Appendix P

Miscellaneous Letters

Reader's Notes:

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December 29, 1993

Hon. William H. Rehnquist, Chief Justice
Hon. Harry A. Blackmun, Associate Justice
Hon. John Paul Stevens, Associate Justice
Hon. Sandra Day O'Connor, Associate Justice
Hon. Antonin Scalia, Associate Justice
Hon. Anthony M. Kennedy, Associate Justice
Hon. David H. Souter, Associate Justice
Hon. Clarence Thomas, Associate Justice
Hon. Ruth Bader Ginsburg, Associate Justice
Supreme Court of the United States
One First Street, Northeast
Washington, District of Columbia

Subject: **NOTICE AND DEMAND TO CEASE AND DESIST**

Dear Honorable Justices:

Notice is hereby formally served upon you, both individually and severally, that conclusive evidence now available to me proves that the so-called 14th amendment to the Constitution for the United States of America was never properly approved and adopted. I am under a legal and moral obligation to intervene on behalf of the many millions of Americans whose status has been unlawfully subsumed under federal jurisdiction, because this was done without either their knowledge or their informed consent.

As required by Title 28, United States Code, Section 453 (Oaths of justices and judges), you have solemnly sworn (or affirmed) that you would administer justice without respect to persons, and faithfully and impartially discharge and perform all duties incumbent upon you as Justices of the U. S. Supreme Court under the Constitution and laws of the United States, so help you God (see revision at 104 Stat. 5124).

Please take formal notice that it is quite simply impossible for you, or for *any other* public officials *anywhere* in America, to perform your solemn duties under this oath (or affirmation), if the weight of material evidence should prove that the exact provisions of that Constitution are still in doubt. Your oath (or affirmation) is a binding contract which I hereby seek to enforce, according to the dictates of my conscience, my Creator, and the supreme Law of the Land, *as lawfully amended*.

Pursuant to the Guarantee Clause (4:4) and to the opinion of the California Court of Appeal in Steiner v. Darby *et al.*, 88 Cal.App.2d 481, 199 P.2d 429 (1948: the year of my birth as a Sovereign natural born Free Citizen of one of the United States), **it is not only my Right, but also my Duty, to inform you that the weight of material and historical evidence proves that**

the so-called 14th amendment is not now, nor has it ever been, a lawful provision in the Constitution for the United States of America. This proposed amendment failed to be ratified in accordance with the requirements of Article 5 of the Constitution. At the very least, the evidence which I now lay before you consists of the following public records and other documents:

State v. Phillips, 540 P.2d. 936, 941 (1975)
Dyett v. Turner, 439 P.2d 266, 270 (1968)
28 Tulane Law Review 22
11 South Carolina Law Quarterly 484
House Congressional Record, June 13, 1967, p. 15641 *et seq.*

Because the available evidence indicates to me that all Federal and State judicial officers, without exception, have taken solemn oaths (or affirmations) which disagree with the Constitution for the United States of America *as lawfully amended*, I am now left entirely without any unbiased judicial forum in which to seek review and declaratory relief in the matter of the following federal questions:

(1) The constitutional qualifications for election to the offices of President, Senator, and Representative retain the meaning they had when the Constitution was first drafted (see Dred Scott v. Sandford, 19 How. 393-633 (1856)).

(2) There is *still* no constitutional authority for the status of a "citizen of the United States", unlike the proper status of a "Citizen of one of the States United" (see 1:2:2, 1:3:3, 2:1:5, and People v. De La Guerra, 40 Cal. 311 (1870): the term "United States" here means "States united"; see also Hooven & Allison v. Evatt, 324 U.S. 652 (1945)).

(3) There is *still* no constitutional provision prohibiting anyone from **questioning the validity of the public debt**, and freedom of speech is *still* guaranteed by the Bill of Rights.

(4) All provisions in Federal law are necessarily null and void, to the extent that they make reference, either implicitly or explicitly, to any section(s) of the failed 14th amendment.

(5) All provisions in State constitutions and statutes are likewise null and void, to the extent that they make reference to any section(s) of the failed 14th amendment (*e.g.* see the attached letter to the California State Lands Commission, to which all recipients fell silent).

DEMAND TO CEASE AND DESIST

Therefore, by virtue of the superior authority which is vested in me by my Creator, as a direct consequence of my natural birth as a qualified member of the Sovereign People, "by whom and for whom all government exists and acts" (see Yick Wo v. Hopkins, 118 U.S. 356, 370 (1886)), and on behalf of each and every member of the Sovereignty known and lawfully identified as

"We, the People of the United States" of America (see Preamble), **I hereby demand and do hereby order you to Cease and Desist from any and all of the following official acts on your part:**

(1) any and all official oaths or affirmations which are predicated *in any way* on the lawful ratification of the so-called 14th amendment;

(2) any and all judicial decisions or determinations which are predicated *in any way* on the lawful ratification of the so-called 14th amendment, including but not limited to:

(a) decisions or determinations which construe *in any way* the rights, responsibilities, privileges, immunities, and liabilities of "citizens of the United States" as that term is used in any and all Acts of Congress and administrative rules and regulations promulgated by any employees of the Executive Branch of the Federal government (*e.g.* 26 C.F.R. 1.1-1(c));

(b) decisions or determinations which attempt *in any way* to enforce the administration of the individual income tax provisions of the Internal Revenue Code upon the People of the 50 Union States, or upon their private property (see Treasury Decision 2313 and Brushaber's pleadings);

(c) decisions or determinations which uphold *in any way* the validity of the public debt of the Federal and State governments, acting in whatever capacity and through whatever agency, lawfully delegated or not (see 1:6:2);

(d) decisions or determinations which recognize *in any way* the lawful existence of a "State within a state", with particular reference to the political body defined by the population of "citizens of the United States" who may inhabit the 50 Union States at any given moment, however those terms may be defined (see 4:3:1 and the case law interpreting the Buck Act, 4 U.S.C. 105-113).

Until such time as you demonstrate officially that each and every one of you has executed a solemn oath which agrees with the Constitution for the United States of America as lawfully amended, I will take the absence of such an oath to mean that you are individually and severally biased in your understanding of the Constitution and that **you are, therefore, unqualified to rule on these matters and hereby recused from doing so**.

The burden of proof is now upon you to authenticate the Constitution which you agree to uphold, now and at all times in the future, using established principles of Law and the published rules of evidence.

I realize that this **NOTICE AND DEMAND TO CEASE AND DESIST** may constitute an historically unprecedented act on my part, as an individual California Citizen who enjoys neither elected nor appointed authority of any kind at this moment in time. Nevertheless, this act is necessitated by the

fact that there is presently not one single judge, magistrate, or commissioner *anywhere* in America whose oath of office is not colored by faulty (non-existent) provisions in the federal Constitution which they are sworn to uphold.

I realize also that this Notice and Demand must be general in nature and in substance, because of the far-reaching consequences which issue from the facts and Law which impugn federal "adoption" of the so-called 14th amendment. It is not my purpose here to anticipate, nor to delineate, each and every such consequence. Better minds than I should hesitate to assume such a weighty task by themselves.

Therefore, for the time being, I will leave it to you, and to the capable expertise on your respective staffs, to find and recommend the course of action which will best execute this Demand with maximum justice, liberty, and domestic tranquility. These are, after all, the stated goals of our chosen form of government in the united States of America (see Preamble).

Furthermore, I do explicitly reserve my unalienable Right to take whatever steps I deem necessary and proper to correct, at any time, a government which has now drifted so far off course, it hardly resembles the constitutional Republic it was designed to be (see also Declaration of Independence (1776)).

Thank you very much for your attention, and for your consideration.

Respectfully submitted,

Paul Andrew Mitchell, *Sui Juris*

California Citizen, on behalf of the
People of the united States of America

NOTICE TO PRINCIPALS IS NOTICE TO AGENTS.
NOTICE TO AGENTS IS NOTICE TO PRINCIPALS.

copies: Marin County Grand Jury, San Rafael
Bill Clinton, President
Pete Wilson, Governor of California
Barbara Boxer, U.S. Senator
Dianne Feinstein, U.S. Senator
Lynn Woolsey, U.S. Representative
Janet Reno, Attorney General
Drew S. Days, III, Solicitor General
William K. Suter, Supreme Court Clerk
Frank D. Wagner, Reporter of Decisions
Alfred Wong, Marshal
Shelley L. Dowling, Librarian

attachment: letter to California State Lands Commission

enclosures (under separate cover to Librarian *supra*):

The Federal Zone, hard-copy second edition
The Federal Zone, electronic fourth edition
Chapter 11, from upcoming fifth edition

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On this twenty-ninth (29th) day of December, 1993, *Anno Domini*, before me personally appeared Paul Andrew Mitchell, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in His authorized capacity, and that by His signature on this instrument the Person, or the entity upon behalf of which the Person acted, executed the instrument. Purpose of Notary Public is for identification only, and not for entrance into any foreign jurisdiction.

WITNESS my hand and official seal.

_____
Notary Public

C E R T I F I C A T E O F S E R V I C E B Y M A I L

It is hereby certified that service of this **LETTER** has been made on interested parties by mailing one copy thereof, on this twenty-ninth (29th) day of December, 1993, in a sealed envelope with postage prepaid, properly addressed to them as follows:

Registered U.S. Mail #R 756 488 761
Return Receipt Requested of:

Hon. William H. Rehnquist, Chief Justice
Supreme Court of the United States
One First Street, Northeast
Washington, District of Columbia

Copies via first class U.S. mail to:

Hon. Harry A. Blackmun, Associate Justice
Hon. John Paul Stevens, Associate Justice
Hon. Sandra Day O'Connor, Associate Justice
Hon. Antonin Scalia, Associate Justice
Hon. Anthony M. Kennedy, Associate Justice
Hon. David H. Souter, Associate Justice
Hon. Clarence Thomas, Associate Justice
Hon. Ruth Bader Ginsburg, Associate Justice
Supreme Court of the United States
One First Street, Northeast
Washington, District of Columbia

Dated: December 29, 1993

Paul Andrew Mitchell, Citizen/Principal, by Special Appearance, *in Propria Persona*, proceeding *Sui Juris*, with Assistance, Special, "Without Prejudice" to any of my unalienable Rights.

c/o general delivery
San Rafael
California state
Postal Zone 94901/tdc

September 10, 1993

Ray Feyereisen
c/o general delivery
Houston, Texas state
Postal Zone 77253/tdc

Dear Ray:

I did some more research today, to explore some of the cases which support the position that one can be a State Citizen without necessarily being a citizen of the United States. You already knew about Crosse; here are the relevant paragraphs:

> **Both before and after the Fourteenth Amendment to the federal Constitution, it has not been necessary for a person to be a citizen of the United States in order to be a citizen of his state.** United States v. Cruikshank, 92 U.S. 542, 549, 23 L.Ed. 588 (1875); Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 73-74, 21 L.Ed. 394 (1873); and see Short v. State, 80 Md. 392, 401-402, 31 A. 322 (1895). See also Spear, State Citizenship, 16 Albany L.J. 24 (1877). ...
>
> [B]ut **we find nothing** in *Reum* [City of Minneapolis v. Reum, 56 F. 576, 581 (8th Cir. 1893)] or any other case **which requires that a citizen of a state must also be a citizen of the United States, if no question of federal rights or jurisdiction is involved. As the authorities referred to in the first portion of this opinion evidence, the law is to the contrary.**
>
> [emphasis added]

Corpus Juris is another source of authorities which support this position:

> So a person may be a citizen of a particular state and not a citizen of the United States[46] ....
>
> [11 C.J., Sec. 3, p. 777]

Footnote 46 lists the following cases:

> Harding v. Standard Oil Co., 182 Fed. 421
> McDonel v. State, 90 Ind. 320
> State v. Fowler, 41 La. Ann. 380, 6 S. 602

The reference librarian at the Marin County Law Library and I searched in vain for McDonel v. State; they're going to put their special legal beagle on that search. Here's what Harding said:

> In the Constitution and laws of the United States the term ["citizenship"] is generally, if not always, used in a political sense to designate one who has the rights and privileges of a **citizen of a state or of the United States**. Baldwin v. Franks, 120 U.S. 678, 7 Sup. Ct. 656, 30 L.Ed. 766. **A person may be a citizen of a state but not of the United States**; as, an alien who has declared his intention to become a citizen, and who is by local law entitled to vote in the state of his residence, and there exercise all other local functions of local citizenship, such as holding office, right to poor relief, etc., but who is not a citizen of the United States. Taney, C.J., in Dred Scott v. Sandford, 19 How. 405, 15 L.Ed. 691; Slaughterhouse Cases, 16 Wall. 74, 21 L.Ed. 394.
>
> [Harding v. Standard Oil Co. *et. al.*]
> [182 Fed. 421 (1910), emphasis added]

I really love the pertinent quote from State v. Fowler, which was decided by the Louisiana Supreme Court in 1889:

> A person who is a citizen of the United States is necessarily a citizen of the particular state in which he resides. **But a person may be a citizen of a particular state and not a citizen of the United States. To hold otherwise would be to deny to the state the highest exercise of its sovereignty, -- the right to declare who are its citizens.** The sovereignty of the citizens of a republic has its highest assertion in representative government, and is constituted in its political order in the representation of persons, and not of classes or of interests.
>
> [State *ex rel.* Leche v. Fowler]
> [41 La. Ann. 380, 6 S. 602 (1889)]
> [emphasis added]

The Crosse court cites Short v. State, which came to essentially the same conclusion in the following long passage:

> And then, as to the objection that this local law is repugnant to that clause in the fourteenth amendment of the federal constitution which declares that "no state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States," it is sufficient to say that **the interpretation of that clause by the supreme court in the Slaughterhouse Cases, 16 Wall. 36, is a complete answer to this objection. There is a distinction**, says Justice Miller, **between citizenship of the United States and citizenship of a state.**
>
> [Short v. State, 80 Md. 392, 401-402]
> [31 A. 322 (1895)]

The Crosse court cites Short v. State, but I could find in the latter decision no statements which took the exact position we are seeking; nevertheless, it does cite the Slaughterhouse Cases and also Bradwell v. State, 16 Wall. 130. In the Bradwell case, Mr. Justice Miller, speaking for the court, says:

> The protection designed by that clause, as has been repeatedly held, **has no application to a citizen of the state** whose laws are complained of.
>
> [emphasis added]

Also, I think I have already mentioned this book, but it's worth mentioning again. See if you can get your hands on a copy of A Treatise on Citizenship by Birth and by Naturalization, by Alexander Porter Morse, Boston: Little, Brown, and Company, 1881. Buried near the end of this voluminous treatise is a section entitled "State Citizenship -- Its Existence". In addition to the big cases like Dred Scott, Slaughterhouse and Cruikshank, he mentions the following in his footnotes:

> Corfield v. Coryell, 4 Wash. C.C. 371
> Conner v. Elliott, 18 How. 591
> Donovan v. Pitcher, 53 Ala. 411
> Cully v. Baltimore, etc., R.R. Co., 1 Hughes 536
> Prentiss v. Brennan, 2 Blatchf. 162
> Frasher v. State, 3 Tex. Ct. App. 267
> Reilly v. Lamar, 2 Cranch 344

He also writes, "That there is a state citizenship, see Registry Act of California of 1865-1866, sect. 11." I pulled it; check it out.

So, you thought you were caught up with all your work, did you?

Carry on, and peace be with you.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

c/o general delivery
San Rafael
California state
zip code exempt

July 29, 1993

Albert N. Baxter
c/o general delivery
Rancho Palos Verdes, California state
Postal Zone 90274/tdc

Dear Al:

I am in receipt of a copy of your letter from attorney William A. Cohan, dated June 21, 1993. In this letter, Mr. Cohan wrote the following to you:

> The "non-resident alien" position has been repeatedly rejected by the courts; your assertion of that position undermines your credibility.

In the margin, you wrote the following in long hand:

> "Guess we made fools of ourselves. Al B"

Although I do not have the time to write as thorough a response as I wish I could, I do have enough time to make a few careful remarks about these statements. Please consider the electronic fourth edition of The Federal Zone as a necessary supplement to the rest of this letter; it is not yet available in hard copy.

First of all, I do not believe that your assertion of the "nonresident alien" position undermines your credibility. It may undermine your credibility in the eyes of Mr. Cohan, but it certainly does not undermine your credibility in my eyes, nor in the eyes of those who have studied and carefully documented the meaning of State Citizenship as that term was used and intended to be understood by the framers of the U.S. Constitution. Even IRS documents admit that you are an alien if you are **not** a citizen of the United States. Simple logic is all that is necessary to explain away the "alien" half of the problem, but there is much more proof, as you know.

I have recently made a crucial discovery in the writings of attorney Roger Foster. Foster was a Yale lecturer and recognized expert in federal jurisprudence at the time the so-called 16th Amendment was declared "ratified". The *second* edition of his treatise on the federal income tax of 1913 states, in unequivocal language, that the tax was levied in Alaska, the District of Columbia, Puerto Rico, and the Philippine Islands; the 48 States are not even mentioned (see Chapter 3 in The Federal Zone). In and of itself, this documentary evidence is important proof of the territorial extent of the 1913 federal income tax.

What is even more stunning is the comparable section from the *first* edition of Foster's treatise. In this section, he rambles on about the lack of court precedent authorizing Congress to tax bond interest that is payable to nonresident aliens by domestic corporations. Because he makes repeated

use of the term "United States", a term which we now know to have multiple *different* meanings in law, this section is almost always vague about the exact territorial extent of the 1913 Act. There is, however, one place where he tips his hand by utilizing the term "Union" in a territorial sense. In other words, the *first* edition of Foster's treatise considers the "Union of several States" to be the territorial reach of the 1913 Act, but in the *second* edition this whole section is replaced with a *much* smaller section which limits that reach to Alaska, the District of Columbia, Puerto Rico and the Philippine Islands. Therefore, Foster has admitted, in writing, that his first edition was in error about the territorial extent of the 1913 federal income tax! Read it for yourself and see if you agree with me.

It is not entirely correct to state that the "non-resident alien" position has been repeatedly rejected by the courts. Such a statement overlooks the obvious fact that the Brushaber decision is *still* standing case law in America. As you must already know, this ruling was issued by the United States Supreme Court. None of the cases cited in Mr. Conklin's essay, "The Citizenship Argument Bites the Dust in the Courts", was decided by the U.S. Supreme Court. Moreover, most of those lower court cases remain unpublished, unlike the long list of Supreme Court decisions which have carefully considered the meaning of Citizenship (*e.g.* Cruikshank, Dred Scott, Slaughter-House Cases, to name a few of the key ones). Why?

Treasury Decision 2313 also remains as a standing decision of the U.S. Treasury Department. There was only one Plaintiff in the Brushaber case; that Plaintiff was Mr. Frank R. Brushaber who was "a citizen of the State of New York and a resident of the Borough of Brooklyn, in the City of New York", by his own admissions. **To assert anything else about his status is to assume facts that were not in evidence.** If he had been a native of France, according to federal government propaganda, then where was his green card? The courts issued their decisions on the basis of facts that *were* in evidence. Therefore, there was and still is no basis in fact, or in law, for the Secretary of the Treasury in 1916 to extend the Brushaber decision to those who were not parties to that action. It is conclusive, therefore, that Frank R. Brushaber was the "nonresident alien" to which Treasury Decision 2313 refers.

Quite apart from the technical issues involved in understanding and explaining Treasury Decision 2313, I would like to dedicate the remainder of my remarks here to a discussion of the importance of the U.S. Constitution. If my research has established anything, it is that the U.S. Constitution has explicitly recognized State Citizenship from the beginning, even if there was no *definition* of State Citizenship as such in that document. If the Constitution is perpetual, then so is the status of State Citizenship which it recognizes (see Texas v. White), until and unless each and every reference to State Citizens is lawfully amended so as to alter the original meaning of those provisions. The intent of any law *is* the law, and this principle applies as well to the Constitution itself (the *supreme* Law).

You will find explicit references to State Citizens throughout the U.S. Constitution (see 1:2:2, 1:3:3, 2:1:5, 3:2:1, 4:2:1). In my opinion, three of the most important references are found in the qualifications for election to the offices of U.S. Senator, Representative, and President. Since these provisions have never been amended, their meaning remains the same as it was

on the day the Constitution became the supreme Law in America. Anyone who argues something different about the construction of these provisions is woefully, and maybe even dangerously, ignorant of the basic principles of constitutional law in our country (see Dred Scott v. Sandford in particular, a decision which is "infamous" to me *only* because it was such an authoritative and irrefutable mirror on the legal acceptability of chattel slavery at that point in American history).

Prior to the 1866 Civil Rights Act, there was simply no such thing as a "citizen of the United States" (see Ex parte Knowles, which is still standing case law in the California Republic). If you can find the time to wade into the huge body of case law which interpreted the so-called 14th Amendment, you will find some jurists who credit that amendment with finally settling the definition of "citizen of the United States" (see Field's dissent in the Slaughter-House Cases for a good example of this position). On the other hand, the pertinent U.S. Supreme Court decisions have *never* ruled that a ratified 14th Amendment *ever* abolished the status of State Citizenship; the amendment itself even stipulates that federal citizens are also "citizens ... of the State wherein they reside", giving some jurists reason to conclude that federal citizens were intended to be State Citizens too, as long as they resided within one of the Union States.

To my knowledge, I am the first published author to call attention to the lower-case "c" in this class of State citizens; the weight of subsequent history has shown that they *remain* second-class citizens, even when they "reside" within one of the Union States, because the Bill of Rights has at best a limited application to them when they do. We must credit The Informer for pointing out additional evidence in Section 2 of the 14th Amendment: "[W]hen the right to vote ... is denied to any of the **male inhabitants** of such State ... and **citizens of the United States** ...." This section is here referring to two *different* classes of people.

The Cruikshank case is perhaps the most lucid example of standing High Court case law for ruling that "[W]e have in our political system a government of the United States and a government of each of the several States. Each of these governments is distinct from the others, and **each has citizens of its own** ...." This means that, *even if* the so-called 14th Amendment had been properly approved and adopted, the status of State Citizen remains an *integral* part of the U.S. Constitution, *so integral* in fact, that the highest elective offices in our land must be occupied by People who enjoy and exhibit this status *before* occupying those offices. Remember also that the Cruikshank case was decided *after* the alleged ratification of the 14th Amendment and *after* the pivotal Slaughter-House Cases. The failed ratification of this amendment lends even greater clarity to logic of Cruikshank, namely, that federal citizens are aliens with respect to the Union States, and State Citizens are likewise aliens with respect to the District of Columbia.

The Constitution also plays a crucial role in determining whether or not a *proposed* amendment is ever elevated to the status of a *ratified* amendment. Hiding in the huge body of case law which has interpreted the so-called 14th Amendment, there are two pivotal decisions of the Utah Supreme Court which actually struck down the ratification of that amendment (see State v. Phillips and Dyett v. Turner). The facts on which that Court relied

were assembled and published in the Congressional Record; courts must take judicial notice of the Congressional Record. The U.S. Supreme Court has never actually ruled on the ratification of the 14th Amendment and has been *prevented* from doing so by treasonous behavior (see 28 Tulane Law Review 22, and 11 South Carolina Law Quarterly 484).

Thus, the undeniable preponderance of historical evidence now proves that the Utah Supreme Court was correct in striking down the 14th Amendment. I invite you to review the shocking and sordid history of its "passage" by studying carefully the details recited in the Dyett decision. The bottom line is that the federal government has been exercising **unlawful dominion** ever since the Civil War, and the failed ratification of the so-called 14th Amendment is just one among several historical facts which constitute conclusive evidence of this unlawful dominion. The so-called 16th Amendment is another excellent example of this unlawful dominion.

By holding, as the Utah Supreme Court has done, that the 14th Amendment was never properly approved and adopted, we are still entirely justified in taking the U.S. Supreme Court's view in Cruikshank, namely, that **each governmental jurisdiction has citizens of its own**. This view is supported by the decision in Colgate v. Harvey, which ruled that the 14th Amendment did not *create* a national citizenship (the *italics* implying that the amendment was simply declaratory of *existing* federal law, which federal law was the 1866 Civil Rights Act). Simply stated, California has its Citizens; Oregon has its Citizens; Utah has its Citizens; ... and the District of Columbia has its citizens (51 governmental jurisdictions in all).

Notice that I have been careful to spell State Citizen with an UPPER-CASE "C", and federal citizen with a lower-case "c". I do so primarily because authentic copies of the U.S. Constitution do evidence this convention; those authentic copies also maintain a similar distinction between "Person" and "person". Prior to the 14th Amendment, "Person" was consistently spelled with an UPPER-CASE "P" (see the qualifications for Senator, Representative and President, where the term "No Person" is repeated). Formal English also recognizes an important difference between Proper Nouns and common nouns. Did you ever attend a baseball game that was won by the chicago cubs (or the cHICAGO cUBS)?

Al, I invite you to take a closer look at the underlying rationale for the "nonresident alien" position which I have endorsed and explained in my book The Federal Zone, whether or not you choose to utilize it in any future litigation. There is simply too much in the way of undeniable factual evidence and relevant constitutional history for me to be dissuaded by this or that unpublished decision by lower federal courts. I doubt very much that Mr. Cohan would have us believe that federal and State courts are always correct, and that their decisions are never overturned. I have read some of these lower court decisions, and I find them to be riddled with errors.

Specifically, any court in America which henceforth issues decisions that are predicated upon the lawful ratification of the so-called 14th and 16th Amendments is plainly in error (see People v. Boxer). Any licensed attorney in America who bases his advice to clients (or prospects) on such rebuttable presumptions might justifiably be applauded for seeking the path of least resistance, with the complete approval of his clients; but

attorneys and clients together should also seriously reconsider just how dedicated they really are to upholding and defending the Constitution for the United States of America, as compared to other priorities that can and do take precedence under the pressures of day-to-day practice. I say this only because the published evidence available to me shows that licensed attorneys in America are expected to place the court first, public policy second, and the client third in order of importance; the Constitution isn't even mentioned!

It is high time that we return to basic issues of constitutional Law. If we don't, then we shall surely lose the Constitution forever. **It is quite simply impossible for public officials anywhere in America to perform their solemn duty to uphold and defend the U.S. Constitution, if the weight of material evidence should prove that the exact provisions of that Constitution are still in doubt.** This was the major issue that was addressed in the case of People v. Boxer; copies of the pleadings and affidavits were shipped to Mr. Cohan several months ago, without any response from him.

I don't mean to be rude or disrespectful to any licensed attorneys when I suggest that they too should be obliged to take the same solemn oath, if they have not already done so. The constitutional provisions which cite State Citizens have never been in any serious doubt, even if our decision to defend this status is fraught with much additional peril, above and beyond the peril we might endure by resisting this or that tax assessment by the collection agency of a foreign banking cartel. If the Constitution is perpetual, then so is the Sovereign State Citizenship which that Constitution has recognized from the beginning, with or without the so-called 14th Amendment.

Let the judges in question come forward to explain why their recent decisions were "unpublished". I am all ears.

The road less traveled may be the surest path to our destination, and to our destiny as a free People.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

copies: William A. Cohan
John Voss, N.C.B.A.
Richard McDonald

c/o general delivery
San Rafael
California state
zip code exempt
(DMM 122.32)

July 20, 1993

James R. Frey
Staff Counsel
State Lands Commission
c/o general delivery
Sacramento, California state

Dear Mr. Frey:

We do very much appreciate the consideration you showed in answering our inquiry concerning California Government Code Sections 126 and 127.

We are happy to learn that the files in question are available for public inspection and copying, by appointment. We understand that the index is actually a file cabinet, with files on individual facilities.

As you may already know, many California State Citizens are actively involved in private research and political action to help solve the horrendous federal debt. Our research led us to Government Code Section 126, in particular, because it makes explicit reference to Section 4 of the so-called 14th Amendment:

> (c) The United States must in writing have requested the state to cede concurrent criminal jurisdiction within such land and subject to each and all of the conditions and reservations in this section and in **Section 4 of Article XIV of the Constitution** prescribed.
>
> [California Government Code, Sec. 126]
> [emphasis added]

I use the language "so-called" because the evidence now available to us proves that the 14th Amendment was never properly approved and adopted. In the year 1968, the Utah Supreme Court detailed the shocking and sordid history of the failed ratification in the case of Dyett v. Turner, 439 P.2d 266, 272. In the year 1975, the Utah Supreme Court again struck down the ratification of the 14th Amendment with the following language:

> I cannot believe that any court, in full possession of its faculties, could honestly hold that the amendment was properly approved and adopted.
>
> [State v. Phillips, 540 P.2d 936, 941]

To our knowledge, these two cases are still standing because the U.S. Supreme Court has yet to rule specifically on the validity of the steps taken to "ratify" the so-called 14th Amendment.

The House Congressional Record for June 13, 1967, contains some of the essential documentation on which the Utah Supreme Court relied to prove that the so-called 14th Amendment was never ratified into law (see page 15641 *et seq.*). For example, it itemizes all States which voted against the proposed amendment, and the precise dates when their Legislatures did so.

Additional historical evidence can be found in the following law review articles: 28 Tulane Law Review 22 and 11 South Carolina Law Quarterly 484. Even though one of these articles was written by a man who advocated racial discrimination, a policy with which I strongly disagree, his facts are very consistent with the historical record as recited by these other authorities.

Faced with this clear preponderance of historical evidence and standing court authorities, we are not only justified in taking the position that the 14th Amendment was never ratified, we are also justified in challenging all State statutes which make reference to *non-existent* provisions in the U.S. Constitution.

This train of evidence and logic leads us, then, to subsection (f) of California Government Code Section 126:

> (f) "Land held by the United States", as used in this section means: **(1) lands acquired in fee by purchase or condemnation,** (2) lands owned by the United States that are included in the military reservation by presidential proclamation or act of Congress, (3) leaseholds acquired by the United States over private lands or state-owned lands, and (4) any other lands owned by the United States including, but not limited to, public domain lands which are held for a public purpose.
>
> [emphasis added]

We have taken specific note of subsection (f)(1), which omits any mention of the "United States", whereas subsections (f)(2) thru (f)(4) do make explicit mention of the "United States". Using the rule of statutory construction known as *inclusio unius est exclusio alterius* (see Black's Law Dictionary, Sixth Edition), we are entitled to infer that "United States" was omitted from subsection (f)(1) because it was *intended* to be omitted.

Accordingly, Section 126(f) could be interpreted to mean that "Land held by the United States" means *any* lands acquired in fee by purchase or condemnation, **whether or not** said lands were acquired in fee by the federal government. In other words, if private real estate in California were acquired in a "fee simple" transaction, as recorded by the appropriate County Recorder, does the "United States" thereby hold any legal interest in such private land by virtue of California Government Code Section 126?

Now for the crux of the problem. We now know that the Federal Reserve System is a private banking cartel (see Lewis v. United States, 680 F.2d 1239 (1982)). This cartel pays the federal Bureau of Engraving and Printing a total of $230 to print 10,000 Federal Reserve Notes, regardless of denomination, and thereby obtains from Congress a pledge of collateral equal to the face value of those notes. Thus, if the Federal Reserve orders 10,000 notes in denominations of $100 each, it obtains from Congress a lien on collateral equal to $1,000,000, for a total down payment of $230. That's

what I call leverage! What's the collateral?

Do the Federal Reserve banks thereby obtain any right, title or interest in California lands "acquired in fee by purchase or condemnation" pursuant to California Government Code Section 126?

Are these lands anywhere identified as collateral for the Treasury bonds which the Federal Reserve purchased with money and credit which it created out of thin air, via bookkeeping entries?

These are questions which should be important to all private Citizens and to all government employees everywhere in America, because the Federal Reserve has become one of the largest single "United States" creditors by purchasing Treasury bonds without lawful consideration. Moreover, the failed ratification of the so-called 14th Amendment frees all of us, private Citizens and government employees alike, to question the validity of this public debt, because Section 4 of that failed amendment reads:

> **The validity of the public debt of the United States, authorized by law**, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, **shall not be questioned**.
>
> [emphasis added]

Quite obviously, if the so-called 14th Amendment was never properly approved and adopted, then it follows that there is no Constitutional prohibition which bars *any* of us from questioning the validity of the public debt of the United States.

I will look forward to your timely and considerate response. Please utilize the above mailing location *exactly as shown* in any and all future correspondence. Believe it or not, we now have credible proof that the unqualified use of zip codes and/or two-letter federal abbreviations (*e.g.* "CA") also attaches California State Citizens to the spiralling federal debt.

Mr. Frey, things are just not as they appear on the surface.

Thank you very much for your honesty and your consideration, at this most difficult time in our brief history as a nation.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copies: Charles Warren, *Executive Officer*
Leo T. McCarthy, *Lieutenant Governor*
Gray Davis, *Controller*
Thomas W. Hayes, *Director of Finance*
Pete Wilson, *Governor*

c/o general delivery
San Rafael
California state
zip code exempt
(DMM 122.32)

July 5, 1993

Gregory Dahl
c/o general delivery
Eugene, Oregon state
Postal Zone 97401/tdc

Dear Greg:

Thanks very much for your letter dated 24 June 1993, and for purchasing a copy of The Federal Zone. Because I shipped your book immediately after opening your envelope at the post office, I hadn't allowed myself time to read your letter before doing so. On the last page, your mentioned enclosing $25 for the book, and $15 to show your support of my efforts and your appreciation for my time. Thanks very much. I now take those amounts to mean that you originally wanted the *electronic* edition of The Federal Zone, which is enclosed with this letter. It was obviously my mistake. With your immense computer knowledge, I would very much value your suggestions for expediting the dissemination of this shareware.

On the subject of race, you may be surprised to hear that I agree completely with your statement that *my analysis of the 14th Amendment will be construed as a contention that whites have different rights than others.* That is exactly the situation you will find throughout federal law; read Title 42, Sections 1981 thru 1983, and there you will find that Congress *still* maintains a clear legal distinction between whites and other races. But then you went on to say that *I will be called a racist*. Well, I haven't been called racist yet, not even by any of my black friends, but I guess there is always a first time. Thus far, I haven't had any difficulty explaining to people that federal law is maintaining racist distinctions, and has done so ever since the infamous Dred Scott decision. My position is quite simple: all races are eligible to be Sovereign State Citizens, without exception.

Federal law would have us believe that blacks and other non-white races are only eligible to be "citizens of the United States", but the California Supreme Court ruled in 1855 that **there is no such thing** as a "citizen of the United States", and this decision has never been overruled. The federal government *must* rely, therefore, on the so-called 14th Amendment to force this fiction on certain classes, *e.g.* those with Social Security numbers. Nevertheless, the Utah Supreme Court has twice struck down this amendment, and neither of these decisions has ever been overruled! Do you see the pattern? I call it unlawful dominion.

I actually enjoy discussions which turn to the subject of racial discrimination. It is a great opportunity to expose people to the "intent of the post-Civil War reformers", as you call them. You have only to look at Section 4 of the so-called 14th Amendment to appreciate what I mean: "the validity of the public debt shall not be questioned." This is the *real*

intent of the 14th Amendment, to make it appear lawful for the federal government to exercise dominion over all Americans and to relegate them to second-class *subject* status (*i.e.* "subject to the jurisdiction of the United States").

Once you are in this *subject* class, then the federal government can compel your specific performance to discharge the interest on the massive federal debt which has now accumulated. Of course, much of that debt was created by the sale of Treasury bonds which were "purchased" by Federal Reserve banks with money and credit which they created out of thin air. As such, these bond contracts are *unconscionable* because they were not purchased with real consideration. As I have written in the latest edition of my book:

> The vivid pattern that has now painfully emerged is that "citizens of the United States", as defined in federal tax law, are the intended victims of a new statutory slavery that was predicted by the infamous Hazard Circular soon after the Civil War began. These statutory slaves are now burdened with a bogus federal debt which is spiralling out of control. The White House budget office recently invented a new kind of "generational accounting" so as to project a tax load of seventy-one percent on future generations of these "citizens of the United States". It is our duty to ensure that this statutory slavery is soon gone with the wind, just like its grisly and ill-fated predecessor.

Greg, this is a bank conspiracy we are dealing with here, and it is clouded by waves and waves of smoke, mirrors, and dense propaganda. I don't think the 71% projection is idle speculation. Many informed people throughout the country realize now that it is only a matter of months before the interest alone on the federal debt will exceed all federal income tax receipts. I confirmed this in my first petition to Congress, dated December of 1990. Now, the authors of Bankruptcy 1995 are saying the exact same thing.

The basic issue with which most Americans are still not quite prepared, intellectually, emotionally, or financially, is the specter of default by the "United States". The media are certainly not courageous enough to grapple with this issue head-on. If the banks obtained Treasury bonds without consideration, then I say *their* bonds should be repudiated, not the bonds which have been purchased ultimately with the labor of Americans like you and me. This labor is something which has real value, unlike bank credit which is created out of thin air. They used to use pen and ink, then typewriters, now computers. The mechanism is the same; it's called "bookkeeping". These same banks have become rich beyond imagination by this swindle. I have not hesitated to say that it is the greatest fiscal fraud that has ever been perpetrated upon any people at any time in the history of the world, and **nobody** has yet disagreed with that statement!

After reading everything I could get my hands on, and doing a lot of original research myself, I came to several important conclusions, one of which is that the Constitution for the United States of America is, and still *should* be, the supreme Law of the Land. This Constitution has recognized a Sovereign class of Common-Law State Citizens from the beginning. The case law also says that the Union created by this Constitution is perpetual. That means the Citizenship which it recognizes is also perpetual, and cannot be

altered or destroyed by the Congress or any of its agents. "Congress cannot by legislation alter the Constitution, from which alone it derives its power to legislate, and within whose limitations alone that power can be lawfully exercised." Eisner v. Macomber, 252 U.S. 189. This is the Law.

If I have done anything significant, I believe it was to prove that the Internal Revenue Code was written deliberately to refer to Union State Citizens as "nonresident aliens", among other reasons to give Americans a reason to *avoid* such a label. After all, who wants to be known as an "alien"? The government had to leave some tracks, and we picked up the trail right out of the parking lot: the Brushaber decision, the first big case to reach the Supreme Court after the so-called 16th Amendment was declared ratified, and Treasury Decision 2313, in which the government decided that Frank R. Brushaber was a "nonresident alien".

It is important to understand that Brushaber did not go into federal district court claiming to be a "nonresident alien"; he went into federal court claiming to be a citizen of the State of New York and a resident of the Borough of Brooklyn, in the City of New York. It was the government which applied this label to people who claimed the status of State Citizens. In conjunction with the Brushaber decision, you should also study the earlier Pollock decision, which struck down a federal income tax because it was not apportioned. The apportionment restriction was operative because the Plaintiff, Charles Pollock, was a Massachusetts State Citizen (not a citizen of the United States). As a Union State Citizen, Pollock was immune to federal direct taxation unless it was apportioned, and it was just not apportioned, period. The Pollock Court also told Congress that if they wanted to levy such a tax on people like Charles Pollock, they would have to amend the Constitution to remove the apportionment restriction, and therein is one of the essential historical roots of the so-called 16th Amendment.

I am very sorry to hear about your bicycle accident. I hope you have recovered completely. I was also not aware that you now have children; that changes everything, as far as political activism is concerned. I would not have done many of the things I have done, like suing Barbara Boxer in the California Supreme Court, if I had a wife and children of my own; the risks are just too great.

Thanks again for writing such a thoughtful and detailed letter. I feel privileged to be its recipient.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosure: The Federal Zone, fourth edition

c/o general delivery
San Rafael
California state
zip code exempt
(DMM 122.32)

June 29, 1993

Dale Peters
c/o general delivery
San Jose, California state
Postal Zone 95157/tdc

Dear Dale:

Thanks very much for your detailed and enlightening letter, dated June 25, 1993. Before writing this letter to you, I have had several conversations about your letter with Dr. John C. Alden, and we both feel that your discussion of California Government Code Section 126 is extremely important.

You began your discussion of Section 126 by recommending that I incorporate in a future edition of The Federal Zone an expose of this particular statute. Your recommendation suggests to me that you may not have read all the way through Chapter 11, in which I discuss, in broad strokes, sovereignty and the limits of exclusive federal jurisdiction. Please understand that the book was written for all Americans, in the federal zone *and* in the State Zone, and for this reason I deliberately wanted to avoid getting too bogged down in the statutes of any particular Union State. The fourth edition is now over 600 pages in length.

A major point of law, of course, is the status of the so-called 14th Amendment. Again, in Chapter 11 of the fourth edition, I have made reference to the two Utah Supreme Court cases which struck down the 14th Amendment. If you haven't already reviewed these cases, I strongly recommend that you do so, as soon as possible. The detailed historical facts are covered quite well in the earlier of the two -- Dyett v. Turner. I gave a lecture based in part on a recitation of this case, and John Alden later said I had failed to notice that the audience was actually on the edges of their seats; that's how powerfully the Utah Court recites the relevant history. If you are going to enter this debate as an acknowledged expert, then you must know this history in detail.

In light of State v. Phillips and Dyett v. Turner, I would not hesitate to challenge the constitutionality of Section 126(c) of the California Government Code, on obvious grounds that a State statute cannot be valid if it makes reference to a non-existent provision in the U.S. Constitution. Even the 1879 California Constitution, which has never been approved by Congress as "republican" in form and the effective date of which has actually been repealed, cites the U.S. Constitution as the supreme Law of the Land.

I have been trying my best to broadcast the importance of Section 4 of the so-called 14th Amendment, whenever and wherever possible. *Even if* it had been properly ratified, there is a mountain of case law which has held that a ratified 14th Amendment had no effect whatsoever on the status of Common-Law

State Citizens of the Union States. See, for example, the cases cited in Appendix Y of The Federal Zone, fourth edition. By logical extension of these holdings, I would argue that a ratified 14th Amendment, in and of itself, had no effect whatsoever on the rights, titles and interests of such Citizens.

The Federal government, however, does now take the position that the 14th Amendment had the effect of *converting* all Americans into federal citizens who are, by definition, subject to the jurisdiction of the "United States". It can be shown that this has been a fraudulent conversion. Richard McDonald and his colleagues have recently gone so far as to file cross-complaints against State Judges in L.A. County for violating the Genocide Treaty because the judges in question have obviously discriminated against State Citizens in criminal proceedings; this is a very interesting development to monitor carefully.

Another factor to consider in your reasoning is the specific group of people who are explicitly prevented from questioning the validity of the public debt by virtue of Section 4 of the so-called 14th Amendment. Treating the U.S. Constitution as a binding contract, it is not difficult to prove that such a prohibition, even if part of a lawfully adopted amendment, creates no restrictions on those who are not "subject to the jurisdiction of the United States", in other words, not subject to the terms and conditions of this binding constitutional contract. Employees of the State or federal governments, and/or federal citizens who are, by definition, subject to the jurisdiction of the "United States", are both subject to this provision. Notice how the oath of office specifically binds Senators and Representatives to uphold and defend this contract.

However, if my research proves anything, it proves that Sovereign natural born free State Citizens are not subject to the jurisdiction of the "United States", unless they render themselves subject by entering into a valid voluntary contract with the "United States". For this reason alone, they would not be subject in any way to Section 4 of the so-called 14th Amendment, nor could the titles to their property be clouded lawfully by any third-party debt or obligation to which they had not given their full consent. The California Civil Code is very relevant here, because it defines the criteria by which consent is neither real or free ("*apparent* consent is neither real nor free when ....").

The "United States" is not authorized to obtain controlling interest in Sovereign State Citizens, such that it can compel our specific performance to *any* third-party debt or obligation, particularly if that debt or obligation is unconscionable by reason of federal government bonds which were purchased with Federal Reserve credit created out of thin air via bookkeeping entries. Moreover, the 1849 California Constitution has specific provisions prohibiting the paper of any bank to circulate as money (see Article IV, Sections 34 and 35).

I would even go so far as to say that all bank mortgages are similarly unconscionable if the banks in question obtained title conveyances in return for credit similarly manufactured out of thin air. We are obviously dealing here with a very big fraud. See my chapters entitled "Is It Voluntary?" and "The Fundamental Law" for a general discussion of the Federal Reserve's role in all of this. Howard Freeman's discussion of the privilege of limited

liability is very relevant here: the discharge of debts with FRN's is treated by the Federal government as a privilege, the exercise of which to convey real property actually clouds titles, precisely in the manner you speculate.

Now, I want to discuss a point of statutory construction. Your thesis is supported by one of two competing interpretations of subsection (f) of Section 126. Note, in particular, where it states that:

> "Land held by the United States", as used in this section means: (1) lands acquired in fee by purchase or condemnation ....

When I first read this wording, I interpreted it to mean "lands acquired by the United States in fee". This interpretation is supported by the language of subsection (e), where it states:

> Jurisdiction ceded pursuant to this section continues only so long as the land continues to belong to the United States ....
>
> [emphasis added]

Nevertheless, apply the rule of statutory construction known as *inclusio unius est exclusio alterius* (*i.e.*, the explicit mention of one thing is the explicit exclusion of all other things not mentioned). In all other enumerated sections of subsection (f), Government Code 126 refers to "lands owned **by the United States**", "leaseholds acquired **by the United States**", and "any other lands owned **by the United States**". Note that subsection (1) does NOT say "lands acquired **by the United States** in fee"; it says "lands acquired in fee", lending powerful support to your thesis.

If you acquire a copy of the videotape which was filmed of my interview with Greg Meadows of the L.A. Lawman, you will note that I specifically mention the use of federal land as collateral for the bogus federal debt. I do not, as yet, have the statutory proof that Congress actually pledged all this land as collateral, but John Nelson claims to have done so. You should get copies of his work, if you can. Unfortunately, my copies of his work are packed up in storage, or I would enclose a copy for your review. I raise this point because it is imperative that we isolate the exact mechanism whereby the Federal Reserve *claims* to have obtained controlling interest in real property deeds acquired under "fee simple" transactions, as opposed to allodial transactions. Without this evidence, your ideas amount to nothing more than exciting, but unsubstantiated speculation.

Notice also that Government Code 126 specifically refers to "cession of concurrent **criminal** jurisdiction to United States on lands held by general government." Are you implying that I should interpret this to mean that a State Citizen's failure to pay his "fair share" of debt interest to the Federal Reserve should be treated as a crime, particularly if his real property was acquired in a "fee simple" transaction? The issue here is not just semantic. Why does the heading of the statute refer to "concurrent **criminal** jurisdiction"? In this vein, you should carefully review Internal Revenue Code Section 7851(a)(6)(A), which gives force and effect to Subtitle F of the IRC if and only if the Title is enacted into law. Subtitle F, as you may already know, contains all the enforcement provisions of the IRC, and it is crucial for you to understand that Title 26 has never been enacted into

positive law (see inside covers of *any* of the volumes of United States Code titles 1 thru 50).

So, where is the crime, if federal income taxes are truly "voluntary"? It has to be voluntary for State Citizens whose incomes derive from sources outside the exclusive jurisdiction of the "United States", among many other reasons because Congress simply lacks the authority to compel such Citizens to discharge interest on the bogus federal debt. The 9th and 10th Amendments are right on point here. The use of excise taxes, like taxing the sale of gasoline, creates a voluntary choice for the buyer which in no way compels the buyer to enter the transaction; he can always use his bicycle or walk.

Thanks again for your terrific letter. Keep up the good work, and let me know if you have any additional material on this statute. If you don't already have a copy, try to get your hands on the study entitled Jurisdiction over Federal Areas within the States; it contains over 700 case citations, all extremely relevant to the core issue here, namely, what is meant by the exercise of "exclusive Legislation"? On this, I took specific note of a decision under Government Code 126 which found that "as to such federal territory Congress had combined powers of a general and a state government." Inside the federal zone, Congress has combined powers of a general and a state government; outside the federal zone and inside the 50 States, Congress only has the powers of a general government, and is otherwise constrained by specific prohibitions found in the constitutional contract to which ALL government employees are subject. Of course, the pertinent restriction with which I am primarily concerned is the absence of apportionment provisions anywhere in the Internal Revenue Code; as I have documented in some detail in my book, their absence is proof to me that the IRC's income tax provisions are confined to the federal zone, and to citizens of that zone. Otherwise, there is a blatant violation of the U.S. Constitution.

To date, nobody has been able to refute my thesis, except to catapult garbage like rumors that Frank Brushaber was a fiduciary for others who were the real stockholders (which rumor originated at the Free Enterprise Society, to my great surprise). This latter rumor is easily disproven by the very first sentence in the Brushaber decision! Another garbage rumor is that there were other parties to the Brushaber decision (this again from the Free Enterprise Society). As of the second and subsequent editions of The Federal Zone, I have successfully dismissed the French immigrant propaganda. In combination with Brushaber's original pleadings, which anyone can order from the federal court in New York, Treasury Decision 2313 is explosive and irrefutable in its implications. The next time you're in the law library, pull the Pollock case too, and you will discover that he too was a State Citizen (of Massachusetts) who was, by definition, protected from direct taxation by the apportionment provisions in the U.S. Constitution. In light of all the evidence which proves that the 16th Amendment was never lawfully ratified, the importance of the Pollock case cannot be overstated.

As you must know all too well by now, the tax law in America is a masterpiece of deception. In one sense, I really have to hand it to its creators. Unfortunately for them, we have caught up with their fraud, and now their every move is being watched intensely.

"We have in our political system a government of the United States and a government of each of the several states. Each of these governments is distinct from the others, and each has citizens of its own ...." You can't be faulted for relying upon decisions of the U.S. Supreme Court, and I say that on the authority of this very same Supreme Court!

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

c/o general delivery
San Rafael
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(DMM 122.32)

June 27, 1993

Stanley Waugh
Nevada Citizen
c/o general delivery
Reno, Nevada state
Postal Zone 89504/tdc

Dear Mr. Waugh:

Thank you for your thoughtful letter dated 21 June 1993. I am writing primarily to respond to your statement:

> "Based on this historical documentation, I wonder if you are not making too much ado about citizen v.. Citizen and United States v.. united States. Punctuation apparently is not crucial."

As you know, there are lots of historical documents which evidence the word "citizen". You included copies of a North Dakota document, and the Treaty of Peace between the United States and King George III. These are not the documents which count, however.

The documents which *count* (in my opinion), and the documents with which I am chiefly concerned, are the Constitution for the United States of America (because it is the supreme Law of the Land), the Internal Revenue Code (because it is the subject of my book), and the Code of Federal Regulations for Title 26 (which are the promulgated rules for interpreting the Internal Revenue Code).

Now, if you have studied statistics, what I am about to say will be entirely familiar to you. If you have not studied statistics, continue reading very carefully. If I flip a coin, what is the probability ("P") of heads? You will answer "one in two", and that is the right answer. How do we calculate the value of P in mathematical terms? It's very simple. P equals one divided by the quantity two raised to the power of one, *i.e.* $1/(2^1)$. We raise two to the power of one because there are two outcomes to a "trial" (a head or a tail), and we conduct only one trial, *i.e.* we flip the coin only once. The probability P equals 0.50.

Now, continuing along with this approach, what is the probability of getting heads twice in a row? You will answer "one in four", and that is the right answer again. How do we calculate the value of P in mathematical terms? P now equals one divided by the quantity two raised to the power of two, *i.e.* $1/(2^2)$. We raise two to the power of two because there are two outcomes to a "trial", and we conduct two trials, *i.e.* we flip the coin twice. The probability P equals 0.250. Continuing along with this sequence, you can compute for yourself that the probability of three heads in a row is 0.125, and so on.

What does this have to do with "citizens" and "Citizens", you ask? Plenty, and here's why. In formal English, a letter of the alphabet is either upper-case or lower-case; there is no in-between. It's kind of like "heads" and "tails"; the coin is not allowed to land on its side. So, for every occurrence of this term in law, we will observe either lower-case "c" or UPPER-CASE "C", and nothing in-between.

The rules of grammar and punctuation require that the first letter of the first word in any sentence be UPPER-CASE, like the "T" in the word "The" at the beginning of this sentence. You will also very often see UPPER-CASE letters used in words that are found in titles and paragraph headings, for example, the phrase "see Chapter 29: American Citizenship for more details" might be found in some book or section of law. The UPPER-CASE "C" is used because it is proper to do so in such situations.

Now, the crux of the matter is to observe whether lower-case or UPPER-CASE is used **when there is no other rule requiring UPPER-CASE**. For example, you might encounter the phrase: "If you are a citizen of the United States ...." In this phrase, the term "citizen" is not the first word of a sentence, nor is it part of a title or heading; therefore, it can go either way. It can be either lower-case "citizen" or UPPER-CASE "Citizen", just like the coin flip.

If you read through the Internal Revenue Code and observe all occurrences of "citizen", I believe you will find that the only uses of "Citizen" are found in the first word of sentences and in paragraph headings. In all other instances, where it can go either way (without the influence of some other grammar rule), you will find only "citizen" or "citizens" and not "Citizen" or "Citizens".

Just how many instances of "Citizen" are there, where it can go either way? I have observed **none** of the latter. I strongly encourage you to conduct your own investigation of this count. How many instances of "citizen" are there, where it can go either way? 100? 200? Even if there were only 10, what is the probability P that every one of them would randomly fall into lower-case? Using our formula from above, the value of P is $1/(2^{10})$, right? 2 to the power of 10 is 1,024, therefore P equals 1/1024, or roughly one in a thousand.

Now try to compute the value of P when there are 100 trials (coin flips) which can go either way. You may need a computer to perform this calculation, but you already know that the value of P in this instance is an extremely small number. In other words, the probability that 100 random occurrences of "citizen" will all evidence a lower-case "c" in the IRC and the CFR is practically an impossibility.

There must be another explanation for this consistent pattern, other than chance. I argue that the explanation is **design**: the evidence of consistent lower-case "c" in "citizen of the United States" is conclusive proof of a deliberate design and intent to maintain the same spelling throughout the IRC and the CFR. Remember, we are not counting those occurrences of "Citizen" in paragraph headings and in the first word of a sentence, where grammar requires that UPPER-CASE "C" be utilized.

So much for the mathematical proof. I agree that it is informative to compare other historical and legal documents, as you have done. I have done such a comparison with the organic California Constitution of 1849. There, you will find references to "citizen of the United States". So, what gives? Is this a reference to a "federal citizen" or is this a reference to a "State Citizen", or is this a reference to neither? I have found the answer to this question in two authorities, Ex parte Knowles and People v. De La Guerra (see enclosed). Both of these cases, decided by the California Supreme Court, agreed that the term referred to a Citizen of one of the Union States and that, strictly speaking, there was no such thing as a "citizen of the United States", at least not before the so-called 14th Amendment, and certainly not before the Civil Rights Act of 1866.

I have concluded from this research that these courts did not observe the UPPER/lower-case convention; they preferred instead to distinguish the two classes of citizenship by using terminology such as "citizen of a State" and "citizen of the United States", because the U.S. Constitution does make a distinction between the government of the several "States", on the one hand, and the government of the "United States", on the other hand. The court records appear to indicate that judges were not always sensitive to the ambiguity and multiple meanings that attach to the term "United States". Of course, the Hooven case, and Black's Law Dictionary since Hooven, constitute conclusive proof that the term "United States" is definitely ambiguous and for this reason the term "united States" is a unique way to identify the Union States.

Nevertheless, I contend that the Framers of the Constitution did observe the UPPER/lower-case convention, and so did the authors of the IRC and CFR. Specifically, in authenticated copies of the U.S. Constitution you will find consistent references to "Citizen" and "Citizens", for example, in the constitutional qualifications for President, Senator and Representative. These provisions have never been lawfully amended and, for this reason alone, the original meaning and intent of these provisions is decisive (see "the proper construction and common understanding" in Ex parte Knowles, a very crucial authority in this debate).

To add further fuel to the fire, I have located unofficial copies of the U.S. Constitution which utilized lower-case "c" in the qualifications for President, Senator and Representative. Moreover, similar results obtain from the use of "Person" and "person"; prior to the so-called 14th Amendment, the U.S. Constitution utilized "Person", as in "free Persons" (see 1:2:3). Are you a "free Person", or are you a 14th Amendment "person"?

The voluminous research now assembled by Richard McDonald proves, beyond any shadow of doubt, that there is an enormous difference between the two statuses. Since the Slaughter House Cases, the Supreme Court has consistently cited them as *the* seminal authority for the fact that there are two classes of citizenship, which correspond to the two governmental jurisdictions: federal and State. There are State Citizens and there are federal citizens. I am strongly urging that we now observe this UPPER/lower case convention, in order to be clear about which class we are referring to in written English. In spoken English, we can be clear by maintaining the distinction between "State Citizens" and "federal citizens", and by avoiding any other substitutes or synonyms for these terms. Of course, there are

those people (some of whom are undercover agents) who prefer to confuse and obfuscate this crucial distinction by using ambiguous, undefined language and by attempting to argue that there has always been just one class of citizenship in America. I think it is fair to say that this latter argument is simply not supported by the relevant legal history.

I am tempted to digress into a response to your mention of the Free Enterprise Society and Wayne Bentson. Let me just say that Wayne has had an advance copy of The Federal Zone, fourth edition, for several weeks now, and he has fallen silent. I prefer to let the enclosed materials speak for themselves.

I hope this letter and its enclosures have addressed most, if not all, of the concerns you expressed in your thoughtful letter.

Thanks for writing.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

P.S. How does Wayne Bentson explain T.D. 2313?
It's crucial, wouldn't you agree?

MEMO

TO: Trusted Colleagues

FROM: Paul Andrew Mitchell, Founder
Account for Better Citizenship

DATE: November 4, 1992

SUBJECT: Trusts, Foreign and Domestic

I have recently taken a keen interest in practical applications of The Federal Zone to trust creation and administration. In particular, I now believe I have enough evidence to prove that the correct distinction between foreign and domestic corporations is equally applicable to trusts. The purpose of this memo is to share some of this evidence with you, in order to challenge your thinking on this subject and possibly to open new possibilities for trust creation and administration.

Black's Law Dictionary, Sixth Edition, is a good place to begin. In this dictionary, we find the following important definitions:

> *Foreign situs trust*. A trust which owes its existence to foreign law. **It is treated for tax purposes as a non-resident alien individual.**
>
> [emphasis added]
>
> *Foreign trust*. A trust created and administered under foreign law.

Black's Law Dictionary, Sixth Edition, defines "foreign state" very clearly, as follows:

> **The several United States*** are considered "foreign" to each other** except as regards their relations as common members of the Union.
>
> [emphasis added]

I have added three asterisks ("***") after "United States" in order to emphasize that the "United States" in this context refers to the 50 States of the Union.

Now examine the definition of "foreign estate or trust" in the definitions section of the Internal Revenue Code, as follows:

> Foreign Estate or Trust. -- The terms "foreign estate" and "foreign trust" mean an estate or trust, as the case may be, the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.
>
> [IRC 7701(a)(31)]

Do a bit of grammatical reconstruction, so as to eliminate the references to "foreign estate", and you get the following:

> The term "foreign trust" means a trust, the income of which is **not includible in gross income** under subtitle A. The income of a foreign trust is not includible in gross income when it derives from **sources which are without the "United States" and which are not effectively connected with the conduct of a trade or business within the "United States"**.

Recall the definition of "foreign situs trust" from Black's *supra*. Now compare the IRC definition of "foreign trust" with the IRC definition of "gross income" for nonresident alien individuals. Notice the component criteria of gross income for a nonresident alien individual, and their close similarity to the same criteria for foreign trusts:

> In the case of a nonresident alien individual, except where the context clearly indicates otherwise, **gross income includes only** --
>
> (1) gross income which is derived from **sources within the United States** and which is not effectively connected with the conduct of a trade or business within the United States, **and**
>
> (2) gross income which is **effectively connected with the conduct of a trade or business within the United States**.
>
> [IRC 872(a), emphasis added]

It is crucial to remember that the term "United States", as used in *these* sections of the IRC, means the federal zone, *i.e.*, the territory over which Congress has exclusive legislative authority. Income which is derived from sources without the "United States" is not included in gross income for nonresident aliens. Likewise, income which is effectively connected with the conduct of a trade or business without the "United States" is not included in gross income for nonresident aliens. Therefore, I have proven that the following rule has identical application to nonresident aliens and foreign trusts:

> **Income is excludible from the computation of "gross income" if it derives from sources which are without the "United States" and which are not effectively connected with the conduct of a trade or business within the "United States".**

Now, let's dig a little deeper in order to determine if this finding is supported by other sections of the IRC. Find the heading "foreign trusts" in the Topical Index of the IRC as published by Commerce Clearinghouse. There you will find references to "situs" at 402(c) and 404(a)(4). Read these sections carefully:

> Taxability of Beneficiary of Certain Foreign Situs Trusts. -- For purposes of subsections (a) and (b), a stock bonus, pension, or profit-sharing trust which would qualify for exemption from tax under section 501(a) except for the fact that it is **a trust created or organized outside the United States shall be treated as if it were a trust exempt from tax** under section 501(a).
>
> [IRC 402(c), emphasis added]

> Trusts Created or Organized Outside the United States. -- **If** a stock bonus, pension, or profit-sharing trust would qualify for exemption under section 501(a) except for the fact that **it is a trust created or organized outside the United States, contributions to such a trust by an employer which is a resident, or corporation, or other entity of the United States, shall be deductible** under the preceding paragraphs.
>
> [IRC 404(a)(4), emphasis added]

It is a well established principle of law that the 50 States are "foreign" *with respect to* each other, just as the federal zone is "foreign" *with respect to* each of them (In re Merriam's Estate, 36 NE 505 (1894)). The status of being foreign is the same as "belonging to" or being "attached to" another state or another jurisdiction. The proper legal distinction between the terms "foreign" and "domestic" is best seen in Black's definitions of foreign and domestic corporations, as follows:

> *Foreign corporation*. **A corporation doing business in one state though chartered or incorporated in another state is a foreign corporation as to the first state**, and, as such, is required to consent to certain conditions and restrictions in order to do business in such first state.
>
> *Domestic corporation*. **When a corporation is organized and chartered in a particular state, it is considered a domestic corporation of that state**.
>
> [emphasis added]

In light of all the above, I now contend that untold numbers of trusts have been created on the basis of a belief that they are domestic trusts when, in fact, they are foreign trusts, as the terms "domestic" and "foreign" are defined in the IRC and in the law dictionaries. The Internal Revenue Code was written under authority granted to Congress for the exercise of exclusive legislative jurisdiction over the federal zone. Accordingly, the 50 States and their respective laws are actually *foreign* with respect to the federal zone. The 10th Amendment makes it very clear that powers not specifically delegated to the United States by the Constitution, nor prohibited to the States by the Constitution, are reserved to the States or to the people. A common-law trust situated in California exercises rights which are reserved to the people, because California is a common-law State and because the U.S. Constitution specifically reserves such rights to the people.

# # #

c/o general delivery
San Rafael
California state
Postal Zone 94901/tdc

February 15, 1993

Dagny Sharon
Attorney-at-Law
c/o general delivery
Tustin, California state
Postal Zone 92680/tdc

Dear Dagny:

I appreciated the opportunity to make your acquaintance at the Libertarian Party Convention in Sunnyvale this past weekend. I also regret that we didn't have a chance to spend more time together. Your videotape is quite original and light-hearted; I hope it brings you much success.

Had we found a way to spend more time talking with each other, there is one important matter which I would definitely have wanted you to consider more carefully. During our conversation in the bar, while I was eating lunch, you implied that one of your goals is to work towards a "democracy" for America. Whether you intended it this way or not, such a goal directly contradicts Article 4, Section 4 of the Constitution for the United States of America, to wit:

> *Section 4.* The United States shall guarantee to every State in this Union a Republican Form of Government ....

What exactly is a "Republican Form" of government? It is one in which the powers of sovereignty are vested in the people *and* exercised by the people. Black's Law Dictionary, Sixth Edition, makes this very clear:

> *Republican government.* One in which the **powers of sovereignty are vested in the people and are exercised by the people**, either directly, or through representatives chosen by the people, to whom those powers are specially delegated. In re Duncan, 139 U.S. 449, 11 S.Ct. 573, 35 L.Ed. 219; Minor v. Happersett, 88 U.S. (21 Wall.) 162, 22 L.Ed. 627.

Both the California State Constitution and the U.S. Constitution state that the latter shall be the supreme Law of the land. In the U.S. Constitution, Article 6, Clause 2 states:

> **This Constitution**, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, **shall be the supreme Law of the Land**; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.

At the turn of the century, the U.S. Supreme Court issued a series of controversial cases now known as The Insular Cases. These cases were predicated, in part, on the principle that the Constitution for the United

States *as such* does not extend beyond the boundaries of the States which are united by and under it. Accordingly, this principle set a crucial precedent whereby Congress was free to establish a legislative democracy within the federal zone, instead of a constitutional republic.

The federal zone is the area over which Congress exercises exclusive legislative jurisdiction; it encompasses the District of Columbia and such areas as Guam and the Virgin Islands. Even more important is the fact that this *exclusive* legislative jurisdiction extends to all persons who are subject to it, regardless of where they may reside. As such, the status of "citizen of the United States" (also known as "U.S. citizen") causes one to be subject to the letter of all *municipal* statutes, rules and regulations which Congress enacts under this exclusive legislative authority. The constitutional definition of this second class of citizens is alleged to be the so-called 14th Amendment. However, two standing decisions of the Utah Supreme Court have struck down the ratification of this amendment. Coupled with all the evidence which that Court utilized to arrive at these decisions, we have therein good cause to conclude that the so-called 14th Amendment is null and void for fraud and duress. My book The Federal Zone discusses the so-called 14th Amendment as follows:

> Not only did this so-called "amendment" fail to specify which meaning of the term "United States" was being used; like the 16th Amendment, it also failed to be ratified, this time by 15 of the 37 States which existed in 1868. The House Congressional Record for June 13, 1967, contains all the documentation you need to prove that the so-called 14th Amendment was never ratified into law (see page 15641 *et seq.*). For example, it itemizes all States which voted against the proposed amendment, and the precise dates when their Legislatures did so. "I cannot believe that any court, in full possession of its faculties, could honestly hold that the amendment was properly approved and adopted." State v. Phillips, 540 P.2d. 936, 941 (1975). The Utah Supreme Court has detailed the shocking and sordid history of the 14th Amendment's "adoption" in the case of Dyett v. Turner, 439 P.2d 266, 272 (1968).

With this background knowledge firmly in hand, it is easy to explain why the federal government would reiterate the theme of "democracy" and "democratic institutions" over and over in its media propaganda. It is now obvious that such programming has been entirely successful; witness the large percentage of "Libertarians" who make repeated reference to their political goal of "democracy" for America. Perhaps without knowing it, they are participating in the slow but steady demise of the nation symbolized by the Stars and Stripes, "the Republic for which it stands, one Nation, under God, *indivisible*, with liberty and justice for all." The Insular Cases made it possible for America to become *divisible* into a constitutional republic and a legislative democracy. It is the strategy of "divide and conquer", being applied once again with much success, this time to our very own homeland.

I hope I have given you a few things to think about.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures: People v. Boxer pleadings
"Citizen is a Term of Municipal Law"

copy: Jerry Collette

c/o general delivery
San Rafael
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Postal Zone 94901/tdc

February 7, 1993

John Voss, Director
N.C.B.A.
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Longmont, Colorado
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Dear John:

Thanks so much for all the materials which you recently sent, with a copy of your letter to Mitchell Beals. Time permitting, I do intend to do a thorough analysis of the written opinions. I am very disappointed, but not surprised, that the appellate decisions were "not for publication". I took all the decisions to the law library yesterday, but simply ran out of time. Enclosed are the preliminary results of that one afternoon at the library. Nevertheless, a distinct pattern is emerging already.

Item #1: 28 U.S.C. 297. Assignment of judges to courts of the **freely associated compact states**

This statute was part of the comprehensive "Judicial Improvements Act" submitted to Congress by Peter F. Rodino, Jr., Chairman, Committee on the Judiciary, House of Representatives. It went into law on November 19, 1988 (P.L. 100-702, copy attached). Notice that subsection (a) refers to "the freely associated compact states" and to "the laws of the respective compact state". In and of themselves, these references are significant because I was unable to find any discussion of the legislative history for this specific statute; the material cited in U.S. Code Cong. and Adm. News skipped any mention of it. The statute is also too recent for any case law to have developed, and much too recent for the term "freely associated compact states" to appear in Words and Phrases, C.J.S., or Am Jur, although "compact" has several meanings in Black's Law Dictionary.

What makes this term even more significant is the reference to it that is found in subsection (b), to wit:

> The Congress consents the acceptance and retention by any judge so authorized of reimbursement from the **countries** referred to in subsection (a) ....
>
> [emphasis added]

I am going on memory now, but I do seem to recall a key exception to the definition of "state" once found in Title 28. The exception was to another provision of Title 28 which utilized the term "State court". I think this exception has since been removed by subsequent amendment, but the pre-amendment version clearly implied that the meaning of "state" as found in the standard definition was different from the meaning of "state" as intended by the term "State court" (hence the need for the "exception" clause).

Therefore, the standard definition implied a federal state, not a Union State.

In section 297 *supra*, we are faced with a choice between two conflicting and mutually incompatible interpretations of the term "freely associated compact states". If these states are Union States, then the "compact" may well be the U.S. Constitution and Congress has admitted openly that Union States are the "countries referred to in subsection (a)". If these states are other nations in the family of nations (*e.g.* China, Japan), then the "countries" referred to in subsection (a) are these other nations, and I can only speculate about the "compact" to which Section 297 refers. Could it be the U.N. charter? If not, what else could it be? some international treaty? I wonder if there is a way to inquire of the House Judiciary Committee without tipping our own hands and giving the Committee a reason to obfuscate the real answer. Or, what about the Library of Congress, or Congressional Research Service? I wouldn't put too much faith into the CRS, in light of the hack job they continue to do on "Frequently Asked Questions about Federal Income Taxes".

This little tidbit is highly significant when placed in the larger context of all the research now assembled into the electronic version of The Federal Zone, third edition (disk enclosed). In particular, my interpretation of the distinction between "foreign" and "domestic" is amply supported by the definitions in Black's Sixth Edition, and especially by the Supreme Court decision to uphold the New York Court's decision of In re Merriam's Estate, 36 NE 505 (1894). Black's definitions of foreign and domestic corporations, in my opinion, leave little room for doubt about the correct distinction here. Black's defines "foreign state" very clearly, as follows:

> **The several United States*** are considered "foreign" to each other** except as regards their relations as common members of the Union. ... [O]ne state of the Union is **foreign** to another.
>
> [emphasis added]

Item #2: U.S. Code Service, Lawyers Edition, Interpretive Notes

In light of the pivotal importance of this distinction between "foreign" and "domestic", it was revealing to discover the nearly total absence of case law on this question in the U.S.C.S. Lawyers Edition (where you would expect a plethora of citations). In the main body of U.S.C.S. dealing with the IRC definitions in 7701, there is only one reference to "foreign estate" (a revenue ruling) and there are only two references to "domestic building and loan association" (a revenue ruling and a district court ruling). What is even more revealing is the case of U.S. v. Bardina, the one and only citation to the IRC definition of "United States", to wit:

> Even though 26 USCS 7701(a)(9) defines "**United States**" as including only **United States** and District of Columbia, Puerto Rico is considered as being within United States for purposes of 6-year statute of limitations on tax crimes; ....
>
> [emphasis added]

Notice the blatant tautology (again). Notice also that this interpretation flatly contradicts the actual IRC definition:

> (9) United States. -- The term "United States" when used in a geographical sense includes only the **States** and the District of Columbia.
>
> [IRC 7701(a)(9), emphasis added]

The term "States" is very different from the term "United States". And, of course, the corresponding definition of "State" makes absolutely no mention of any Union States:

> (10) State. -- The term "State" shall be construed to include the District of Columbia, where such construction is necessary to carry out provisions of this title.
>
> [IRC 7701(a)(10)]

Moving on to the Cumulative Supplement for the U.S.C.S. Lawyers Edition, we find a similar pattern. Here, we find one revenue ruling concerning a "foreign estate", and four citations to "resident and nonresident alien", two of which are "TC Memos", one of which is a "Private Letter Ruling", and one of which is a "Revenue Ruling". These are not exactly sterling authorities! One of these citations concerned a former official of a foreign government that was overthrown while he was in the "United States" under diplomatic passport. Another concerned a "US citizen who obtained a US passport before moving to a foreign country". Another concerned a spouse's election to be treated as a resident alien under IRC 7701(b). The last citation is worth investigating:

> **Status of trust as foreign trust turns upon whether trust is comparable to nonresident alien individual**; trust established and administered under laws of foreign country whose trustee is a foreign entity and whose corpus is located in a foreign country is nonforeign trust even though trust is grantor trust and its income is taxable to grantor who is **United States citizen**. Rev Rul 87-61, 1987-2 CB 219.
>
> [emphasis added]

It would be revealing to examine the details about the trust in question, *i.e.*, what was the "foreign country" under the laws of which the trust was established and administered. If it was a Union State, we have a bingo. Who or what was the "foreign entity" trustee? Where exactly was the "corpus" located? Notice the term "nonforeign"; I presume this means "domestic", based on the IRC definition of "foreign" at 7701(a)(5) (*i.e.*, not domestic). Finally, notice that there is a "grantor" who is a "United States citizen"; this status appears to be the only mention of any nexus with the federal zone (if any).

Item #3: United States Code Annotated (U.S.C.A.)

Again, an identical pattern is found in the annotated version of the United States Codes. Here, we do find an interesting exception to the general rule for the federal zone, *i.e.*, a Guam corporation is "foreign" for

federal income tax purposes:

> Guam is not a "territory" within meaning of this section defining domestic corporation as one created or organized in United States or under laws of United States or of any state or territory, and Guam is considered a possession so that its corporations are foreign for federal income tax purposes. Sayre & Co. v. Riddell, C.A. Guam, 1968, 395 F.2d 407.

Notice how carefully they skirt the general issue of exclusive legislative jurisdiction by ruling that Guam is a "possession", and "possessions" were not mentioned in the IRC's definition of "domestic" at that time ("or Territory" was deleted in 1977). In other words, in 1968 the definition of "domestic" mentioned "United States", and "any State or Territory". Since Guam was found to be a "possession" and *not* the "United States", *not* a "State" and *not* a "Territory", it was not domestic and therefore foreign. This is a fascinating little intricacy in this semantic jungle.

The only other citation of any interest is the 1944 case which interpreted the meaning of "includes". I consider this decision to be erroneous, for reasons which I explain in detail in Chapter 12 of The Federal Zone, third edition. Specifically, in formal English, a noun is either a person, a place, or a thing. The IRC specifically defines a trust to be a "person" as opposed to a "place" or a "thing" (see IRC 7701(a)(1)). The clarification of "includes" at IRC 7701(c) specifically states that this term shall not be deemed to exclude other things otherwise within the meaning of term defined; notice that "persons" and "places" are conspicuously absent from this clarification of "includes". Therefore, a "trust" cannot be a *thing* otherwise within the definition of "transferee" because a trust is a person, by definition, and a "transferee" is not a person because it is not mentioned in the IRC definition of "person". I know this may sound strained, but the IRC definition of "person" clearly embraces only an individual, a trust, estate, partnership, association, company or corporation; moreover, there is ample evidence that the IRC does obey strictly the rules of formal English grammar.

That's it! Now, don't you get the feeling, as I do, that they are trying their best to avoid these crucial distinctions between "foreign" and "domestic"? In light of the clarity which is found in Black's definitions of foreign and domestic corporations, I would be hard pressed to demonstrate a clear and consistent pattern among these sparse authorities, many of which are not even courts. John, I am forced to conclude that some (if not all) of these cases were contrived, and that a thorough set of consistent Court authorities is very conspicuous for its absence.

Item #4: McKinley v. United States of America, S.D. Ohio, 1992

Time permitting, I will try my best to analyze the unpublished cases which you generously provided to me. For now, I will take a *brief* look at McKinley because it will be published, and because there is so little in this decision which is relevant to The Federal Zone, *i.e.*:

> The Court takes judicial notice that **while Ohio is a sovereign state, it is nevertheless part of the United States and Ohio residents are also residents of the United States** and are subject to taxation. The Court finds the plaintiffs to be residents of the United States and not non-resident aliens.
>
> [emphasis added]

I guess this Court failed to read Hooven or the corresponding definitions of "United States" in Black's. More importantly, this decision flatly contradicts the definition of "United States" at IRC 7701(a)(9). Sure, Ohio is part of the "United States" if "United States" means the several States of the Union. However, the IRC says that "United States" (when used in a geographical sense) includes *only* the District of Columbia and the States, and "State" shall be construed to include the District of Columbia (and nothing else)! Since singular and plural are interchangeable (per Title 1), since "include" is not found in the clarification of "includes" and "including" at 7701(c), and since 7701(c) mentions only "things" and not "persons" or "places", we are entirely justified in arguing that the term "United States" at 7701(a)(9) omits any mention of the Union States because they were *intended* to be omitted. The rules of statutory construction support this inference, as do the changes to 7701(a)(9) & (10) that resulted from the Alaska and Hawaii Omnibus Acts: Alaska and Hawaii were *removed* from the IRC definition of "State" when they joined the Union (of freely associated compact states). So, as *pro bono* judge of the Sovereign Electrical Circuit of Justice, I hereby reverse the holding in McKinley v. United States of America and remand with instructions to take explicit judicial notice of the legislative history of IRC 7701(a)(9), in addition to the well established rules of statutory construction (see Sutherland, for example).

Item #5: Notes on Decisions re: 1:6:2 and Null and Void Lloyd

These cases are either favorable or neutral. Lloyd, you are a sitting duck. Notice also the careful IRC distinction between "Secretary of the Treasury" and "Secretary" at 7701(a)(11). At first glance, this is bad news for our 7401 challenge, but closer examination reveals the following:

> (A) In General. -- The term "or his delegate" --
>
> (i) when used with reference to the Secretary of the Treasury, means any officer, employee, or agency of the Treasury Department duly authorized by the **Secretary of the Treasury directly, or indirectly by one or more redelegations of authority**, to perform the function mentioned or described in the context;

Even though IRC 7401 utilizes the term "Secretary", which means the Secretary of the Treasury or his delegate, the term "or his delegate" means an officer, employee or agency duly authorized by the Secretary of the Treasury either directly, or indirectly by one or more redelegations of authority. In other words, Lloyd Bentsen must be in the loop, either directly, or indirectly by one or more redelegations of authority. So, it looks as if Null and Void Lloyd remains in a heap'a trouble; his colorable

acts will spread through the Treasury Department like a computer virus, infecting everything they touch. We should get an expert on delegation of authority to see what, if any, redelegations originated from Nicholas Brady and whether they remain valid and in force after Bentsen's reign began.

Enough for now. I know you have nothing else to do but read these technicalities. The devil is always in the details.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

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February 8, 1993

John Voss, Director
N.C.B.A.
c/o general delivery
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Postal Zone 80502/tdc

Dear John:

In my letter to you of February 7, my memory failed me when I referred to Title 28; the correct reference was Title 8 (I got one number right). I tracked it down today for you, because I am convinced that one of the "unpublished" cases which you recently sent to me is completely wrong for ruling that Union States are not "foreign countries" for purposes of the IRC. Enclosed is stunning proof of my position from American Jurisprudence. I picked up the trail in Ballentine's Law Dictionary, Third Edition, where it defines "sovereign state" as follows:

> In the United States, each state constitutes a discrete and independent sovereignty, and consequently the laws of one state do not operate of their own force in any other state. 16 AmJur J2d, "Conflict of Laws", Section 4.
>
> [Ballentine's Law Dictionary, Third Edition]

I had to go hunting for the corresponding section in Am Jur, because the reference to Section 4 is a typographical error. I found what I was looking for at Section 2 instead. The key is to understand that the IRC is a "municipal law" as far as income taxation is concerned (see Conclusions in The Federal Zone):

> "... **[T]he several states ... are** otherwise, at least so far as private international law is concerned, **in the same relation as foreign countries**[13]. The great majority of questions of private international law are therefore subject to the same rules when they arise between two states of the Union as when they arise between two foreign countries, and **in the ensuing pages the words "state," "nation," and "country" are used synonymously and interchangeably, there being no intention to distinguish between the several states of the Union and foreign countries by the use of varying terminology.**
>
> [16 Am Jur 2d, "Conflict of Laws", Section 2]

Footnotes:

13. Hanley v. Donoghue, 116 U.S. 1, 29 L.Ed 535, 6 S.Ct 242
Stewart v. Thomson, 97 Ky 575
Emery v. Berry, 28 NH 473

Notice, in particular, the comment in footnote 11:

> In the sense of public international law, the several states of the Union are neither foreign to the United States nor are they foreign to each other, **but such is not the case in the field of private international law**. Robinson v. Norato, 71 RI 256, 43 A2d 467, 162 ALR 362.

Not to be outdone, Black's Sixth Edition chimed in with the following similar message:

> The term "**foreign state**," as used in a statement of the rule that the laws of foreign nations should be proved in a certain manner, **should be construed to mean all nations and states** other than that in which the action is brought; and hence **one state of the Union is foreign to another, in the sense of that rule**.
>
> [Black's Law Dictionary, Sixth Edition]

Further stunning proof of The Federal Zone thesis is found in the Immigration and Nationality Act (see attached), where Congress slipped by including a key exception in its statutory definition of "State" at 8 USC 1101(a)(36). Prior to an amendment in 1987, this definition included the language "(except as used in section 310(a) of title III [8 USCS Section 1421(a)])". At that time, Section 1421(a) of Title 8 referred to courts "in any State" and "all courts of record in any State". I failed to pull the *current* text of 1421(a), but the current 1101(a)(36) removed the exception clause! I would bet that 1421(a) now has a special definition for the term "State", because 1421(a) must be talking about courts of the Union States. For corroboration, I have enclosed a page from the California State Constitution (1879), wherein California Superior Courts are given clear original jurisdiction to naturalize and "to issue papers therefor".

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures: photocopies of evidence

c/o general delivery
San Rafael
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February 1, 1993

Rich Pralle, CFS
R D P & Associates
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Dear Rich:

I may have misunderstood something which you said about the Internal Revenue Code. Am I correct in remembering you say that IRC 6672 concerned "withholding agents"? When I returned home, I looked up this section:

> Section 6672. Failure to Collect and Pay Over Tax,
> or Attempt to Evade or Defeat Tax
>
> (a) General Rule. -- **Any person required to collect, truthfully account for, and pay over any tax imposed by this title** who willfully **fails to collect** such tax, or **truthfully account for** and **pay over such tax**, or willfully **attempts in any manner to evade or defeat** any such tax or the payment thereof, **shall**, in addition to other penalties provided by law, **be liable to a penalty** equal to the total amount of the tax evaded, or not collected, or not accounted for and paid over. No penalty shall be imposed under section 6653 or part II of subchapter A of chapter 68 for any offense to which this section is applicable.
>
> [IRC 6672, emphasis added]

As you can see, there is no explicit mention of "withholding agents" in IRC 6672. The section to which I was referring in our conversation was IRC 7701(a)(16):

> (16) Withholding Agent. -- The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of section **1441**, **1442**, **1443**, or **1461**.
>
> [IRC 7701(a)(16), emphasis added]

Sections 1441, 1442 and 1443 are too long to reproduce here. Their headings provide some indication of their contents:

> Section 1441. Withholding of Tax on Nonresident Aliens
>
> Section 1442. Withholding of Tax on Foreign Corporations
>
> Section 1443. Foreign Tax-Exempt Organizations

The following is the entire text of IRC 1461. This section is important because it specifically makes "withholding agents" liable for the taxes they deduct and withhold:

Section 1461. Liability for Withheld Tax

> **Every person required to deduct and withhold any tax under this chapter is hereby made liable for such tax** and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this chapter.
>
> [IRC 1461, emphasis added]

In other words, the persons from whom they withhold are not liable for the taxes which they withhold. That is to say, nonresident aliens are not liable for the taxes that are withheld from the dividends they receive from stock issued by domestic corporations (see Treasury Decision 2313).

So, we can link 1461 and 6672 because withholding agents are liable for the taxes they deduct and withhold, *i.e.*, they are required to collect and pay over the tax imposed by 1461 (combining the language of 6672 and 1461); if they don't pay the taxes they deduct and withhold, then they would be liable to the penalty defined in 6672.

Our research indicates that "withholding agents" are the only ones who are specifically made liable by the IRC for the payment of income taxes. If you can find another IRC section which *specifically* makes anyone else liable for the payment of income taxes, I would appreciate getting the exact citation from you.

On another subject, I have several serious problems with the T.A.G. flyer entitled "Are You Really Liable?" One excerpt from this flyer reads:

> Section 7701(a)(1) defines the term person as:
>
> > "The term 'person' shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation."
>
> Well now, that certainly seems easy enough and section 7701(a)(1) makes no mention of the term "U.S. Individual". Now, look at section 7701(a)(30):
>
> > "The term 'United States person' means -
> > (A) a citizen or resident of the United States,
> > (B) a domestic partnership,
> > (C) a domestic corporation, and
> > (D) any estate or trust ...."
>
> There is no mention of the term "U.S. Citizen"; "Individual", or "U.S. Individual".
>
> ...
>
> Assuming the term "U.S." means United States, then the 1040 would be for a "United States Individual", the 1120 for a "United States Corporation".

In my opinion, this sequence of logic is misleading. The flyer assumes that the term "U.S. means United States". Fair enough. If it doesn't mean "United States", the flyer does not tell us what else it might mean. So, for purposes of this analysis, the term "U.S." means "United States".

However, the flyer also states that there is no mention of the term "U.S. Citizen". This is technically correct, because the IRC never utilizes a capital "C" when it refers to "citizens of the United States" or "United States citizens" (except when a capital "C" is required in the first word of a sentence or heading). But, this is also misleading, because the same flyer quotes section 7701(a)(30) which *does* mention "citizen or resident of the United States", *i.e.*, "citizen of the United States" or "resident of the United States".

The flyer also states that there is no mention of the term "Individual" or "U.S. Individual". Again, this is technically correct, because the IRC utilizes the lower-case "i" when it refers to individuals. But, for similar reasons, the flyer is misleading because "citizens of the United States" and "residents of the United States" are among the "individuals" to whom the IRC refers. This is so because "person" means and includes an "individual"; it also means and includes a trust, estate, partnership, association, company or corporation. **Therefore, an "individual" is a person in the same way that a horse is an animal**; moreover, using permissible substitution, the term "United States person" means and includes a "U.S. individual". The "U.S. individuals" to whom the IRC refers are the "citizens of the United States" and "residents of the United States". This can be confirmed at 26 CFR 1.1-1 *et seq.*

For similar reasons, I also consider the following excerpt of the flyer to be misleading and erroneous:

> At section 6011, when required by regulations prescribed by the Secretary any person made liable for any tax imposed by this title ... shall make a return. **Did the Secretary prescribe by regulations that a citizen of the United States was liable for filing? No, of course not.**
>
> [emphasis added]

Here's the corresponding section of the CFR:

> 1.6011-1 General requirement of return, statement, or list.
>
> (a) *General rule.* **Every person subject to any tax, or required to collect any tax**, under Subtitle A of the Code, **shall make such returns or statements as are required by the regulations in this chapter**. The return or statement shall include therein the information required by the applicable regulations or forms.

Another important regulation is the following:

1.6012-1 Individuals required to make returns of income.

(a) Individual citizen or resident --

(1) *In general.* Except as provided in subparagraph (2) of this paragraph, **an income tax return must be filed by every individual** ... for each taxable year beginning after December 31, 1972, during which he received $750 or more of gross income, **if such individual is**:

(i) **A citizen of the United States**, whether residing at home or abroad,

(ii) **A resident of the United States** even though not a citizen thereof ....

So, I think the T.A.G. flyer is entirely wrong when it states that "of course" the Secretary has "not" prescribed by regulations that a citizen of the United States was liable for filing. I have just proven that the Secretary has prescribed regulations which require a "citizen of the United States" to make an income tax return, provided that his "gross income" exceeds the specified dollar threshold. The computation of gross income for nonresident aliens is defined at IRC 872(a); in most situations, that computation results in a gross income of zero. Frank Brushaber's "gross income" was not zero because he received a dividend from a "U.S. corporation", namely, the Union Pacific Railroad Company. It was a U.S. corporation because it was incorporated by Congress.

Finally, I realize that the California voter registration form does say "For U.S. Citizens Only" in red letters across the top of the form. However, the affidavit on that registration form is the statement that matters:

READ THIS STATEMENT AND WARNING PRIOR TO SIGNING

I am a citizen of the United States and will be at least 18 years of age at the time of the next election. I am not imprisoned or on parole for the conviction of a felony. I certify under **penalty of perjury** under the laws of the State of California that the information on this affidavit is true and correct.

WARNING

Perjury is punishable by imprisonment in state prison for two, three or four years. Section 126 Penal Code

[emphasis in original]

I contend that the "citizen of the United States" to which this form refers is the same "citizen of the United States" to which the Internal Revenue Code refers, to which the Code of Federal Regulations refers, and to which the so-called Fourteenth Amendment refers. If you are interested, we have now located two Utah Supreme Court cases which struck down the so-called

Fourteenth Amendment. The language of Section 1 of that amendment is almost identical to the definition of "citizen" that is found in 26 CFR 1.1-1(c). Given that the so-called Fourteenth Amendment was never properly approved and adopted, the earliest definition of "citizen of the United States" that we have been able to find in law is found in the 1866 Civil Rights Act.

Thanks for your consideration.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copy: Rleen Joy
Don Fletcher

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

December 22, 1992

Andrew Melechinsky
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Dear Andy:

Thanks very much for your unsigned note, postmarked December 16, 1992. In response to my previous question concerning 1:8:17 in the U.S. Constitution, you wrote the following:

> Answer. It is self evident that no state or any other governing body is authorized to make laws for the District of Columbia or other enclaves which belong to the United States. It should be obvious that this provision of the Constitution was designed to make Congress the equivalent to the Enfield Town Council or the Podunk Board of Selectmen for the purpose of governing those areas.
>
> [my emphasis]

I couldn't agree more with your answer. In fact, it is uncanny how close our thinking is on this question. In my research and writings, I often refer to Congress as "City Hall" for the federal zone. In other words, if Congress wants to pass a "dog leash" law for D.C., it is authorized to do so by 1:8:17 in the Constitution. This dog leash law would apply *only* inside D.C., and nowhere else, right?

Now, let's use a similar example, only this time let's incorporate a tax in our example. Let's say that Congress wants to tax the sale of dog leashes inside D.C. This is an excise tax, right? Congress is empowered to levy excise taxes, right? But, here's the rub: must the tax *rate* be uniform throughout the 50 States?

Wait a minute, you ask, the question of uniformity only applies to federal excises levied inside the 50 States. This tax on the sale of dog leashes only applies inside the District of Columbia. The 50 States are irrelevant to the application of this tax and, therefore, the issue of uniformity is also irrelevant, is it not? Such an excise tax need not be uniform throughout the 50 States, because it has no application anywhere inside the 50 States. It is a "municipal" tax. No State or any other governing body is authorized to levy such a tax *inside* D.C., just as Congress is not authorized to levy such a tax *outside* D.C. and *inside* the 50 States.

The key court decision on this question is Downes v. Bidwell, which is one of The Insular Cases, as they are called. You might also read the several articles which appeared in the Harvard Law Review on these cases. I have enclosed a memo which I wrote some time ago on exclusive authority as applied to direct taxes.

You also wrote that "it takes a wild imagination to visualize the District of Columbia as a second 'United States'. Even if it was, it would still be subject to the constraints of the Bill of Rights." Let's postpone correspondence on the Bill of Rights until you and I can clarify our respective positions on federal taxing authority, OK? In this context, the key question is this: are federal *municipal* taxes subject to the uniformity and apportionment rules found in the Constitution? My answer is this: no, because those restrictions only apply to federal laws which are levied inside the 50 States. One of the Supreme Court's best statements on this dual or heterogeneous attribute of federal laws is the following excerpt from the Hooven case:

> ... [T]he United States** may acquire territory by conquest or by treaty, and may govern it through the exercise of the power of Congress conferred by Section 3 of Article IV of the Constitution ....
>
> In exercising this power, **Congress is not subject to the same constitutional limitations, as when it is legislating for the United States*****. ... And in general **the guaranties** [sic] **of the Constitution**, save as they are limitations upon the exercise of executive and legislative power when exerted for or over our insular possessions, **extend to them only as Congress**, in the exercise of its legislative power over territory belonging to the United States**, **has made those guaranties** [sic] **applicable**.
>
> [Hooven & Allison Co. v. Evatt, 324 U.S. 652 (1945)]
> [emphasis added]

Now, let's imagine, just for the sake of argument, that the income tax provisions in the *Internal* Revenue Code are *municipal* statutes, which are "not subject to the same constitutional limitations" which apply when Congress "is legislating for the [50] United States" of America. You will notice that the IRC's petroleum taxes are uniform throughout the 50 States, and in those provisions the term "State" is defined to include the 50 States. However, when it comes to the graduated income tax, the term "State" is defined to include only the District of Columbia (and none of the 50 States). Isn't this odd? Not really, when you realize that the graduated income tax is, indeed, a municipal statute which is unaffected by the uniformity and apportionment restrictions in the Constitution, for the reasons discussed above.

Last but not least, we have in America a government of the "United States" and a government of each of the several States; each has citizens of its own. Therefore, we have State Citizens, and we have federal citizens (also known as "citizens of the United States"). See the Slaughter House Cases for the seminal authority on this dual citizenship. Now, the exercise of State Citizenship is an unalienable right, endowed by the Creator (see the Declaration of Independence). But, and this is important, even crucial to the issue of taxation, federal citizenship is a statutory privilege, the exercise of which can be taxed with an excise tax without uniformity throughout the 50 States. The term "citizen of the United States" was first expressed in law by the Civil Rights Act of 1866. Some people say that it was put into the Constitution by the so-called 14th Amendment, but we have now located two (2) Utah Supreme Court cases which found that the Amendment

was not properly ratified. Therefore, the status of "United States citizen" is at best the creation of Congressional legislation -- endowed by Congress and NOT by the Creator.

So, think of federal citizens as citizens of the federal zone. The taxation of their incomes is a municipal excise tax, just like the tax on dog leashes discussed above. The "income" is not the subject of the tax; the subject of the tax is the exercise of the statutory privilege known as federal citizenship (also known as "U.S. citizenship"). The "income" is simply the measure of the tax.

I hope I have made some sense out of the jungle of legal jargon and double-talk which gets in the way of clear thinking on this subject. Admittedly, the whole situation is made immensely complicated by the deliberate vagueness and confusion which were incorporated into the Internal Revenue Code and its regulations in the CFR. But, I am confident we have now proven that the graduated income tax provisions of the IRC are municipal statutes which apply only to the federal zone (*e.g.* federal employees) and to the citizens of that zone, no matter where they might "reside". In fact, to be a "resident" of California, strictly speaking, means that one is a federal citizen who resides outside the federal zone and inside California. Technically speaking, a State Citizen does not "reside" in the State of his domicile.

I would appreciate getting your written comments on all the above. In the meantime, thanks for your continuing work to benefit the Freedom Movement in America today.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc
November 4, 1992

Karl Loren, Author
c/o general delivery
Burbank, California state
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Dear Karl:

Thank you for the complimentary copy of Verity, Volume 2, Number 10, dated November 1, 1992. Although I do not care to get embroiled in the trust controversy described in this issue of Verity, your newsletter does contain the following paragraphs which, in my humble opinion, contain serious errors. Numbers in [brackets] are my paragraph numbers, for ease of reference:

[1] We in the **United States** tax **U.S. Citizens** on their income whether they live in the **U.S.** or in a foreign country. We tax those **U.S. Citizens**, regardless of residence, on their income whether they received it from within the **United States** or from outside the **United States**.

[2] We even go so far as to tax aliens who reside within the **United States** -- on their income from either within the **U.S.** or outside the **U.S.**

[3] A U.S. Supreme Court case [*Cook v. Tait*, 265 U.S. 47 (1924)] requires the **U.S. Citizen** abroad to pay taxes in the **U.S.**

[4] The Supreme court ruled in this case that the **United States has** the power to tax **its citizens** on their worldwide income solely by reason of their **citizenship**.

[5] "No other major country in the world taxes its **nonresident citizens** on their foreign-source incomes at all" according to Marshall J. Langer, Professor of Law, Miami University, author of *Practical International Tax Planning*. There is even a tax law that makes it illegal to change your **U.S. citizenship** for the *purpose* of avoiding taxes! [citing IRC Section 877(a)]

[6] We even go so far as to tax **nonresident aliens** who reside outside the **U.S.**, but who receive income FROM within the **United States**. [citing IRC Sections 871(a) and 871(b)]

[7] But, the IRS certainly does not try to collect income taxes from a nonresident alien who receives his ONLY income from sources without the **United States**.

[8] It would be ludicrous to even pause to consider the possibility of the **United States** claiming tax jurisdiction over a **nonresident alien** earning income from a non-**US** Source!

I am somewhat chagrinned to be writing this letter in the first place, because you purchased The Federal Zone some months ago, and your written communications to me seemed to imply that you understood, and agreed with, the book. The above quoted paragraphs from Verity, dated November 1, 1992, now leave me wondering just how much of The Federal Zone you actually read and understood. Let me proceed with an analysis of your statements, paragraph-by-paragraph:

[1] The Internal Revenue Code (IRC) and the regulations which promulgate that Code (26 CFR) do not impose federal income taxes on "U.S. Citizens". The regulations at 26 CFR 1.1-1(b) and (c) state that income tax liability is imposed on the worldwide income of "citizens of the United States" and "residents of the United States". In English, there is a *world* of difference between a proper noun and a common noun. Proper nouns are capitalized; common nouns are not. If you think this distinction is irrelevant or merely academic, then it is now incumbent upon you to carry the burden of finding and demonstrating **one single reference** to "U.S. Citizens" in the IRC and its regulations. References to "Citizen" or "Citizens" in the first word of a sentence, or in paragraph headings, do not count, because formal English requires that terms in such grammatical positions be capitalized.

Moreover, the Hooven case quoted and discussed in The Federal Zone proves that the term "United States" has at least three different meanings in law. This fact is supported by the same meanings which are found in Black's Law Dictionary, Sixth Edition. The late John Knox once confided to me that the Solicitor General in De Lima v. Bidwell actually argued that the term "United States" has at least five (5) different meanings in the Constitution. I am also told that James Madison anticipated the ambiguity found in the term "United States", and documented this ambiguity in his notes on the Constitutional Convention. These notes were reportedly published in 1840, but to date I have been unsuccessful in locating a copy of these notes. Your paragraph [1] is ambiguous for failing to define precisely which of these several meanings you are utilizing. This is crucial because you make the all-important distinction between income derived from sources *within* the "United States" and income derived from sources *without* the "United States". A precise definition of "United States" is therefore pivotal to any and all discussions of federal tax law.

Moreover, the 50 States are considered to be "foreign countries" with respect to the "United States", for purposes of federal taxation, because the regulations clearly define the "United States" to be the territory over which the federal government has exclusive rights. This is the very same term that is found in 1:8:17 in the Constitution and for this reason "exclusive" is also a pivotal term. The 50 States of the Union retain all rights not reserved by the people and not explicitly enumerated for the federal government by the Constitution (see the 9th and 10th Amendments for proof).

[2] Again, this paragraph fails to provide a precise definition of "United States". Moreover, it makes reference to "aliens" who "reside within the United States". If you study IRC 7701(b)(1)(B) very carefully, you will discover that an "alien" is an individual who is not a "citizen of the United States" and a "nonresident" is an individual who is not a "resident of the United States (within the meaning of subparagraph (A)". IRC 7701(b)(1)(A) is important because it defines the three tests which distinguish "resident aliens" from "nonresident aliens". These three tests are the only ways in which an "alien" can be a "resident alien". Therefore, these three tests define "residence" for purposes of federal income taxation. See also IRS Publication 519: "For tax purposes, an alien is an individual who is not a U.S. citizen." Therefore, a State Citizen who is not also a federal citizen is an alien for federal tax purposes. Your paragraph [2] is vague and therefore void.

[3] Again, you make reference to a "U.S. Citizen". See discussion of paragraph [1] above.

[4] Now you make reference to the "United States", "its citizens" and "their citizenship". Oddly, this paragraph is grammatically and legally correct, because the Congress does have exclusive legislative jurisdiction over its own federal citizens, no matter where on planet Earth they may "reside". The enclosed materials go into great depth to explain the distinction between federal citizens and State Citizens, so I won't belabor this distinction here. It is important to realize that the distinction between these two classes of citizenship is as important and fundamental as the distinction between the State and federal governments. See the Cruikshank case, K. Tashiro v. Jordan, and Ex parte Knowles for proof. The *Slaughter House Cases* are the seminal decisions in this area. If you fail to educate yourself about this important legal history, you will continue to propagate the kind of confusion which is evident in Verity for November 1, 1992.

[5] Here again you are back on track, but it is not clear whether you are back on track *knowingly* and *intentionally*, or not. Congress has authority to tax its own federal citizens, wherever they reside and wherever the source of their income. Therefore, "resident citizens" and "nonresident citizens" are treated the same in federal tax law because the **worldwide** income of both groups is taxed. Your paragraph [5] does make a grievous error, however, by stating that the tax law makes it illegal to change your "U.S. citizenship" for the purpose of avoiding taxes. Your paragraph [5] then cites IRC 877(a). This is not what Section 877(a) says, nor is expatriation made illegal by any subparagraphs of Section 877. Read them! IRC 877 merely discusses the rules which shall govern federal tax liability when expatriation occurs. It does not outlaw expatriation!

[6] This paragraph is also correct on its face, but it too suffers for lacking a precise definition of "United States" and "U.S." Sections 871(a) and 871(b) are governed by the statutory definition of "United States" that is found at IRC 7701(a)(9). This definition, in turn, is governed by the statutory definition of "State" that is found at IRC 7701(a)(10). IT IS VERY IMPORTANT TO TAKE CAREFUL NOTE OF THE EXACT WORDING OF 7701(a)(10):

> The term "**State**" **shall be construed to include the District of Columbia**, where such construction is necessary to carry out the provisions of this title.
>
> [emphasis added]

Now, it is true that the terms "includes" and "including" are qualified by IRC 7701(c), but notice that "include" is not qualified by IRC 7701(c). This may seem like nit-picking, but the published rules of statutory construction do apply here. Specifically, the rule of *inclusio unius est exclusio alterius* (the inclusion of one is the exclusion of others) states that an irrefutable inference must be drawn that what is omitted or excluded from a statutory definition was intended to be omitted or excluded. The term "include" is excluded from 7701(c). The term "California" is excluded from 7701(a)(10). Therefore, all by itself, this rule of statutory construction allows us to infer that "include" is not expansive and "California" is excluded from the statutory definition of "State" found at 7701(a)(10).

There are other rules of statutory construction which produce the same result, *e.g.*, *ejusdem generis* (the federal zone and the 50 States are not in the same general class of entities because the 50 States are members of the Union, while the areas within the federal zone are not). Now the burden is upon you to prove otherwise. Don't forget that any doubt must be resolved in favor of those upon whom the tax is sought to be laid; the Supreme Court has said so, more than once!

[7] The IRS most certainly does *try* to collect income taxes from nonresident aliens who receive their ONLY income from sources without the "United States". For purposes of income taxation, the "United States" as defined in the IRC is no larger than the territory over which Congress exercises exclusive legislative authority, *i.e.*, the federal zone. If you study Treasury Decision 2313 carefully, you will come to discover that Frank Brushaber was classified by the Treasury Department as a nonresident alien. His court documents prove that he claimed to be a State Citizen who lived and worked in New York City. Therefore, State Citizens who are not also federal citizens are "nonresident aliens" as far as federal income taxes are concerned. How many millions of Americans have been victimized by the deliberate and criminal confusion which has been fostered by vague and ambiguous terms in the IRC? I say at least 100 million, counting all those who have paid income taxes and passed away since 1913.

[8] It certainly *is* ludicrous for the "United States" to claim tax jurisdiction over nonresident aliens who earn income from "non-US" sources, but IT makes this claim all the time. By IT I mean the authority granted to Congress by 1:8:17 and 4:3:2 in the U.S. Constitution, which authority MUST be lawfully delegated to the Internal Revenue Service (a private mercantile organization which collects interest payments for the Federal Reserve banks).

The evidence is overwhelming that Congress simply does not have exclusive legislative authority over the 50 States. The study entitled "Jurisdiction Over Federal Areas Within the States" makes this case over and over and over. At last count, this study cites more than 700 federal and state court cases which all found the same thing: Congress does not enjoy exclusive legislative jurisdiction inside the boundaries of the 50 States until and unless a State Legislature cedes its sovereign jurisdiction to Congress, and does so for a specific parcel of land (called an "enclave").

At this point in the game, Karl, you can no longer claim ignorance of this massive body of case law. Congress cannot impose a direct tax on State Citizens unless that tax is duly apportioned. The earnings of State Citizens are exempt from taxation by the fundamental law. The apportionment rule is found in the fundamental law, but there are no apportionment provisions anywhere in the Internal Revenue Code. The burden is now upon you to prove otherwise!

A man with your intelligence should not hesitate to admit that the ambiguities in the IRC had to be intentional. We know that the Treasury Department can be clear when it needs to be clear. The most important ambiguity is found in the several meanings of "State" and "United States" in the statute and its regulations. There is an obvious reason why the definitions are not crystal clear and completely unambiguous, and that reason is MONEY. A crystal clear and completely unambiguous definition of federal income tax jurisdiction would limit the definition of "United States" to the federal zone and no more. There is a massive amount of case law which proves that Congress does not exercise exclusive legislative jurisdiction upon any of the Citizens or the territory of the 50 States.

In support of all my observations above, I have enclosed for your information the drafts of several chapters from the third edition of The Federal Zone, which has not yet been published. I strongly encourage you to devour this material, and also the court cases and other publications cited therein. If you persist in claiming that there is nothing to be made of difference between "Citizens" and "citizens", particularly in the face of all the evidence which I am now sharing with you, then I will be forced to conclude that you and I going in opposite directions. At the very least, I will be forced to conclude that your understanding of federal tax law does not warrant the high costs you are charging for your trust advisory services.

Sincerely yours,
/s/ Paul Andrew Mitchell, Founder
Account for Better Citizenship

enclosures

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

October 1, 1992

Hi John,

I've continued to think about De Ganay v. Lederer, 250 U.S. 376. Here's a decision table to help us organize our thoughts. It is not necessarily rigorous or exhaustive, but provides a useful framework. For what it's worth, this table distinguishes stockholder dividends from corporate profits, as follows:

Case 1:
Both stockholder and corporation are overseas.

Plaintiff	Defendant	16th	Result
Overseas NRA	overseas corp.	yes	Congress cannot tax at all because both are beyond its jurisdiction.
overseas NRA	overseas corp.	no	Congress cannot tax at all because both are beyond its jurisdiction.

The decisive factor here is territorial jurisdiction. The 16th Amendment is irrelevant.

Case 2:
Corporation is chartered by a Union State (a/k/a "State corp."). The tax on stockholder dividends is a "direct" tax, per Pollock.

Plaintiff	Defendant	16th	Result
overseas NRA	State corp.	yes	Congress can tax without apportionment because stockholder is not protected by the Constitution.
overseas NRA	State corp.	no	Congress can tax without apportionment, because stockholder is not protected by the Constitution.
State Citizen	State corp.	yes	Congress can tax without apportionment if both are inside a Union State.
State Citizen	State corp.	no	Congress cannot tax without apportion, Congress can tax with apportion, if both are inside a Union State.

The decisive factor here is the protection afforded by the applicable Constitution(s), if any. Note that a ratified 16th Amendment makes a difference for State Citizens, but not for overseas NRA's.

Case 3:
Corporation is chartered by a Union State (a/k/a "State corp."). The tax on corporate profits is always an "indirect" tax:

Plaintiff	Defendant	16th	Result
either NRA	State corp.	yes	Congress can tax if tax is uniform and corporation is inside a Union State.
either NRA	State corp.	no	Congress can tax if tax is uniform and corporation is inside a Union State.

The decisive factor here is that profit generation by State corporations is a revenue-taxable activity because corporations are privileged creations of government (they enjoy the privilege of limited liability). The tax rates *must* be uniform, however.

Case 4:
Corporation is chartered inside federal zone (a/k/a "domestic").
The tax on corporate profits is always an indirect tax.

Plaintiff	Defendant	16th	Result
either NRA	domestic corp.	yes	inside federal zone, Congress can tax without uniformity or apportionment
either NRA	domestic corp.	no	inside federal zone, Congress can tax without uniformity or apportionment

The decisive factor here is that profit generation by "domestic" corporations is a revenue-taxable activity because these corporations are privileged creations of Congress. Tax rates need not be *uniform* or *apportioned*; only *majority* rule needs to be satisfied.

Summary

Thus, if my analysis of corporate profits is correct, the 16th Amendment is not relevant, even if the corporation is chartered by a Union State. Congress is free to define a tax on corporate profit as an excise tax, and Congress need only satisfy the uniformity rule if the corporation is chartered by a Union State. Congress need only satisfy majority rule if the corporation is chartered inside the federal zone (see Chapter 13, 3rd edition).

The situation is a bit different if the subject is dividends. The status of dividend recipients then becomes relevant, as does the ratification of the 16th Amendment. I distinguish dividends from profits because they *can* be taxed separately. There is no compelling logical reason why dividend payors must be held liable for the tax on dividends; dividend recipients could be designated the liable party (if not the withholding agent).

So, the De Ganay case does not represent a threat to the thesis of The Federal Zone after all. This is so because the dividend recipient was

unprotected by the Constitution and the corporation was engaged in a privileged, revenue-taxable activity, *even if* it was chartered by the Commonwealth of Pennsylvania.

If this analysis does anything, it reveals a need to distinguish overseas NRA's (like Emily De Ganay) from State Citizens (like Frank R. Brushaber). The current Internal Revenue Code does not make this distinction, however.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

Conklin Rebuttal (briefly)

by

Paul Andrew Mitchell, Founder
Account for Better Citizenship

July 4, 1992

Liability of Individuals

Conklin is saying that nobody is made liable for income taxes. His ad in The Connector of May 1992 stated: "My name is Bill Conklin and I have searched the Internal Revenue code for twelve years: it is my opinion after extensive research that **there is no statute that makes anyone liable for the income tax** ..." [emphasis added]. This statement is wrong; "withholding agents" are specifically made liable by Sections 1441 and 1461 of the Internal Revenue Code (IRC).

Effect of Regulations

Conklin has written privately that Congress cannot promulgate regulations which exceed the statute and that a regulation cannot exceed the limitations created by the statute. The preponderance of case law proves that **the regulations in 26 CFR do have the force and effect of law**. See 2 Am Jur 2d, Section 289 *et seq.* See also the Federal Register Act and Administrative Procedure Act. The regulations in 26 CFR are not so easily swept away.

In re: Becraft

This is not a good decision because Becraft's research concludes that only "aliens here and citizens abroad" are liable for federal income taxes. This conclusion is easily disproven by 26 CFR 1.1-1(b), one of the key regulations which define the income tax liability of individuals:

> In general, **all citizens of the United States**, wherever resident, and all resident alien individuals are liable to the income taxes imposed by the Code** whether the income is received from sources within or without the United States**.
>
> [26 CFR 1.1-1(b), emphasis added]

Moreover, that court reduced Becraft's argument to one elemental proposition, and rejected it for "absurdity" and "frivolity":

> The Sixteenth Amendment does not authorize a direct non-apportioned income tax on resident United States citizens [sic] and thus such citizens are not subject to the federal income tax laws. We hardly need comment on the patent absurdity and frivolity of such a proposition.

Well, the Brushaber decision found otherwise. Moreover, the Becraft court uses the term "resident United States citizen", which manifests a lack of understanding of the relevant regulations and their legislative history. The citizen/alien dimension is a *birth* status (or naturalization status). The resident/nonresident dimension is a *location* status. The term "resident United States citizen" only makes sense if one intends to distinguish it from "nonresident United States citizen", "resident alien" and "nonresident alien". The Becraft court would benefit enormously by mastering The Matrix as explained in The Federal Zone. Their failure to define terms is a serious, if not fatal flaw.

U.S. v. Collins

* By citing Collins as an authority for defeating The Federal Zone thesis, Conklin confuses judicial jurisdiction with legislative jurisdiction. The two are obviously different: district court jurisdiction is created by statute, legislative jurisdiction is created by the Constitution.

* Collins ruled: "The argument that the sixteenth amendment does not authorize a direct, non-apportioned tax on United States citizens similarly is **devoid of any arguable basis in law**" [emphasis added]. This statement is demonstrably false because the Brushaber decision **supports** this argument.

* Collins also ruled: "For seventy-five years, the Supreme Court has recognized that the sixteenth amendment authorizes a direct nonapportioned tax upon United States citizens throughout the nation, not just in federal enclaves, *see Brushaber* ...." Brushaber is NOT an authority for this statement; Brushaber ruled that income taxes are indirect taxes and the *only* effect of the 16th Amendment was to overturn the Pollock *principle*. Read it!

The existence of one or more apparently unfavorable cases does not invalidate The Federal Zone (see Unfavorable Case Law below).

Sixteenth Amendment

Most federal courts refuse to recognize the mountain of material evidence which impugns the ratification of the so-called 16th Amendment. However, the judge in U.S. v. Benson admitted, **on the record**, that there is no law if Bill Benson is correct. By citing Collins, Conklin is siding with irresponsible judges who label the evidence a "political" question. Well, it wasn't a "political" question in the years immediately after the amendment was "declared" ratified. Both the Collins and Becraft decisions are badly defective because they attempt to sustain the obvious *fiction* that there is no material evidence against the 16th Amendment. Mr. Conklin needs to choose between fact and fiction. (Racing firemen don't stop for curb dogs.)

Treasury Decision 2313

This Treasury Decision is crucial evidence that The Federal Zone's status and jurisdiction arguments are valid. Frank Brushaber declared himself to be a citizen of the State of New York, and a resident of the Borough of Brooklyn, in the City of New York. Both the federal courts and the Treasury Department found that Frank Brushaber was a NONRESIDENT ALIEN, according to their own rules! The Secretary of the Treasury had no basis for extending T.D. 2313 to those who were not parties to the Brushaber case. Frank Brushaber did err in assuming that his defendant was a *foreign* corporation; the Union Pacific Railroad Company was a *domestic* corporation, because it was originally created by an Act of Congress. Conklin has neglected to mention T.D. 2313 *anywhere* in his published and private communications.

The Three United States

The Hooven case is standing authority for the fact that the term "United States" has three separate meanings, all different from each other. Federal courts had an excuse *before* this decision; but *after* Hooven, courts have no excuse for failing to specify which of these three meanings they *intend*, with each and every use of the term. This lack of specificity leads to uncertainty, which leads in turn to court decisions which are also void for vagueness. The 6th Amendment guarantees our right to ignore vague and ambiguous laws, and this must be extended to vague and ambiguous *case* law. Moreover, Hooven is also standing authority for the principle of territorial heterogeneity, an important theme in The Federal Zone which Conklin ignores almost completely. Similarly, Conklin has failed even to mention "The Insular Cases" or to deal with the obvious relevance of Downes v. Bidwell, namely, excise *uniformity* doesn't rule inside the federal zone; the majority rules inside the federal zone.

Knowledge of the Book

Conklin has not purchased The Federal Zone, and has yet to admit that he has even *read* the book. The failed ratification of the Sixteenth Amendment figures prominently in the book's main logic. Territorial heterogeneity is a theme which Conklin ignores almost completely. The "void for vagueness" doctrine affords all of us an opportunity to agree, on the vagueness at least. **If the statute is clear, then why did Conklin fail to find the sections that make withholding agents liable?** He had 12 years, and he *still* missed them. The Spreckels case ruled that "doubt is to be resolved in favor of those upon whom the tax is sought to be laid." Wigglesworth ruled that, in case of doubt, statutes levying taxes "are construed most strongly against the Government, and in favor of the citizen". The continuing debate on all sides is important empirical proof that the IRC should be nullified for vagueness. If the Supreme Court cannot be clear, then nobody can; and their titles are Justice.

Unfavorable Case Law

The existence of one or more apparently unfavorable cases does not invalidate The Federal Zone, particularly when those cases are predicated on rebuttable assumptions (like the 16th Amendment, or "clarity" in the statute, or arbitrary definitions of "income"). The book proves that chaos exists in the relevant federal cases: the Supreme Court has clearly contradicted itself when defining the effects of a ratified 16th Amendment. "The devil can quote scripture for his purpose," wrote William Shakespeare. With courts in conflict, one can cite authorities for *either* side of any such unresolved debates. The Prince of Darkness is also the Prince of Lies.

Private Law

There are many mysteries which are amazingly clarified by The Federal Zone, including the "private law" nature of the IRC. The IRC is a municipal statute for the federal zone. Congress is the sovereign municipal authority for the federal zone. If Congress had intended the IRC to apply to all 50 States, Title 26 should have been enacted into positive, "public" law. It was not. (For details, see Super Gun by Lori Jacques, pages 74-81.)

Uniform Commercial Code

The UCC is precisely on point, because federal tax returns are "foreign bills of exchange" which are subject to rules, regulations and case law which have built up around the UCC. The 50 States are "foreign" with respect to each other, just as each is foreign with respect to the federal zone (see In re Merriam). The UCC has explicit provisions for reserving the unalienable rights of those who enter such contracts, including but not limited to the right to due process and the immunity against self-incrimination. Moreover, the UCC has a guarantee that statutes must be construed in harmony with the Common Law. The U.S. Constitution is the last vestige of the Common Law at the federal level.

The Smoking Gun

The Federal Zone documents the "smoking gun" -- awesome proof that the vagueness, deception, confusion and jurisdictional ambiguities in the Internal Revenue Code were deliberate.

MEMO

TO: John Voss, Director, N.C.B.A.
other interested parties

FROM: Paul Andrew Mitchell, Founder
Account for Better Citizenship

DATE: June 9, 1992

SUBJECT: Do the regulations in 26 CFR
have the force and effect of law?

The debate fostered by the claims on N.C.B.A.'s $50,000 Reward appears to have reached the following point of departure:

> Mr. Conklin has argued that the IRC makes nobody liable for federal income taxes.
>
> This argument was defeated by reference to clear sections of the IRC which make "withholding agents" liable for federal income taxes.
>
> I do not as yet know if Mr. Conklin is a withholding agent.
>
> In a private communication, Mr. Conklin has also argued that the regulations in 26 CFR create no liability because "a regulation cannot exceed the limitations created by the statute."

The purpose of the remainder of this memo is to cite *some* of the case law which is relevant to the questions of validity, and of the legal force and effect, of regulations promulgated by the Secretary of the Treasury. The attached abstracts from American Jurisprudence reveal a substantial body of case law which is not always entirely consistent on this question. For example:

> A regulation cannot supply omissions of the statute.
>
> [2 Am Jur 2d, Section 289]
>
> -but-
>
> A regulation which fulfills the purpose of the law cannot be said to be an addition to the law.
>
> [*ibid.*, Section 300]

The following are notable excerpts from the attached Am Jur sections that deal with the effect and validity of rules:

> Rules, **regulations**, and general orders enacted by administrative agencies pursuant to the powers delegated to them **have the force and effect of law**. [page 119]

There have been applied to administrative **regulations** the principles that everyone is presumed to know the law or that **ignorance of the law is no excuse**, and the courts will take judicial notice of them. [page 120]

... [T]here is no violation of the Federal Constitution in an act of Congress which provides for a defense to an action under the statute based on **good faith reliance upon any administrative regulation** .... [page 120]

Administrative regulations are held to be "laws" for various purposes, including jurisdiction of courts and criminal liability. **If Congress imposes criminal sanctions for disobedience of regulations, it can hardly be contended that such regulations are not a "law"** for the purposes of the Criminal Code. [page 121]

Compliance with valid administrative regulations is compliance with law, as has been held where it was sought to induce actions contrary to the regulations or to impose liability for actions which accorded with regulations. [page 122]

Valid administrative rules or regulations are generally regarded as legislative enactments, and **have the same effect as if enacted by the legislature. They have the force of a statute and the same effect as if part of the original statute**. They become integral parts of the statutes, particularly where they are legislative in nature -- that is, are called for by the statute itself. [page 122]

While in the strict sense of the term an administrative regulation is not actually a "statute" but is at most an offspring of a statute, **a regulation may be deemed to come within the term "statute."** [page 123]

...[R]ules and regulations will be upheld where they are **within the statutory authority of the agency and reasonable**, ... they must be sustained unless unreasonable and **plainly inconsistent with the statute**. [page 123]

Only when discretion has been arbitrarily exercised, resulting in injustice or unfairness, **do the courts intervene to strike down a rule** promulgated by the proper agency designed to give appropriate effect to the provisions of the act involved. [page 124]

Administrative **regulations which go beyond what the legislature can authorize are void** and may be disregarded. [page 124]

Regulations which are legislative in character **should not be overruled by the courts unless clearly contrary to the will of the legislature**. [page 124]

Thus there are applicable the rules in regard to **presumption of validity** and **partial or entire invalidity**; and, just as in individual cases hardship and loss may flow from legislative acts which are nevertheless valid, so administrative regulations may also operate. [page 125]

Administrative rules and **regulations, to be valid, must be within the authority conferred upon the administrative agency**. A rule or regulation which is broader than the statute empowering the making of rules, or which oversteps the boundaries of interpretation of a statute by extending or restricting the statute contrary to its meaning, cannot be sustained. [page 127]

They are valid and binding only when they are in furtherance of the intention of the legislature as evidenced by its acts, and a regulation, valid when promulgated, becomes invalid upon the enactment of a statute in conflict with the regulation. However, **an administrative regulation will not be considered as having been impliedly annulled by a subsequent act of the legislature unless the two are irreconcilable, clearly repugnant, and so inconsistent that they cannot have concurrent operation**. [page 127]

Administrative regulations which **go beyond what the legislature has authorized**, which **violate the statute**, or which are **inconsistent or out of harmony with the statute** conferring the power, have been said to be void. [page 128]

... [A]dministrative regulations, to be valid, are required to be appropriate, reasonable, or not inconsistent with law. A rule or **regulation which is within the broad rulemaking powers commonly conferred on administrative agencies will be sustained by the courts**. [page 128]

... [A] regulation which fulfills the purpose of the law cannot be said to be an addition to the law. **Before a rule or regulation may be declared void it must be definitely in excess of the scope of authority, or plainly or palpably inconsistent with law**. [page 129]

... [A]n **administrative agency may not create** a criminal offense or **any liability not sanctioned by the lawmaking authority, especially a liability for a tax** or inspection fee. [page 129]

... **[I]ssuance of regulations is in effect exercise of delegated legislative power**. [page 770]

Administrative Procedure Act ... and Federal Register Act ... set up procedure which must be followed in order for **agency rulings to be given force of law**. [page 770]

Contents of Federal Register are judicially noticed and may be cited by volume and page number. [page 772]

... [F]ederal courts are required to take judicial notice of contents of Federal Register. [page 772]

Code of Federal Regulations being nothing more than supplemental edition of Federal Register, court is entitled to take judicial notice of cited regulation in brief of prosecution[,] and conviction of defendant thereon is not precluded by government's failure to introduce such applicable section in evidence. [page 772]

> **Court was required to take judicial notice of** the Federal Register and **the Code of Federal Regulations**. [page 772]

In closing, the following excerpt from an unpublished treatise by attorney Lowell Becraft is extremely relevant to the force and effect of regulations:

CONSTRUCTION OF REGULATIONS

> In 5 U.S.C., section 301, heads of Executive departments are given authority to make and publish regulations. It has been previously demonstrated how the current federal income tax laws in question today relate back to the 1916 income tax act. Section 15 of that act defined the terms "State" and "United States" in clear jurisdictional terms. **All income tax acts passed by Congress have authorized the Secretary of the Treasury to promulgate regulations**, which he has done since the first income tax act in 1913. **All of the income tax regulations published since January 28, 1921, have defined the people subject to the tax as "citizens of the United States subject to its jurisdiction."** Thus, this phrase has been a part of the regulations for some 67 years, and applied to the 1918, 1921, 1924, 1926, 1928, 1932, 1934, 1936 and 1938 acts, as well as the 1939 and 1954 Codes.
>
> The Secretary of the Treasury and the United States are firmly bound by these prior regulations as well as the current **Treasury Regulation 1.1-1(c)**, which defined the subject of the current tax as a "**citizen subject to its jurisdiction**." A long line of Supreme Court cases holds that an executive department head such as the Secretary of the Treasury is bound by the regulations he so promulgates and publishes ....
>
> And **the Supreme Court has found that regulations consistently promulgated in the same language for repeatedly re-enacted laws are very significant.** In Old Colony R. Co. v. Commission of Internal Revenue, 284 U.S. 552, 52 S.Ct. 211 (1932), the Supreme Court held that **such regulations are given an implied legislative approval**:
>
> > "**The repeated re-enactment of a statute without substantial change may amount to an implied legislative approval of a construction placed upon it by executive officers**," 284 U.S., at 557
> >
> > [emphasis added]

This brings us to the following regulation; it mentions liability explicitly:

> In general, **all citizens of the United States, wherever resident, and all resident alien individuals are liable to the income taxes imposed by the Code** whether the income is received from sources within or without the United States.
>
> [26 CFR 1.1-1(b)]

# # #

MEMO

TO: John Voss, Director
National Commodity and Barter Association

FROM: Paul Andrew Mitchell, Founder
Account for Better Citizenship

DATE: June 7, 1992

SUBJECT: Federal Income Tax Liability

As distinct from the regulations published in 26 CFR, does the Internal Revenue Code itself specifically make *anybody* liable for federal income taxes? Answer: a "withholding agent" is specifically named as a "person" who is made liable for such a tax. The proof is found in the combination of Sections 1441 and 1461 of the IRC, as follows:

> Section 1441. Withholding of Tax on Nonresident Aliens.
>
> (a) General Rule. -- Except as otherwise provided in subsection (c), **all persons**, in whatever capacity acting ... **having the control, receipt, custody, disposal, or payment of any of the items of income specified in subsection (b)** (to the extent that any of such items constitutes gross income from sources within the United States), **of any nonresident alien individual or of any foreign partnership shall ... deduct and withhold from such items a tax equal to 30 percent thereof**, except that in the case of any item of income specified in the second sentence of subsection (b), the tax shall be equal to 14 percent of such item.
>
> Section 1461. Liability for Withheld Tax.
>
> **Every person required to deduct and withhold any tax under this chapter is hereby made liable for such tax** and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this chapter.
>
> [emphasis added]

Therefore, if Bill Conklin is a withholding agent, then he is liable for the federal income tax on the amount he withholds. The question now becomes: Is Bill Conklin a withholding agent? Yes or No? It is impossible to answer this question from your $50,000 Reward advertisement, and I cannot tell from any of the written communications I have received from him to date.

Now, permit me to specify the conditions under which Bill Conklin would actually be liable for such a tax, by using a practical and realistic example. Let us say that Bill Conklin has a good friend named Sam who is an Air Force budget analyst. This friend is responsible for a government research budget, which provides grants for research in various areas of human resources. Sam is impressed with Bill Conklin's knowledge of the IRC. With

Bill's consent, Sam agrees to hire Bill under contract to the Air Force to provide tax consulting to other Air Force budget analysts like Sam. When Bill gets this money, he calls his colleague Johnny to help him work on this project, and agrees to pay Johnny a flat rate of $60 per hour from the research grant.

Johnny, by the way, is a nonresident alien, as confirmed by a recent formal affidavit served on the Secretary of the Treasury. Having accepted funds from the Air Force, Bill is thereby receiving money from a source that is "inside the United States". Rather than paying Johnny the full $60 per hour, the statute requires Bill to withhold 30 percent from Johnny's wages, per Section 1441 of the IRC. Moreover, Bill Conklin is the "person" who is liable for this tax, not Johnny. However, Johnny would be required to file a "return" on Form 1040NR, because he had "gross income" as defined in Section 872(a), to show that the tax had already been withheld and therefore paid. The tax is actually paid by the "person made liable", that is, Bill Conklin.

Now, to elaborate this example just a little more, Bill hires two more people, both of whom declare themselves to be "United States citizens" and both of whom complete and sign a valid W-4 certificate. By law, Bill is also required to act as their "withholding agent", albeit at rates that are different from the flat 30 percent levied against the gross income of nonresident aliens. *Graduated* tax rates are applied to their taxable income. Once again, as their withholding agent, Bill is also liable for the amounts which he withheld from their pay, as authorized by W-4 certificates that were lawfully and validly executed. The tax is actually paid by the "person made liable", that is, Bill Conklin.

Incidentally, the above Sections are listed in the IRC definition of "withholding agent", as follows:

> (16) Withholding Agent. -- The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of section **1441**, **1442**, **1443**, or **1461**.
>
> [IRC 7701(a)(16)]
> [emphasis added]

John, maybe I should withdraw my original claim and submit another one for the full $50,000 amount. This is my formal notice to you that I have reserved my right to do so, even though and regardless of the fact that I have already filed one claim for $1 of this reward.

As I write this, I must add that my colleague John C. Alden just now informed me that recent N.C.B.A. literature admits that withholding agents are specifically defined by statute to be liable for federal income taxes. For the record, I have not yet read your literature on this subject, and honestly heard about the literature for the first time from John C. Alden.

Thank you very much for your consideration.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copies: John Pleasant
Brett Brough
other interested parties

MEMO

TO: John C. Alden, M.D.

FROM: Paul Andrew Mitchell, Founder
Account for Better Citizenship

DATE: June 7, 1992

Let's combine two recent analyses into one: the "liability" question and The Matrix "chain" of logic.

It is interesting that the only "person" actually made liable *by the statute* is a withholding agent.

When you go to the sections listed in the definition of "withholding agent", the term "nonresident alien" is mentioned.

When you go to the definition of "nonresident alien", the term is defined as "not a citizen" and "not a resident".

The terms "citizen" and "resident" are entirely dependent on the meaning of "United States".

The definition of "United States" is dependent on the meaning of "District of Columbia" and the "States".

The definition of "States" is dependent on the meaning of the "District of Columbia" and "include". And so on.

Notice how the thread from "liability" takes you right back down the same path already traversed in my original claim to the $50,000 reward. It's like a pile of spaghetti, only the strands merge.

That is, "include" may be expansive, but it can only encompass territory over which the "United States" is sovereign.

For purposes of acquiring citizenship at birth, a person is born **subject to the jurisdiction of the "United States"** if his birth occurs in territory over which the "United States" is sovereign (from Am Jur).

We end up at the same place -- sovereignty -- which vaults us into the domain of the study entitled Jurisdiction over Federal Areas within the States (see Chapter 11 and also Becraft's excellent brief on jurisdiction).

As you may already know, there is a large number of cases which define the *res judicata* of sovereignty. We are right where we want to be!

MEMO

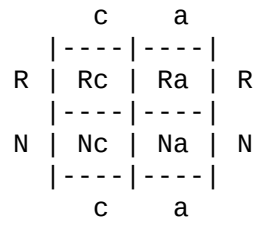
TO: John C. Alden, M.D.

FROM: Paul Andrew Mitchell, Founder
Account for Better Citizenship

DATE: May 28, 1992

SUBJECT: Sovereignty and The Matrix

I want to try some logic on you; it's an extension of the matrix logic discussed in The Federal Zone. Let's use the following schema, in order to develop a "chain" of logic:



Use capital letters to identify one matrix dimension, and small letters to identify the other matrix dimension.

Now, take an index card and cover up row 1 (the "Resident" row). This leaves only row 2 (the "Nonresident" row), columns 1 and 2. If you are a "Nonresident", then it is important to know whether you are a "citizen" or not. If you are a "citizen", then you are an "Nc" and you pay tax on your worldwide "income". If you are not a "citizen", then you are an "alien" and you are an "Na". The definition of "citizen" is therefore pivotal.

Now, move the index card so it covers only column 2 (the "alien" column). Whether you are a "Resident" citizen ("Rc") or a "Nonresident" citizen ("Nc"), you are still a "citizen" and you pay tax on your worldwide "income" regardless of where you "Reside". The definition of "citizen" is again pivotal.

Once again, move the index card so it covers only row 2 (the "Nonresident" row). Whether you are a Resident "citizen" ("Rc") or a Resident "alien" ("Ra"), you are still a "Resident" and you pay tax on your worldwide "income" regardless of your status. Now the definition of "Resident" becomes pivotal.

Finally, move the index card so it covers only column 1 (the "citizen" column). If you are an "alien", then it is important to know whether you are a "Resident" or not. If you are a "Resident", then you are an "Ra" and you pay tax on your worldwide "income". If you are not a Resident, then you are an "Na". The definition of "Resident" is again pivotal.

We deduce from the above that the definitions of "citizen" and "Resident" are both pivotal. Are these two definitions related in any way?

Yes, they both refer to the same thing, namely, the "United States". If you are not a "citizen" of the "United States", then you are an alien *with respect to* the "United States". If you are not a "Resident" of the "United States", then you are a Nonresident *with respect to* the "United States". The definitions of "citizen" and "Resident" thus pivot around the same term: "United States".

Although Becraft's essay does an excellent job of describing the jurisdiction of the "United States", it lacks the necessary rigor to define precisely the status of its "citizens". As a result, his discussion of tax "subjects" is vague and confusing (*e.g.*, "aliens here, citizens abroad"). This is surprising, since our logic proves that the terms "citizen" and "Resident" both pivot around the meaning of "United States", the *jurisdiction* of which Becraft appears to understand quite well, but the *citizens* of which Becraft appears to misunderstand. His confusion might have been eliminated by better research into the exact definition of "citizen".

Compare his discussion of tax "subjects" with the key we have found in American Jurisprudence:

> "A person is born subject to the jurisdiction of the United States, for purposes of acquiring citizenship at birth, if his birth occurs in territory over which the United States is **sovereign** ...."

I keep coming back to this statement, because it is so clear and unequivocal. It's too bad that Becraft didn't quote this definition and incorporate it into his treatise. A "citizen of the United States" is a person who was either born or naturalized in the "United States" and is also subject to its jurisdiction. Thus, you are a "citizen of the United States" if you were born in the "United States" and you are subject to its jurisdiction. You are also a "citizen of the United States" if you were naturalized in the "United States" and you are subject to its jurisdiction. Pure logic allows for the following two permutations: (1) you were born in the "United States" but you are not now subject to its jurisdiction and (2) you were naturalized in the "United States" but you are not now subject to its jurisdiction. "Expatriation" is the legal way of accounting for these two permutations.

There are three official definitions of "United States", only two of which are singular nouns (the nation and the federal zone). Using grammatical rules, the term "its jurisdiction" can only apply to the nation or to the federal zone, but not to the 50 States (because the 50 States are plural). So, we have to choose between the nation and the federal zone, and the best way to do so is to understand the meaning of "sovereign" as used above. The terms "citizen" and "Resident" pivot around the meaning of "United States", and the term "United States" pivots around the meaning of "sovereign". Clearly, that territory over which the "United States" is sovereign becomes logically and absolutely fundamental to the whole discussion.

Having come this far, the door is now open to Becraft's excellent treatise on jurisdiction, and to the myriad of cases which define the territory over which the "United States" is sovereign. The cases all demonstrate that this territory does NOT include the 50 States. (I am not aware of a single case which found otherwise.) Therefore, the term "United

States" is NOT the nation in this context, because the 50 States belong, without question, to the nation. The logic is not only correct; it also conforms to the intent of the Constitution.

# # #

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

May 18, 1992

Charles L. Harrison
Corresponding Secretary
Monetary Realist Society
c/o general delivery
St. Louis, Missouri
Postal Zone 63131/tdc

Dear Charles:

I am writing in response to a statement that is made in your bulletin for April 1992 in the article entitled "He Didn't Do It; I Saw Him with My Own Eyes!". This article makes the following statement:

> "... the XVIth Amendment was never properly ratified by the states, and thus, there IS no income tax!"

This statement is incorrect because it is a *non sequitor*. Enclosed please find a collection of essays which examine this notion in depth. With all due respect to authors Benson and Beckman, and to the leaders of Patriot groups around the country, this assertion is not only misleading, but also the cause of much unnecessary confusion among the membership, and would-be membership, of these groups. I believe that, if you take the time to review the logic in the enclosed papers, you will come to see why there can be an income tax without the 16th Amendment.

In "The Insular Cases" that were decided at the turn of the century, 12 years prior to the so-called 16th Amendment, the Supreme Court gave its blessing to a doctrine which I have called "territorial heterogeneity" in my recent book entitled The Federal Zone. In exercising its exclusive authority over the federal zone, Congress is not subject to the same constitutional limitations that exist *inside* the 50 states. Specifically, Congress is not required to apportion direct taxes levied inside the federal zone, with or without a 16th Amendment.

For reasons like this, the areas that are inside and outside the federal zone are heterogeneous with respect to each other. This difference results in a principle of territorial heterogeneity: the areas *within* (or inside) the federal zone are subject to one set of rules; the areas *without* (or outside) the federal zone are subject to a different set of rules. The Constitution rules outside the zone and inside the 50 States. The Congress rules inside the zone and outside the 50 States.

The 50 States are, therefore, in one general class, because *all* constitutional restraints upon Congress are in force throughout the 50 States, without prejudice to any one State. The areas within the federal zone are in a *different* general class, because these same constitutional restraints simply do not limit Congress inside that zone. This principle of territorial heterogeneity is documented in detail in Chapters 12 and 13 of The Federal Zone: Cracking the Code of *Internal* Revenue. It stems from our

pivotal finding that the IRC is a "municipal statute", the territorial extent of which is the federal zone. Congress is the "City Hall" for the federal zone.

Now, there certainly are a host of reasons to *believe* that a failed 16th Amendment nullifies the federal income tax. Among these reasons are statements in the Federal Register by Commissioners of Internal Revenue, and other written communications which have issued from the Internal Revenue Service over the years, that the 16th Amendment is the federal government's general authority to tax the incomes of individuals and corporations. If you are building a reliance defense, the Federal Register statements are certainly a good place to start, because of the legal status extended to notices that are published therein.

Nevertheless, given the huge mass of evidence which seriously impugns its ratification, in the face of which Congress has now fallen silent, the act of declaring the 16th Amendment ratified was an act of outright fraud by Secretary of State Philander C. Knox in the year 1913. Therefore, it is not surprising that succeeding officials in the federal government, like Donald C. Alexander in the year 1974, might also be victims of this fraud, because the work of Benson and Beckman was not published until the year 1985. It is entirely possible that IRS officials were acting in good faith when they told America, for so many years, that the 16th Amendment was their required authority. That's how sinister Knox's fraud actually was. However, a failed 16th Amendment does not mean that Congress now has no authority whatsoever to levy direct taxes on incomes, particularly when those incomes derive from sources that are situated *inside* territory over which Congress has exclusive legislative jurisdiction, *i.e.*, the federal zone.

I sincerely hope that this letter, and the enclosed materials, do provide you with a satisfactory clarification of the 16th Amendment and the real constitutional implications of its failure to be ratified. Thank you for your consideration.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

Memo

TO: Friends, Neighbors, Colleagues
and all interested people

FROM: Paul Andrew Mitchell, Founder
Account for Better Citizenship

DATE: April 8, 1992

SUBJECT: The "Key"

In the course of doing further research for the next edition of The Federal Zone, I was directed by the work of author Lori Jacques to investigate the reference work American Jurisprudence. I was delighted to find a definition which provides the "key" we have all been looking for. This key provides yet more dramatic support for the major jurisdictional thesis of The Federal Zone, namely, that the Internal Revenue Code is a municipal statute and "citizens of the United States" are those who are born or naturalized into this municipal jurisdiction. Congress is the "City Hall" for the federal zone. Read the following very carefully:

> Sec. 1420. -- Who is born in United States and subject to United States jurisdiction
>
> **A person is born subject to the jurisdiction of the United States, for purposes of acquiring citizenship at birth, if his birth occurs in territory over which the United States is sovereign**, even though another country provides all governmental services within the territory and the territory is subsequently ceded to the other country. **[!!!]**
>
> [3A Am Jur 2d, page 1419]

Note that the term "United States" is used in its singular sense, that is, "... territory over which the United States is sovereign". This is crucial evidence to support my argument that the term "United States", as used in the IRC, refers to the second of three official definitions of that term by the U.S. Supreme Court. Note, in particular, the pivotal word **"sovereign", which controls the entire meaning of this passage**. The federal zone is the area over which Congress is sovereign; it does not include the 50 States because Congress is not sovereign over the 50 States. Chapter 11 in The Federal Zone is dedicated to discussing sovereignty *in depth*. My thesis is bolstered even further by the qualifying phrase "... even though ... the territory is subsequently ceded to the other country." Governmental sovereignty over any territory is relinquished when that territory is *ceded* to another country, *but not before*. (See Chapter 11 for details.) **An area of land joins the federal zone if and only if one of the 50 States cedes that land to Congress**.

Now refer to the definition of "citizen of the United States" as published in the Code of Federal Regulations for the Internal Revenue Code:

> (c) *Who is a citizen*. Every person born or naturalized in the United States and **subject to its jurisdiction** is a citizen.
>
> [26 CFR 1.1-1(c)]
> [emphasis added]

Notice the singular sense of "its jurisdiction" in this regulation. If a person is *naturalized* in the "United States", he is automatically "subject to its jurisdiction", because the Constitution authorizes Congress to legislate rules for immigration and naturalization. On the other hand, a person is *born* "subject to its jurisdiction" if his birth occurs in territory over which the "United States" is sovereign. Therefore, a person is born subject to the jurisdiction of the "United States" if his birth occurs inside the federal zone.

Notice also that the letter "c" in "citizen" is in lower case. This is the case that is used in the word "citizen" **throughout the Internal Revenue Code and throughout the regulations**. Those who argue against the upper/lower case distinction are overlooking this remarkable consistency, spanning more than 8,000 pages of law and regulations. Such amazing consistency could never have happened by accident; the odds against such an accident are astronomical. We must discount all references to "Citizen" in the first word of any sentence, because English grammar requires that it be capitalized in that position. The other occurrences of "Citizen" are found in the first word of heading phrases, for example:

> (b) *Citizens or residents of the United States liable to tax.*
>
> [26 CFR 1.1-1(b)]

Whatever ambiguity this usage may create is totally eliminated by the statutory definition of "United States" in the IRC. It is now conclusive that the term "United States", as defined in the IRC, is the federal zone.

The above citation from American Jurisprudence is the **key** we have all been looking for: it is succinct, unequivocal, and razor sharp. It is the key which unlocks the chains that bind our freedom, the chains which now belong on the Congress of [belonging to] the united States of America.

Account for Better Citizenship
c/o general delivery
San Rafael, California state

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

April 7, 1992

Free State Constitutionists
c/o general delivery
Baltimore, Maryland
Postal Zone 21228/tdc

Dear Free State Constitutionists:

I have recently received from you a document entitled:

WE CHALLENGE ANYONE TO DISPROVE
THESE FACTS ABOUT INCOME TAX LAW

I hereby accept this challenge, in good faith and with a sincere intent to get to the bottom of this mess we call federal income taxation. A document very similar to yours has been disseminated by the Save-A-Patriot Fellowship for some years.

Your document is erroneous because it is based on obsolete technology and an evident failure to penetrate the intentional deceptions which are built into the Internal Revenue Code and its regulations. See enclosed documents. For example, your Fact #1 states:

> RESIDENTS OF THE STATES OF THE UNION ARE NOT REQUIRED BY LAW TO FILE FORMS 1040 AND THEY ARE NOT LIABLE FOR THE PAYMENT OF A TAX ON "INCOME" UNLESS THEY ARE WITHHOLDING AGENTS.

This statement is erroneous because all "U.S. citizens" are liable for federal taxes on their worldwide income, regardless of where they "reside" and even if they are "residents of the States". I assume by "States" you mean the 50 States of the Union. See 26 CFR 1.1-1 *et seq*. Congress has the power to delegate to the Secretary of the Treasury the authority to issue regulations which have the force and effect of law. Therefore, it is somewhat misleading to argue that the statute does not contain this or that specific provision when the regulations do.

Moreover, if a "resident of the States" should receive dividends from stocks and/or interest from bonds issued by "domestic" corporations, the income derived therefrom would be included in the quantity "gross income" as defined at IRC 872(a). The payor of the dividends or interest is the "withholding" agent, *not* the recipient. This is explained clearly in Treasury Decision 2313. Frank Brushaber declared himself a citizen of the State of New York, and a resident of the Borough of Brooklyn, in the city of New York. As such, T.D. 2313 designated him a **nonresident alien**. Any *other* allegations about his citizenship and residence assume facts that were not in evidence.

For your information, I have enclosed a number of other letters, and a memorandum to individuals at the Save-A-Patriot Fellowship. I have heard nothing from them in response to my memorandum.

I have also enclosed an order form for my recently published book entitled The Federal Zone: Cracking the Code of *Internal* Revenue. The following succinct statement is directly over the target (which explains to me why we are getting so much flak about our understanding of the statute and its regulations):

> 3A Am Jur 1420, Aliens and Citizens, explains: "**A Person is born subject to the jurisdiction of the United States, for purposes of acquiring citizenship at birth, if his birth occurs in territory over which the United States is sovereign** ..."
>
> [quoted in A Ticket to Liberty, November 1990, page 32]

This statement, in and of itself, has enough power to unlock the entire puzzle of federal income taxation. When you understand sovereignty as it applies to federal and State jurisdiction, you will own the key. And then you can share this key with others. You would expect the government to create a flood of propaganda and other diversions in order to distract everyone from the core of their deception. This core is found in the statutory definitions of "State" and "United States".

The constitutional authority for the IRC is 1:8:17 and 4:3:2. The Supreme Court gave its blessing to a legislative democracy inside the federal zone in the case of Downes v. Bidwell (see enclosed). Accordingly, within the federal zone, Congress is not restrained by the apportionment rule for direct taxes, nor by the uniformity rule for indirect taxes. The "majority" rules inside the federal zone, not the constitution.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

March 27, 1992

Bill Conklin
N.C.B.A.
c/o general delivery
Denver, Colorado state
Postal Zone 80231/tdc

Dear Bill:

This is my sincere attempt to claim the $50,000 Reward which you have recently publicized in newspapers around the country. Before I detail my claim, I wish to express my solemn intent to rebate $49,999 back to the N.C.B.A., in the event that I earn the reward. Thus, you will owe me $1.00 if I win, and I will gladly pay you $1.00 if I lose. By the way, who are the judges in this contest? Are they unbiased? Are they federal?

1. What statute makes Bill Conklin liable to pay an income tax?

Before I can address this question, I need to know your answers to the following two questions:

(a) Are you a "citizen of the United States"?

(b) Are you a "resident of the United States"?

If your answer to either of these questions is YES, then you are liable for federal taxes on the income which you derive from worldwide sources, as follows:

> In general, all citizens of the United States, wherever resident, and all resident alien individuals are liable to the income taxes imposed by the Code whether the income is received from sources within or without the United States. ... As to tax on nonresident alien individuals, see sections 871 and 877.
>
> [26 CFR 1.1-1(b)]

If you have any question as to the meaning of the term "citizen of the United States", then base your answer on the following definition:

> Every person born or naturalized in the United States and subject to its jurisdiction is a citizen.
>
> [26 CFR 1.1-1(c)]

If you are not a "citizen of the United States", then you are an alien *with respect to* the "United States". If you have any question as to the meaning of "resident alien", then base your answer on the following definition:

Definition of **Resident Alien** and **Nonresident Alien**. --

(1) In General. -- For purposes of this title (other than subtitle B) --

(A) **Resident Alien**. -- An alien individual shall be treated as a resident of the United States with respect to any calendar year if (and only if) such individual meets the requirements of clause (i), (ii), or (iii):

(i) **Lawfully Admitted for Permanent Residence**. -- Such individual is a lawful permanent resident of the United States at any time during such calendar year.

(ii) **Substantial Presence Test**. -- Such individual makes the election provided in paragraph (3).

(iii) **First Year Election**. -- Such individual makes the election provided in paragraph (4).

[IRC 7701(b), emphasis added]

If you are not resident, then you are nonresident. Accordingly, if you are not a "citizen of the United States" and you are not a "resident of the United States", then you are a "nonresident alien" by definition:

(B) **Nonresident Alien**. -- An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)). [see above]

[IRC 7701(b), emphasis added]

If you are a nonresident alien as defined, then you are liable for federal taxes on your "gross income" as defined:

(a) General Rule. -- In the case of a nonresident alien individual, except where the context clearly indicates otherwise, gross income includes only --

(1) gross income which is derived from sources within the United States and which is not effectively connected with the conduct of a trade or business within the United States, and

(2) gross income which is effectively connected with the conduct of a trade or business within the United States.

[IRC 872(a)]

If you are unclear what is meant by the term "United States", you may utilize the general definition found in the Internal Revenue Code, as follows:

> (9) United States. -- The term "United States" when used in a geographical sense includes only the States and the District of Columbia.
>
> [IRC 7701(a)(9)]

If you are unclear what is meant by the term "States" in this definition of "United States", you may utilize the definition found in the Internal Revenue Code, as follows:

> (10) The term "State" shall be construed to include the District of Columbia, where such construction is necessary to carry out provisions of this title.

If you are unclear about the operative meaning of the term "include" in the above definition of "State", you may utilize the following clarification of the terms "includes" and "including", as follows:

> (c) Includes and Including. -- The terms "includes" and "including" when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.
>
> [IRC 7701(c)]

You will note that the term "include" is not mentioned in the definition of "includes" and "including" at 7701(c). However, words importing the plural include and apply to the singular form of those words:

> Section 1. Words denoting number, gender, and so forth.
>
> In determining the meaning of any Act of Congress, unless the context indicates otherwise -- words importing the singular include and apply to several persons, parties or things; words importing the plural include the singular;
>
> [1 U.S.C. 1]

Thus, the definition of "State" also applies to the meaning of "States", and the definition of "includes" also applies to "include". The phrase "It includes ..." is singular in syntax; the phrase "they include ..." is plural in syntax. Thus, the term "include" when used in the IRC shall be deemed to include other things otherwise within the meaning of the term defined. Therefore, the meaning of "State" is not restricted to the District of Columbia. To determine what other things are otherwise within the meaning of the term defined, see the following:

> (g) *United States*. The term "United States" when used in a geographical sense includes **any territory under the sovereignty of the United States**. It includes the states, the District of Columbia, the possessions and territories of the United States, the air space over the United States, and the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the United States and over which the United States has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources.
>
> [26 CFR 1.911-2(g)]

Thus, based upon the preceding, you may define the "United States" to consist only of the following constituent components:

(1) District of Columbia ..... Federal State
(2) Commonwealth of Puerto Rico ..... Federal State
(3) Virgin Islands ..... Federal State
(4) Guam ..... Federal State
(5) American Samoa ..... Federal State
(6) Northern Mariana Islands ..... Federal Possession
(7) Trust Territory of the Pacific Islands .. Federal Possession

> Inclusive of the aforementioned Federal States and Federal Possessions, "exclusive federal jurisdiction" also extends over all **Places purchased by the Consent of the Legislature of one of the Fifty States**, in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings.
>
> [see 1:8:17 and 4:3:2 in U.S. Constitution]

Therefore, you may, as I have done, define the territory under the sovereignty of the "United States" to consist of the District of Columbia, the federal territories and possessions, and the enclaves ceded to Congress by acts of State Legislatures (such as military bases and the like). I have coined the term "Federal Zone" to refer to all territory which is under the sovereignty of the "United States". This interpretation conforms to the second of three Supreme Court definitions of the term "United States", as follows:

> The term "United States" may be used in any one of several senses. It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations. **It may designate the territory over which the sovereignty of the United States extends**, or it may be the collective name of the states which are united by and under the Constitution.
>
> [Hooven & Allison Co. v. Evatt, 324 U.S. 652]
> [emphasis added]

To summarize, you are liable for federal taxes on income derived from worldwide sources if you are either a "citizen of the United States" or a "resident of the United States" as those terms are defined above. If you are neither, then you are a nonresident alien and, as such, you are liable for federal taxes on all income which is derived from sources within the United States (as defined above), and on all income which is effectively connected with the conduct of any "United States" trade or business. For example, if you are employed by the federal government, your pay comes from a source inside the United States (as defined). Similarly, if you receive dividends from bonds issued by the federal government, or by corporations chartered in the District of Columbia (*i.e.*, "domestic" corporations), this "income" derives from a source that is within the United States (as defined) and it is taxable. See Treasury Decision 2313 for a clarification of the taxability of bond interest and stock dividends issued by domestic corporations to nonresident aliens.

If you are unclear as to the meaning of the term "income", please understand that the Supreme Court has instructed Congress it cannot by any definition it may adopt conclude the matter (of defining income), because Congress cannot by legislation alter the Constitution, from which alone it derives its power to legislate, and within whose limitations alone that power can be lawfully exercised. Even though the 16th Amendment was never ratified and the word "income" is not found in the Constitution, Congress has continued to obey this prohibition. Nevertheless, the Supreme Court has issued numerous official definitions of the term "income", perhaps the most famous of which is the decision which issued this prohibition, namely, Eisner v. Macomber, 252 U.S. 189. The Supreme Court has had to define "income" so many times, it decided that the definition was finally settled in Merchant's Loan & Trust v. Smietanka, 255 U.S. 509.

Finally, the 16th Amendment is not the constitutional authority for the IRC. That authority issues from 1:8:17 and 4:3:2 in the U.S. Constitution. The IRC is a "municipal" statute which is not affected by either the apportionment rule or the uniformity rule in the Constitution. Think of Congress as "City Hall" for the federal zone. Congress has **exclusive** legislative authority within the federal zone (see Downes v. Bidwell, 182 U.S. 244, which is discussed in the attached memorandum to staff members of the Save-A-Patriot Fellowship). The operant "rule" that applies to the IRC is **majority rule**. If you want to change the IRC, then change the composition of the Senate and House of Representatives.

2. How can Bill Conklin file a tax return without waiving his Fifth Amendment protected Rights?

   Sign your name with the following phrase above your signature:

   with explicit reservation of all my unalienable rights and without prejudice to any of my unalienable rights UCC 1-207

In order to inform the world as to the meaning of this phrase, you may opt to attach an explanation like the following:

> My use of the phrase "WITH EXPLICIT RESERVATION OF ALL MY RIGHTS AND WITHOUT PREJUDICE UCC 1-207" above my signature on this document indicates: that I explicitly reject any and all benefits of the Uniform Commercial Code, absent a valid commercial agreement which is in force and to which I am a party, and cite its provisions herein **only** to serve notice upon ALL agencies of government, whether international, national, state, or local, that they, and not I, are subject to, and bound by, all of its provisions, whether cited herein or not; that my explicit reservation of rights has served notice upon ALL agencies of government of the "Remedy" they must provide for me under Article 1, Section 207 of the Uniform Commercial Code, whereby I have explicitly reserved my Common Law right not to be compelled to perform under *any* contract or commercial agreement, that I have not entered into **knowingly**, **voluntarily**, and **intentionally**; that my explicit reservation of rights has served notice upon ALL agencies of government that they are ALL limited to proceeding against me only in harmony with the Common Law and that I do not, and will not accept the liability

associated with the "compelled" benefit of any unrevealed commercial agreements; and that my valid reservation of rights has preserved **all** my rights and prevented the loss of any such rights by application of the concepts of waiver or estoppel.

Put simply, if you are signing a tax return, you are entering a commercial agreement with the "United States". Government officials are bound by the Uniform Commercial Code to preserve your rights unless you waive any of them with knowingly intelligent acts, done with sufficient awareness of the relevant circumstances and likely consequences (see Brady v. U.S., 397 U.S. 742, 748 (1970)). This places government officials on notice that they must disclose *in advance* all terms and conditions attached to that commercial agreement. Your explicit reservation of rights prevents the loss of any of your rights, including your Fifth Amendment protected right against self-incrimination, by application of the concepts of waiver or estoppel.

Finally, per 28 U.S.C. 1746, if you are a nonresident alien, you should modify the perjury jurat on all IRS forms by indicating that you are making your affirmation "without the United States, under the laws of the United States of America". I have attached the operative statute, for your information. Note also the Form 1040X and 1040NR instructions for foreign addresses. If you do not follow these instructions, the "United States" is entitled to presume that you have a "domestic" address and that you are, therefore, "resident" in the "United States" as defined.

If you have any questions about the above, and/or you wish additional clarification, please don't hesitate to contact me in writing at the above address. Copies of The Federal Zone: Cracking the Code of *Internal* Revenue have already been forwarded to John Voss, Sharon Voss, and Brett Brough. Much additional clarification of my answers in this letter can be found in that book.

Thank you very much for your interest in the Internal Revenue Code.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

copies: John Voss
John Pleasant
Brett Brough

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

March 29, 1992

The Sovereign Advisor
Common-Law Service Center HQ
3rd Judicial District
c/o general delivery
Sacramento, California state

Dear Sovereign Advisor:

I was very happy to receive a complimentary copy of The Sovereign Advisor recently from a friend and colleague in the freedom movement. Please accept my qualified praise for your first edition, the December Issue "91". I am writing to share with you some of the many thoughts which occurred to me as I was reading this first issue.

First of all, I am alarmed by what I consider to be a glaring contradiction which is evident in your newsletter. On page 2 in the article entitled "5, 4, 3, 2, 1, Liftoff!", you state:

> There are several groups out there that are deliberately trying to keep you within the system by claiming you are an **American Citizen**, this is a false and misleading term. ... Now if you are or claim to be an **American Citizen** and you are located within any one of the states of the union you are a federal citizen, subject to the municipal laws of the district of columbia [sic].

On page 6, in the article entitled "Is the United States Guilty of Genocide?" you state:

> The State of California was required to have its own Citizens, who were first, State Citizens, then as a consequence of State Citizenship were **American Citizens**, known as Citizens of the United States, (Capitol [sic] "C") there were [sic] no specific class as this, but for traveling and protection by the United States government while out of the country, **they were generally called Citizens of the United States. (capital "C")**

It is difficult enough to identify oneself with the freedom movement in the United States of **America** without also having to reconcile the positions of various organizations which contradict each other. It is entirely impossible to reconcile those sections of your newsletter which flatly contradict each other.

Second, the former paragraph quoted above states that there are several groups "out there" that are deliberately trying to keep us within the system by claiming that we are American Citizens. I strongly object to this statement, for several reasons. Your statement implies that you are privy to the motivations of individuals and groups who make this claim, when you are not. Unless people have actually revealed their motivations to you, I don't see how you can be so privy to those motivations. Such a statement in your

newsletter suggests a desire on your part to convince readers that you have all the answers, and that others in the freedom movement do not. This sounds more like crass commercial advertising than serious legal scholarship, and it does serious damage to your overall credibility.

I, for one, have been known to utilize the term "American Citizen" and I have not done so with the purpose of keeping myself and others "within the system" as you put it. If I am not an American, then I do not know what I am. I have also distributed a great deal of written materials, among them an affidavit of revocation, which utilizes the term "American Citizen" by defining it clearly to mean a "free sovereign natural born Citizen per 2:1:5 in the U.S. Constitution". I would certainly hope that you would have the courtesy to extend your respect to any of us who take the time to define our terms with care, and not accuse us of trying to keep people "in the system", even though our choice of definitions may not agree with yours.

Since our nation has been known as the United States of **America** at least since the U.S. Constitution was ratified, your definition of "American Citizens" as federal citizens is misleading and confusing. There is a popular, colloquial sense in which we are ALL Americans. I would hesitate to recommend that any Americans stop using that term to identify themselves, particularly when The Sovereign Advisor obviously cannot make up its own mind about the meaning of "American Citizens".

Elsewhere in your newsletter, you state:

> An American Citizen is an Indian who leaves the reservation; a U.S. Citizen residing outside the District of Columbia in one of the federal judicial districts; an alien residing in one of the several states; a State Citizen residing outside of the several states of the union.

In this statement, did you mean to say that an American Citizen is a "U.S. Citizen" or a "U.S. citizen"? Your use of the phrase "residing outside the District of Columbia" is also confusing. The distinction that is made between the terms "resident" and "nonresident" at IRC 7701(b)(1) suggests that one can be either a "U.S. Citizen" or a "U.S. citizen", regardless of whether one is a "resident" in the District of Columbia or not. One attribute is a birth status; the other attribute is a location status. Note, in particular, your own citation of Cook v. Tait, which stated that "citizens of the United States wherever they are resident" are subject to the income tax, which is based upon citizenship of the United States. The phrase "wherever they are resident" is very revealing in this context.

IRC Section 7701(b)(1)(B) makes it very clear that one is an "alien" *with respect to* the "United States" if and only if one is not a "citizen of the United States". You have used the term "alien" without defining it, and without proper citations in case law. (See Treasury Decision 2313.) The definition found in the IRC makes it very clear that one is an alien if and *only* if one is not a "citizen of the United States". Therefore, the term "alien" as defined encompasses all of the following: State Citizens, Citizens of foreign countries like France, and beings from other planets. Very simply, you are an "alien" if you are not a "citizen", and you are a "nonresident" if you are not a resident (see IRC 7701(b)(1)(A)-(B)).

Allow me to offer the following clarifications. I define an "American Citizen" to mean a sovereign State Citizen. (You are free to disagree with this definition, but bear with me for the moment, please.) As such, a sovereign State Citizen is identifiable by the term "U.S. Citizen", which is an abbreviated way of saying "Citizen of the United States of America", or "Citizen of one of the 50 States of the Union". The term "United States" in this context means the 50 States of the Union, united by the Constitution.

A sovereign State Citizen is **not** a "citizen of the United States" (which is another way of saying "U.S. citizen") because the "United States" in *this* context means the subjects and jurisdiction over which Congress has exclusive legislative authority. In order to solve a very large number of terminology problems, I refer to this jurisdiction as "The Federal Zone", namely, the areas of land over which the Congress has exclusive legislative authority. These areas of land consist of the District of Columbia, the federal territories and possessions, and all federal enclaves ceded to Congress by acts of the State Legislatures. The authority to have exclusive jurisdiction over these areas of land issues from 1:8:17 and 4:3:2 in the U.S. Constitution. You may choose to disagree with this interpretation of the term "exclusive", but in doing so you are disagreeing with the Supreme Court of the United States (see Downes v. Bidwell, 182 U.S. 244 (1901)). The authority for the IRC is **not** the so-called 16th Amendment, despite statements to that effect which have been published in the Federal Register by former Commissioners of Internal Revenue.

Accordingly, an "alien residing in one of the several states" is a "nonresident alien" *with respect to* the "United States" as defined in the IRC, that is, *with respect to* The Federal Zone, if he was born in one of the 50 States. An "alien residing in one of the several states" is a "resident alien" *with respect to* the "United States" as defined by the IRC, *i.e.*, *with respect to* The Federal Zone, if he was born in a foreign country like France and he was lawfully admitted for permanent residence. Notice the phrase "lawfully admitted for permanent residence". Birth status and location status create four different cases: resident citizen, nonresident citizen, resident alien, and nonresident alien.

Congress has jurisdiction over immigration and naturalization; Congress does not have jurisdiction over sovereign State Citizens, because They created the Constitution, and the Constitution created Congress. I presume that you are using the term "several states" to mean the 50 States, even though you have not capitalized the word "states". I prefer to use the lower-case "states" to refer to federal territories and possessions and upper-case "States" to refer to the 50 Sovereign Members of the Union.

The phrase "State Citizen residing outside of the several states of the union" is also ambiguous, because it does not identify whether this "State Citizen" is residing inside The Federal Zone, or inside a foreign country like France. It makes a difference. If this "State Citizen" resides inside The Federal Zone, then he is a "resident alien" by definition (see substantial presence test at 7701(b)(1)(A)). If he resides inside a foreign country like France, then he is a "nonresident alien" *with respect to* The Federal Zone, but he is still a "Citizen of the United States of America" and, as such, Congress does have jurisdiction over him as long as he resides therein. He could request the protection of the U.S. State Department, for

example, by seeking help from an **American** embassy, and his status as a "Citizen of the United States of America" would entitle him to that protection.

Finally, I am very concerned about the poor state of grammar, spelling and punctuation in your newsletter. Any organization which claims to know a technical subject like law, and which claims to know it well enough to publicize a newsletter on a specialized aspect of law, should be willing to embrace the minimum standard for language accuracy. You have made a big issue of upper and lower case letters, then you refer to the seat of government and "the municipal laws of the district of columbia". When the District of Columbia is obviously at issue here, you should know better than to refer to the first letter in "Citizen" as "Capitol C", when the correct term is "capital C". Then you refer to "capital C" immediately after referring to "Capitol C". (Is it possible that your staff is infiltrated?) The Congress conducts its business in the "Capitol" building; upper case letters are referred to as "capital" letters. If you are attempting to write in an expository style, then do everything to insure that your exposition is clear, unequivocal and precise. Otherwise, you run the risk that a competing group will criticize you for being *motivated* by an intent to equivocate in your newsletter, when you are not so motivated (as far as I can tell).

Please accept these criticisms in the constructive spirit in which they are made. The issues which you have raised in your newsletter are just too terribly important to risk any loss of credibility through contradictions and substandard English. Our language is rich and powerful enough to accommodate the most exacting requirements of any discipline.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

March 17, 1992

Louis Watson
International Tax Technology
c/o general delivery
San Diego, California state
Postal Zone 92128/tdc

Dear Lou:

Thank you for the time and energy that went into your presentation in Sparks, Nevada last Friday evening. I have been debating whether or not to write you about my experience there. Since I am still thinking about it, now four days later, I am taking the chance that you will read this letter with an open mind and an honest interest in what I have to say.

Please bear in mind that, at least twice during your lecture, you invited the audience to challenge anything you were saying. Unfortunately for me, when I took you up on your offer, your response was anything but receptive. In fact, after my first question, your volume increased dramatically and your tone of voice became defensive and harsh. It is for this reason that I feel I am taking a chance that you may *not* read this letter with an open mind and an honest interest in what I have to say.

Let me begin with a somewhat technical point which, as it turns out, is representative of the many problems we all experience with the IRC. As you already know, the word "include" and its several variations are utilized in many key definitions within the IRC. After much research and writing on the subject, I personally believe that it begs the question to make our point with a partial quotation from Black's Law Dictionary. If it does anything, such a partial reading exposes our own biases, more than anything else. Fortunately, we can't afford, nor do we need bias to win our argument with the IRS and to convince the general public of the validity of our position. The following is the complete definition of "include" from Black's, Sixth Edition:

> **Include**. (Lat. *inclaudere*, to shut in, keep within.) To confine within, hold as in an inclosure, take in, attain, shut up, contain, inclose, comprise, comprehend, embrace, involve. Term may, according to context, express an enlargement and have the meaning of *and* or *in addition to*, or merely specify a particular thing already included within general words theretofore used. "Including" within statute is interpreted as a word of enlargement or of illustrative application as well as a word of limitation.
>
> [emphasis added]

Notice, in particular, that this definition permits both the expansive as well as the restrictive meanings. For this reason, it is misleading to quote only the first definition, "to confine within ...", when we attempt to decipher the IRC definitions of "State" and "United States". Moreover, the statute itself manifests an expansive intent when it defines "includes" and

"including" as follows:

> Includes and Including. The terms "includes" and "including" when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.
>
> [IRC 7701(c)]

I find it quite fascinating that the word "include" is not mentioned in this definition. Are we therefore justified in arguing that "includes" and "including" are expansive, but "include" is restrictive? This is not an idle question, because the word "include" is used in the definition of "State" at 7701(a)(10), and the word "includes" is used in the definition of "United States" at 7701(a)(9). Black's doesn't help us here, because it embraces *both* the expansive and restrictive meanings. How do we resolve this ambiguity?

One could argue that "includes" is the singular form of the verb, while "include" is the plural form of the verb. For example, the sentence "It includes ..." has a singular subject and a singular predicate. The sentence "They include ..." has a plural subject and a plural predicate. An entry in the Code of Federal Regulations of 1961 explains how plural forms include the singular, and vice versa:

> 170.60 Inclusive language.
>
> Words in the plural form shall include the singular and vice versa, and words in the masculine gender shall include the feminine as well as trusts, estates, partnerships, associations, companies, and corporations.
>
> [26 CFR 170.59, revised as of January 1, 1961]

On the basis of this regulation, therefore, one is justified in arguing that "include" is also expansive because it is merely the plural form of "includes", which is expansive per 7701(c). I believe that this same rule is found in Title 1 of the U.S. Code, but I can't quite put my finger on the citation just now.

It would be nice if this were the end of the story, but unfortunately for us, it is not. There are other published rules which produce different results. One well established rule of statutory construction is the rule of *inclusio unius est exclusio alterius*. Black's defines this rule as follows:

> **Inclusio unius est exclusio alterius.** The inclusion of one is the exclusion of another. The certain designation of one person is an absolute exclusion of all others. ... This doctrine decrees that where law expressly describes particular situation to which it shall apply, an irrefutable inference must be drawn that what is omitted or excluded was intended to be omitted or excluded.

Now, the word "include" is omitted from the expansive definition of "includes" and "including" found at 7701(c), is it not? Using the above rule, we are permitted to draw an irrefutable inference that the word "include" was omitted or excluded because it was *intended* to be omitted or

excluded. Well, if "include" is not among the list of terms which are to be given an expansive meaning, can we infer therefrom that it must be given a restrictive meaning instead? If so, why?

Another rule which raises even more questions is the "ejusdem generis" canon, defined in Black's Sixth Edition as follows:

> Under "ejusdem generis" canon of statutory construction, where general words follow the enumeration of particular classes of things, the general words will be construed as applying only to things of the **same general class** as those enumerated.
>
> [emphasis added]

Is California in the same general class as the District of Columbia? Is Puerto Rico in the same general class as California? One of the major points of my book is to distinguish the 50 States from the federal zone by using a principle which I call "territorial heterogeneity". The 50 States are in one general class, because of the Constitutional restraints under which Congress must operate inside those 50 States. The areas within the federal zone are in a *different* general class, because these same constitutional restraints simply do not limit Congress inside that zone (see Downes v. Bidwell, 182 U.S. 244).

This line of reasoning allows for an expansive definition of "include", but expansive only up to a point, and not beyond. What is that point? Refer now, if you would, to the start of the IRC section on definitions, which begins as follows:

> When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof--
>
> [IRC 7701]

So, if an expansive definition of "include" results in applying the IRC to the 50 States, have we not produced a result that is "manifestly incompatible with the intent thereof"? There are no provisions for apportioning the direct taxes levied by the IRC, and the Constitution still requires that direct taxes be apportioned. This fact is dramatically reinforced by the 17,000 State-certified documents which have been assembled by Red Beckman and Bill Benson to prove that the so-called 16th Amendment was never ratified. It cannot have been the intent of the IRC to violate the Constitution. Just how do we resolve this apparent conflict? You already know the answer: the territorial scope of the IRC is the federal zone; the political scope of the IRC is the set of persons who are "citizens" of that zone (whether those persons are natural born, naturalized, or "artificially born" per the 14th Amendment).

We could spend even more time reviewing the numerous decisions of the Supreme Court which have adopted either expansive or restrictive definitions of "include" and its many variations in order to arrive at those decisions. I am now convinced that this is a waste of time, because it doesn't settle the debate; it only aggravates the debate. If I leave you with any one single point, I want to stress that the IRC utilizes words that have a long, documented history of semantic confusion. "Include" and its many variations are among those words:

> This word has received considerable discussion in opinions of the courts. **It has been productive of much controversy**.
>
> [Treasury Decision 3980, Vol. 29]
> [January-December, 1927, page 64]
> [emphasis added]

Accordingly, I am delighted if you agree with the main thesis of The Federal Zone, that is, the principle of territorial heterogeneity. But I am also delighted if you disagree with this thesis, because in doing so, your disagreement constitutes undeniable proof of a parallel thesis of The Federal Zone, namely, that the IRC is null and void for vagueness. The "void for vagueness" doctrine is deeply rooted in our right to due process (under the Fifth Amendment) and our right to know the nature and cause of an accusation (under the Sixth Amendment). The latter right goes far beyond the contents of any criminal indictment.

The right to know the nature and cause of an accusation starts with the statute which any defendant is accused of violating. A statute must be sufficiently specific and unambiguous in all its terms, in order to define and give adequate notice of the kind of conduct which it forbids. If it fails to indicate with reasonable certainty just what conduct the legislature prohibits, a statute is necessarily void for uncertainty, or "void for vagueness" as it is usually phrased. Any prosecution which is based upon a vague statute must fail together with the statute itself. A vague criminal statute is unconstitutional for violating the 6th Amendment.

For your information, I have enclosed some additional materials which supplement the arguments I have made in this letter.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

copies: Chris Wilder
Michael Thomas
Red Beckman

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

July 24, 1991

Church of Scientology International
c/o general delivery
Los Angeles, California state
Postal Zone 90028/tdc

Dear Church of Scientology:

Please accept my sincerest praise for the courage and dedication you have shown by publishing a full-page advertisement in the July 3, 1991 issue of USA Today. Your ad, "We Believe A Fair Tax Is Worth Fighting For", was very professional, very informative, and very convincing.

I am writing to take issue with the contents of paragraph three of that ad, which reads:

> This door opened a crack in 1913 with the passage of the 16th Amendment to the Constitution, which allowed an income tax to be instituted. This door has since swung wide and Americans again are subjected to an unfair tax system.

Attached please find a copy of my letter dated March 1, 1991 to Mr. David Miscavige, author of the article "Freeing the U.S. From the IRS" which appeared in Freedom magazine, May 31, 1990. In my letter to Mr. Miscavige, I did my best to explain briefly how **the 16th Amendment was never ratified**; it was merely "declared" ratified by Secretary of State Philander C. Knox in the year 1913, in the face of serious evidence impugning the entire ratification process.

Moreover, Congress never "passed" the 16th Amendment, because Congress has never been empowered to amend the Constitution. Congress merely passed "resolutions" proposing that the State legislatures ratify the text of a proposed amendment. Since three-fourths of the States failed to ratify the text of the proposed amendment, the proposal never became a law. Therefore, as law-abiding Americans, we must act as if "the bill never became a law and was as completely a nullity as if it had been the act or declaration of an unauthorized assemblage of individuals," to quote an Illinois State court.

This issue is not a minor legal technicality. It is misleading to publish a statement that "the 16th Amendment was passed in 1913," without also referring to documented historical facts which prove that the proposed amendment was simply not ratified. This issue is a major constitutional question. If any attempt to amend the Constitution fails to obey the rules for amending that document, which rules are found in the Constitution itself, then the text of that attempt cannot in any way be considered a part of the Constitution and must be considered null and void.

The United States Constitution is the supreme law of the land, and any statute, to be valid, must be in agreement with it, and therefore with all

relevant provisions for amending it. It is impossible for both the Constitution and a law violating it to be valid; one must prevail. That "one" is the Constitution. This is succinctly stated as follows:

> The general rule is that an unconstitutional statute, though having the form and name of law, is in reality no law, but is wholly void and ineffective for any purpose; since unconstitutionality dates from the time of its enactment, and not merely from the date of the decision so branding it. **An unconstitutional law, in legal contemplation, is as inoperative as if it had never been passed. Such a statute leaves the question that it purports to settle just as it would be[,] had the statute not been enacted.**
>
> Since an unconstitutional law is void, the general principles follow that it imposes no duties, confers no rights, creates no office, bestows no power or authority on anyone, affords no protection, and justifies no acts performed under it ....
>
> A void act cannot be legally consistent with a valid one. An unconstitutional law cannot operate to supersede any existing valid law. Indeed, insofar as a statute runs counter to the fundamental law of the land, it is superseded thereby.
>
> No one is bound to obey an unconstitutional law, and no courts are bound to enforce it.
>
> [Sixteenth American Jurisprudence]
> [Second Edition, Section 177]
> [emphasis added]

I invite you also to review the enclosed letter to the Save-A-Patriot Fellowship, in which I stress the legal importance of being historically correct about the so-called "16th Amendment". The preponderance of historical evidence proves that the proposal to amend the Constitution failed to obtain the approval of 36 States, and as such never achieved the status of a ratified Amendment and never became an Article of that Constitution. It is not now a law, and never was a law, not in this country, not in all of recorded history, not on this planet.

Thank you for your consideration.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

March 1, 1991

Mr. David Miscavige, Chairman
Religious Technology Center
Freedom Magazine
c/o general delivery
Los Angeles, California state
Postal Zone 90028-6329/tdc

Dear Mr. Miscavige:

I enjoyed reading your article entitled "Freeing the U.S. From the IRS" which appeared in the May 31, 1990 issue of Freedom magazine.

The article cites numerous excellent reasons for abolishing federal income taxes. I agree with every one of your conclusions. I cannot, however, agree with all of your "facts". Specifically, in your first paragraph, you write,

> Since 1913, when an income tax was made possible by the passage of the 16th Amendment, Americans have faced a filing deadline 78 times. When the constitutional amendment was passed, voters were promised this new tax would be fairly administered.

I cannot agree with this statement, because the evidence which is available to me indicates that **the 16th Amendment was never lawfully ratified**. It was merely "declared" ratified by the U.S. Secretary of State in 1913, Philander Knox, in the face of serious evidence impugning the entire ratification process.

Enclosed please find a detailed summary of the evidence against the 16th Amendment, and a brief analysis of the legal and economic implications of acting on these facts. That is, as law-abiding Americans, we must act as if "the bill never became a law and was as completely a nullity as if it had been the act or declaration of an unauthorized assemblage of individuals", to quote an Illinois State court.

I would enjoy hearing from you on this important question.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

April 10, 1991

Dr. Lois Callahan, President
College of San Mateo
c/o general delivery
San Mateo, California state
Postal Zone 94402/tdc

Dear Dr. Callahan:

I am writing to file a formal complaint against the offices of television station KCSM, which are located in Building 9 on your campus.

Last evening, I personally witnessed an act of political censorship by the staff of station KCSM. My colleague, Mr. Godfrey Lehman, had previously received a written invitation to appear on the KCSM program "Legal Currents" at 7:30 p.m. The scheduled topic was "Income Tax Filing: What are your rights? Where will the money go?" In addition to a cover letter, the invitation included two maps with directions to KCSM offices, a temporary parking permit, and wardrobe guidelines. I personally drove Mr. Lehman and accompanied him to this scheduled event.

After our arrival, the second scheduled guest arrived, Mr. Larry Wright, Public Affairs Officer with the Internal Revenue Service in San Francisco. Upon learning of KCSM's plans to air the two guests together, Mr. Wright objected to the presence of Mr. Lehman on the same program. He cited what he termed a long-standing policy of the IRS to avoid all confrontations over the tax law outside the court room. A KCSM staff member was also present to hear Mr. Wright's objections. This staff member tried in vain to persuade the IRS agent to modify his position.

At this point, the KCSM staff member left the room in order to obtain a decision from her management. She returned some minutes later to inform all of us that Mr. Wright would be allowed to appear on the program, but that Mr. Lehman would **not** be allowed to appear on the program. At this point, Godfrey Lehman and I obtained permission to view the "Legal Currents" program on a television monitor which was already installed in the office where we had been meeting. The aired program offered no explanation for Mr. Lehman's absence, offered no apology for the abrupt change of scheduled programming, and made no reference whatsoever to Mr. Godfrey Lehman, despite the fact he had already informed numerous colleagues of his scheduled appearance.

Now that I have summarized the relevant facts of this event, I wish to express my outrage at such a blatant act of political censorship by the management of television station KCSM. When a private Citizen is flatly denied access to public broadcast media, while government agents are allowed to prevail, do we not thereby undermine the very foundations of our constitutional republic? Have we not emphatically and dramatically denied that Citizen his right to freedom of speech, a right which is explicitly guaranteed by the First Amendment to the Constitution of the United States? Even if the station can be persuaded at some future date to abide by some

"equal time doctrine", how can we begin to assess the real damage to that Citizen's precious civil rights? When government distortion and intimidation are sponsored without challenge, are we not paving a sure path away from educated electorates, in the direction of police state tactics and totalitarian control?

I am *asking* these questions because I require *answers* to these questions. Is it, or is it not the policy of the administration of the College of San Mateo to encourage this brand of media censorship? on the campus of a public educational institution? in the offices of a publicly licensed broadcast station? Are you now aware that government "public relations" agents have been allowed to prevail over the written invitation to a private Citizen, a published author and a recognized constitutional authority on the federal tax law?

I would greatly appreciate your immediate attention to this important matter. If I can assist you in any way to investigate this incident, please don't hesitate to contact me.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copy: Board of Trustees,
San Mateo County Community College District

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

March 18, 1991

Mr. Peter Gabel, President
New College of California
c/o general delivery
San Francisco, California state
Postal Zone 94102/tdc

Dear Mr. Gabel:

I was shocked to read the recent San Francisco Chronicle article about the threatened IRS seizure of one of your classroom buildings. With this letter, I hope to make you fully aware of the powerful forces which can be made available to defend your college against this unjust and illegal attack. Permit me to get right to the major points:

Our research into the U.S. Constitution, Congressional taxing powers, and the Internal Revenue Service has uncovered a mountain of material evidence which supports the following conclusions:

1. Wages are not taxable income, as the term is clearly and consistently defined by several key decisions of the U.S. Supreme Court that remain in force today.

2. The U.S. Constitution authorizes Congress to levy "direct taxes" on private property, but only if those taxes are apportioned across the 50 States.

3. The IRS now enforces the collection of "income taxes" as direct taxes without apportionment, and cites the 16th Amendment for its authority to do so.

4. The 16th Amendment, the so-called "income tax" amendment, was never lawfully ratified by the required 36 States, but was declared ratified by the U.S. Secretary of State in the year 1913.

5. The 16th Amendment could never have done away with the apportionment rule for any direct taxes if it never became a law in the first place.

The documentary substantiation for these conclusions is found in the attached formal petition, dated December 24, 1990, to Congresswoman Barbara Boxer, my Representative in the Congress of the United States. Rep. Boxer has, to date, failed to respond to this formal petition. For this reason, we have recently filed a formal Request for Investigation by the Marin County Grand Jury, a copy of which is attached for your review. We have requested the Marin County Grand Jury:

1. to investigate possible obstruction of justice and misprision of felony by Rep. Barbara Boxer for her failure, against a spoken promise before hundreds of witnesses at Pt. Reyes Station on August 22, 1990, to examine the material evidence of felony fraud when U.S. Secretary of State Philander C. Knox declared the 16th Amendment ratified,

2. to subpoena or otherwise require Representative Boxer to explain, under oath, why she and her staff have failed to answer our formal, written petition for redress of this major legal grievance with agents of the federal government,

3. to review the material evidence against the so-called 16th Amendment which we have assembled and are prepared to submit in expert testimony, under oath, to the Marin County Grand Jury.

Mr. Gabel, we have developed a network of constitutional and legal experts whose resources can be made available to assist you on very short notice. As you can infer for yourself from the attached materials, we see the IRS attack on your college as an illegal and unconstitutional act by an agency of the Federal Reserve System. This attack is designed to harass and intimidate an educational institution dedicated to the goals of social responsibility and progressive change. These goals are inimical to the purposes for which the IRS was established. You must fully appreciate that the Internal Revenue Service is not a service to the American people. It is not a service to the U.S. Government. It is a service to the Federal Reserve System, which is not an agency of the federal government.

After you have had a chance to review this letter and its attachments, may I recommend that we meet privately to discuss your situation and to consider the several ways in which we can bring our collective expertise to bear upon it. For example, I am ready on short notice to present the results of our research in a guest lecture to your law students and faculty, at no charge to the College. Similarly, I am prepared to share with you the material evidence against the 16th Amendment which I currently hold in my possession. I should think that a fight for the very survival of your college would provide an excellent motivation for one exciting moot courtroom drama for all faculty members, students, and staff.

Please feel free to call me at your earliest convenience. If I have not heard from you by this coming Friday, I will contact your office by telephone to discuss this letter and hopefully arrange a meeting. Thank you very much for your consideration, and good luck!

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

attachments

copies: selected colleagues

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

March 25, 1991

Marion McEwen
FIJA California
c/o general delivery
Hayward, California state
Postal Zone 94541/tdc

Dear Marion:

I obtained your name and address from the Special Conference Issue of The FIJA Activist. I am writing you to request any advice or assistance you may be able to provide to me in a matter of utmost importance to the general welfare of all American Citizens.

In the summer of 1990, I personally received material evidence that the 16th Amendment, the so-called income tax amendment, was never lawfully ratified. This evidence indicates that the act of declaring the 16th Amendment "ratified" was an act of outright fraud by then Secretary of State Philander C. Knox. In August of 1990, I brought this evidence to the attention of Congresswoman Barbara Boxer, my representative in the Congress of the United States. In front of several hundred witnesses at a community meeting sponsored by Rep. Boxer, she did agree to examine the evidence to which I refer. During the next several months, I heard nothing from Rep. Boxer's office on this matter.

In December of 1990, I personally prepared a formal, written petition to Rep. Barbara Boxer, reminding her of her promise to examine the material evidence against the 16th Amendment, and reminding her also of her solemn oath of office, by which she swore to uphold and defend the Constitution of the United States. A copy of this formal, written petition is enclosed, for your review. To date, I have received no responses from Rep. Boxer nor from any of her staff on this matter.

Accordingly, on March 11, 1991, I filed a formal Request for Investigation by the Marin County Grand Jury. As stated in the summary section of our completed form, we requested the Grand Jury to do the following:

1. investigate possible obstruction of justice and misprision of felony by Rep. Barbara Boxer for her failure, against a spoken promise before hundreds of witnesses, to examine the material evidence of felony fraud when U.S. Secretary of State Philander C. Knox declared the 16th Amendment ratified,

2. to subpoena or otherwise require Rep. Boxer to explain, under oath, why she and her staff have failed to answer our formal, written petition for redress of this major legal grievance with agents of the federal government,

3. to review the material evidence against the so-called 16th Amendment which we have assembled and are prepared to submit in expert testimony, under oath, to the Marin County Grand Jury.

In a written response dated March 13, 1991, the Marin County Grand Jury declined to proceed with an investigation. Their reasons were stated as follows:

> In the panel's opinion that subject matter was not within its jurisdiction. We serve in a watchdog manner over local public departments and agencies. As a result of Proposition 115 this Grand Jury is apparently relegated to civil matters, whereas indictment and accusation cases are to be handled by a special criminal Grand Jury.

These reasons were cited, despite a recent newspaper article which described the Grand Jury as follows:

> The Grand Jury operates under the auspices of the Superior Court and has the authority to investigate the personnel and operations of any county, city or local government agency as well as the conduct of **any elected, appointed or hired official**.
>
> [Coastal Post, March 4, 1991, p. 3, emphasis added]

I do understand from your newsletter that there is a parallel FIGJA (grand jury) organization. Because I intend to write to them directly, I would appreciate it very much if you could do more than merely refer this letter to them. For example, I would be very interested to know if there is any way I can successfully persuade the Marin County Grand Jury to reconsider their decision to decline the investigation which I have requested.

Please understand that I have no personal vendetta against Rep. Boxer, nor do I wish to create an embarrassing situation for her. I agree with her positions on a number of important public policy issues, and wish her the best of luck in her bid for a seat in the Senate of the United States. Nevertheless, she is my elected Representative in the Congress of the United States, and the First Amendment to the U.S. Constitution does guarantee my right to petition the Government for a redress of grievances.

If Rep. Boxer has anyone to fear, it is Rep. Boxer herself. If she or her staff have, in fact, chosen to ignore this matter, then she is failing to do the job she was elected to do, and she may in fact be guilty of obstructing justice and misprision of felony (see attached).

For your information, I am also planning to write to Supervisor Gary Giacomini of the Marin County Board of Supervisors. In the March 11, 1991 issue of the Coastal Post, Supervisor Giacomini was quoted to say:

> "It's a bad time for us that are in government with no money coming from Washington or the State. **Nineteen years ago when I got started, the federal government paid 34 percent of the county budget. Now they pay 7 percent**. There are dues to pay for the deficit in Washington and dues to pay for war," he explained.
>
> [emphasis added]

To many, there is little if any connection between federal income taxes and the current fiscal squeeze on state and local governments, or the poor state of the national economy in general. On the contrary, the research I have done during the past 9 months now convinces me that the connection is direct. Federal income taxes are used to make interest payments to the Federal Reserve banks, and their collection agency is the Internal Revenue Service. The IRS is not a service to the people of the United States. It is not a service to the government of the United States. It is a service to the Federal Reserve System, a private credit monopoly described as "**one of the most corrupt institutions the world has ever known**" by Congressman Louis T. McFadden, Chairman of the U.S. Banking and Currency Commission for some 22 years. Witness McFadden's statement published in the Congressional Record of June 10, 1932:

> Mr. Chairman, we have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal Reserve banks. The Federal Reserve Board, a Government board, has cheated the Government of the United States and the people of the United States out of enough money to pay the national debt. The depredations and iniquities of the Federal Reserve Board and the Federal Reserve banks acting together have cost this country enough money to pay the national debt several times over. This evil institution has impoverished and ruined the people of the United States; has bankrupted itself, and has practically bankrupted our Government. It has done this through the defects of the law under which it operates, through the maladministration of that law by the Federal Reserve Board, and through the corrupt practices of the moneyed vultures who control it.
>
> Some people think the Federal Reserve banks are United States Government institutions. They are not Government institutions. They are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers; foreign and domestic speculators and swindlers; and rich and predatory money lenders. In that dark crew of financial pirates there are those who would cut a man's throat to get a dollar out of his pocket; there are those who send money into States to buy votes to control our legislation; and there are those who maintain an international propaganda for the purpose of deceiving us and of wheedling us into the granting of new concessions which will permit them to cover up their past misdeeds and set again in motion their gigantic train of crime.

The manipulations of the Federal Reserve System and their effects on the entire American economy have been shrouded in considerable secrecy for too many years now. This secrecy has been a conscious and deliberate feature of its corrupting influence on officials in all branches of the federal government. To illustrate my point, I have now personally witnessed documents which prove that a federal grand jury in Orem, Utah issued two formal indictments against the Federal Reserve System, but those indictments were subsequently obstructed by the Department of Justice and by the Federal judiciary. These documents show that the first indictment was issued on or about February 16, 1982. The second indictment was issued on or about July 7, 1982. This documentation can be made available to you upon request.

I sincerely hope that this letter has provided you with a glimpse of just how serious and widespread a problem the so-called 16th Amendment has created for millions of Americans, a problem that now extends through two whole generations of our brief history as a nation. As I myself have come to appreciate the true essence of this problem, I have also come to the conclusion that the millions of hard-working Americans burdened by this scourge now deserve an honest explanation. This explanation can only be forthcoming if we, the people, exercise our unalienable right to correct a government which has now drifted so far off course, it hardly resembles the constitutional republic it was designed to be.

I do honestly believe that, whenever any form of government becomes destructive of our rights, it is also our right to alter or abolish it, and to institute a new government, laying its foundation on such principles, and organizing its powers in such form, as to us, the U.S., shall seem most likely to effect our safety and our happiness.

To this end, I dedicate my life, my fortune, and my sacred honor. Won't you please join me?

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copy: Lowell A. Airola, Foreperson
Grand Jury of Marin County

Gary Giacomini, Member
Marin County Board of Supervisors

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

April 29, 1991

Dianne Bast
Heartland Institute
c/o general delivery
Chicago, Illinois
Postal Zone 60605/tdc

Dear Dianne:

At the request of my colleague, Kirby Ferris, enclosed please find a collection of papers and letters which summarize our continuing research and political action with respect to the 16th Amendment and related subjects.

It has been difficult obtaining reliable information on the Federal Reserve System, because this syndicate has been shrouded in almost total secrecy since its creation. Even though I take exception to the religious prejudice he sometimes exhibits, author Eustace Mullins does appear to have the inside track on the origins and development of this syndicate. In particular, the enclosed quote from A Writ for Martyrs is the most succinct statement of "The Problem" that I have been able to find anywhere.

Interestingly, the enclosed quote by Eustace Mullins is entirely consistent with statements by Beardsley Ruml in the January 1946 issue of American Affairs magazine. Mr. Ruml, Chairman of the Federal Reserve Bank of New York at that time, was the person who devised the income tax withholding system. In this article, he wrote,

> By all odds, the most important single purpose to be served by the imposition of federal taxes is the maintenance of a dollar which has stable purchasing power over the years.

In other words, federal income taxation is the counterbalance to the flood of paper money which pours into the economy as the Fed creates it "out of thin air". Without this counterbalance, inflation would skyrocket. "... [W]ithout the use of federal taxation **all other means of stabilization**, such as monetary policy and price controls and subsidies, **are unavailing**," concluded Ruml [emphasis added].

What does all this mean? It means that income taxes have nothing to do with the funding of government services. The report of the Grace Commission confirmed the same finding. All individual income tax revenues go to pay for interest on the national debt, which debt is owed to a private credit monopoly once described by Congressman Louis T. McFadden as "one of the most corrupt institutions the world has ever known".

Therefore, as you study the many problems that exist with the so-called "ratification" of the 16th Amendment, try to realize the true motives which underpin the chicanery that occurred in that ratification process. For example, the Governor of the State of Arkansas vetoed the resolution to amend the Constitution. The Kentucky Senate Journal recorded a vote of 9 FOR and

22 AGAINST the resolution. An Illinois State court ruled that "it never became a law, and was as much a nullity as if it had been the act or declaration of an unauthorized assemblage of individuals." Nevertheless, the U.S. Secretary of State in the year 1913, Philander C. Knox, "declared" it ratified anyway. It is no coincidence that this act by Secretary Knox occurred in the same year the Federal Reserve Act was passed by Congress.

For your information, I have also enclosed a copy of a recent bibliography which we have assembled on the subjects of income taxes, the 16th Amendment, and the Federal Reserve System. These references are an excellent place to continue your education. If there is anything else we can do for you, please don't hesitate to contact us.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copy: Kirby Ferris

enclosures: bibliography
assembled papers

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc
May 29, 1991

Producers
60 Minutes
c/o general delivery
New York, New York
Postal Zone 10019/tdc

Dear Producers:

I am writing this letter at the request of my colleague, Mr. Godfrey Lehman. In his letter to you dated May 21, 1991, Godfrey has already written an excellent summary identifying the major problems which his research has discovered with federal income taxes and the Internal Revenue Service.

Do you have any interest in developing a special segment to discuss the mass of new evidence which now seriously impugns the ratification of the 16th Amendment, the so-called income tax amendment?

The material evidence in our possession proves that the 16th Amendment was never lawfully ratified. This evidence indicates that the act of declaring it "ratified" was an act of outright fraud by Secretary of State Philander C. Knox in the year 1913. You may already know that fraud has no statute of limitations.

To date, I have already filed four formal petitions for redress of this major grievance with the Congress of the United States. Three were addressed to Barbara Boxer, the Representative for the Congressional district in which I reside. The fourth petition was addressed to Rep. Dan Rostenkowski, Chairman of the House Committee on Ways and Means. Copies of these petitions are enclosed, for your review, in addition to a collection of letters and other materials.

To many, there is little if any connection between federal income taxes and the current fiscal squeeze on state and local governments, or the disintegration of the national economy in general. On the contrary, the research I have done during the past year now convinces me that the connection is direct.

Federal income taxes are used to make interest payments to the Federal Reserve banks, and their collection agency is the Internal Revenue Service. The IRS is not a service to the people of the United States. It is not a service to the government of the United States. It is a service to the Federal Reserve System, a private credit monopoly described as "one of the most corrupt institutions the world has ever known" by Louis T. McFadden, Chairman of the House Banking and Currency Committee, 1927-1933.

The manipulations of the Federal Reserve System and their effects on the entire American economy have been shrouded in considerable secrecy for too many years now. This secrecy has been a conscious and deliberate feature of its corrupting influence on officials in all branches of the federal government.

This secrecy has also made it very difficult to obtain reliable information about the Federal Reserve. Even though I take exception to the religious prejudice he sometimes exhibits, author Eustace Mullins does appear to have the inside track on the origins and development of this syndicate. In particular, the enclosed excerpt from A Writ for Martyrs is the most succinct statement of "The Problem" that I have been able to find anywhere. In his recent book The Shadows of Power, author James Perloff puts it this way:

> The year 1913 was an ominous one -- there now existed the means to loan the government colossal sums (the Federal Reserve), and the means to exact repayment (income tax). All that was needed now was a good reason for Washington to borrow. In 1914, World War I erupted on the European continent. America eventually participated, and as a result her national debt soared from $1 billion to $25 billion.

I sincerely hope that this letter has provided you with a glimpse of just how serious and widespread a problem the so-called 16th Amendment has created for millions of Americans, a problem that now extends through two whole generations of our brief history as a nation. As I myself have come to appreciate the true essence of this problem, I have also come to the conclusion that the millions of hard-working Americans burdened by this scourge now deserve an honest explanation. This explanation can only be forthcoming if we, the people, exercise our unalienable right to correct a government which has now drifted so far off course, it hardly resembles the constitutional republic it was designed to be.

Please feel free to contact me at any time concerning this proposal for "60 Minutes" coverage of the 16th Amendment fraud. Thank you very much for your consideration.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

May 29, 1991

Mr. Dennis Bernstein
Radio Station KPFA
c/o general delivery
Berkeley, California state

Dear Mr. Bernstein:

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Please feel to contact me at any time concerning this proposal for KPFA coverage of the 16th Amendment fraud. Thank you very much for your consideration.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

enclosures

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

July 21, 1991

Ken Ellis
Maintenance Engineer
KPFA-FM 94.1
c/o general delivery
Berkeley, California state
Postal Zone 94704/tdc

Dear Ken:

I enjoyed our brief conversation after the last meeting of the Free Enterprise Society in Berkeley. Enclosed is a copy of my letter of May 29, 1991 to Dennis Bernstein.

For your information, Lewis v. United States, 680 F.2d 1239, June 24, 1982 is the Ninth Circuit Court decision which proves that the Federal Reserve is a private corporation.

Two full pages are dedicated to the details of this ruling in Alan Stang's excellent book entitled Tax Scam, published by Mount Sinai Press, P. O. Box 1220, Alta Loma, California 91701, telephone (714) 980-3165. Stang's mailing address is 4770 West Bellfort, #269, Houston, Texas 77035. Quoting Stang from page 232:

> Mr. Lewis was hit by a truck owned by the Federal Reserve Bank of San Francisco, so he sued. The trouble was that he sued the U.S. government under the Federal Tort Claims Act, in the belief that the bank is a government agency. The Court ruled against Mr. Lewis, explaining that he had mistakenly named the wrong defendant, that the government had nothing to do with it -- and that Mr. Lewis should have sued the Bank, which is a private corporation.

You know, if I wished to subvert the monetary system of any country, I would arrange a secret meeting of finance moguls, require all participants to use first names only, shield the meeting from the scrutiny of press and public, draft legislation which was too long for experts to understand without lengthy study, and ram it thru Congress two days before Christmas, after donating first class travel fare to all my opponents, glossing over dozens of major differences between the House and Senate versions, and scheduling a vote at 1:30 in the morning, after all my opponents were scattered to the four winds.

Those who prefer to regard the events at Jekyll Island as an unsubstantiated conspiracy appear, to me, very similar to those who even now retain their belief that Lee Harvey Oswald was the lone assassin of President Kennedy. If there were no conspiracy, then why all the evidence indicating that there was? One can argue that some author doesn't have his facts straight because that same author harbors a prejudice or two, but to argue this way in the face of incriminating facts really begs the question that is raised by the facts themselves. The secrecy alone is something which I

personally find abhorrent to our principles of due process, representative government, and freedom of the press. If anyone can produce a credible challenge to the facts we allege, then let's hear from them. Until then, the facts as we know them speak for themselves. All by itself, the fraud surrounding the 16th Amendment is substantiated by 17,000 State-certified documents.

Isn't this mass of evidence enough to justify maybe even a brief mention on a publicly funded radio station?

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

copy: Dennis Bernstein
interested colleagues

c/o general delivery
San Rafael, California
Postal Zone 94901/tdc

August 23, 1990

Editor
Point Reyes Light
c/o general delivery
Pt. Reyes Station, California state
Postal Zone 94956/tdc

Dear Editor:

On the evening of August 22, 1990, in Point Reyes Station, Congresswoman Barbara Boxer publicly consented to inspect personally the evidence against the 16th Amendment to the U.S. Constitution (1913 Income Tax). This evidence shows that the 16th Amendment was fraudulently ratified. We applaud her courage and her willingness to pursue the truth in this matter.

Six States are on official federal record as opposing the 16th Amendment. If we can prove to Representative Boxer that seven additional States were so immersed in fraudulent procedures as to nullify their ratification proceedings, we will have produced a total of thirteen votes against the 16th Amendment. Such proof will effectively nullify the Income Tax in the United States of America, since 36 of 48 States were required to ratify a constitutional amendment in 1913.

Needless to say, this is a mind-boggling assertion, but fraud has no statute of limitations. We do not ask our neighbors to take our claims lightly. We do want the opportunity to prove our case to the American people. Therefore, we will publish the document numbers that are pertinent in the "dirty seven" States that we have identified. Each and every one of you will be able to request your own certified copies of these documents from the State houses of those seven States.

Remember that an income tax is absolutely unnecessary to finance the U.S. government. From 1787 until 1942 (when the income tax had reached a nominal 2 percent on corporations only) our nation demonstrated unprecedented prosperity. Ironically, the national debt has increased as income taxes have increased. Before long, the interest on the national debt will exceed the total income tax revenues collected by the federal government. It doesn't take a genius to figure out what that means.

Not one penny of your Form 1040 check goes anywhere except into the vaults of the private banks of the Federal Reserve System (see report of the Grace Commission). Every penny of income tax is diverted to pay interest to bankers on the money they authorize the U.S. Treasury to print (*i.e.*, create out of thin air) as Federal Reserve Notes, and then LOAN to us! We advise all American Citizens to pay very close attention as this story unfolds. Imagine being able to raise your own personal credit limit simply by raising your hand. The U.S. Congress does it all the time when it passes laws to raise the federal debt limit.

Again, our thanks to Congresswoman Barbara Boxer for her willingness to keep an open mind and to seek the truth in this matter.

Sincerely yours,

/s/ Paul Andrew Mitchell, Founder

Account for Better Citizenship

Reader’s Notes: