petition, or if filing a new petition concerning the taxes for the years 1973 and 1974, then - in order to win - I must present my case more effectively than before. This means that I have to disclose that I was employed by the Agency, that I was bound by the Agency's strict rules of secrecy and cover, and that because of this I lied under oath in my earlier presentations.

This certainly would place me, and possibly also the Agency, into a rather tenuous and embarrassing position.

This is the situation in which I need Agency's advice and help.

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It seems that there are two possible ways to solve this problem:

Either: 1) The Agency provides me with an official certificate of release from the secrecy and security pledge, which I will be allowed to present if, when and where this will be necessary. This certificate must also show:

- PL 110
- a) that I was employed by the Agency in 1951 while still in Germany,
  - b) that I was brought to the United States by the Agency under the provisions of ... (Whatever the law or regulation is called, I have never been told so),
  - c) that I was ordered to work and to live without my family in the Washington, D.C. area,
  - e) that I was ordered not to disclose the fact of my employment by the Agency, and to use instead the cover of being employed by the Department of the Army.

2) The Agency provides me with financial help to cover the costs of legal representation by a lawyer before the N.Y. State Tax Commission and in court if charges of beforementioned perjury will be raised against me. I have seen that I myself am not able to argue a case successfully against the skillfull tax attorneys of the N.Y. State or a court. Nor am I able to cover the high costs of such representation.

OR: It would certainly be easier for me and less complicated for the Agency

CONFIDENTIAL

CONFIDENTIAL

Aleks Kurgvel to Inspector General, CIA.

Page 3.

if I would be able to withdraw my petition for reassessment and to pay the taxes and the interests to the N.Y.State and to the City of N.Y.

But this I can only do if the Agency provides me in a legal subtle way with financial help to cover the costs mentioned in the reference-letter, ( \$ 11,000) and the additional sum requested for the years 1973 and 1974, ( \$ 2,322.30), as far as this will not be recoverable from the Washington, D.C. tax authorities. I can not provide more precise figures because no one knows these yet.

\*

This struggle with the N.Y.State tax authorities has now lasted over twelve years. It has caused high mental anxiety to myself, my wife and our sons. We endured the difficulties and the high costs of separate life over twenty years; at first because the conditions of my employment prescribed this, and later because my salary at the Agency was too low to support the family in Washington, D.C. I was never paid an allowance for ordered separate living. Thus, my wife and I had to work and to live very thriftily, in different cities, in order to have a job for my wife and to be able to save something for our retirement years. But by now we already have had to put up more than \$ 6,000 from our meager savings for double taxation by New York State and the District of Columbia; and probably we will have to put up twice as much or more before the case will be settled. Further, there still looms the possibility of being accused of perjury because I trusted and followed the orders given by the Agency. I was never given real advice or help by my superiors in the Agency on how to handle this case in a different manner.

Therefore, I once more employ you, The Inspector General, to help me.

In order to know which way to go, I need your advice and help as soon as possible, bearing in mind that the last date when I must file a consent or a petition concerning the taxes for 1973 and 1974 is June 27, 1977.

Respectfully,

  
Aleks Kurgvel

- Enclosures: 1) The Reference-letter.  
(Copies) 2) All items listed on the list of enclosures of the reference letter.  
3) Correspondence between A.Kurgvel and the N.Y.State Tax Commission re the steps dated after 13 Feb,1974 ( 6 items, 18 sheets).

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