

Clearwater Sun

13 JULY 1984

How profits the prophet?

L. Ron Hubbard, the controversial and elusive founder of the Church of Scientology, is nothing if not a prophet. In 1949, while still known principally as an author of science fiction, he was reported to have told a lecture audience, "Writing for a penny a word is ridiculous. If a man really wants to make a million dollars, the best way would be to start his own religion."

Conventional clerics may dispute Hubbard's theology but they can't refute his economics. By all indications, Scientology is a flourishing business — its Clearwater branch admitted to something over \$16-million in expenses last year — from which Hubbard himself has prospered handsomely. While the organization maintains officially that Hubbard receives only token consulting fees of \$35,000 a year, disaffected former officers keep coming forward to say that figure is grossly understated. Some claim, in fact, that they helped divert more than \$100-million in Scientology funds to foreign bank accounts that Hubbard personally controls.



L. RON HUBBARD
... Scientology founder.

THAT allegation, reported this week by the *New York Times* in the aftermath of a major California trial pertaining to Scientology, is the latest of many revelations that controvert the organization's nonsecular pretensions. In 1979, nine of its highest-ranking members were convicted in federal court at Washington, D.C., of conspiring to infiltrate U.S. government agencies to steal documents. The organization disclaimed their deeds, but in 1982, according to the sworn affidavit of a former official, it plotted unsuccessfully to lure U.S. District Judge Ben Krentzman aboard a yacht for the purpose of compromising him with prostitutes and drugs. In 1983, in Canada, Ontario Provincial Police seized 200,000 documents in a raid on Scientology's Toronto Branch. To obtain a search warrant, they alleged that Hubbard may have been using Scientology's Clearwater headquarters and a dummy foreign corporation in order to enrich himself.

The Scientologists are suing to get the documents back and hope to persuade a Toronto judge to rule that Scientology is indeed a religion.

In the United States, where different constitutional principles apply, courts are careful not to pronounce an official definition of religion. Generally speaking, a religion is anything that claims to be one. But *conduct* is something else. Courts have consistently denied religious exemptions for such practices as tax evasion, snake-handling or marijuana smoking. Florida courts have also repeatedly upheld Pinellas Property Appraiser Ron Schultz's denial of property tax exemptions to the Scientology facilities in Clearwater because the organization refuses to submit documents proving that it is a charitable enterprise.

SCIENTOLOGY'S OVERALL conduct strains the customary definitions of both charities and churches, which do not often find themselves involved in burglaries or accused of using secrets from the confessional in furtherance of extortion plots against genuine or supposed enemies. It's Scientology's stealthy conduct, not the unorthodoxy of its views, that makes it an unwelcome presence in Clearwater and causes it to be under current scrutiny by tax collectors and prosecutors in the United States, Canada and West Germany.

Whether Hubbard has enriched himself at the expense of his adherents could be considered only their private business but for the many implications of fraud, extortion and currency control violations — not to mention possible consequences under the Internal Revenue Code, in deference to which even Rev. Sun Myung Moon, leader of the Unification Church, is bound for Allenwood Prison next week. One of the Scientologists who claims to have helped divert money to Hubbard says he assumes Hubbard paid taxes on it. Then why the great extremes of secrecy? Was Scientology hiding the cash from the tax collector or merely from its own members? Either explanation imparts sound justification to the various federal investigations that are reported to be under way.

In Florida, meanwhile, the State Department of Revenue is in the process, as required by the Legislature, of reviewing the status of all organizations presently exempt from the sales tax. Scientology's turn happens to be up. Let's hope Tallahassee hangs as tough as Ron Schultz has.