The Federal ZONE

The Federal Zone:

Cracking the Code of Internal Revenue

by Mitch Modeleski (fourth edition: electronic version)

Note: Mr. Modeleski analyzes the Title 26 IRS tax code (among others) to elucidate the subtleties of our complex Republic and it's modern distortions. This is not simple "tax protest," this book is about **much** more than taxes. Also, there are certain notations used throughout the text which are **absolutely essential** to understanding the concepts presented. dimitri

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Disclaimer

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(see Appendix F)

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Dedications

If Frank Brushaber was a Nonresident Alien, then so am I, and so are millions of other Americans who will know the truth if we teach them.

> We have in our political system a Government of the United States** and a government of each of the several States.
>
> Each one of these governments is distinct from the others, and each has citizens of its own .... Slaughter-House Cases
> **[United States vs Cruikshank, 92 U.S. 542 (1875)]**
>
> It is quite clear, then, that there is a citizenship of the United States** and a citizenship of a State, which are distinct from each other and which depend upon different characteristics or circumstances in the individual.
> **[Slaughter House Cases, 83 U.S. 36 (1873)]**

Mitch Modeleski, Founder
Account for Better Citizenship
San Rafael, California Republic
July 4, 1993

Notations

The Supreme Court has officially defined the key term 'United States' to have three separate and distinct meanings:

1. It may be the name of a sovereign occupying the position of other sovereigns in the family of nations.
2. It may designate the limited territory over which the sovereignty of the federal government extends.
3. It may be the collective name for the fifty States which are united by and under the Constitution.

Understanding these several meanings is absolutely crucial to understanding the remainder of this book. Much confusion will result from failing to recognize (or decipher) the meaning that is used in any given context. In order to reinforce their importance, these three meanings will be identified by using the following convention whenever possible:

(1) United States* or U.S.* (first meaning)

The name of the sovereign nation, occupying the position of other sovereigns in the family of nations.

(2) United States** or U.S.** (second meaning)

The federal government and the limited territory over which it exercises exclusive sovereign authority.

(3) United States*** or U.S.*** (third meaning)

The collective name for the States united by and under the Constitution for the United States of America.

At the risk of being criticized for violating formal English style, quotations have also been modified with this notation. The risk of misunderstanding was judged to be far more serious than any violations of conventional

style. It is the Author's sincere intent that the addition of asterisks will be obvious in all cases, even if the meaning of 'United States' is not obvious in any particular case.

Exceptions to this convention will be made for book titles, for United States Codes (abbreviated USC or U.S.C.), for the United States (or U.S.) Constitution, and for the United States (or U.S.) Supreme Court.

Other notations should be obvious from their context, but will be repeated here for extra clarity:

IR means Internal Revenue (e.g., IR Manual refers to the IRS Internal Revenue Manual)

IRC means Internal Revenue Code (also known as Title 26)

IRS means Internal Revenue Service in the Department of the Treasury

USC means United States Code (e.g., 26 USC 7701 refers to Title 26, United States Codes, Section 7701)

CFR means Code of Federal Regulations (e.g., 26 CFR 1.871-1 are the regulations for Section 871 of Title 26)

T.D. means Treasury Decision, a written decision published in the Federal Register by the Treasury Department.

U.S. means United States decision when used to cite a ruling of the Supreme Court (e.g., 324 U.S. 652 refers to volume 324, page 652 of Supreme Court decisions)

> If a nation expects to be ignorant and free,
> it expects something it cannot be.
>
> Thomas Jefferson

> Help us to abolish the
> specter of modern slavery
> which now threatens to destroy
> the essential rights and freedoms
> which made this a great nation
> and the envy of others
> around the world.
>
> Help us to restore a government
> which has drifted so far off course
> it hardly resembles
> the constitutional republic
> it was designed to be.
>
> from Cover Page
> Notice to 50 Governors
> Account for Better Citizenship

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Introduction

In the late Spring of the year 1990, our small beach town in Northern California was visited by a minor political controversy. A local writer for the weekly newspaper, a man named Kirby Ferris, had a number of neighbors buzzing about his recent sequence of articles challenging the 16th Amendment, the so-called 'income tax' amendment in the U.S. Constitution. It seems that Kirby had come across some huge collection of documents which allegedly proved that the 16th Amendment was never ratified. Instead of obtaining the required approval of 36 State legislatures, the proposed amendment was simply 'declared' ratified on February 25, 1913 by Philander C. Knox, a man who purported to be Secretary of State. Kirby Ferris had, evidently, visited one of the men responsible for assembling this collection of 17,000 State-certified documents and returned entirely convinced that the so-called 16th Amendment was a complete and total fraud. The man he visited was Martin J. 'Red' Beckman, a Montana rancher whose name now appears as co-author with Bill Benson on the cover of The Law That Never Was, a book that has already become a classic in American historical literature.

Up to that point in time, I had not been much of a Ferris fan. Too often for me, his style bordered on being too inflammatory and lacking necessary details. After all, Kirby had spent his youth surfing waves, drinking beer, and chasing bikinis. When this little controversy erupted, I made no secret of my bachelor's degree in Political Science from UCLA, and my master's degree from the University of California at Irvine in Public Administration. Trotting out these credentials, of course, was invariably my preface to answering the several questions which friends and neighbors put to me about Kirby's allegations, as if to underscore my obvious qualifications to repudiate Kirby's claims. 'If there's a problem, Congress will just fix it,' I must have said more times than I care to admit.

One day at breakfast in the Parkside Cafe, a favorite hang- out for all the 'locals', the same conversation began again, this time with a Vietnam War veteran by the name of Mike Taylor. Mike is an intense man, with fierce convictions, a booming voice, a few lingering effects of combat shell shock, and a habit of getting right to the point. 'What do you think of Kirby's columns on income tax?' he queried. Again, as if to practice a polished art, I repeated the same old answer one more time, 'Congress will just fix it, if there really is a problem with the 16th Amendment.' The answer had worked in the past; there was no reason why it wouldn't work on Mike too. Wrong! Mike shot right back, 'OK. You're so smart. How is Congress going to fix it?' he retorted. 'They'll pass a law. How else do you think they would fix it?' I answered, somewhat surprised from pride to be challenged so directly. And then Mike lowered the boom, 'Are you telling me that Congress can amend the Constitution by passing a law? Is that what you're telling me?'

My jaw fell, as if to begin my next sentence, but no words came out of my mouth. I knew that he had me. Congress cannot amend the Constitution. Of course, Mike was right. In a feeble attempt to recover, I retreated by admitting that two-thirds of the States were required to amend the Constitution, and that Congress alone did not have the power to do so. Then Mike delivered the knockout punch, 'It takes three-fourths of the States to amend the Constitution, Mitch, not two-thirds.' I was had. All those years in school, all those high school civics classes, all those papers on political theory, and all those months of management science had left me woefully unprepared to spar with Mike when it came to the Supreme Law of our Land. The lesson was a good one, one that I will never forget for the rest of my days.

My embarrassed defeat was a terrific motivation. I went to work ordering books and reading everything I could get my hands on. A purchase order flew up to Red Beckman in Billings, Montana. Within a week I was devouring my own copy of The Law That Never Was. I had to repent for my errors, or so my religious training had led me to believe. The book was a turning point, in more ways than one. I knew enough about the rules of evidence to question every page. 'How could this problem have gone undetected for such a very long time?' I asked myself. Here were allegations which appeared to undermine a major source of revenue for the entire federal government of the United States. I needed more proof.

I wrote to Kirby and explained my situation. It had been many years since my college political activism. I was now a senior systems consultant for a major investment bank in San Francisco, with almost 20 years of computer experience under my belt. I was often seen blending in among the 'grey men' of the financial district, not too far from a regional Federal Reserve Bank. If I was going to take this problem very seriously and, in particular, if I was ever going to do anything about the 16th Amendment fraud, then I was going to need something more than a printed book from some Montana rancher I had never met. After all, with enough money, anybody can put ink to paper and put almost anything into circulation these days. I needed something more; I needed material evidence, as they call it in court rooms and in law schools -- material evidence, not hearsay, and certainly not unsubstantiated allegations that a massive fiscal fraud had been perpetrated on the American people for more than two generations.

Kirby rose to the occasion. 'Tell me what you need,' he said. I thought about it and invited him to come over for coffee. If there really were 17,000 documents, all officially certified by the Secretaries of State in the Capitol buildings of 48 of the United States***, there was no point in plowing through such a huge mound of paperwork. Paperwork was something which I put somewhere below a necessary evil. We put our heads together and came up with a plan. The feds have admitted in writing that 6 States did not ratify the 16th Amendment. Since three-fourths of the States were required to ratify it, the amendment could have passed with at most 12 States opposing it. If we could find only 7 additional States which obviously failed to ratify the amendment, that would make a total of 13 NAY's, and we would have defeated the 'income tax'. What a tantalizing thought! Before the night was over, we had our list of 'The Dirty Seven', as Kirby liked to call them.

Kirby Ferris went home to call Red Beckman. Two days later, Kirby left a short note on my front door: Red Beckman had agreed to photocopy all the relevant documents for The Dirty Seven States, and would ship them to us as soon as the copying was done. Within a week, two large cardboard boxes were sitting on my front porch when I returned home from work. There it was, the evidence I needed. It was incontrovertible: the 16th Amendment was never ratified. The act of declaring it ratified was an act of outright fraud by Secretary of State Philander C. Knox, a man who was sworn to obey the Constitution. This was an awesome discovery.

The events which have transpired since that moment have literally changed my life. I have filed formal petitions with two Representatives in the Congress of the United States. A detailed notice of fraud and deception has been served on all the governors of the 50 States. I have requested a Grand Jury investigation into the fraud committed by Secretary of State Philander C. Knox. I have studied and debated and learned everything I could about the laws and regulations which bear on this question. It has been an exhilarating and challenging experience. Almost all of the opposition has come from government personnel, mostly officials of the Internal Revenue Service. That opposition has been most instructive.

For those of you who may not know exactly how and where the U.S. Constitution is relevant to this subject matter, the text of the failed 16th Amendment follows:

> The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

[Constitution for the United States of America]
[text of so-called 16th Amendment]

From the beginning, the U.S. Constitution has empowered Congress to levy two different kinds of taxes: direct and indirect. These are powers which Congress has always had, with or without the so-called 16th Amendment. The power to levy indirect taxes is authorized by Article 1, Section 8, Clause 1, as follows:

> The Congress shall have Power To Lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide

> for the common Defense and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States; ....
>
> [Constitution for the United States of America]
> [Article 1, Section 8, Clause 1]

Federal excise taxes on the sale of gasoline and tires are examples of indirect taxes. The requirement that indirect taxes be uniform throughout the several States is known as the 'uniformity rule'. The power to levy direct taxes is authorized by two separate clauses of the Constitution, as follows:

> Representatives and Direct Taxes shall be apportioned among the several States which may be included within this Union, according to their respective Numbers ....
>
> [Constitution for the United States of America]
> [Article 1, Section 2, Clause 3]

> No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration hereinbefore directed to be taken.
>
> [Constitution for the United States of America]
> [Article 1, Section 9, Clause 4]

Thus, the requirement that direct taxes be apportioned was considered by the Framers to be so important, it is mentioned twice in the U.S. Constitution. This requirement is known as the 'apportionment rule', and its application is easy to understand. If California has 10 percent of the nation's population, then California's 'portion' would be 10 percent of any direct tax imposed by Congress. A 'capitation' is another word for a direct tax imposed on each 'head' or person (caput is Latin for 'head'). Federal taxes on personal property, or on the income of personal property, are examples of direct taxes. Appendix Q shows the State portions of a lawful direct tax that was levied by Congress in the year 1798.

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Chapter 1: The Brushaber Decision

Historically, defensive federal officials have argued that the 16th Amendment is constitutional because the Supreme Court of the United States has said so. In the year 1916, the high court issued a pivotal decision which is identified in the case law as Brushaber vs. Union Pacific Railroad Company, 240 U.S. 1. It is important to realize that the evidence impugning the ratification of the 16th Amendment was not published until the year 1985. This evidence was simply not available to plaintiff Frank R. Brushaber when he filed his first complaint on March 13, 1914 in the District Court of the United States for the Southern District of New York. His complaint challenged the constitutionality of the income tax statute which Congress had passed immediately after the 16th Amendment was declared ratified. Specifically, he challenged the constitutionality of the income tax as it applied to a corporation of which he was a shareholder, i.e., the Union Pacific Railroad Company. His challenge went all the way to the Supreme Court, and he lost.

Ever since then, attorneys, judges and other officials of the federal government have been quick to cite the Brushaber case, and others which followed, as undeniable proof that the 16th Amendment is constitutional. With its constitutionality settled by the Brushaber ruling, former Commissioner of Internal Revenue Donald C. Alexander felt free, almost 60 years later, to cite the 16th Amendment as the constitutional authority for the government to tax the income of individuals and corporations. Consider the following statement of his which was published in the official Federal Register of March 29, 1974, in the section entitled 'Department of the Treasury, Internal Revenue Service, Organization and Functions'. His statement reads in part:

> (2) Since 1862, the Internal Revenue Service has undergone a period of steady growth as the means for financing Government operations shifted from the levying of import duties to internal taxation. Its expansion received considerable impetus in 1913 with the ratification of the Sixteenth Amendment to the Constitution under which Congress received constitutional authority to levy taxes on the income of individuals and corporations.
>
> [Vol. 39, No. 62, page 11572]

What is not widely known about the Brushaber decision is the essence of the ruling. Contrary to widespread legal opinion which has persisted even until now, the Supreme Court ruled that taxation on income is an indirect tax, not a direct tax. The Supreme Court also ruled that the 16th Amendment did not change or repeal any part of the Constitution, nor did it authorize any direct tax without apportionment. To illustrate the persistence of wrong opinions, on a recent vacation to Montana, I had occasion to visit the federal building in the city of Missoula. On the wall outside the Federal District Court, Room 263, a printed copy of the U.S. Constitution is displayed in text which annotates the 16th Amendment with the following statement:

> This amendment modifies Paragraph 3, Section 2, of Article I and Paragraph 4, Section 9, of Article I.

In light of the Brushaber decision, this statement is plainly wrong and totally misleading. The text of the 16th Amendment contains absolutely no references to other sections of the Constitution (unlike the repeal of Prohibition). In his excellent book entitled The Best Kept Secret, author Otto Skinner reviews a number of common misunderstandings like this about the 16th Amendment, and provides ample support in subsequent case law for the clarifications he provides. Interested readers are encouraged to order Otto Skinner's work by referring to the Bibliography (Appendix N).

The U.S. Constitution still requires that federal direct taxes must be apportioned among the 50 States of the

Union. Thus, if California has 10 percent of the nation's population, then California's 'portion' would be 10 percent of any direct federal tax. In the Brushaber decision, the Supreme Court concluded that income taxes are excises which fall into the category of indirect taxes, not direct taxes. From the beginning, the U.S. Constitution has made an explicit distinction between the two types of taxation authorized to the Congress, with separate limitations for each type: indirect taxes must be uniform across the States; direct taxes must be apportioned. Writing for the majority in one of his clearer passages, Chief Justice Edward Douglass White explained it this way:

> [T]he conclusion reached in the Pollock Case did not in any degree involve holding that income taxes generically and necessarily came within the class of direct taxes on property, but on the contrary recognized the fact that taxation on income was in its nature an excise entitled to be enforced as such ....
>
> [Brushaber vs Union Pacific Railroad Co., 240 U.S. 1 (1916)]

Unfortunately for Justice White, most of the language he chose to write the majority's opinion, and the resulting logic contained therein, are tortuously convoluted and almost totally unintelligible, even to college-educated English majors. In his wonderful tour de force entitled Tax Scam, author Alan Stang quips that Justice White:

> ... turned himself into a pretzel trying to justify the new tax without totally junking the Constitution.

Stang's book is a must, if only because his extraordinary wit is totally rare among the tax books listed in the Bibliography (Appendix N). Other legal scholars and experienced constitutional lawyers have published books which take serious aim at one or more elements of White's ruling. Jeffrey Dickstein's Judicial Tyranny and Your Income Tax and Vern Holland's The Law That Always Was are two excellent works of this kind. Both authors focus on the constitutional distinctions between direct and indirect taxes, and between the apportionment and uniformity rules.

Dickstein does a masterful job of tracing a century of federal court decisions, with an emphasis on the bias and conflict among federal court definitions of the key word 'income'. He exercises rigorous logic to demonstrate how the Brushaber ruling stands in stark contrast to the important Supreme Court precedents that came before and after it in time. For example, after a meticulous comparison of Pollock with Brushaber, Dickstein is forced to conclude that:

> Justice White's indirect attempt to overturn Pollock is wholly unpersuasive; he clearly failed to state a historical, factual or legal basis for his conclusion that a tax on income is an indirect, excise tax. It is clear that Mr. Brushaber and his attorneys correctly stated the proposition to the Supreme Court that the Sixteenth Amendment relieved the income tax, which was a direct tax, from the requirement of apportionment, and that the Brushaber Court failed miserably in attempting to refute Mr. Brushaber's legal position.
>
> [Judicial Tyranny and Your Income Tax, page 60]

Dickstein also proves that an irreconcilable conflict exists between the Brushaber decision and a subsequent key decision of the Supreme Court, Eisner vs Macomber, 252 U.S. 189:

> There is an irreconcilable conflict between the Brushaber case, which holds the income tax is an indirect tax not

> requiring apportionment, and the Eisner case, which holds the income tax is a direct tax relieved from apportionment.
>
> [Judicial Tyranny and Your Income Tax]
> [footnote on page 141]

Going back even further in American history, Holland argues persuasively that 'income' taxes have always been direct taxes which must be apportioned even today, Brushaber notwithstanding:

> It results, therefore: ...
>
> 4. That the Sixteenth Amendment did not amend the Constitution. The United States Supreme Court by unanimous decisions determined that the amendment did not grant any new powers of taxation; that a direct tax cannot be relieved from the constitutional mandate of apportionment; and the only effect of the amendment was to overturn the theory advanced in the Pollock case which held that a tax on income, was in legal effect, a tax on the sources of the income. ...
>
> 6. [T]hat a General Tax on Income levied upon one of the Citizens of the several States, has always been a direct tax and must be apportioned.
>
> [The Law That Always Was, page 220]

There are, however, two additional lessons from the Brushaber decision which have been entirely lost on most, if not all of the authors who have published any analysis of this important ruling. These are the dual issues of status and jurisdiction, issues which it is my intention to elevate to the level of importance which they have always deserved. An understanding of status and jurisdiction places the Brushaber ruling in a new and different light, and solves a number of persistent mysteries and misunderstandings which have grown up around an income tax law which now includes some 2,000 pages of statute and 6,000 pages of regulations. More precisely, the published rules of statutory construction require us to say that the income tax law now includes only 2,000 pages of statute and 6,000 pages of regulations.

Obviously, without a comprehensive paradigm with which to navigate such a vast quantity of legalese, particularly when this legalese is only slightly more intelligible than White's verbal pretzels, it is easy to understand why professors, lawyers, CPA's, judges, prosecutors, defendants and juries consistently fail to fathom its meaning. In the Republic envisioned by the Framers of the Constitution, a sophisticated paradigm should not be necessary for the ordinary layman to understand any law. In and of itself, the need for a sophisticated paradigm is a sufficient ground to nullify the law for being vague and too difficult to understand in the first place. Nevertheless, the remainder of this book will show that status and jurisdiction together provide a comprehensiv paradigm with sufficient explanatory power not only to solve the persistent mysteries, but also to provide vast numbers of Americans with the tax relief they so desperately need and deserve.

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Chapter 2: Status and Jurisdiction

Understanding the status of the parties to the Brushaber case is essential to understanding both the outcome, and the Treasury Decision which followed soon after the Supreme Court's landmark ruling in the case. Frank R. Brushaber filed his original Bill of Complaint on March 13, 1914, within a year after Philander C. Knox declared the 16th Amendment to be the supreme Law of the Land. Addressing the judges of the District Court of the United States for the Southern District of New York, Brushaber began his complaint as follows:

> Frank R. Brushaber, a citizen of the State of New York and a resident of the Borough of Brooklyn, in the City of New York, brings this his bill against Union Pacific Railroad Company, a corporation and citizen of the State of Utah, having its executive office and a place of business in the Borough of Manhattan, in the City of New York, and the Southern District of New York, in his own behalf and on behalf of any and all of the stockholders of the defendant Union Pacific Railroad Company who may join in the prosecution and contribute to the expenses of this suit.

Right from the beginning, Frank Brushaber made an important statement of fact which remained unchallenged at every level in the federal courts. He identified himself as a citizen of the State of New York and a resident of the Borough of Brooklyn, in the City of New York. He did not identify himself as a 'United States** citizen' or as a 'resident of the United States**'. He indicated that he lived and worked in New York State, outside the District of Columbia and outside any territory, possession or enclave controlled by the Congress of the United States**. 'Enclaves' are areas within the 50 States which are 'ceded' to Congress by the acts of State Legislatures (e.g. military bases).

The federal courts concluded that Brushaber, under the law, was a 'nonresident alien'. He was 'nonresident' because he lived and worked outside the areas of land over which the Congress has exclusive jurisdiction. The authority to have exclusive jurisdiction over this land was granted to Congress by Article 1, Section 8, Clause 17, and Article 4, Section 3, Clause 2 of the Constitution. In this book, I will often refer to these areas of land as 'the federal zone'. Brushaber was an 'alien' because his statement of citizenship was taken as proof that he was not a citizen of the federal zone. He was not a 'United States** citizen', either through birth or naturalization, because the term 'United States**' in this context means only the federal zone. Therefore, he was alien with respect to the District of Columbia and the federal enclaves, territories and possessions over which the Congress has exclusive legislative jurisdiction.

This may sound strange to the casual reader, but the law is not referring to creatures from outer space. The law is referring to the creation of lawyers.

Right from the beginning, Frank Brushaber also made an important error which contributed to his ultimate downfall in the case. He identified his opposition as a corporation chartered by the State of Utah:

> Your orator further shows that the defendant Union Pacific Railroad Company is, and at all the times hereinafter mentioned was, a corporation duly organized and existing under and by virtue of the laws of the State of Utah, and a citizen of the State of Utah ....
>
> [from original Bill of Complaint, filed March 13, 1914]

This was incorrect. The Union Pacific Railroad Company was originally created in the year 1862 by an Act of Congress. The stated purpose of the corporation was to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean. This Act was passed on July 1, 1862 by the Thirty-Seventh Congress, Second Session, as recorded in the Statutes at Large, (December 5, 1859 to March 3, 1863 at Chapter CXX, page 489). At that time, Utah had not yet been admitted as a State of the Union. It was still a territory, i.e., a 'federal state', over which the Congress had exclusive legislative jurisdiction.

Being a creation of Congress, the Union Pacific Railroad Company was found to be a 'domestic' corporation under the law. This is another term which is very confusing to the casual reader. In common, everyday language, the term 'domestic' is often used to mean 'inside the country'. For example, airports are divided into different areas for domestic and foreign flights, in order to allow Customs agents to inspect the baggage and passports of passengers arriving on flights from foreign countries. However, under federal tax law, the term 'domestic' does not mean 'inside the country'; it means 'inside the federal zone' which is an area that is much smaller than the whole country. Accordingly, a 'foreign' corporation is a corporation which was chartered by a government that is 'outside the federal zone'. The federal zone consists of the enclaves, territories and possessions over which the Congress of the United States** has exclusive legislative jurisdiction. California is outside of the federal zone, for example, and corporations which are chartered in the State of California are foreign corporations with respect to the federal zone. Similarly, corporations chartered in France are likewise foreign corporations with respect to the federal zone. It is simple, once you understand the proper legal definitions of 'foreign' and 'domestic' in the federal tax law.

The status of the two parties in the Brushaber case can, therefore, be summarized as follows:

1. State Citizen Frank R. Brushaber was identified by his court documents as a nonresident alien, as that term is now defined in the Internal Revenue Code.

2. The Union Pacific Railroad Company was identified by court documents as a domestic corporation, as that term is now defined in the Internal Revenue Code.

Government Propaganda

The federal government has tried to confuse the implications of Frank Brushaber's status by asserting that he was a French immigrant. This is government propaganda, pure and simple. This propaganda is designed to make us believe that Brushaber was found to be an alien because he was born in France, not because he declared himself to be a 'citizen of the State of New York'. Accordingly, the federal officials responsible for this propaganda are trying in vain to convince everyone that the 50 States are inside the federal zone, because they want us to conclude that Frank Brushaber would have been a 'U.S.** resident' if he resided in New York, or a 'U.S.** citizen' if he had been born in New York. It is fairly easy (and fun) to defeat this propaganda, because it is only make believe.

First of all, Frank Brushaber declared himself to be a 'resident of the Borough of Brooklyn, in the City of New York'. If New York State were inside the federal zone, and if Frank Brushaber had been born in France, he most certainly would have been an 'alien', but a 'resident' alien according to the government's own rules. After the Supreme Court's decision, the Treasury Department published a Treasury Decision (T.D. 2313) which clearly identified Frank Brushaber as a nonresident alien (seebelow, also Appendix C).

Secondly, regardless of whether federal officials place New York State inside or outside the federal zone, their French immigrant theory would place Frank Brushaber in the category of an alien who was lawfully admitted for permanent 'residence'. Congress does have legislative jurisdiction over immigration and naturalization. Being lawfully admitted for permanent residence is also called the 'green card test' (see next chapter). Again, the

government's own rules and regulations would have designated Frank Brushaber as a 'resident' alien. As we know, the Treasury Department identified him as a nonresident alien. A native of France would be a nonresident alien if he resided in France; he would be a resident alien if he lawfully immigrated to America under rules established by Congress. But no 'green card' was in evidence to prove that Brushaber was an immigrant, and current 'green cards' exhibit the words RESIDENT ALIEN in bold letters.

Thirdly, if Frank Brushaber had been a French immigrant who applied for, and was granted U.S.** citizenship, quite obviously he would have become a naturalized U.S.** citizen, no longer an alien. Again, Congress does have jurisdiction over immigration and naturalization. The government's own rules and regulations would have designated Frank Brushaber as a U.S.** citizen.

Finally, Frank Brushaber identified himself as a 'citizen of the State of New York'. Although a native of France would also be an 'alien' with respect to the federal zone, this is not how Frank Brushaber identified himself to the federal courts. He identified himself as a 'citizen of the State of New York'. On the basis of this status as presented to the federal courts, those same courts, and the Treasury Department thereafter, concluded that he was a nonresident alien, not a U.S.** citizen and not a U.S.** resident. To argue that he was a French immigrant is to assume facts that were not in evidence. The courts arrived at their decisions on the basis of facts that were in evidence. Author and scholar Lori Jacques addresses the French immigrant theory as follows:

> ... [I]t appears that a state citizen was identified as a nonresident alien and taxed upon his unearned income deriving from a domestic corporation. This conclusion is possible because there would be no question that a person who, for example, was born and domiciled in France and who owned shares in Union Pacific Railway [sic] Co. would be taxed as a nonresident alien. Only Mr. Brushaber, citizen of New York State and stockholder, was considered in the case decided by the Supreme Court, thus there was no basis for the Secretary extending the decision to those not parties to the action.
>
> [A Ticket to Liberty, November 1990 edition, page 40]

In the final analysis, it doesn't really matter whether Frank Brushaber was a French immigrant or not. The federal courts and the Treasury Department agreed that any person claiming to be citizen and resident of New York was a nonresident alien with respect to the federal zone. This is all we need to know about the plaintiff's status. It is essential to understand that it was the government which determined Frank Brushaber was a nonresident alien for purposes of imposing a federal tax on his dividends. Brushaber did not come into federal court claiming that he was a nonresident alien; he did come into court claiming that he was a New York State Citizen and a resident of Brooklyn. Now you see why the French immigrant theory is really just propaganda. In later chapters, the motive for this propaganda will become crystal clear.

Treasury Decision 2313

Soon after the Brushaber decision, and as a direct result of that decision, the Office of the Commissioner of Internal Revenue published Treasury Decision (T.D.) 2313 to clarify the meaning and consequences of the Supreme Court's ruling. Volume 18 of the Treasury Decisions was published for the period of January to December of 1916 by Secretary of the Treasury W. G. McAdoo. Treasury Decision 2313 was written to clarify the '... taxability of interest from bonds and dividends on stock of domestic corporations owned by nonresident aliens, and the liabilities of nonresident aliens under section 2 of the act of October 3, 1913.'

Frank Brushaber had purchased stock in the Union Pacific Railroad Company. He was then paid a dividend on this stock. The Union Pacific Railroad Company acted as a 'withholding agent' and withheld a portion of h

dividend to pay the federal income tax that was owed on that dividend. The term 'withholding agent' still has the same meaning in the current Internal Revenue Code. Although he was a nonresident alien, Frank Brushaber received income from a source that was inside, or 'within' the federal zone. The 'source' of his income was a 'domestic' corporation because that corporation had been chartered by Congress.

The net result of his defeat in the Supreme Court was to render as taxable the income from bond interest and stock dividends issued by domestic corporations to nonresident aliens like Frank Brushaber. A key paragraph from Treasury Decision 2313 is the following:

> Under the decision of the Supreme Court of the United States in the case of Brushaber v. Union Pacific Railway Co. [sic], decided January 24, 1916, it is hereby held that income accruing to nonresident aliens in the form of interest from the bonds and dividends on the stock of domestic corporations is subject to the income tax imposed by the act of October 3, 1913.

Because Brushaber's income originated from a source 'inside' or 'within' the Uniteds a nonresident alien. A native of France would be a nonresident alien if he resided in France; he would be a resident alien if he lawfully immigrated to America under rules established by Congress. But no 'green card' was in evidence to prove that Brushaber was an immigrant, and current 'green cards' exhibit the words RESIDENT ALIEN in bold letters.

Thirdly, if Frank Brushaber had been a French immigrant who applied for, and waens from corporate obligations and shall be returned and paid to the Government by debtor corporations and withholding agents as in the case of citizens and resident aliens ....

This 'withholding agent' must withhold a certain amount from the dividend to cover the federal tax liability of the recipient. The amount withheld is paid to the federal government. T.D. 2313 then went on to explain the use of Form 1040 in this situation:

> The liability, under the provisions of the law, to render personal returns ... of annual net income accrued to them from sources within the United States** during the preceding calendar year, attaches to nonresident aliens as in the case of returns required from citizens and resident aliens. Therefore, a return on Form 1040, revised, is required except in cases where the total tax liability has been or is to be satisfied at the source by withholding or has been or is to be satisfied by personal return on Form 1040, revised, rendered in their behalf.

For those of you who are interested, the complete text of Treasury Decision 2313 can be found in Appendix C of this book.

Summary

The dual issues of status and jurisdiction are closely intertwined. The federal government has a limited area over which it exercises exclusive legislative jurisdiction, an area I have called 'the federal zone'. Congress is not limited by the constitutional restrictions on direct and indirect taxation within the federal zone. The birth and residency status of natural persons situate them either inside or outside that jurisdiction. Citizens who were naturalized by federal courts are situated inside that jurisdiction, regardless of where they reside. Both citizens and residents of the federal zone are liable for federal taxes on their worldwide income, no matter where the source of that income. If you are not a citizen, then you are an alien. If you are not a resident, then you are a

nonresident. Nonresident aliens pay taxes only on income which is derived from sources that are inside the federal zone. If you work for the federal government, your pay comes from a source that is inside the federal zone.

Likewise, artificial ’persons’ like corporations are either foreign or domestic. (It may appear strange at first, but a corporation is also a ’person’ as that term is defined in the Internal Revenue Code.) A corporation that is chartered by Congress is domestic with respect to the federal zone. A corporation that is chartered by one of the 50 States of the Union is foreign with respect to the federal zone. A corporation that is chartered by a foreign country like France is likewise foreign with respect to the federal zone. Imagine what a difference it would make if all individuals and corporations knew and asserted their correct status with respect to the exclusive legislative jurisdiction of the federal zone.

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Chapter 3: 'The Matrix'

This chapter contains an essential key with the potential to set you free. One of the biggest obstacles to understanding federal tax law is that it never uses diagrams or pictures. If a picture is worth a thousand words, then the Internal Revenue Code (IRC) would certainly lose a lot of weight if it were reduced to pictures; but there would still be a lot of pictures! A careful examination of certain key terms like 'resident' and 'citizen' reveals a certain two-dimensional quality to the statutory relationship among these terms. Specifically, you are an alien if you are not a citizen, and you are a nonresident if you are not a resident. This careful examination led to the following diagram, which I like to call 'The Matrix'. The Matrix is the key that unlocks the whole puzzle of federal income taxation. When you understand The Matrix, you will know exactly where you stand with respect to the federal zone: Matrix Full View (for you lynxers)

	column 1: United States** citizen	column 2: alien	
resident	X	X	row 1
nonresident	X		row 2

The validity of The Matrix is supported by a large body of evidence, only a small part of which can be covered effectively in a single book. The IRC is not a good place to begin, because Chapter 1 of that Code imposes a tax on the taxable income of 'individuals', a term which the Code simply does not define. The definitions that do exist are found in Chapter 79 and in other places which are spread around the Code like leaves blowing in the wind. The Code of Federal Regulations (CFR) is a much better place to begin a review of the evidence. The regulations in the CFR are considered to be official publications of the federal government because they are 'judicially noticed' (courts must defer to them) and because they are considered by law to be official supplements to The Federal Register. According to the federal regulations which promulgate the Internal Revenue Code, the liability for federal income tax is imposed on all citizens of the United States** and all residents of the United States**, 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)]

Thus, the regulations impose an income tax on all citizens, whether they are resident or nonresident (column 1 in The Matrix), and on all residents, whether they are citizens or aliens (row 1 in The Matrix). These same regulations define a United States** citizen as someone who is either born or naturalized in the United States** and who is subject to the jurisdiction of the United States**, as follows:

> Every person born or naturalized in the United States** and

subject to its jurisdiction is a citizen.

[26 CFR 1.1-1(c)]

The official IRS 'Publications' are another excellent source of evidence which supports the validity of The Matrix. These publications can be obtained by ordering them directly from the Internal Revenue Service. For example, Publication number 519, U.S. Tax Guide for Aliens, begins with the following statements:

Introduction

For tax purposes, an alien is an individual who is not a U.S.** citizen. Aliens are classified as nonresident aliens and resident aliens. ...

Clearly, an alien is an individual who is not a U.S.** citizen. Aliens are individuals who were born outside of the federal zone, and who never elected to become U.S.** citizens via naturalization. Publication 519 then explains the difference between a resident alien and a nonresident alien, as follows:

Resident or nonresident?

Resident aliens generally are taxed on their worldwide income, the same as U.S.** citizens. Nonresident aliens generally are taxed only on their income from sources within the United States**. ...

Nonresident aliens are taxed on their U.S.** source income (and on certain foreign source income that is effectively connected with a trade or business in the United States**).

How does one become a 'resident' of the United States**? Remember, as used in the Internal Revenue Code and its regulations, the term 'United States**' means the area over which Congress exercises exclusive legislative jurisdiction, that is, the federal zone. The IRC contains a relatively clear definition of the terms 'resident alie and 'nonresident alien', as follows:

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).
>
> (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)).
>
> [IRC 7701(b)]

Being lawfully admitted for permanent residence is also called 'the green card tes. IRS Publication 519 explains the green card test as follows:

> You are a resident for tax purposes if you are a lawful permanent resident of the United States** at any time during the calendar year. ... This is known as the 'green card' test. You are a lawful permanent resident of the United States** at any time if you have been given the privilege, according to the immigration laws, of residing permanently in the United States** as an immigrant, and this status has not been taken away and has not been administratively or judicially determined to have been abandoned. You have this status if you have been issued an alien registration card, also known as a 'green card,' by the Immigration and Naturalization Service.

American Citizens who were born free in one of the 50 States of the Union are not required to obtain an alien registration card, because their presence in one of the 50 States is not a privilege; on the contrary, it is an unalienable right which is guaranteed to them by the United States Constitution because they were born free and Sovereign. The Constitution refers to these people as 'natural born Citizens' 2:1:5), 'free Persons' 1:2:3) and 'Citizens of a State' 3:2:1 and 4:2:1). On the basis of this criterion alone, the natural born State Citizen enjoys a significant right which is not enjoyed by a person who must apply for residence as a privilege granted by government. (Throughout this book, the terms 'native American Citizen', 'native-born American Citizen' and 'American Citizen' will be synonymous with 'natural born Citizens' as in 2:1:5 of the Constitution, and with 'State Citizens' as in 3:2:1 and 4:2:1 of the Constitution, to avoid problems that do arise solely from terminology.)

Publication 519 explains the 'substantial presence test' using rules which closely parallel those which are actually found in the Internal Revenue Code:

> You will be considered a U.S.** resident for tax purposes if you meet the substantial presence test for the calendar year. To meet this test, you must be physically present in the United States** on at least:
>
> (1) 31 days during the current year, and
>
> (2) 183 days during the 3-year period that includes the current year and the 2 years immediately before, counting:
>
> - all the days you were present in the current year ... , and
>
> - 1/3 of the days you were present in the first year before the current year ... , and

- 1/6 of the days you were present in the second year before the current year ...

Example. You were physically present in the United States** on 120 days in each of the years 1988, 1989, and 1990. To determine if you meet the substantial presence test for 1990, count the full 120 days of presence in 1990, 40 days in 1989 (1/3 of 120), and 20 days in 1988 (1/6 of 100). Since the total for the 3-year period is 180 days, you are not considered a resident under the substantial presence test for 1990.

An individual may elect to be treated as a resident of the United States**. The rules for making this election are found in the statute (IRC Section 7701(b)(4)) and in the regulations which promulgate this statute (26 CFR 1.871 et seq.). Why anyone would want to do this, without actually residing in the United States**, remains a mystery to me. Many Americans have been duped into believing that electing to be treated as a resident is a 'beneficial' thing to do. Subsequent chapters will discuss the so-called 'benefits' of U.S.** residence and U.S.** citizenship by contrasting revocable privileges and unalienable rights.

At last, we arrive at the definition of 'nonresident alien'. We have taken the long way around the mountain, but it is the only way around the mountain (as it turns out) because Chapter 1 of the Internal Revenue Code imposes the tax on undefined 'individuals'. It is i Chapter 79, near the end of the Code, where it states that an individual is a nonresident alien if such individual is neither a citizen of the United States** nor a resident of the United States**. If you were born outside the federal zone, either as a Sovereign Citizen natural born free in one of the 50 States of the Union, or as a native citizen of a foreign country like France, then you are not automatically a 'citizen of the United States**'. You may, of course, obtain 'U.S.** citizenship' by applying for this 'privilege' with the Immigration and Naturalization Service, even if you are a Sovereign State Citizen. You may also relinquish U.S.** citizenship at will, through a process known as 'expatriation'. If you were born inside the federal zone, then you are automatically a 'citizen of the United States**'. The rules for residency have already been reviewed above.

The validity of The Matrix is also reinforced clearly by a man named Roger Foster who, in the year 1915, wrote a forgotten treatise on the Act of 1913, the year the so-called 16th Amendment was declared ratified. Some people argue that these older materials are not relevant because they do not take into account the changes that have occurred in the statute and its regulations. Although changes have indeed occurred, the relevance of these materials lies in their proximity in time to the origins of income taxation in America, and to the intent of the original statutes. It is a principle of law that the intent of a statute is always decisive. The following excerpt is taken from A Treatise on the Federal Income Tax under the Act of 1913, by Roger Foster of the New York Bar, published by The Lawyers Co-operative Publishing Company, Rochester, New York, in 1915:

Section 35: Incidence of the tax with respect to persons.

Under [the statute] four possible cases arise. Two are of citizens, with reference to their residence or nonresidence, and two are of aliens, with reference likewise to their residence or nonresidence. There is no question as to the first two, that the whole income of every citizen whether residing at home or abroad is taxed; it is so specifically provided in the act. Similarly, it is expressly provided in the act that every person residing in the United States** shall pay a tax upon all his income, from whatever source derived, which without question includes all resident aliens. Whatever, therefore, the

> power of Congress may be, its intent is clear, that in case of non-resident aliens the only measure of the tax is income derived within the United States**.
>
> With reference to aliens, therefore, it must be determined whether they are resident in which case they must pay the tax on their whole income; or if not resident whether they own property or carry on a business, trade or profession in the United States**.
>
> In the latter case, they are taxable only with reference to income earned or paid in this country. If they are non-resident and do not derive an income from any source within our territory of course they are not taxable at all.
>
> [pages 153 to 155]

Note, in particular, that Foster makes reference to 'income earned or paid in this country'. You might be sorel tempted to conclude, therefore, that he meant to define the 'United States' to mean the several States of the Union (then 48) in addition to the federal zone. He did not. This question is squarely settled in another section of his treatise, in which he considers the incidence of the tax with respect to territory:

> Section 34: Incidence of the tax with respect to territory and places exempted from the same.
>
> The tax ... is levied in Alaska, the District of Columbia, Porto Rico [sic] and the Philippine Islands. ... The Act expressly directs:
>
> > 'That the word 'State' or 'United States**' when used in this section shall be construed to include any Territory, Alaska, the District of Columbia, Porto Rico, and the Philippine Islands, when such construction is necessary to carry out its provisions.'
>
> Although there might be ground for argument that the phrase 'any Territory' applies to the Hawaiian Islands, it was the evident intention of Congress that the residents of Hawaii, at least when not citizens of the United States**, are exempt from the tax, for the reason that the Legislature of Hawaii has imposed an Income Tax upon all residents of that territory.
>
> [pages 152 to 153]

It is important to appreciate that Roger Foster was considered by many to be a recognized authority on federal law. In addition to his treatise on the Federal Income Tax Act of 1913, he wrote numerous other treatises and articles, including (but not limited to) 'Commentaries on the Constitution of the United States', 'Federal Judiciary Acts', and 'The Federal Income Tax of 1894'. In the published opinion of author John L. Sasscer, Sr., any doubts about Foster's intentions are completely dissolved by his choice of words for the heading to Section 34: incidence of the tax with respect to territory and places exempted from the same:

> If the income tax were levied within the states of the union there is no doubt that he would have so stated. The absence of any mention of the states of the union as being 'territory' where the tax is imposed, shows that Mr. Foster recognized the income tax was imposed in those mentioned areas only, all of which were federal territories in 1913.

['Deciphering The Internal Revenue Code: The Keys Revealed']
[by John L. Sasscer, Sr., in Economic Survival, page 27]

In subsequent chapters, a principle of statutory construction is applied to the IRC to show that the inclusion of one thing is equivalent to the exclusion of all other things not explicitly mentioned. This principle also applies to persons and to places. Laws are constructed in strict obedience to the rules of formal English; one of these formal rules is that a 'noun' is either a person, a place, or a thing. Both Sasscer and Foster evidence their keen awareness of these rules. Notice how Foster mentions the incidence of the tax with respect to persons and to places. The States of the Union are not mentioned anywhere among the places where the tax is imposed.

There you have it! Four possible cases arise for natural born persons like you and me.Go back to The Matrix and to the cover of this book. Focus carefully on the lonely cell found at row 2, column 2. You are a nonresident alien if you are not a citizen of the United States** and you are not a resident of the United States**:

> The term 'nonresident alien individual' means an individual whose residence is not within the United States**, and who is not a citizen of the United States**.
>
> [26 CFR 1.871-2]

At this point, you may still be wondering if it is indeed correct to use the term 'nonresident alien' to describe Sovereign State Citizens who were born free in one of the 50 States of the Union, and who also live and work in one of the 50 States of the Union. All that remains to prove it correct is to verify the correct legal meaning of the term 'United States**' in the IRC. This proof requires an overview of the several meanings of the terms 'United States' and 'State' as they are defined in the statute itself, in the case law, and elsewhere.

An exhaustive proof is not necessary here because other capable authors have already completed a massive amount of work on this subject. Interested readers are encouraged to review the Bibliography, found in Appendix N, and to obtain copies of the key publications entitled Good-Bye April 15th! by Boston T. Party, Which One Are You? by The Informer, United States Citizen versus National of the United States and A Ticket to Liberty both by Lori Jacques, The Omnibus by Ralph F. Whittington, and Free At Last -- From the IRS by N. A. 'Doc' Scott. Taken as a group, these authors have published a wealth of irrefutable documentation which proves, beyond any doubt, the true meaning of 'nonresident alien' in the federal income tax statutes. Author Ralph Whittington's book is particularly valuable because its appendices contain true and correct copies of key documents like Roger Foster's treatise and selected Acts of Congress.

The following anecdote summarizes nicely many of the key points which we have covered thus far:

> Several years ago in a coffee shop while talking with a friend about 'tax matters,' a man in the adjacent booth overheard our conversation and asked to join us. The conversation continued, and centered mainly on IRS abuses. This gentleman seemed particularly knowledgeable about the subject and we asked him what he did for a living. He told us his name and that he was an attorney with the Tax Division of the Department of Justice in Washington. Naturally, this put us on guard, but he quickly put us at ease by agreeing in large part with the conclusion we had drawn.
>
> Reluctantly, I asked him this question, 'Why are defendants in federal district court always asked if they are 'citizens of the United States'?' He replied without hesitation, 'So we can determine jurisdiction. In many

> cases the federal court does not have jurisdiction over a citizen unless they testify they are a citizen of the United States -- meaning a federal citizen under the 14th Amendment.'
>
> My friend innocently asked, 'What's a federal citizen?' The attorney replied, 'That's a person who receives benefits or privileges or is an alien that has been admitted as a citizen of the United States.'
>
> I quickly interjected, 'What if the individual denied being a citizen of the United States and claimed to be a sovereign citizen of Oklahoma?' The attorney bowled me over with, 'We don't get jurisdiction.'
>
> He had to catch a plane.
>
> [Freeman Letter, March 1989, page 6, emphasis added]
> [as quoted in 'Brief of Law for Zip Code Implications']
> [by Walter C. Updegrave, revised March 28, 1992]

The implications of the 14th Amendment are considered in some detail in Chapter 11 and in Appendix Y. For now, it is best to remember that we have in America a government of the United States**, and a government of each of the several States; moreover, each of these governments is distinct from the others, and each has citizens of its own. In parallel with the federal and State governments, there are federal citizens and there are State Citizens. Federal citizens are the same as 'U.S.** citizens' and 'citizens of the United States**'. If you are not a federal citizen, then you are an 'alien' with respect to the federal government. If you get confused, just recall the familiar distinction between State and federal governments, and then remember that each has citizens of its own. For consistency throughout this book, federal citizens will be spelled with a lower-case 'c' and State Citizens will be spelled with an UPPER-CASE 'C'. Happily for us, this convention is strictly obeyed throughout the Internal Revenue Code (IRC) and throughout the Code of Federal Regulations (CFR) which promulgates the IRC.

Summary

The citizen/alien distinction explains the two columns of The Matrix. By definition, you are an alien with respect to the United States** if you are not a citizen of the United States**. The happy result of The Matrix is the legal and logical equation which exists between most State Citizens and nonresident aliens. A citizen of the United States** is the same thing as a federal citizen. Anyone who is not a federal citizen is an 'alien' with respect to the United States**. Therefore, as long as a State Citizen is not also a federal citizen, then such a State Citizen is an 'alien' as that term is defined in the IRC. State Citizens are free to reside wherever they choose, because their right to travel is an unalienable right. However, the term 'resident' has a very specific meaning in the IRC, whether it is used as an adjective or a noun.

The resident/nonresident distinction explains the two rows of The Matrix. An alien can be either a resident alien, or a nonresident alien. There are three and only three criteria to distinguish resident aliens from nonresident aliens: (1) lawful admission for permanent residence (2) substantial presence test and (3) election to be treated as a resident. All three of these criteria depend for their legal meaning upon the statutory definition of 'United States'. Therefore, if State Citizens are 'residents' of the United States** according to these criteria, then they are resident aliens, by definition. If State Citizens are not 'residents' of the United States** according to these criteria, then they are nonresident aliens, by definition. A deliberately confusing statute is clarified considerably by understanding the legal and logical equation which exists between State Citizens and nonresident aliens (like Frank R. Brushaber). They are one and the same thing, to the extent that State Citizens do not reside in the United States** and to the extent that they are not also federal citizens.

The issue of citizenship in America has been complicated a great deal because the federal government recognizes the legal possibility that one can be a federal citizen and a State citizen at the same time. This possibility exists primarily because of Section 1 of the so-called 14th Amendment. This amendment was carefully worded to recognize a dual citizenship, federal and State, but the State citizenship which it recognized was still a second class of citizenship. That is the reason why the term 'citizens' in the 14th Amendment is spelled with a small 'c'. The mountain of litigation that resulted from this amendment is proof that the issue of citizenship has become unnecessarily complicated in America. There is a logical path through this complexity, however, and a subsequent chapter will delineate this path as clearly and as simply as possible(see Chapter 11: Sovereignty). The main obstacles standing in the way of greater clarity are removed entirely by the all important finding that the 14th Amendment was never properly approved and adopted, just like the 16th Amendment.

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Chapter 4: The Three United States

In the previous chapter, a handy matrix was developed to organize the key terms which define the concepts of status and jurisdiction as they apply to federal income taxation. In particular, an alien is any individual who is not a United States** citizen. The term "citizen" has a specific meaning in the regulations which promulgate the Internal Revenue Code (IRC):

> 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]

What, then, is meant by the term "United States" and what is meant by the phrase "its jurisdiction"? In this regulation, is the term "United States" a singular phrase, a plural phrase, or is it both? The astute reader has already noticed that an important clue is given by regulations which utilize the phrase "its jurisdiction". The term "United States" in this regulation must be a singular phrase, otherwise the regulation would need to utilize the phrase "their jurisdiction" or "their jurisdictions" to be grammatically correct.

As early as the year 1820, the U.S. Supreme Court was beginning to recognize that the term "United States" could designate either the whole, or a particular portion, of the American empire. In a case which is valuable, not only for its relevance to federal taxation but also for its terse and discrete logic, Chief Justice Marshall exercised his characteristic brilliance in the following passage:

> The power, then, to lay and collect duties, imposts, and excises, may be exercised, and must be exercised throughout the United States. Does this term designate the whole, or any particular portion of the American empire? Certainly this question can admit of but one answer. It is the name given to our great republic, which is composed of states and territories. The District of Columbia, or the territory west of the Missouri, is not less within the United States* than Maryland or Pennsylvania ....
>
> [Loughborough vs Blake, 15 U.S. (5 Wheat.) 317]
> [5 L.Ed. 98 (1820), emphasis added]

By 1945, the year of the first nuclear war on planet Earth, the Supreme Court had come to dispute Marshall's singular definition, but most people were too distracted to notice. The high Court confirmed that the term "United States" can and does mean three completely different things, depending on the context:

> The term "United States" may be used in any one of several senses. [1] It may be merely the name of a sovereign* occupying the position analogous to that of other sovereigns in the family of nations. [2] It may designate the territory over which the sovereignty of the United States** extends, or [3] it may be the collective name of the states*** which are united by and under the Constitution.
>
> [Hooven & Allison Co. vs Evatt, 324 U.S. 652 (1945)]
> [brackets, numbers and emphasis added]

This same Court authority is cited by Black's Law Dictionary, Sixth Edition, in its definition of "United States":

> United States. This term has several meanings. [1] It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in family of nations, [2] it may designate territory over which sovereignty of United States extends, or [3] it may be collective name of the states which are united by and under the Constitution. Hooven & Allison Co. v. Evatt, U.S. Ohio, 324 U.S. 652, 65 S.Ct. 870, 880, 89 L.Ed. 1252.
>
> [brackets, numbers and emphasis added]

In the first sense, the term "United States*" can refer to the nation, or the American empire, as Justice Marshall called it. The "United States*" is one member of the United Nations. When you are traveling overseas, you would go to the U.S.* embassy for help with passports and the like. In this instance, you would come under the jurisdiction of the President, through his agents in the U.S.* State Department, where "U.S.*" refers to the sovereign nation. The Informer summarizes Citizenship in this "United States*" as follows:

> 1. I am a Citizen of the United States* like you are a Citizen of China. Here you have defined yourself as a National from a Nation with regard to another Nation. It is perfectly OK to call yourself a "Citizen of the United States*." This is what everybody thinks the tax statutes are inferring. But notice the capital "C" in Citizen and where it is placed. Please go back to basic English.
>
> [Which One Are You?, page 11, emphasis added]

Secondly, the term "United States**" can also refer to "the federal zone", which is a separate nation-state over which the Congress has exclusive legislative jurisdiction. See Appendix Y for a brief history describing how this second meaning evolved.) In this sense, the term "United States**" is a singular phrase. It would be proper, for example, to say, "The United States** is ..." or "Its jurisdiction is ..." and so on. The Informer describes citizenship in this United States** as follows:

> 2. I am a United States** citizen. Here you have defined yourself as a person residing in the District of Columbia, one of its Territories, or Federal enclaves (area within a Union State) or living abroad, which could be in one of the States of the Union or a foreign country. Therefore you are possessed by the entity United States** (Congress) because citizen is small case. Again go back to basic english [sic]. This is the "United States**" the tax statutes are referring to. Unless stated otherwise, such as 26 USC 6103(b)(5).
>
> [Which One Are You?, page 11, emphasis added]

Thirdly, the term "United States***" can refer to the 50 sovereign States which are united under the Constitution for the United States of America. In this third sense, the term "United States***" does not include the federal zone, because the Congress does not have exclusive legislative authority over any of the 50 sovereign States of the Union. In this sense, the term "United States***" is a plural, collective term. It would be proper therefore to say, "These United States***" or "The United States*** are ..." and so on. The Informer completes the trio by describing Citizenship in these "United States***" as follows:

> 3. I am a Citizen of these United States***. Here you have defined yourself as a Citizen of all the 50 States united by and under the Constitution. You are not possessed

> by the Congress (United States**). In this way you have a national domicile, not a State or United States** domicile and are not subject to any instrumentality or subdivision of corporate governmental entities.
>
> [Which One Are You?, pages 11-12, emphasis added]

Author and scholar Lori Jacques summarizes these three separate governmental jurisdictions in the same sequence, as follows:

> It is noticeable that Possessions of the United States** and sovereign states of the United States*** of America are NOT joined under the title of "United States." The president represents the sovereign United States* in foreign affairs through treaties, Congress represents the sovereign United States** in Territories and Possessions with Rules and Regulations, and the state citizens are the sovereignty of the United States*** united by and under the Constitution .... After becoming familiar with these historical facts, it becomes clear that in the Internal Revenue Code, Section 7701(a)(9),
> the term "United States**" is defined in the second of these senses as stated by the Supreme Court: it designates the territory over which the sovereignty of the United States** extends.
>
> [A Ticket to Liberty, Nov. 1990, pages 22-23]
> [emphasis added, italics in original]

It is very important to note the careful use of the word "sovereign" by Chief Justice Stone in the Hooven case. Of the three different meanings of "United States" which he articulates, the United States is "sovereign" in only two of those three meanings. This is not a grammatical oversight on the part of Justice Stone. Sovereignty is not a term to be used lightly, or without careful consideration. In fact, it is the foundation for all governmental authority in America, because it is always delegated downwards from the true source of sovereignty, the People themselves. This is the entire basis of our Constitutional Republic. Sovereignty is so very important, an entire chapter of this book is later dedicated to this one subject (see Chapter 11 infra).

The federal zone over which the sovereignty of the United States** extends is the District of Columbia, the territories and possessions belonging to Congress, and a limited amount of land within the States of the Union, called federal "enclaves".

The Secretary of the Treasury can only claim exclusive jurisdiction over this federal zone and citizens of this zone. In particular, the federal enclaves within the 50 States can only come under the exclusive jurisdiction of Congress if they consist of land which has been properly "ceded" to Congress by the act of a State Legislature. A good example of a federal enclave is a "ceded" military base. The authority to exercise exclusive legislative jurisdiction over the District of Columbia and the federal enclaves originates in Article 1, Section 8, Clause 1 (1:8:17) of the U.S. Constitution. By virtue of the exclusive authority that is vested in Congress by this clause, Congress shall have the power:

> To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of particular States, and the Acceptance of Congress, become the Seat of the Government of the United States**, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in

> which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings;
>
> [Constitution for the United States of America]
> [Article l, Section 8, Clause 17]
> [emphasis added]

The power of Congress to exercise exclusive legislative authority over its territories and possessions, as distinct from the District of Columbia and the federal enclaves, is given by a different authority in the U.S. Constitution. This authority is Article 4, Section 3, Clause 2 (4:3:2), as follows:

> The Congress shall have Power to dispose of and make all needed Rules and Regulations respecting the Territory or other Property belonging to the United States**;
>
> [Constitution for the United States of America]
> [Article 4, Section 3, Clause 2]
> [emphasis added]

Within these areas, it is essential to understand that the Congress is not subject to the same constitutional limitations which restrict its power in the areas of land over which the 50 States exercise their respective sovereign authorities:

> ... [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. vs Evatt, 324 U.S. 652 (1945)]
> [emphasis added]

In other words, the guarantees of the Constitution extend to the federal zone only as Congress makes those guarantees applicable, either to the territory or to the citizens of that zone, or both. Remember, this is the same Hooven case which officially defined three separate and distinct meanings of the term "United States". The Supreme Court ruled that this case would be the last time it would address official definitions of the term "United States". Therefore, the Hooven case must be judicially noticed by the entire American legal community. See Appendix W for other rulings and for citations to important essays published in the Harvard Law Review on the controversy that surrounds the meaning of "United States" even today. In particular, author Langdell's article "The Status of Our New Territories" is a key historical footing for the three Hooven definitions. To avoid confusion, be careful to note that Langdell arranges the three "United States" in a sequence that is different from that of Hooven:

> Thirdly. -- ... [T]he term "United States" has often been used to designate all territory over which the sovereignty of the United States** extended. [a tautology]

> The conclusion, therefore, is that, while the term "United States" has three meanings, only the first and second of these are known to the Constitution; and that is equivalent to saying that the Constitution of the United States*** as such does not extend beyond the limits of the States which are united by and under it, -- a proposition the truth of which will, it is believed, be placed beyond doubt by an examination of the instances in which the term "United States" is used in the Constitution.
>
> [Langdell, "The Status of Our New Territories"]
> [12 Harvard Law Review 365, 371, emphasis added]

Note carefully that Langdell's third definition and Hooven's second definition both exhibit subtle tautologies, th is, they use the word they are defining in the definitions of the word defined. A careful reading of his article reveals that Langdell's third definition of "United States" actually implies the whole American "empire", namely, the States and the federal zone combined, making it identical to Justice Marshall's definition (see above). Therefore, because it contains a provable tautology, the second Hooven definition is clearly ambiguous too; it can be interpreted in at least two completely different ways: (1) as the federal zone only, or (2) as the 50 States and the federal zone combined (i.e., the whole "empire").

So now, what is "sovereignty" in this context? The definitive solution to this nagging ambiguity is found in the constitutional meaning of the word "exclusive". Strictly speaking, the federal government is "sovereign" over the 50 States only when it exercises one of a very limited set of powers enumerated for it in Article 1, Section 8 of the Constitution. In this sense, the federal government does NOT exercise exclusive jurisdiction inside the 50 States of the Union; it does, however, exercise exclusive jurisdiction inside the federal zone. This exclusive authority originates from 1:8:17 and 4:3:2 in the U.S. Constitution, as quoted above. Now, apply sections 1:8:17 and 4:3:2 to the jurisdictional claims of the Secretary of the Treasury for the "internal" revenue laws, as follows:

> 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 territorial waters 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), emphasis added]
> [note the tautology again]

Here's the tautology, in case you missed it:

> "United States" includes any territory under the sovereignty of the United States and over which the United States has exclusive rights.

This is very much like saying:

> A potato is a plant that grows in a potato field.
>
> [Speech of Vice President Dan Quayle]
> [1992 Campaign Spelling Bee]

Notice also the singular form of the phrase "the United States** has ..."; notice also the pivotal term "exclusiv rights". When this regulation says that the jurisdiction "includes the States", it cannot mean all the land areas enclosed within the boundaries of the 50 States, because Congress does not have exclusive jurisdiction over the 50 States. Within the 50 States, Congress only has exclusive jurisdiction over the federal enclaves inside the boundaries of the 50 States. These enclaves must have been officially "ceded" to Congress by an explicit act of the State Legislatures involved. Without a clear act of "cession" by one of the State legislatures, the 50 States retain their own exclusive, sovereign jurisdiction inside their borders, and Congress cannot lawfully take any of their own sovereign jurisdiction away from the States. This separation of powers is one of the key reasons why we have a "federal government" as opposed to a "national government"; its powers are limited to the set specifically enumerated for it by the Constitution.

Technically speaking, the 50 States are "foreign countries" with respect to each other and with respect to the federal zone. A key authority on this question is the case of Hanley vs Donoghue, in which the U.S. Supreme Court defined separate bodies of State law as being "foreign" with respect to each other:

> No court is to be charged with the knowledge of foreign laws; but they are well understood to be facts which must, like other facts, be proved before they can be received in a court of justice. [cites omitted] It is equally well settled that the several states of the Union are to be considered as in this respect foreign to each other, and that the courts of one state are not presumed to know, and therefore not bound to take judicial notice of, the laws of another state.
>
> [Hanley vs Donoghue, 116 U.S. 1, 29 L. Ed. 535]
> [6 S.Ct. 242, 244 (1885), emphasis added]

Another key Supreme Court authority on this question is the case of In re Merriam’s Estate, 36 NE 505 (1894). Before you get the idea that this meaning of "foreign" is now totally antiquated, consider the current edition of Black’s Law Dictionary, Sixth Edition, which 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. ... The term "foreign nations," 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.
>
> [emphasis added]

And a recent federal statute proves that Congress still refers to the 50 States as "countries". When a State court in Alaska needed a federal judge to handle a case overload, Congress amended Title 28 to make that possible. In its reference to the 50 States, the statute is titled the "Assignment of Judges to courts of the freely associated compact states". Then, Congress refers to these freely associated compact states as "countries":

> (b) The Congress consents to the acceptance and retention by any judge so authorized of reimbursement from the countries referred to in subsection (a) .... [!!!]
>
> [28 U.S.C. 297, 11/19/88, emphasis added]

Indeed, international law is divided roughly into two groups: (1) public international law and (2) private international law. As it turns out, citizenship is a term of private international law (also known as municipal law) in which the terms "state", "nation" and "country" are all synonymous:

> Private international law assumes a more important aspect in the United States than elsewhere, for the reason that the several states, although united under the same sovereign authority and governed by the same laws for all national purposes embraced by the Federal Constitution, are otherwise, at least so far as private international law is concerned, in the same relation as foreign countries. 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, Sec. 2, emphasis added]

This foreign relationship between the 50 States and the federal zone is also recognized in the definition of a "foreign country" that is found in the Instructions for Form 2555, entitled "Foreign Earned Income", as follows:

> Foreign Country. A foreign country is any territory (including the air space, territorial waters, seabed, and subsoil) under the sovereignty of a government other than the United States**. It does not include U.S.** possessions or territories.
>
> [Instructions for Form 2555: Foreign Earned Income]
> [Department of the Treasury, Internal Revenue Service]
> [emphasis added]

Notice that a "foreign country" does NOT include U.S.** possessions or territories. U.S.** possessions and territories are not "foreign" with respect to the federal zone; they are "domestic" with respect to the federal zone because they are inside the federal zone. This relationship is also confirmed by the Treasury Secretary's official definition of a "foreign country" that is published in the Code of Federal Regulations:

> The term "foreign country" when used in a geographical sense includes any territory under the sovereignty of a government other than that of the United States**. It includes the territorial waters of the foreign country (determined in accordance with the laws of the United States**), the air space over the foreign country, and the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the foreign country and over which the foreign country has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources.
>
> [26 CFR 1.911-2(h), emphasis added]
> [note the subtle tautology again]

If this regulation were to be interpreted any other way, except that which is permitted by the U.S. Constitution, then the sovereign jurisdiction of the federal government would stand in direct opposition to the sovereign jurisdiction of the 50 States of the Union. In other words, such an interpretation would be reduced to absurd consequences (in Latin, reductio ad absurdum). Sovereignty is the key. It is indivisible. There cannot be two sovereign governmental authorities over any one area of land. Sovereignty is the authority to which there is politically no superior. Sovereignty is vested in one or the other sovereign entity, such as a governmental body or a natural born Person (like you and me).

> This issue of jurisdiction as it relates to Sovereignty is a major key to understanding our system under our Constitution.
>
> [The Omnibus, Addendum II, page 11]

In reviewing numerous acts of Congress, author and scholar Lori Jacques has come to the inescapable conclusion that there are at least two classes of citizenship in America: one for persons born outside the territorial jurisdiction of the United States**, and one for persons born inside the territorial jurisdiction of the United States**. This territorial jurisdiction is the area of land over which the United States** is sovereign and over which it exercises exclusive legislative jurisdiction, as stated in the Hooven case and the many others which have preceded it, and followed it:

> When reading the various acts of Congress which had declared various people to be "citizens of the United States", it is immediately apparent that many are simply declared "citizens of the United States***" while others are declared to be "citizens of the United States**, subject to the jurisdiction of the United States**." The difference is that the first class of citizen arises when that person is born out of the territorial jurisdiction of the United States** Government. 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 ..." [!!]
>
> [A Ticket to Liberty, Nov. 1990, page 32]
> [emphasis added]

The above quotation from American Jurisprudence is a key that has definitive importance in the context of sovereignty (see discussion of "The Key" in Appendix I). Note the pivotal word "sovereign", which controls the entire meaning of this passage. A person is born "subject to its jurisdiction", as opposed to "their jurisdictions", i 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. Conversely, a natural born person is born a Sovereign if his birth occurs outside the federal zone and inside the 50 States. This is jus soli, the law of the soil, whereby citizenship is usually determined by laws governing the soil on which one is born.

Sovereignty is a principle that is so important and fundamental, a subsequent chapter of this book is dedicated entirely to discussing its separate implications for political authorities and for sovereign individuals. It is also important to keep the concept of sovereignty uppermost in your thoughts, where it belongs, as we begin our descent into the dense jungle called statutory construction. (This is your Captain speaking.) So, fasten your seat belts. The Hooven decision sets the stage for a critical examination of key definitions that are found in the IRC itself.

One of the many statutory definitions of the term "United States" is found in chapter 79 of the IRC, where th

definitions are located:

> When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof-- ...
>
> (9) United States. -- The term "United States" when used in a geographical sense includes only the States and the District of Columbia.
>
> [http://www.law.cornell.edu/uscoc
> [emphasis added]

Setting aside for the moment the intended meaning of the phrase "in a geographical sense", it is obvious that the District of Columbia and the "States" are essential components in the IRC definition of the "United States". There is no debate about the meaning of "the District of Columbia", but what are "the States"? The same question can be asked about a different definition of "United States" that is found in another section of the IRC:

> For purposes of this chapter --
>
> (2) United States. -- The term "United States" when used in a geographical sense includes the States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.
>
> [IRC 3306(j)(2), emphasis added]

Again, there is no apparent debate about the meanings of the terms "the Commonwealth of Puerto Rico" and "the Virgin Islands". But what are "the States"? Are they the 50 States of the Union? Are they the federal states which together constitute the federal zone? Determining the correct meaning of "the States" is therefore pivotal to understanding the statutory definition of "United States" in the Internal Revenue Code. Thenext chapter explores this question in some detail.

In addition to keeping sovereignty uppermost in your thoughts, keep your eyes fixed on the broad expanse of the dense jungle you are about to enter. This jungle was planted and watered by a political body with a dual, or split personality. On the one hand, Congress is empowered to enact public laws for the 50 States, subject to certain written restrictions. On the other hand, it is also empowered to enact "municipal" statutes for the federal zone, subject to a different set of restrictions. Therefore, think of Congress as "City Hall" for the federal zone. In 1820, Justice Marshall described it this way:

> ... [Counsel] has contended, that Congress must be considered in two distinct characters. In one character as legislating for the states; in the other, as a local legislature for the district [of Columbia]. In the latter character, it is admitted, the power of levying direct taxes may be exercised; but, it is contended, for district purposes only, in like manner as the legislature of a state may tax the people of a state for state purposes. Without inquiring at present into the soundness of this distinction, its possible influence on the application in this district of the first article of the constitution, and of several of the amendments, may not be altogether unworthy of consideration.
>
> [Loughborough vs Blake, 15 U.S. (5 Wheat.) 317]
> [5 L.Ed. 98 (1820), emphasis added]

The problem thus becomes one of deciding which of these "two distinct characters" is doing the talking. The language used to express the meaning of "States" in the IRC is arguably the best place to undertake a careful diagnosis of this split personality. (Therapy comes later.)

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Chapter 5: What State Are You In?

Answer: Mostly liquid, some solid, and occasional gas!

This answer is only partially facetious. In something as important as a Congressional statute, one would think that key terms like "State" would be defined so clearly as to leave no doubt about their meaning. Alas, this is not the case in the Internal Revenue Code (IRC) brought to you by Congress. The term "State" has been deliberately defined so as to confuse the casual reader into believing that it means one of the 50 States of the Union, even though it doesn't say "50 States" in so many words. For the sake of comparison, we begin by crafting a definition which is deliberately designed to create absolutely no doubt or ambiguity about its meaning:

> For the sole purpose of establishing a benchmark of clarity, the term "State" means any one of the 50 States of the Union, the District of Columbia, the territories and possessions belonging to the Congress, and the federal enclaves lawfully ceded to the Congress by any of the 50 States of the Union.

Now, compare this benchmark with the various definitions of the word "State" that are found in Black's Law Dictionary and in the Internal Revenue Code. Black's is a good place to start, because it clearly defines two different kinds of "states". The first kind defines a member of the Union, i.e., one of the 50 States which are united by and under the Constitution:

> The section of territory occupied by one of the United States***. One of the component commonwealths or states of the United States of America.
>
> [emphasis added]

The second kind defines a federal state, which is entirely different from a member of the Union:

> Any state of the United States**, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession subject to the legislative authority of the United States. Uniform Probate Code, Section 1-201(40).
>
> [emphasis added]

Notice carefully that a member of the Union is not defined as being "subject to the legislative authority of the United States". Also, be aware that there are also several different definitions of "State" in the IRC, depending on the context. One of the most important of these is found in a chapter specifically dedicated to providing definitions, that is, Chapter 79 (not exactly the front of the book). In this chapter of definitions, we find the following:

> When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof-- ...
>
> (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)]
[emphasis added]

Already, it is obvious that this definition leaves much to be debated because it is ambiguous and it is not nearly as clear as our "established benchmark of clarity" (which will be engraved in marble a week from Tuesday). Does the definition restrict the term "State" to mean only the District of Columbia? Or does it expand the term "State" to mean the District of Columbia in addition to the 50 States of the Union? And how do we decide?

Even some harsh critics of federal income taxes, like Otto Skinner, have argued that ambiguities like this are best resolved by interpreting the word "include" in an expansive sense, rather than a restrictive sense. To support his argument, Skinner cites the definitions of "includes" and "including" that are actually found in the Internal Revenue Code:

> 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)]
> [emphasis added]

Skinner reasons that the Internal Revenue Code provides for an expanded definition of the term "includes" when used in other definitions contained in that Code. Using his logic, then, the definition of "State" at IRC Sec. 7701(a)(10) must be interpreted to mean the District of Columbia, in addition to other things. But what other things? Are the 50 States to be included also? What about the territories and possessions? And what about the federal enclaves ceded to Congress by the 50 States? If the definition itself does not specify any of these things, then where, pray tell, are these other things "distinctly expressed" in the Code? If these other things are distinctly expressed elsewhere in the Code, is their expression in the Code manifestly compatible with the intent of that Code? Should we include also a state of confusion to our understanding of the statute?

Quite apart from the meaning of "includes" and "including", defining the term "include" in an expansive sense leads to an absurd result that is manifestly incompatible with the Constitution. If the expansion results in defining the term "State" to mean the District of Columbia in addition to the 50 States of the Union, then these 50 States must be situated within the federal zone. Remember, the federal zone is the area of land over which the Congress has unrestricted, exclusive legislative jurisdiction. But, the Congress does not have unrestricted, exclusive legislative jurisdiction over any of the 50 States. It is bound by the chains of the Constitution in this other zone, to paraphrase Thomas Jefferson. Specifically, Congress is required to apportion direct taxes which it levies within the 50 States. This is a key limitation on the power of Congress. It has never been explicitly repealed as Prohibition was repealed).

Unlike the Brushaber case, other federal cases can be cited to support the conclusions that taxes on income are direct taxes, and that the 16th Amendment actually removed this apportionment rule from direct taxes laid on "income". Sorry, but the Supreme Court is not always consistent in this area, and the Appellate Courts are even less consistent. These other cases are highly significant, if only because they provide essential evidence of other attempts by federal courts to isolate the exact effects of a ratified 16th Amendment. The following ruling by the Sixth Circuit Court of Appeals is unique, among all the relevant federal cases, for its clarity and conciseness on this question:

> The constitutional limitation upon direct taxation was modified by the Sixteenth Amendment insofar as taxation of income was concerned, but the amendment was restricted to income, leaving in effect the limitation upon direct taxation of principal.

[Richardson vs United States, 294 F.2d 593, 596 (1961)]
[emphasis added]

The constitutional limitation upon direct taxes is apportionment. It is not difficult to find Supreme Court decisions which arrived at the very same conclusion about the 16th Amendment, long before the Richardson case:

> ... [I]t does not extend the taxing power to new or excepted subjects, but merely removed all occasion, which otherwise might exist, for an apportionment among the states of taxes laid on income, whether it be derived from one source or another.
>
> [Peck & Co. vs Lowe, 247 U.S. 165 (1918)]
> [emphasis added]

And, in what is arguably one of the most significant Supreme Court decisions to define the precise meaning of "income", the Eisner Court simply paraphrased the Peck decision when it attributed the exact same effect to the 16th Amendment, namely, income taxes had become direct taxes relieved of apportionment:

> As repeatedly held, this did not extend the taxing power to new subjects, but merely removed the necessity which otherwise might exist for an apportionment among the States of taxes laid on income. ...
>
> A proper regard for its genesis, as well as its very clear language, requires also that this Amendment shall not be extended by loose construction, so as to repeal or modify, except as applied to income, those provisions of the Constitution that require an apportionment according to population for direct taxes upon property, real and personal.
>
> [Eisner vs Macomber, 252 U.S. 189, 205-206 (1919)]
> [emphasis added]

Contrary to statements about it in the Brushaber decision, the earlier Pollock case, without any doubt, defined income taxes as direct taxes. It also overturned an Act of Congress precisely because that Act levied a direct tax without apportionment:

> First. We adhere to the opinion already announced, that, taxes on real estate being indisputably direct taxes, taxes on the rents or income of real estate are equally direct taxes.
>
> Second. We are of the opinion that taxes on personal property, or on the income of personal property, are likewise direct taxes.
>
> [Pollock vs Farmers' Loan & Trust Co.]
> [158 U.S. 601 (1895), emphasis added]

Another Supreme Court decision is worthy of note, not only because it appears to attribute the exact same effect to the 16th Amendment, but also because it fails to clarify which meaning of the term "United States" is being

used:

> No doubt is suggested (the former requirement of apportionment having been removed by constitutional amendment) as to the power of Congress thus to impose taxes upon incomes produced within the borders of the United States [?] or arising from sources located therein, even though the income accrues to a non-resident alien.
>
> [Shaffer vs Carter, 252 U.S. 37]
> [emphasis and question mark added]

In the Shaffer decision, it is obvious that Justice Pitney again attributed the same effect to the 16th Amendment. However, if he defined "United States" to mean the federal zone, then he must have believed that Congress also had to apportion direct taxes within that zone before the 16th Amendment was "declared" ratified. Such a belief contradicts the exclusive legislative authority which Congress exercises over the federal zone:

> In exercising this power [to make all needful rules and regulations respecting territory or other property belonging to the United States**], Congress is not subject to the same constitutional limitations, as when it is legislating for the United States***.
>
> [Hooven & Allison Co. vs Evatt, 324 U.S. 652 (1945)]
> [emphasis added]

On the other hand, if Justice Pitney defined "United States" to mean the several States of the Union, he as much admits that the Constitution needed amending to authorize an unapportioned direct tax on income produced or arising from sources within the borders of those States. Unfortunately for us, Justice Pitney did not clearly specify which meaning he was using, and we are stuck trying to make sense of Supreme Court decisions which contradict each other. For example, compare the rulings in Peck, Eisner, Pollock and Shaffer (as quoted above) with the rulings in Brushaber and Stanton vs Baltic Mining Co., and also with the ruling In re Becraft (a recent Appellate case). To illustrate, the Stanton court ruled as follows:

> ... [T]he Sixteenth Amendment conferred no new power of taxation but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged ....
>
> [Stanton vs Baltic Mining Company, 240 U.S. 103 (1916)]
> [emphasis added]

Now, contrast the Stanton decision with a relatively recent decision of the Ninth Circuit Court of Appeals in San Francisco. In re Becraft is classic because that Court sanctioned a seasoned defense attorney $2,500 for raising issues which the Court called "patently absurd and frivolous", sending a strong message to any licensed attorney who gets too close to breaking the "Code". First, the Court reduced attorney Lowell Becraft's position to "one elemental proposition", namely, that the 16th Amendment does not authorize a direct non-apportioned income tax on resident United States** citizens and thus such citizens are not subject to the federal income tax laws. Then the 9th Circuit dispatched Becraft's entire argument with exemplary double-talk, as follows:

> For over 75 years, the Supreme Court and the lower federal courts have both implicitly and explicitly recognized the Sixteenth Amendment's authorization of a non-apportioned

> direct income tax on United States** citizens residing in the United States*** and thus the validity of the federal income tax laws as applied to such citizens. See, e.g., Brushaber .... [M]uch of Becraft's reply is also devoted to a discussion of the limitations of federal jurisdiction to United States** territories and the District of Columbia and thus the inapplicability of the federal income tax laws to a resident of one of the states*** [from footnote 2].
>
> [In re Becraft, 885 F.2d 547, 548 (1989), emphasis added]

Here, the 9th Circuit credits the 16th Amendment with authorizing a non-apportioned direct tax, completely contrary to Brushaber. Then the term "United States" is used two different ways in the same sentence; we know this to be true because a footnote refers to "one of the [50] states". The Court also uses the term "resident" to mean something different from the statutory meaning of "resident" and "nonresident", thus exposing another key facet of their fraud (see Chapter 3). Be sure to recognize what's missing here, namely, any mention whatsoever of State Citizens.

For the lay person, doing this type of comparison is a daunting if not impossible task, and demonstrates yet another reason why federal tax law should be nullified for vagueness, if nothing else. If Appellate and Supreme Court judges cannot be clear and consistent on something as fundamental as a constitutional amendment, then nobody can. And their titles are Justice. Are you in the State of Confusion yet?

When it comes to federal income taxes, we are thus forced to admit the existence of separate groups of Supreme Court decisions that flatly contradict each other. One group puts income taxes into the class of indirect taxes; another group puts them into the class of direct taxes. One group argues that a ratified 16th Amendment did not change or repeal any other clause of the Constitution; another group argues that it relieved income taxes from the apportionment rule. Even experts disagree. To illustrate the range of disagreement on such fundamental constitutional issues, consider once again the conclusion of legal scholar Vern Holland, quoted in a previous chapter:

> [T]he Sixteenth Amendment did not amend the Constitution. The United States Supreme Court by unanimous decisions determined that the amendment did not grant any new powers of taxation; that a direct tax cannot be relieved from the constitutional mandate of apportionment; and the only effect of the amendment was to overturn the theory advanced in the Pollock case which held that a tax on income, was in legal effect, a tax on the sources of the income.
>
> [The Law That Always Was, page 220, emphasis added]

Now consider an opposing view of another competent scholar. After much research and much litigation, autho and attorney Jeffrey A. Dickstein offers the following concise clarification:

> A tax imposed on all of a person's annual gross receipts is a direct tax on personal property that must be apportioned. A tax imposed on the "income" derived from those gross receipts is also a direct tax on property, but as a result of the Sixteenth Amendment, Congress no longer has to enact legislation calling for the apportionment of a tax on that income.
>
> [Judicial Tyranny and Your Income Tax, pages 60-61]

Recall now that 17,000 State-certified documents have been assembled to prove that the 16th Amendment was never ratified. As a consistent group, the Pollock, Peck, Eisner and Richardson decisions leave absolutely no doubt about the consequences of the failed ratification: the necessity still exists for an apportionment among the 50 States of all direct taxes, and income taxes are direct taxes. Using common sense as our guide, an expansive definition of "include" results in defining the term "State" to mean the District of Columbia in addition to the 50 States. This expansive definition puts the 50 States inside the federal zone, where Congress has no restrictions on its exclusive legislative jurisdiction. But, just a few sentences back, we proved that the rule of apportionment still restrains Congress inside the 50 States. This is an absurd result: it is not possible for the restriction to exist, and not exist, at the same time, in the same place, for the same group of people, for the same laws, within the same jurisdiction. Congress cannot have its cake and eat it too, as much as it would like to! Absurd results are manifestly incompatible with the intent of the IRC (or so I am told).

Other problems arise from Skinner's reasoning. First of all, like so much of the IRC, the definitions of "includes" and "including" are outright deceptions in their own right. A grammatical approach can be used to demonstrate that these definitions are thinly disguised tautologies. Note, in particular, where the Code states that these terms "shall not be deemed to exclude other things". This is a double negative. Two negatives make a positive. This phrase, then, is equivalent to saying that the terms "shall be deemed to include other things". Continuing with this line of reasoning, the definition of "includes" includes "include", resulting in an obvious tautology. (I just couldn't resist.) Forgive them, for they know not what they do.

The definitions of "includes" and "including" can now be rewritten so as to "include other things otherwise within the meaning of the term defined". So, what things are otherwise within the meaning of the term "State", if those things are not distinctly expressed in the original definition? You may be dying to put the 50 States of the Union among those things that are "otherwise within the meaning of the term", but you are using common sense. The Internal Revenue Code was not written with common sense in mind; it was written with deception in mind. The rules of statutory construction apply a completely different standard. Author Ralph Whittington has this to say about the special definitions that are exploited by lawyers and lawmakers:

> The Legislature means what it says. If the definition section states that whenever the term "white" is used (within that particular section or the entire code), the term includes "black," it means that "white" is "black" and you are not allowed to make additions or deletions at your convenience. You must follow the directions of the Legislature, NO MORE -- NO LESS.
>
> [Omnibus, Addendum II, p. 2]

Unfortunately for Otto Skinner and others who try valiantly to argue the expansive meaning of "includes" and "including", Treasury Decision No. 3980, Vol. 29, January-December 1927, and some 80 court cases have adopted the restrictive meaning of these terms:

> The supreme Court of the State ... also considered that the word "including" was used as a word of enlargement, the learned court being of the opinion that such was its ordinary sense. With this we cannot concur. It is its exceptional sense, as the dictionaries and cases indicate.
>
> [Montello Salt Co. vs State of Utah, 221 U.S. 452 (1911)]
> [emphasis added]

An historical approach yields similar results. Without tracing the myriad of income tax statutes which Congress has enacted over the years, it is instructive to examine the terminology found in a revenue statute from the Civil

War era. The definition of "State" is almost identical to the one quoted from the current IRC at the start of this chapter. On June 30, 1864, Congress enacted legislation which contained the following definition:

> The word "State," when used in this Title, shall be construed to include the Territories and the District of Columbia, where such construction is necessary to carry out its provisions.
>
> [Title 35, Internal Revenue, Chapter 1, page 601]
> [Revised Statutes of the United States**]
> [43rd Congress, 1st Session, 1873-74]

Aside from adding "the Territories", the two definitions are nearly identical. The Territories at this point in time were Washington, Utah, Dakota, Nebraska, Colorado, New Mexico, and the Indian Territory.

One of the most fruitful and conclusive methods for establishing the meaning of the term "State" in the IRC is to trace the history of changes to the United States Codes which occurred when Alaska and Hawaii were admitted to the Union. Because other authors have already done an exhaustive job on this history, there is no point in re-inventing their wheels here. It is instructive to illustrate these Code changes as they occurred in the IRC definition of "State" found at the start of this chapter. The first Code amendment became effective on January 3, 1959, when Alaska was admitted to the Union:

> Amended 1954 Code Sec. 7701(a)(10) by striking out "Territories", and by substituting "Territory of Hawaii".
>
> [IRC 7701(a)(10)]

The second Code amendment became effective on August 21, 1959, when Hawaii was admitted to the Union:

> Amended 1954 Code Sec. 7701(a)(10) by striking out "the Territory of Hawaii and" immediately after the word "include".
>
> [IRC 7701(a)(10)]

Applying these code changes in reverse order, we can reconstruct the IRC definitions of "State" by using any word processor and simple "textual substitution" as follows:

> Time 1: Alaska is a U.S.** Territory
> Hawaii is a U.S.** Territory
>
> 7701(a)(10): The term "State" shall be construed to include the Territories and the District of Columbia, where such construction is necessary to carry out provisions of this title.

Alaska joins the Union. Strike out "Territories" and substitute "Territory of Hawaii":

> Time 2: Alaska is a State of the Union
> Hawaii is a U.S.** Territory

7701(a)(10): The term "State" shall be construed to include the Territory of Hawaii and the District of Columbia, where such construction is necessary to carry out provisions of this title.

Hawaii joins the Union. Strike out "the Territory of Hawaii and" immediately after the word "include":

Time 3: Alaska is a State of the Union
Hawaii is a State of the Union

7701(a)(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.

Author Lori Jacques has therefore concluded that the term "State" now includes only the District of Columbia, because the former Territories of Alaska and Hawaii have been admitted to the Union, Puerto Rico has been granted the status of a Commonwealth, and the Philippine Islands have been granted their independence (see United States Citizen versus National of the United States, page 9, paragraph 5). It is easy to see how author Lori Jacques could have overlooked the following reference to Puerto Rico, found in the IRC itself:

> Commonwealth of Puerto Rico. -- Where not otherwise distinctly expressed or manifestly incompatible with the intent thereof, references in this title to possessions of the United States** shall be treated as also referring to the Commonwealth of Puerto Rico.
>
> [IRC 7701(d)]

In order to conform to the requirements of the Social Security scheme, a completely different definition of "State" is found in the those sections of the IRC that deal with Social Security. This definition was also amended on separate occasions when Alaska and Hawaii were admitted to the Union. The first Code amendment became effective on January 3, 1959, when Alaska was admitted:

> Amended 1954 Code Sec. 3121(e)(1), as it appears in the amendment note for P.L. 86-778, by striking out "Alaska," where it appeared following "includes".
>
> [IRC 3121(e)(1)]

The second Code amendment became effective on August 21, 1959, when Hawaii was admitted:

> Amended 1954 Code Sec. 3121(e)(1), as it appears in the amendment note for P.L. 86-778, by striking out "Hawaii," where it appeared following "includes".
>
> [IRC 3121(e)(1)]

Applying these code changes in reverse order, we can reconstruct the definitions of "State" in this Section of the IRC as follows:

Time 1: Alaska is a U.S.** Territory
Hawaii is a U.S.** Territory

```
 3121(e)(1):   The term  "State"  includes  Alaska,  Hawaii,  the
               District of  Columbia, Puerto Rico, and the Virgin
               Islands.
```

Alaska joins the Union. Strike out "Alaska," where it appeared following "includes":

```
     Time 2:   Alaska is a State of the Union
               Hawaii is a U.S.** Territory

 3121(e)(1):   The term  "State" includes Hawaii, the District of
               Columbia, Puerto Rico, and the Virgin Islands.
```

Hawaii joins the Union. Strike out "Hawaii," where it appeared following "includes":

```
     Time 3:   Alaska is a State of the Union
               Hawaii is a State of the Union

 3121(e)(1):   The  term   "State"  includes   the  District   of
               Columbia, Puerto Rico, and the Virgin Islands.
```

Puerto Rico becomes a Commonwealth. For services performed after 1960, Guam and American Samoa are added to the definition:

```
     Time 4:   Puerto Rico becomes a Commonwealth
               Guam and American Samoa join Social Security

 3121(e)(1):   The  term   "State"  includes   the  District   of
               Columbia, the  Commonwealth of  Puerto  Rico,  the
               Virgin Islands, Guam, and American Samoa.
```

Notice carefully how Alaska and Hawaii only fit these definitions of "State" before they joined the Union. It most revealing that these Territories became States when they were admitted to the Union, and yet the United States Codes had to be changed because Alaska and Hawaii were defined in those Codes as "States" before admission to the Union, but not afterwards. This apparent anomaly is perfectly clear, once the legal and deliberately misleading definition of "State" is understood. The precise history of changes to the Internal Revenue Code is detailed in Appendix B of this book. The changes made to the United States Codes when Alaska joined the Union were assembled in the Alaska Omnibus Act. The changes made to the federal Codes when Hawaii joined the Union were assembled in the Hawaii Omnibus Act. The following table summarizes the sections of the IRC that were affected by these two Acts:

IRC Section changed:	Alaska joins:	Hawaii joins:
2202	X	X
3121(e)(1)	X	X
3306(j)	X	X
4221(d)(4)	X	X

4233(b)	X	X	
4262(c)(1)	X	X	
4502(5)	X	X	
4774	X	X	
7621(b)	X		(-- Note
7653(d)	X	X	
7701(a)(9)	X	X	
7701(a)(10)	X	X	

Section 7621(b) sticks out like a sore thumb when the changes are arrayed in this fashion. The Alaska Omnibus Act modified this section of the IRC, but the Hawaii Omnibus Act did not. Let's take a close look at this section and see if it reveals any important clues:

> Sec. 7621. Internal Revenue Districts.
>
> (a) Establishment and Alteration. -- The President shall establish convenient internal revenue districts for the purpose of administering the internal revenue laws. The President may from time to time alter such districts.
>
> [IRC 7621(a)]

Now witness the chronology of amendments to IRC Section 7621(b), entitled "Boundaries", as follows:

> Time 1: Alaska is a U.S.** Territory.
> {1/3/59 Hawaii is a U.S.** Territory. ("{" means "before")
>
> 7621(b): Boundaries. -- For the purpose mentioned in subsection (a), the President may subdivide any State, Territory, or the District of Columbia, or may unite two or more States or Territories into one district.
>
> Time 2: Alaska is a State of the Union.
> 1/3/59 Hawaii is a U.S.** Territory.
>
> 7621(b): Boundaries. -- For the purpose mentioned in subsection (a), the President may subdivide any State, Territory, or the District of Columbia, or may unite into one District two or more States or a Territory and one or more States.
>
> Time 3: Alaska is a State of the Union.
> 2/1/77 Hawaii is a State of the Union.
>
> 7621(b): Boundaries. -- For the purpose mentioned in subsection (a), the President may subdivide any State or the District of Columbia, or may unite into one district two or more States.

The reason why the Hawaii Omnibus Act did not change section 7621(b) is not apparent from reading the statute, nor has time permitted the research necessary to determine why this section was changed in 1977 and

not in 1959. After Alaska joined the Union, Hawaii was technically the only remaining Territory. This may explain why the term "Territories" was changed to "Territory" at Time 2 above. However, this is a relatively minor matter, when compared to the constitutional issue that is involved here. There is an absolute constitutional restriction against subdividing or joining any of the 50 States, or any parts thereof, without the consent of Congress and of the Legislatures of the States affected. This restriction is very much like the restriction against direct taxes within the 50 States without apportionment:

> New States may be admitted by the Congress into this Union; but no new State shall be formed or erected within the Jurisdiction of any other State; nor any State be formed by the Junction of two or more States, or Parts of States, without the Consent of the Legislatures of the States concerned as well as of the Congress.
>
> [Constitution for the United States of America]
> [Article 4, Section 3, Clause 1]
> [emphasis added]

This point about new States caught the keen eye of author and scholar Eustace Mullins. In his controversial and heart- breaking book entitled A Writ for Martyrs, Mullins establishes the all-important link between the Internal Revenue Service and the Federal Reserve System, and does so by charging that Internal Revenue Districts are "new states" which have been established within the jurisdiction of legal States of the Union, as follows:

> The income tax amendment and the Federal Reserve Act were passed in the same year, 1913, because they function as an essential team, and were planned to do so. The Federal Reserve districts and the Internal Revenue Districts are "new states," which have been established within the jurisdiction of legal states of the Union.
>
> [see Appendix "I", emphasis added]

Remember, the federal zone is the area of land over which the Congress exercises an unrestricted, exclusive legislative jurisdiction. The Congress does not have unrestricted, exclusive legislative jurisdiction over any of the 50 States. It is bound by the chains of the Constitution. This point is so very important, it bears repeating throughout the remaining chapters of this book. As in the apportionment rule for direct taxes and the uniformity rule for indirect taxes, Congress cannot join or divide any of the 50 States without the explicit approval of the Legislatures of the State(s) involved. This means that Congress cannot unilaterally delegate such a power to the President. Congress cannot lawfully exercise (nor delegate) a power which it simply does not have.

How, then, is it possible for section 7621(b) of the Internal Revenue Code to give this power to the President? The answer is simple: the territorial scope of the Internal Revenue Code is the federal zone. The IRC only applies to the land that is internal to that zone. If the territorial scope of the IRC were the 50 States of the Union, then section 7621(b) would, all by itself, render the entire statute unconstitutional for violating clause 4:3:1 of the Constitution (see above). Numerous other constitutional violations would also occur if the territorial scope of the IRC were the 50 States. A clear and unambiguous definition of "State" must be known before status and jurisdiction can be decided with certainty. After seeing and verifying all of the evidence discussed above, tl editors of a bulletin published by the Monetary Realist Society wrote the following long comment about the obvious problems it raises:

> A serious reader could come to the conclusion that Missouri, for example, is not one of the United States referred to in the code. This conclusion is encouraged by finding that the code refers to Hawaii and Alaska as states of the United

States before their admission to the union! Is the IRS telling us that the only states over which it has jurisdiction are Guam, Washington D.C., Puerto Rico, the Virgin Islands, etc.? Well, why not write and find out? Don't expect an answer, though. Your editor has asked this question and sought to have both of his Senators and one Congresswoman prod the IRS for a reply when none was forthcoming. Nothing.

And isn't that strange? It would be so simple for the service to reply, "Of course Missouri is one of the United States referred to in the code" if that were, indeed, the case. What can one conclude from the government's refusal to deal with this simple question except that the government cannot admit the truth about United States citizenship? I admit that the question sounds silly. Everybody knows that Missouri is one of the United States, right? Sure, like everybody knows what a dollar is! But the IRS deals with "silly" questions every day, often at great length. After all, the code occupies many feet of shelf space, and covers almost any conceivable situation. It just doesn't seem to be able to cope with the simplest questions!

["Some Thoughts on the Income Tax"]
[The Bulletin of the Monetary Realist Society]
[March 1993, Number 152, page 2]

Although this book was originally intended to focus on the Internal Revenue Code, the other 49 U.S. Codes contain a wealth of additional proof that the term "State" does not always refer to one of the 50 States of the Union. Just to illustrate, the following statutory definition of the term "State" was found in Title 8, the Immigration and Nationality Act, as late as 1987:

(36) The term "State" includes (except as used in section 310(a) of title III [8 USCS Section 1421(a)]) the District of Columbia, Puerto Rico, Guam, and the Virgin Islands of the United States.

[8 USC 1101(a)(36), circa 1987, emphasis added]

The "exception" cited in this statute tells the whole story here. In section 1421, Congress needed to refer to courts of the 50 States, because their constitutions and laws granted to those courts the requisite jurisdiction to naturalize. For this reason, Congress made an explicit exception to the standard, federal definition of "State" quoted above. The following is the paragraph in section 1421 which contained the exceptional uses of the term "State" (i.e. Union State, not federal state):

1421. Jurisdiction to naturalize

(a) Exclusive jurisdiction to naturalize persons as citizens of the United States** is hereby conferred upon the following specified courts: District courts of the United States now existing, or which may hereafter be established by Congress in any State ... also all courts of record in any State or Territory now existing, or which may hereafter be created, having a seal, a clerk, and jurisdiction in actions at law or equity, or law and equity, in which the amount in controversy is unlimited.

[8 USC 1421(a), circa 1987, emphasis added]

In a section entitled "State Courts", the interpretive notes and decisions for this statute contain clear proof that the phrase "in any State" refers to any State of the Union (e.g. New York):

> Under 8 USCS Section 1421, jurisdiction to naturalize was conferred upon New York State Supreme Court by virtue of its being court of record and having jurisdiction in actions at law and equity. Re Reilly (1973) 73 Misc 2d 1073, 344 NYS2d 531.
>
> [8 USCS 1421, Interpretive Notes and Decisions]
> [Section II. State Courts, emphasis added]

Subsequently, Congress removed the reference to this exception in the amended definition of "State", as follows:

> (36) The term "State" includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands of the United States.
>
> [8 USC 1101(a)(36), circa 1992]

Two final definitions prove, without any doubt, that the IRC can also define the terms "State" and "United States" to mean the 50 States as well as the other federal states. The very existence of multiple definitions provides convincing proof that the IRC is intentionally vague, particularly in the section dedicated to general definitions (IRC 7701(a)). The following definition is taken from Subtitle D, Miscellaneous Excise Taxes, Subchapter A, Tax on Petroleum (which we all pay taxes at the pump to use):

> (A) In General. -- The term "United States" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, any possession of the United States, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. [!!]
>
> [IRC 4612(a)(4)(A)]
> [emphasis added]

Notice that this definition uses the term "means". Why is this definition so clear, in stark contrast to other IRC definitions of the "United States"? Author Ralph Whittington provides the simple, if not obvious, answer:

> The preceding is a true Import Tax, as allowed by the Constitution; it contains all the indicia of being Uniform, and therefore passes the Constitutionality test and can operate within the 50 Sovereign States. The language of this Revenue Act is simple, specific and definitive, and it would be impossible to attach the "Void for Vagueness Doctrine" to it.
>
> [The Omnibus, page 83, emphasis added]

The following definition of "State" is required only for those Code sections that deal with the sharing of tax return information between the federal government and the 50 States of the Union. In this case, the 50 States need to be included in the definition. So, the lawmakers can do it when they need to (and not do it, in order to put the rest of us into a state of confusion):

> (5) State -- The term "State" means -- [!!]

> (A) any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.
>
> [IRC 6103(b)(5), emphasis added]

It is noteworthy [!!] that these sections of the IRC also utilize the term "means" instead of the terms "includes" and "including", and instead of the phrase "shall be construed to include". It is certainly not impossible to be clear. If it were impossible to be clear, then just laws would not be possible at all, and the Constitution could never have come into existence anywhere on this planet. Authors like The Informer (as he calls himself) consider the very existence of multiple definitions of "State" and "United States" to be highly significant proof of fluctuating statutory intent, even though a definition of "intent" is nowhere to be found in the statute itself. Together with evidence from the Omnibus Acts, these fluctuating definitions also expose perhaps the greatest fiscal fraud that has ever been perpetrated upon any people at any time in the history of the world.

Having researched all facets of the law in depth for more than ten full years, The Informer summarizes what we have learned thus far with a precision that was unique for its time:

> The term "States" in 26 USC 7701(a)(9) is referring to the federal states of Guam, Virgin Islands, Etc., and NOT the 50 States of the Union. Congress cannot write a municipal law to apply to the individual nonresident alien inhabiting the States of the Union. Yes, the IRS can go into the States of the Union by Treasury Decision Order, to seek out those "taxpayers" who are subject to the tax, be they a class of individuals that are United States** citizens, or resident aliens. They also can go after nonresident aliens that are under the regulatory corporate jurisdiction of the United States**, when they are effectively connected with a trade or business with the United States** or have made income from a source within the United States** ....
>
> [Which One Are You?, page 98, emphasis added]

Nevertheless, despite a clarity that was rare, author Lori Jacques has found good reasons to dispute even this statement. In a private communication, she explained that the Office of the Federal Register has issued a statement indicating that Treasury Department Orders 150-10 and 150-37 (regarding taxation) were not published in the Federal Register. Evidently, there are still no published orders from the Secretary of the Treasury giving the Commissioner of Internal Revenue the requisite authority to enforce the Internal Revenue Code within the 50 States of the Union. Furthermore, under Title 3, Section 103, the President of the United States, by means of Presidential Executive Order, has not delegated authority to enforce the IRC within the 50 States of the Union. Treasury Department Order No. 150-10 can be found in Commerce Clearinghouse Publication 6585 (an unofficial publication). Section 5 reads as follows:

> U.S. Territories and Insular Possessions. The Commissioner shall, to the extent of authority otherwise vested in him, provide for the administration of the United States internal revenue laws in the U.S. Territories and insular possessions and other authorized areas of the world.

Thus, the available evidence indicates that the only authority delegated to the Internal Revenue Service is to enforce tax treaties with foreign territories, U.S. territories and possessions, and Puerto Rico. To be consistent

with the law, Treasury Department Orders, particularly TDO's 150-10 and 150-37, needed to be published in the Federal Register. Thus, given the absence of published authority delegations within the 50 States, the obvious conclusion is that the various Treasury Department orders found in Internal Revenue Manual 1229 have absolutely no legal bearing, force or effect on sovereign Citizens of the 50 States. Awesome, yes? Our hats are off, once again, to Lori Jacques for her superb legal research.

The astute reader will notice another basic disagreement between authors Lori Jacques and The Informer. Lori Jacques concludes that the term "State" now includes only the District of Columbia, a conclusion that is supported by IRC Sec. 7701(a)(10). The Informer, on the other hand, concludes that the term "States" refers to the federal states of Guam, Virgin Islands, etc. These two conclusions are obviously incompatible, because singular and plural must, by law, refer to the same things.

It is important to realize that both conclusions were reached by people who have invested a great deal of earnest time and energy studying the relevant law, regulations, and court decisions. If these honest Americans can come to such diametrically opposed conclusions, after competent and sincere efforts to find the truth, this is all the more reason why the law should be declared null and void for vagueness. Actually, this is all the more reason why we should all be pounding nails into its coffin, by every lawful method available to boycott this octopus. The First Amendment guarantees our fundamental right to boycott arbitrary government, by our words and by our deeds.

Moreover, 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 any 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 any accusation starts with the statute which a 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 the doctrine is called. 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 5th and 6th Amendments. The U.S. Supreme Court has agreed unequivocally:

> That the terms of a penal statute creating a new offense must be sufficiently explicit to inform those who are subject to it what conduct on their part will render them liable to its penalties, is a well-recognized requirement, consonant alike with ordinary notions of fair play and the settled rules of law. And a statute which either forbids or requires the doing of an act in terms so vague that men of common intelligence must necessarily guess at its meaning and differ as to its application, violates the first essential of due process of law.
>
> [Connally et al. vs General Construction Co.]
> [269 U.S 385, 391 (1926), emphasis added]

The Informer's conclusions appear to require definitions of "includes" and "including" which are expansive, not restrictive. The matter could be easily decided if the IRC would instead exhibit sound principles of statutory construction, state clearly and directly that "includes" and "including" are meant to be used in the expansive sense, and itemize those specific persons, places, and/or things that are "otherwise within the meaning of the terms defined". If the terms "includes" and "including" must be used in the restrictive sense, the IRC should state, clearly and directly, that the expressions "includes only" and "including only" must be used.

Alternatively, the IRC could exhibit sound principles of statutory construction by stating clearly and directly that "includes" and "including" are always meant to be used in the restrictive sense. Better yet, abandon the wor

"include" entirely, together with all of its grammatical variations, and use instead the word "means" (which does not suffer from a long history of semantic confusion). It would also help a lot if the 50 States were consistently capitalized and the federal states were not. These, again, are excellent grounds for deciding that the IRC is vague and therefore null and void. Of course, if the real intent is to expand the federal zone in order to subjugate the 50 states under the dominion of Federal States (defined along something like ZIP code boundaries) and to replace the sovereign Republics with a monolithic socialist dictatorship, carved up into arbitrary administrative "districts", that is another problem altogether.

The absurd results which obtain from expanding the term "State" to mean the 50 States, however, are problems which will not go away, no matter how much we clarify the definitions of "includes" and "including" in the IRC. There are 49 other U.S. Codes which have the same problem. Moreover, the mountain of material evidence impugning the ratification of the so-called 16th Amendment should leave no doubt in anybody's mind that Congress must still apportion all direct taxes levied inside the sovereign borders of the 50 States. Likewise, Congress is not empowered to delegate unilateral authority to the President to subdivide or to join any of the 50 States. There are many other constitutional violations which result from expanding the term "State" to mean the 50 States of the Union. In this context, the mandates and prohibitions found in the Bill of Rights are immediately obvious, particularly as they apply to State Citizens.

Clarifying the definitions of "includes" and "including" in the IRC is one thing; clarifying the exact extent of sovereign jurisdiction is quite another. Congress is just not sovereign within the borders of the 50 States. Sorry, all you Senators and Representatives. When you took office, you did not take an oath to uphold and defend the Ten Commandments. You did not take an oath to uphold and defend the Uniform Commercial Code. You did not take an oath to uphold and defend the Communist Manifesto. You did take an oath to uphold and defend the Constitution for the United States of America.

It should be obvious, at this point, that capable authors like Lori Jacques and The Informer do agree that the 50 States do not belong in the standard definition of "State" because they are in a class that is different from the class of federal states. Within the borders of the 50 States, the "geographical" extent of exclusive federal jurisdiction is confined to the federal enclaves; this extent does not encompass the 50 States themselves. W cannot blame the average American for failing to appreciate this subtlety. The confusion that results from the vagueness we observe is inherent in the statute and evidently intentional, which raises some very serious questions concerning the real intent of that statute in the first place. Could money have anything to do with it? The question answers itself.

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Chapter 6: Empirical Results

Up to this point, I have defined a set of key terms and created a scheme for understanding how these key terms relate to each other. This scheme was summarized in the form of a diagram which I have called The Matrixsee chapter 3). The Matrix is a two-by-two table which permutes every combination of citizen, alien, resident and nonresident to create four unique cases:

1. resident citizen
2. resident alien
3. nonresident citizen
4. nonresident alien

As a body of law, the Internal Revenue Code (IRC) and its regulations together require all "citizens" and all "residents" of the United States** to pay taxes on their worldwide incomes. This requirement applies to three of the four cases shown above, namely, resident citizens, resident aliens and nonresident citizens. In the fourth case, nonresident aliens only pay tax on income which is effectively connected with a U.S.** trade or business, and on income from sources within the U.S.** (like Frank Brushaber's dividend). Their tax liability is succinctly summarized by the Code itself. Note how the relevant Code section utilizes the phrase "includes only" as follows:

> 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), emphasis added]

This may sound all well and good, in theory. How does it work in practice? With so many words to document the recipe for pudding, how does the pudding taste? Two case histories provide the necessary proof.

Case 1

Figure 1 shows a letter which an American Citizen sent to the District Director of the Internal Revenue Service in Ogden, Utah. This letter was prepared in response to an unsigned letter from the IRS, requesting that he file a 1040 Form.

December 5, 1990
District Director
Internal Revenue Service
Ogden, Utah 84201

Re: NRA SSN #___-__-____

On or about December 1, 1990, I received an unsigned document claiming that you have not received the tax

return 1040, and requesting that the form 1040 be filed. I have enclosed a copy of that request. I know of no such code that requires me to file a "tax return 1040". If you know of such a code, please identify that code for me.

I have enclosed a copy of the letter that I have sent to the Director of the Foreign Operations District, concerning this matter.

In researching the revenue code book which your people kindly supplied to me, I discovered that only an "individual" is required to file a tax return 26 USC 6012) and then only under certain circumstances. In looking at Section 7701(a)(1) of the code, I discovered that the term "individual" is defined as a "person". Then, in checking under 7701(a)(30), I discovered the definition of a "United States person" as meaning a "citizen of the United States", "resident of the United States", "domestic corporation", "domestic partnership" and a "domestic trust or estate". There is no INDIVIDUAL defined under 7701(a)(30) and therefore I cannot be an "individual" within the meaning of 7701(a)(1) and/or 26 USC 6012.

As well, the Supreme Court in the case of Wills vs Michigan State Police, 105 L.Ed.2d 45 (1989) made it perfectly clear that I, the sovereign, cannot be named in any statute as merely a "person", or "any person". I am a member of the "sovereignty" as defined in Yick Wo vs Hopkins, 118 U.S. 356 and the Dred Scott case, 60 U.S. 393.

Therefore and until you can prove otherwise, I am not a "taxpayer", nor an "individual" that is required to file a tax return. Please forward to me a letter stating that I am not liable for this tax return, or produce the documentation that requires me to file the "requested" tax return.

If you have any questions concerning this letter, you may write to me at the address shown below. Please sign all papers so that I know who I am dealing with. Until such a time as I hear from you or your office, I will take the position that I am no longer liable for filing the return. Failure to respond will be taken as meaning that you have "acquiesced" and that, from this date forward, the doctrine of "estoppel by acquiescence" will prevail.

Sincerely,

/s/ NRA

Figure 1: Letter to District Director

Note, in particular, his use of the key words "citizen of the United States**", "resident of the United States**", "domestic corporation", "domestic partnership", "domestic trust or estate" and "sovereign". He asserted his status by explicitly claiming to be a sovereign who was not the "person" defined at IRC 7701(a)(1), and who was not the "United States** person" defined at 7701(a)(30). The IRC defines "person" as follows:

```
     Person. --  The term "person" shall be construed to mean and
     include  an   individual,  a   trust,  estate,  partnership,
     association, company or corporation.
                                                  [IRC 7701(a)(1)]


The IRC defines "United States** person" as follows:

     United States** person. -- 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 (other than a foreign estate or foreign trust, within the meaning of Section 7701(a)(31)).

[IRC 7701(a)(30)]

Again, note the use of the key words "citizen", "resident", "domestic", and "foreign" which have been highlighted for emphasis. These key words relate directly to The Matrix. The key words "domestic" and "foreign" relate directly to the boundaries of the federal zone, that is, the "United States**" as that term is defined in relevant sections of the United States Codes (USC). A domestic corporation is one which was chartered inside the federal zone. A foreign estate or foreign trust are foreign because they were established outside the federal zone. Without making these statements in so many words, our intrepid American's letter in Figure 1 can be used to draw the following inferences about his status with respect to the exclusive legislative jurisdiction of the "United States**":

1. He is a sovereign as defined by the Supreme Court
2. He is not a citizen of the United States**
3. He is not a resident of the United States**
4. He is not a domestic corporation
5. He is not a domestic partnership
6. He is not a domestic estate and
7. He is not a domestic trust

There is one important thing his letter did not state explicitly about him, and that is his status as a nonresident alien. Nevertheless, this inference can, in turn, be drawn from two of the above inferences: (2) he is not a citizen of the United States** and (3) he is not a resident of the United States**. As a human being, he is not an artificial "person" like a corporation, partnership, estate, or trust. If he is not a citizen of the United States**, then he is an alien. If he is not a resident of the United States**, then he is a nonresident. Therefore, he is a nonresident alien, according to the statute and its regulations.

Now, let's take the pudding out of the oven and see how it tastes. After taking some time to review his letter, the IRS addressed the following response to our intrepid American:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201

In reply refer to: 9999999999
June 27, 1991 LTR 2358C
___-__-____ 8909 05 0000
Input Op: 9999999999 07150

To: NRA
Address
City, State Zip

Taxpayer Identification Number : ___-__-____
Tax Form : 1040
Tax Period : Sep. 30, 1989
Correspondence Received Date : June 13, 1991

Dear Taxpayer:

Based on our information, you are no longer liable for filing this tax return. We may contact you in the future if issues arise that need clarification. You do not need to reply to this letter.

Sincerely yours,

/s/ J. M. Wood

Chief, Collection Branch

Case 2

It would have been interesting to see what kind of response NRA would have received if he had stated explicitly his status as a nonresident alien. Based on what we know already about the law and its regulations, such an explicit statement might have expedited the processing of his letter. But hindsight is always 20/20. Fortunately, we do have another example where an American Citizen did just that, in response to a similar IRS request for a 1040 form. The following is the text of the IRS request:

Department of the Treasury
Internal Revenue Service
Ogden, UT 94201

Date of this Notice: 08-19-91
Taxpayer Identification: (ssn)
Form: 1040
Tax Periods: 12-31-89

To: ARN

Your tax return is overdue -- Contact us immediately

We still have not received your tax return, Form 1040 U.S. Individual Income Tax Return, for the year ending 12-31-89.

We must resolve this matter. Contact us immediately, or we may take the following action:

1. Summon you to come in with your books and records as provided by Sections 7602 and 7603 of the Internal Revenue Code;

2. Criminal prosecution that includes a fine, imprisonment, or both, for persons who willfully fail to file a tax return or provide tax information (Code Section 7203).

To prevent these actions, file your tax return today and attach your payment for any tax due. Even if you can't pay the entire amount of tax you owe now, it is important that you file your tax return today. Pay as much as you can and tell us when you will pay the rest. We may be able to arrange for you to pay in installments. Detach and enclose the form below with your return. To expedite processing, use the enclosed envelope.

If you are not required to file or have previously filed, please contact us at the phone number shown above.

[unsigned]

I always enjoy it very much when the IRS states that "you can pay in installments". Somebody should write to them and recommend that they consider augmenting their "Services" by implementing a layaway plan. They may even have a special form for this very thing: Service Augmentation Request Form (RF) #6666666, kind of like their "internal" Form 4685, as described on page 34 of the IRS Printed Product Catalog, Document 7130:

```
Form 4685     41890S     (Each)
News Clipping Mounting Guide
This guide sheet is used for mounting news clippings
for submittal to the National Office.
C:PA:L  Internal Use
```

Now, our second intrepid American, coded with the initials ARN (Non Resident Alien abbreviated backwards also took it upon himself to respond in writing. This time, however, he wrote the following words right on the IRS letter and sent it back to them, certified mail, return receipt requested, on September 13, 1991:

PLEASE BE ADVISED that ARN is a non-resident alien of the United States**, never having lived, worked, nor having income from any source within the District of Columbia, Puerto Rico, Virgin Islands, Guam, American Samoa or any other Territory within the United States**, which entity has its origin and jurisdiction from Article 1, Section 8, Clause 17 of the U.S. Constitution. Therefore, he is a non-taxpayer outside of the venue and jurisdiction of 26 U.S.C.

This response gets right to the point. In his first sentence, ARN is explicit and unequivocal about his status as a nonresident alien with respect to the United States**. He has never lived or worked in the United States**. He has never had income from any source inside ("within") the District of Columbia, Puerto Rico, Virgin Islands, Guam, American Samoa, or any other Territory within the United States**. He exhibits his knowledge of the relevant authority for "internal" revenue laws by correctly citing Article 1, Section 8, Clause 17 (1:8:17) of the U.S. Constitution. Lastly, he concludes that he is a "non-taxpayer" who is outside the "venue" and jurisdiction of 26 U.S.C. (Title 26, United States Code).

English Philosopher William of Occam (1300-1349) put it succinctly when he said:

"The simplest solution is the best."

Contrast this, the simplest of statements, with the dictionary definition of "Occam's razor", as it is called:

Occam's razor n [William of Ockham]: a scientific and philosophic rule that entities should not be multiplied unnecessarily which is interpreted as requiring that the simplest of competing theories be preferred to the more complex or that explanations of unknown phenomena be sought first in terms of known quantities.

[Webster's New Collegiate Dictionary]
[G. & C. Merriam Co.]
[Springfield, Mass. 1981]

I wonder if the people who write for G. & C. Merriam Company also obtain supplementary compensation for

services performed inside the exclusive legislative jurisdiction of the federal democracy of the United States** (i.e., moonlight in the federal zone).

Exactly two weeks later, ARN received the following letter from J. M. Wood, signed with "hand writing" that lines up perfectly with the same signature received by NRA. Could it have been a computer signature?

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201

In reply refer to: 9999999999
Sep. 30, 1991 LTR 2358C
___-__-____ 8902 30 000
Input Op: 9999999999 07150

To: ARN
Address
City, State Zip

Taxpayer Identification Number : ___-__-____
Tax Form : 1040
Tax Period : Dec. 31, 1989
Correspondence Received Date : Sep. 16, 1991

Dear Taxpayer:

Based on our information, you are no longer liable for filing a tax return for this period. If other issues arise, we may need to contact you in the future. You do not need to reply to this letter.

Sincerely yours,

/s/ J. M. Wood
Chief, Collection Branch

Now, that's what I call fast internal revenue service.

To give you some idea just how far we need to elevate the importance of status and jurisdiction, consider the following lengthy quotes from the written work of author, attorney at law and constitutional expert Jeffrey A. Dickstein. These quotes were buried deep among the footnotes at the end of chapters in his brilliant book entitled Judicial Tyranny and Your Income Tax:

> The term "individual" which is used not only in Section 6012(a)(1) but also in Section 1 as the subject upon whose income the tax is imposed, is not defined in the Internal Revenue Code. It is, however, defined in the treasury regulations accompanying Section 1. The regulations make a distinction between "citizens" and "residents" of the United States**, and define a "citizen" as every person born or naturalized in the United States** and subject to its jurisdiction [see 26CFR Section 1.1-1 (a) - (c)]. An extremely strong argument can be made that the federal income tax as passed by Congress and as implemented by the Treasury Department was only meant to apply to individuals within the "territorial or exclusive legislative jurisdiction of the United States**," as those individuals would be subject to the "jurisdiction of the United States**." These exclusive areas, per Article 1, Section 8, Clause 17, of the United States Constitution, are Washington, D.C.,

> federal enclaves and United States** possessions and territories. Outside of these exclusive areas, state law controls, not federal law. Thus a State citizen, residing in a State, would not meet the two part test for being an "individual" upon whose income the tax is imposed by Section 1 of the Internal Revenue Code, and would not have the "status" of a "taxpayer." It is the official policy of the I.R.S. [Policy P-(11)-23] to issue, upon written request, rulings and determination letters regarding status for tax purposes prior to the filing of a return. On August 29, 1988, I requested such a "status determination" from the I.R.S. on behalf of one of my clients; as of the date of the publication of this book, the I.R.S. had still not responded. [Judicial Tyranny and Your Income Tax, pages 83-84]

Evidently, Dickstein was exposed to this particular argument by another attorney and constitutional expert, Lowell Becraft of Huntsville, Alabama. It is very revealing that Dickstein could justify the following observations even with a legal presumption that the Sixteenth Amendment had been ratified:

> ... Attorney Lowell Becraft of Huntsville, Alabama, has made a powerful territorial/legislative jurisdictional argument that under the Supreme Court's holding in Brushaber, the income tax cannot be imposed anywhere except within those limited areas within the states in which the Federal government has exclusive legislative authority under Article I, Section 8, Clause 17, of the United States Constitution, such as on military bases, national forests, etc., and within United States territories, such as Puerto Rico, etc. Indeed, Treasury Department delegation orders and the language of Treasury Regulation 26 C.F.R. Section 1.1-1(c) fully supports Mr. Becraft's scholarly analysis.
>
> [Judicial Tyranny and Your Income Tax, p. 33]

After publishing Judicial Tyranny, Jeffrey Dickstein made an absolutely stunning presentation to Judge Paul E. Plunkett in defense of William J. Benson before the federal district court in Chicago. From the transcript of that hearing, it is obvious that Dickstein had continued to distill his vast knowledge even further, by isolating the following essential core:

> The statutes are in the Internal Revenue Code. I submit they mean something different if the Sixteenth Amendment was ratified than they do if the Sixteenth Amendment was not ratified. If the Sixteenth Amendment was ratified it means you can go into the states and collect this direct tax without apportionment. If it's not ratified you can't go into the states and do that. And since Pollock says it's a direct tax, what other connotation can you give to the statutes? The connotation that makes it constitutional is that it applies everywhere except within the states -- which would be where? On army bases, federal enclaves, Washington, D.C., the possessions and the territories.
>
> [You Can Rely On The Law That Never Was!, pages 20-21]
> [emphasis added]

Sometimes, the answer is staring us right in the face. In retrospect, I dedicate this chapter to Jeffrey Dickstein and Larry Becraft, who have done so much to bring the truth about our federal government into the bright light of day. Jeff and Larry, we have only ourselves to blame for not paying closer attention to your every words.

In the passage quoted above from pages 83 and 84 of Judicial Tyranny, author Dickstein refers to IRS Policy #P-(11)-23, from the official Internal Revenue Manual (IRM). This "policy" reads as follows

RULINGS, DETERMINATION LETTERS, AND CLOSING AGREEMENTS AS TO SPECIFIC ISSUES

P-(11)-23 (Approved 6-14-87)

Rulings and determination letters in general

Rulings and determination letters are issued to individuals and organizations upon written requests, whenever appropriate in the interest of wise and sound tax administration, as to their status for tax purposes and as to the tax effect of their acts or transactions, prior to their filing of returns or reports as required by the revenue laws. Rulings are issued only by the National Office. Determination letters are issued only by District Directors and the Director of International Operations. Reference to District Director or district office in these policy statements also includes the office of the Director of International Operations. [emphasis added]

This IRS "policy", as published in their Internal Revenue Manual, prompted the National Commodity and Barter Association in Denver, Colorado, to draft the following example of a request letter, updated by this author for extra clarity and authority:

EXAMPLE OF REQUEST LETTER

Director of International Operations
Foreign Operations Division
Internal Revenue Service
11601 Roosevelt Boulevard
Philadelphia, Pennsylvania 19422

Dear Director:

My research of the Internal Revenue Code and related Regulations has left me confused about my status for purposes of Federal Income Taxation.

Pursuant to I.R.M. Policy #P-(11)-23, "upon written request" I can obtain from your office a determination of my status for purposes of Federal Income Taxation.

This is my written, formal request for a determination letter as to my status for Federal Income Tax purposes.

Please take note that your determination letter must be signed under penalty of perjury, per IRC Section 6065.

If this is not the proper format for making this request, please send me the proper format with instructions.

If I do not receive a determination letter from you within 30 days, I will be entitled to presume that I am not subject to any provisions of the IRC, Titles 26 or 27.

Sincere yours,
/s/ John Q. Doe

What is the lesson in all of this? At the end of Chapter 1, I expressed my intention to elevate status and jurisdiction to the level of importance which they have always deserved. I am by no means and in no wa advising any Americans to utter, or to sign their names on, any statements which they know to be false. On the contrary, it is fair to say that I have been criticized more often in life for being too honest. If you are a nonresident alien with respect to the federal zone, then say so. If you are not a nonresident alien with respect to the federal zone, then think about changing your status. You can if you want to, because involuntary servitude is forbidden everywhere in this land. It’s the Supreme Law!

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Chapter 7: Inside Sources

Frank Brushaber was taxed on a dividend he received from the stock of a domestic corporation. Remember, the term "domestic" in this context means "inside" the federal zone. The dividend came, therefore, from a "source" that was situated inside this zone. The exact legal meaning of the term "source" has been the subject of much debate, both inside and outside the federal courts. I would not presume to be the one who settles this debate once and for all, least of all in the few pages dedicated to this chapter. It is important to understand that the Brushaber Court's decision turned, in large part, on a determination of the "source" of the dividend which Frank Brushaber received. That source was a domestic corporation which had been chartered by Congress to build a railroad and telegraph through the Utah Territory. As such, it was an "inside source" -- a source that was situated inside the federal zone.

Frank Brushaber's income was "unearned" income. This means that he did not exchange any of his labor in order to receive the dividend paid to him by the Union Pacific Railroad Company. Earned income, on the other hand, is income which is derived from exchanging labor for something of value, like money. Also beyond the scope of this chapter are the sad debate, and considerable mass of IRS-sponsored confusion, that surround the legal definition of "income". Author Jeffrey Dickstein has done an extremely thorough job of documenting the history of judicial definitions of the term "income". Many of those definitions are in direct conflict with each other, but all Supreme Court decisions on the question have been completely consistent with each other. In Appendix J of this book, you will find one of our formal petitions to Congress in which are summarized a number of rulings on this issue by the Supreme Court and by lower courts which concur. If you must also review the courts which do not concur, you gluttons for punishment should buy Dickstein's great book on the subject.

Back to sources. IRS Publication 54 explains in simple terms that: "The source of earned income is the place where you perform the services." I always enjoyed it when Sister Theresa Marie would tell our third-grade class that the whole world is divided into persons, places and things. How I long for those simpler days! The courts have used the technical term "situs" instead of "place" as follows:

> We think the language of the statutes clearly demonstrates the intendment [sic] of Congress that the source of income is the situs of the income-producing service.
>
> [C.I.R. vs Piedras Negras HB Co., 127 F.2d 260 (1942)]
> [emphasis added]

It is useful to repeat the section of the Internal Revenue Code (IRC) which was quoted in the last chapter. Specifically, 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]

The term "gross income" is crucial, because it is the quantity which triggers the filing requirement. It is like a threshold, or so we are told by august members of the black robe like Judge Eugene Lynch of the Federal

District Court in San Francisco. Section 6012 of the IRC reads, in pertinent part:

> General Rule. -- Returns with respect to income taxes under subtitle A shall be made by the following:
>
> (1)(A) Every individual having for the taxable year gross income which equals or exceeds the exemption amount ...
>
> except that subject to such conditions, limitations, and exceptions and under such regulations as may be prescribed by the Secretary, nonresident alien individuals subject to the tax imposed by section 871 ... may be exempted from the requirement of making returns under this section.
>
> [IRC 6012(a)]
> [emphasis added]

Section 6012 is a pivotal section, if only because the IRS is now citing this section (among others) as their authority for requiring "taxpayers" to make and file income tax returns. As you can plainly read with your own eyes, nonresident alien individuals may be exempted from the requirement of making returns. Diving into the many thousands of regulations which have been "prescribed by the Secretary" is also beyond the scope of this book. For now, realize that the regulations do exist and that the quantity "gross income" for nonresident aliens includes only two things: (1) gross income derived from sources within the United States** and (2) gross income that is effectively connected with a U.S.** trade or business. That's it!

You will note that the statute and its regulations make frequent use of the terms "within" and "without", in order to contrast the two terms as antonyms, or opposites. In this context, the term "within" is synonymous with "inside"; the term "without" is synonymous with "outside". "Within" and "without" are antonyms. And the term "antonym" is an antonym for a synonym! ("Good grief," declared Charlie Brown.) Thus, if you are outside the federal zone, you are "without" the United States** in the languid language of federal tax law. (Languid: drooping or flagging from, or as if from exhaustion.) Can we ever get along "without" the United States**?

The importance of "within" and "without" cannot be emphasized too much. In the context of everything we now know about jurisdiction within the federal zone, these terms are crucial to understanding the territorial extent of the IRC. To underscore this point, consider IRC Section 862(a), entitled "Income from Sources Without the United States**":

> (a) Gross Income from Sources without United States**. --
>
> The following items of gross income shall be treated as income from sources without the United States**: ...
>
> (3) compensation for labor or personal services performed without the United States**.
>
> [IRC 862(a)-(a)(3)]
> [emphasis added]

Now, turn to IRS Form 1040NR. A copy of this form is found in Appendix K (not in electronic version). The "NR" stands for "NonResident". Nonresident aliens file this form to report and pay tax on gross income as defined in IRC Section 872(a). On page one of the 1990 version of this form, there is a block of line items numbered 8 thru 22. These items are summed to produce a total on line 23. "This is your total effectively connected income," states the form. Now, turn the form clockwise 90 degrees. Note, in particular, the phrase

near the left margin of page one which reads:

Income Effectively Connected With U.S.** Trade/Business

If you are a nonresident alien and you have no income which is effectively connected with a U.S.** trade or business, then you can, in good conscience, put a big fat ZERO on line 23. But, this is not the whole story. On page 4 of Form 1040NR, there is a table for computing "Tax on Income Not Effectively Connected with a U.S.** Trade or Business". What would this be?

Recall IRC Section 872(a), quoted above. The only other component of gross income for nonresident aliens is income which is derived from sources within the United States**, like Frank Brushaber's stock dividend. Lo and behold, this table itemizes such things as dividends, interest, royalties, pensions, and annuities. These are all items of unearned income, that is, profits and gains derived from U.S.** sources other than compensation for labor or personal services performed "within" the United States**. The total tax is computed and entered on line 81 of Form 1040NR. Unfortunately, true to form, line 81 in this table says that "This is your tax on income not effectively connected with a U.S.** trade or business." This is very deceptive. Remember, gross income for nonresident aliens includes only two kinds of gross income:

> (1) gross income derived from sources within the U.S.** which is not effectively connected with a U.S.** trade or business and
>
> (2) gross income which is effectively connected with the conduct of a trade or business within the United States**

Line 81 of Form 1040NR is referring to the first kind of gross income, namely, gross income which is "not effectively connected with a U.S.** trade or business". The second kind of gross income is entered on page 1 at line 23 of this form. Again, it's simple when you know enough to decode the Code. It's also very easy to get confused when the confusion is intentional. ("Encode" and "decode" are antonyms, by the way.)

Unfortunately, the filing requirements for nonresident aliens are not as straightforward as you might think, because the regulations contain certain rules that are not found in the Code itself, and the Code is frequently vague. To understand these requirements, the regulations must be reviewed as they apply to your particular situation. A brief overview is in order.

If you are a nonresident alien with no gross income from sources within the U.S.**, and with no U.S.** trade or business, is it a good idea to file a 1040NR with zeroes everywhere? No, it is not. The main reason is that filing any 1040 form can provide the IRS with a legal reason to presume that you are a "taxpayer", as that term is defined in the IRC. A later chapter of this book will explore the "law of presumption" in some detail. Your filed return can be used as evidence that you are a taxpayer, that is, one who is subject to any internal revenue tax because you are engaged in a "revenue taxable activity". A U.S.** trade or business is a revenue taxable activity. Thus, a key issue for nonresident aliens is whether or not they are engaged in any U.S.** trade or business. The CFR regulations say this about the filing requirement for nonresident aliens:

> ... [E]very nonresident alien individual ... who is engaged in a trade or business in the United States at any time during the taxable year or who has income which is subject to taxation under Subtitle A of the Code shall make a return on Form 1040NR. For this purpose it is immaterial that the gross income for the taxable year is less than the minimum amount specified in section 6012(a) for making a return. Thus, a nonresident alien individual who is engaged in a trade or business in the United States** at any time during

> the taxable year is required to file a return on Form 1040NR even though
>
> (a) he has no income which is effectively connected with the conduct of a trade or business in the United States**,
>
> (b) he has no income from sources within the United States**, or
>
> (c) his income is exempt from income tax by reason of an income tax convention or any section of the Code.
>
> [26 CFR 1.6012-1(b)(1)]
> [emphasis added]

Thus, the gross income "threshold" defined in the filing requirement at IRC 6012(a) is not relevant if a nonresident alien is engaged in any U.S.** trade or business. Conversely, the rules are somewhat different if a nonresident alien is not engaged in any U.S.** trade or business. The regulations have this to say about a nonresident alien in the latter situation:

> A nonresident alien individual ... who at no time during the taxable year is engaged in a trade or business in the United States** is not required to make a return for the taxable year if his tax liability for the taxable year is fully satisfied by the withholding of tax at source under Chapter 3 of the Code.
>
> [26 CFR 1.6012-1(b)(2)]
> [emphasis added]

If a nonresident alien has no U.S.** trade or business and no tax liability that required withholding (such as U.S.** source income), then a return is not required. If you are a nonresident alien and you remain in doubt as to whether or not you are required to file a Form 1040NR, you might begin by reading all the rules found in the Instructions for Form 1040NR. In general, the instructions are much easier to read than the regulations, but also understand that the regulations have the force of law and the instructions do not. The instructions for form 1040NR address the question of who must file as follows:

> Use Form 1040NR if any of the four conditions listed below and on page 2 applies to you:
>
> 1. You were a nonresident alien engaged in a trade or business in the United States** during 1990. You must file Form 1040NR even if:
>
>   a. none of your income came from a trade or businesss conducted in the United States**,
>
>   b. you have no income from U.S.** sources, or
>
>   c. your income is exempt from U.S.** tax.
>
>   In any of the above three cases, do not complete the schedules for Form 1040NR. Instead, attach a list of the kinds of exclusions you claim and the amount of each.

2. You were a nonresident alien not engaged in a trade or business in the United States** during 1990 with income on which not all U.S.** tax that you owe was withheld.

3. You represent a deceased person who would have had to file Form 1040NR.

4. You represent an estate or trust that would have had to file Form 1040NR.

[Instructions for Form 1040NR, page 1]

Now, what is a "trade or business" within the United States**? Author and legal scholar Lori Jacques has concluded that the meaning of a "trade or business" is confined to performing the functions of a public office. This conclusion is supported by an explicit definition of "trade or business" that is found in the IRC itself:

Trade or Business. -- The term "trade or business" includes the performance of the functions of a public office.

[IRC 7701(a)(26)]

The Informer has come to the same conclusion, after years of research. All of this "trade or business" activity, thus defined, boils down to one simple thing: government employment. If you work for the federal government, even if you are a nonresident alien, the Congress reserves the power to define that work as a "privilege", the exercise of which Congress can tax. The measure of that tax is the amount of income derived. Author Lori Jacques summarizes government employment as follows:

It appears that the federal income tax is the graduated tax on income effectively connected with a U.S.** trade or business as described in IR Code Sec. 871(b) which is government employment. Remember the nonresident alien does not pay tax on non U.S.** source income. If the nonresident alien signs a Form W-4 he is obviously presumed to be a government employee with "effectively connected income."

[United States Citizen vs National of the United States]
[page 39, emphasis added]

Another competent author and IRS critic, Frank Kowalik, has also arrived at similar conclusions about the "taxability" of employment with the federal government. In his thorough book entitled IRS Humbug, IRS Weapons of Enslavement, Kowalik argues with exhaustive proof that a tax "return" is really just a kickback. Government employees are expected to return or "kick back" some of their earnings to the Treasury, in obvious and grateful tribute to the great giver of all federal privileges, Uncle Sam. Kowalik's arguments and accompanying complaints are so persuasive that Rep. Jack Brooks, Chairman of the House Judiciary Committee, has scheduled Kowalik's request for redress as Petition No. 107. In a personal letter to me, Frank Kowalik wrote the following:

I read with interest your Redress (12-24-90) to Barbara Boxer. I also delivered a Redress to Congress making Tom Foley, House Speaker, my personal representative. My book "IRS Humbug" was an exhibit in this Redress. Jack Brooks, Chairman of the House Judiciary Committee, was among those copied. From his letter (copy attached) my Redress has been referred to the Committee on the Judiciary as Petition No. 107. As I understand it, it will be heard in the session

> after the holidays. I also provide information on "IRS Humbug" that covers the fact that federal income tax is not a tax on labor. It is a kickback program between the federal government and its employees.
>
> [personal communication, December 10, 1991]
> [emphasis added]

Taken together, The Informer, Lori Jacques and Frank Kowalik appear unanimous in understanding the term "trade or business" to include only the performance of the functions of a public office. This conclusion is, of course, supported by the explicit definition of "trade or business" which is found in the IRC itself at Sec. 7701(a)(26). Note, however, that this definition does not say "includes only"; it says "includes".

Once again, we are haunted by the ambiguity that results from not knowing for sure whether "includes" is expansive or restrictive. If "includes" is restrictive, then The Informer, Lori Jacques, and Frank Kowalik are all correct about the inferences they have drawn from the statute and its regulations. If "includes" is expansive, however, then we have to look elsewhere for things that are "otherwise within the meaning of the term defined", that is, otherwise within the meaning of "U.S.** trade or business".

An expansive intent is manifested by the explicit definitions of "includes" and "including" that are found at IRC 7701(c). The issues of statutory construction that arise from these definitions of "includes" and "including" are so complex, a subsequent chapter of this book will revisit these terms in more detail. The conclusions in that chapter should already be obvious to you. For now, suffice it to say that the intended clarification at 7701(c) is anything but. The hired lawyers who wrote this stuff should have known better than to use terms that have a long history of semantic confusion. For this reason, and for this reason alone, I am now convinced that the confusion is inherent in the language chosen by these hired "guns" and is therefore deliberate.

There is evidence that the meaning of "trade or business" is not limited to the performance of the functions of a public office. The Code itself contains a second definition of "trade or business within the United States**" as follows:

> Trade or Business within the United States**. --
>
> For purposes of this part, part II, and chapter 3, the term "trade or business within the United States**" includes the performance of personal services within the United States** at any time within the taxable year ....
>
> [IRC 864(b)]
> [emphasis added]

It is tempting to interpret this definition only "for purposes of this part, part II, and chapter 3". I will not take the bait, because it is more important to stay above a major addiction of the federal zone: obfuscation. You may have already begun to notice how frequently the IRC makes reference to other sections, subsections, subparts, subtitles, and subchapters. Sure, these other places in the law must be taken into account before the "performance of personal services" can be fully understood as defined. I can see that as well as anybody else. But two can play this game. Is there any reason in the statute to suspect that these remote references might not even be valid? First, read the following sub-statute within the statute, and then decide for yourself (go ahead, you have my permission):

> Construction of Title.
>
> [Sec. 7806(b)]

> (b) Arrangement and Classification. -- No inference, implication, or presumption of legislative construction shall be drawn or made by reason of the location or grouping of any particular section or provision or portion of this title, nor shall any table of contents, table of cross references, or similar outline, analysis, or descriptive matter relating to the contents of this title be given any legal effect. The preceding sentence also applies to the side notes and ancillary tables contained in the various prints of this Act before its enactment into law.
>
> [IRC 7806(a), emphasis added]

Many people, unschooled in the finer points of statutory construction, interpret this section of the IRC to mean that the entire Code has no legal effect. However, a close reading reveals that this section is limited to tables of contents, tables of cross references, side notes, ancillary tables and outlines, in other words, everything but the meat of the Code. Nevertheless, notice the last sentence; it contains a rule which also applies the "preceding sentence" to the side notes and ancillary tables contained in the various prints of the Code before its enactment into law. So, the obvious question is this: has Title 26 been enacted into law? The shocking answer is: NO, it has not been enacted into positive law. In a preface dated January 14, 1983 and included in the 1982 edition of the United States Code, Speaker of the House Thomas P. O'Neill wrote the following:

> Titles 1, 3, ... 23, 28, ... have been revised, codified, and enacted into positive law and the text thereof is legal evidence of the laws therein contained. The matter contained in the other titles of the Code is prima facie evidence of the laws.

Notice that Title 26 is clearly missing from the list of titles which have been enacted into positive law. This fa can also be confirmed by examining the inside cover page of any volume of the United States Codes in any law library. There you will find that Title 26 is missing the asterisk "*" which indicates that the title has been enacted into positive law. The implications of this finding can be found in Subtitle F, Subchapter B, which deals with effective dates and related provisions. There the general rule for provisions of subtitle F reads as follows:

> General Rule. -- The provisions of subtitle F shall take effect on the day after the date of enactment of this title and shall be applicable with respect to any tax imposed by this title.
>
> [IRC 7851(a)(6)(A), emphasis added]

Believe it or not, subtitle F contains all the enforcement provisions of the IRC, such as filing requirements, assessment and collection, liens, levies and seizures. In other words, the enforcement provisions of the Internal Revenue Code have still not taken effect because, as of this writing, Title 26 has still not been enacted. If you don't mind getting frustrated, notice also that section 7851 is also part of subtitle F!

If the statute itself is entirely too frustrating to decipher, it is no wonder why the IRS has published literally hundreds of instruction booklets and official IRS "Publications" to help "clarify" the myriad rules and forms. At last count, there were more than 5,000 IRS forms in the IRS Printed Product Catalog quoted elsewhere in this book. To conclude our discussion of "U.S.** trade or business", you might want to obtain a copy of IRS Publication 519, U.S. Tax Guide for Aliens. This 40-page booklet expresses the English language in words that

are much easier to understand than the statute itself. It even has its own Index. Be forewarned, however, that official IRS "Publications" do not have the force of law because they have not been published in the Federal Register, nor do any of them display control numbers and expiration dates issued by the Office of Management and Budget (OMB). (If the IRS makes an error, it's not their fault anyway.) Publication 519 has this to say about a trade or business inside the United States**:

> Trade or Business
>
> Whether you are engaged in a trade or business in the United States** depends on the nature of your activities. The discussions that follow will help you determine whether you are engaged in a trade or business in the United States**.
>
> Personal Services
>
> If you perform personal services in the United States** at any time during the tax year, you usually are considered engaged in a trade or business in the United States**. You are engaged in a trade or business in the United States** if you perform services in this country and receive compensation such as wages, salaries, fees, tips, bonuses, honoraria, or commissions.
>
> [Publication 519: U.S. Tax Guide for Aliens]
> [page 8]

Back to sources one more time. (It's so easy to get sidetracked by some remote code reference that has no legal effect!) The interested reader and intrepid investigator will be happy to know that there are literally "oodles" of regulations which go into details, great and small, about the life and times of Mr. and Mrs. Nonresident Alien. Here is a blockbuster for which I am eternally grateful to Tarzan The Informer for weeding out of the jungle of slippery lines and double negatives:

> Nonresident aliens. A nonresident alien individual never has self-employment income. While a nonresident alien individual who derives income from a trade or business carried on within the United States**, Puerto Rico, the Virgin Islands, Guam, or American Samoa (whether by agents or employees, or by a partnership of which he is a member) may be subject to the applicable income tax provisions on such income, such nonresident alien individual will not be subject to the tax on self-employment income, since any net earnings which he may have from self-employment do not constitute self-employment.
>
> [26 CFR 1402(b)-3(d)]
> [emphasis added]

A nonresident alien individual never has self-employment income. I agree completely with The Informer: "never" always means never.

The point of this chapter is to stress the extreme importance of understanding "sources" as they affect the nonresident alien like you and me. Remember how Frank Brushaber ultimately lost his bid to the Supreme Court of the United States. He received a dividend that was issued by a "domestic" corporation. Even though he was found to be a nonresident alien with respect to the United States**, his dividend was found to be unearned income from a source inside the United States**, inside the federal zone. The Informer nicely summarizes the

overall situation as follows:

> YOU ARE NOT TAXABLE IF YOU ARE:
>
> ITEM 1: a non resident alien NOT carrying on a trade or business with the U.S.** or State of a Union State;
>
> ITEM 2: a non resident alien NOT making source income from within the United States**;
>
> ITEM 3: a non resident alien NOT having a trademark, patent, or copyright;
>
> ITEM 4: a non resident who is NOT a fiduciary, so you cannot be a person of incidence with respect to a person of adherence;
>
> then the income tax is not imposed, under subtitle A, chapter 1 on a non resident alien. So you fit the description under 26 USC Sections 2(d) and 872.
>
> [Which One Are You?, page 24]
> [emphasis in original]

The complex issues of patents, trademarks, copyrights and fiduciaries are beyond the scope of this book. My "sources" tell me that The Informer is writing another book, hopefully to clarify some of the legal in's and out's of being a fiduciary. Author Lori Jacques has arrived at a remarkably similar conclusion about nonresident aliens. The first person "I" in the following excerpt is author Jacques:

> It is conclusive the Department of Treasury, Internal Revenue Service, has no authority within the several states, it is just as conclusive that any income deriving from within the jurisdiction of the national government is taxable to the person receiving it. The treasury decision on Brushaber confirms that.
>
> The tax on the nonresident alien conforms to all constitutional provisions:
>
> 1. Uniform taxation of 30% on unearned income from U.S.** sources.
>
> 2. No reporting of private information as the tax is withheld at source or else the government has all the information of amount it has paid -- just return the receipt to prove the tax was paid.
>
> 3. Graduated taxation on income received from trade or business conducted within the United States**, permitted because only the states are parties to the compact guaranteeing unalienable rights and uniform/apportioned taxation. The federal areas are always exempt from laws guaranteeing equal treatment.
>
> 4. No public notice has been published in the Federal Register since state citizens, nonresident to the United States** as defined, are not affected by the delegation of authority orders.

> After the evidence is in, I now believe that under the internal revenue law I am a "national" and a nonresident alien to federal jurisdiction who has no U.S.** source income nor any effectively connected income with a U.S.** trade or business for which I am liable to render a return.
>
> [United States Citizen vs National of the United States]
> [page 44, emphasis added]

This lengthy excerpt does an excellent job of summarizing a mountain of earnest legal research and writing by author and scholar Lori Jacques. My hat's off to you, Lori, for doing a "totally boss" and uniquely thorough job. I take issue only with your statement above that "the Internal Revenue Service has no authority within the several States." Without clarifying the tax liability that attaches to income from "inside sources", this statement could be misleading. Remember that Frank Brushaber's liability attached to income from such a source. The Informer has accurately qualified the precise extent of federal tax jurisdiction within the 50 States of the Union as follows:

> Yes, the IRS can go into the States of the Union by Treasury Decision Order, to seek out those "taxpayers" who are subject to the tax, be they a class of individuals that are United States** citizens, or resident aliens. They also can go after nonresident aliens that are under the regulatory corporate jurisdiction of the United States**, when they are effectively connected with a trade or business with the United States** or have made income from a source within the United States** that they have entered into an agreement with, for then they are in the state of the forum.
>
> [Which One Are You?, page 98]
> [emphasis added]

For the reader who is motivated to investigate the question of "inside sources" in greater detail,Appendix V in this edition of The Federal Zone contains an Affidavit of Applicable Law. This affidavit contains numerous citations to IRC sections which are pertinent to the crucial distinction between "inside" sources and "outside" sources. This same affidavit can be used formally to deny specific liability for federal income taxes during any given calendar year(s). [Next | Prev | Contents]

Chapter 8: Is it Voluntary?

One of the great deceptions in federal income taxation is the widespread IRS propaganda that the system is "voluntary". Commissioners of the IRS have repeatedly published statements to this effect in all kinds of places like The Federal Register, annual reports to Congress, various instruction booklets and other printed materials. Even the Supreme Court has joined the cadre (cacophony?) of federal government officials who admit, when cornered, that it is voluntary. So, this "voluntary" thing has not been a mistake or an occasional slip here and there; it has been the consistent policy of top officials of the Internal Revenue Service, the Justice Department and the Supreme Court, believe it or not. A thorough sampling of these admissions is now in order.

In 1953, Mr. Dwight E. Avis, head of the Alcohol and Tobacco Tax Division of the Bureau of Internal Revenue, made the following remarkable statement to a subcommittee of the Committee on Ways and Means in the House of Representatives:

> Let me point this out now: Your income tax is 100 percent voluntary tax, and your liquor tax is 100 percent enforced tax. Now, the situation is as different as day and night.
>
> [Internal Revenue Investigation]
> [Hearings before a Subcommittee of the]
> [Committee on Ways and Means]
> [Feb. 3 thru Mar. 13, 1953, emphasis added]

In 1971, the following quote was found in the IRS instruction booklet for Form 1040:

> Each year American taxpayers voluntarily file their tax returns and make a special effort to pay the taxes they owe.
>
> [emphasis added]

In 1974, Donald C. Alexander, Commissioner of Internal Revenue, published the following statement in the March 29 issue of The Federal Register:

> The mission of the Service is to encourage and achieve the highest possible degree of voluntary compliance with the tax laws and regulations ....
>
> [Vol. 39, No. 62, page 11572]
> [emphasis added]

One year later, in 1975, his successor, Mortimer Caplin authored the following statement in the Internal Revenue Audit Manual:

> Our tax system is based on individual self-assessment and voluntary compliance.
>
> [emphasis added]

In 1980, yet another IRS Commissioner, Jerome Kurtz (their turnover is high) issued a similar statement in their Internal Revenue Annual Report:

> The IRS's primary task is to collect taxes under a voluntary compliance system.

[emphasis added]

Even the Supreme Court of the United States has held that the system of federal income taxation is voluntary:

> Our tax system is based upon voluntary assessment and payment, not upon distraint.
>
> [Flora vs United States, 362 U.S. 145]
> [emphasis added]

The dictionary defines "distraint" to mean the act or action of distraining, that is, seizing by distress, levying a distress, or taking property by force.

IRS Publication 21 is widely distributed to high schools. It acknowledges that compliance with a law that requires the filing of returns is voluntary. (Get to those young minds early, and it's easier to wash their brains later on in life.) At the same time, it suggests that the filing of a return is mandatory, as follows:

> Two aspects of the Federal income tax system -- voluntary compliance with the law and self-assessment of tax -- make it important for you to understand your rights and responsibilities as a taxpayer. "Voluntary compliance" places on the taxpayer the responsibility for filing an income tax return. You must decide whether the law requires you to file a return. If it does, you must file your return by the date it is due.

Perhaps one of the most famous quotes on this question came from Roger M. Olsen, Assistant Attorney General, Tax Division, Department of Justice, Washington, D.C. On Saturday, May 9, 1987, author, colleague and constitutional authority Godfrey Lehman was in the audience when Olsen told an assemblage of tax lawyers:

> We encourage voluntary compliance by scaring the heck out of you!
>
> [emphasis added]

This was a remarkable admission by an Assistant Attorney General in the Justice Department, or the "Just Us" department, as they have come to be known in certain circles of the well informed.

What gives? Are there any bases in law for concluding that federal income taxes are truly voluntary, in the everyday garden variety of the term? Yes, there are several. Some of these reasons may be "old hat" to those of you who are in these certain circles. Other reasons may come as a total shock, particularly because the federal government has been guilty of systematic fraud against the American people. Let us begin with this fraud.

Reach in your wallet and pull out a dollar bill. Already, you have a big problem in your hands. Read what it says on the front of your dollar bill. It says "Federal Reserve Note". First of all, the Federal Reserve is not "federal". It is no more federal than Federal Express, or Federated Hardware Stores. For detailed proof, see Lewis vs United States, 680 F.2d 1239 (9th Circuit, 1982). There is no government copyright or trademark on using the word "federal".

Secondly, there is no "reserve". Federal Reserve banks are privileged to loan money they don't have. This is called "fractional reserve" banking. Thirdly, Federal Reserve Notes are not real promissory notes, because they do not promise to pay anything, like gold, or silver, or something else with real substance.

The Federal Reserve system was conceived by a conspiracy of bankers and politicians who met secretly off the coast of Georgia to create the Federal Reserve Act. This Act of Congress was designed to remove the Constitution as a constraint on the financial operations of the U.S. government. It created a private credit monopoly which Congressman Louis T. McFadden once called "one of the most corrupt institutions the world has ever known". Congressman McFadden was Chairman of the House Banking and Currency Committee from 1920 to 1933.

The operations of the Federal Reserve are complicated and secretive. For example, this huge syndicate of private banks has never been publicly audited. I will do my best to simplify its operations for you. The Federal Reserve System was set up to encourage Congress to spend money it doesn't have -- lots of it.

Rather than honestly taxing Americans for all the money it wants to spend, Congress runs up a huge deficit which it covers by printing ink on paper and calling them bonds, or Treasury Bills.

Some of these T-bills are purchased by hard-working Americans like you and me, with money that we obtained from real labor, something that has real value. But the deficits have become so huge, the wage earners do not have enough money to purchase all these bonds every year. So, Congress walks across the street and offers these bonds to the Federal Reserve. The FED says, "Sure, we'll buy those bonds. Your interest rate is 8.25, or 9 and a half. Take it or leave it." Congress always takes it, because there's nobody else with that kind of money. Remember, the Federal Reserve is a private credit monopoly.

Now, what does the FED use to purchase those bonds? They create money out of thin air, using bookkeeping entries to manufacture credit out of nothing. They used to do it with pen and ink, then typewriters, and now computers do the job. This artificial money would normally create very rapid inflation. This happened in Germany just prior to World War II, when Louis McFadden was a Congressman. It eventually took a wheel barrow full of Deutsche marks just to buy one loaf of bread. Imagine that, if you can!

The bankers realized that a mechanism was needed to withdraw this artificial money out of circulation as quickly as it was put into circulation. Enter the Internal Revenue Service. The IRS is really a collection agency for the Federal Reserve. The FED pumps money into the economy, and the IRS sucks it out of the economy, like two pumps working in tandem. This has the effect of artificially maintaining the purchasing power of this "fiat money", as it is called by monetary experts.

This is one of the primary purposes of the income tax. We know this to be true, because a man named Beardsley Ruml explained it clearly in an essay he published in the magazine American Affairs in January of 1946. Beardsley Ruml was Chairman of the Federal Reserve Bank of New York, so he was in a position to know. The shocking fact is that Federal income taxes do not pay for any government services; they are used to make interest payments on the federal debt. These interest payments are now approaching 40 percent of the annual federal budget.

The Federal Reserve Act is unconstitutional for many reasons, foremost among which is that Congress delegated to a private corporation a power which Congress never had, that is, to counterfeit money. It is unlawful for Congress to exercise a power which is not authorized to it by the Constitution. The people, you and I, and the 50 States reserve all powers not expressly delegated to the federal government.

Congress got hooked on this sweetheart deal and started spending money so fast, it quickly bankrupted the federal government. This may also come as a shock to many of you. And you might feel that what I am about to say is paranoid or crazy. We felt this way too when we first discovered it. We couldn't believe it. So we investigated. Our research discovered that the bankers foreclosed the United States Treasury no later than the year 1933. They called the loans and confiscated all the gold then being held by the U.S. Treasury.

An Act of Congress caused all that gold to be transferred to the Federal Reserve banks. Remember, those are

private banks, and the Treasury Department is not the U.S. Treasury Department. If you need proof, try enclosing a check payable to the "U.S. Treasury Department" with your next tax return. Notice also that IRS stationery says "Department of the Treasury" and not the "U.S. Department of the Treasury".

To secure the rest of their debt, Congress then liened, in effect, on the future property and earnings of all the American people, through Social Security taxes, payroll withholding taxes, inheritance taxes, and the like. Congress mortgaged the American people, using our labor and our property as collateral.

What Congress did was analogous to this: I walk into a large department store and see a new toaster I want. I tell the sales person to ship it to my home tomorrow, and to send the bill to Willie Brown. Now, when Willie Brown gets the bill for this toaster, he's going to be pretty mad, and rightly so. He didn't order the toaster; he doesn't own the toaster; he wasn't a party to the toaster transaction. In fact, he didn't even know about it. And yet, I am holding him responsible to pay for the toaster. In this example, I am Congress; the department store is the Federal Reserve; and Willie Brown represents the American People (some of the time).

This is fraud, because Congress did not openly and freely disclose the real reasons for its actions. Lack of full disclosure is grounds for fraud in any contract. The Uniform Commercial Code says so. And yet, all Americans are being unlawfully enslaved by this fraud, to help discharge the debt which Congress has tried to impose upon all of us. (Rumor has it that the New York banking establishment refers to our money as Federal Reserve Accounting Unit Devices, F-R-A-U-D. Film at 11.)

Your "income" is private property. Absent an apportioned direct tax, or some commercial agreement to the contrary, the federal government is not empowered to obtain a controlling interest in, or otherwise lien on private property so as to compel a private Citizen's specific performance to any third- party debt or obligation. Moreover, it is a well established principle in law that government cannot tax a Sovereign State Citizen for freely exercising a right guaranteed by the U.S. Constitution. The acquisition and exchange of private property is such a right. The pursuit of common-law occupations is another such right.

Now, if you want to "volunteer" to help reduce the national debt, you may, and Congress will of course accep your "gift" without question. You have the right to volunteer yourself as a third-party to the outstanding principal debt which Congress has amassed. As a "principal" in your own right, you have the right to obligate yourself as a "performance unit" on the national debt (unlike so many Americans whose birth certificates have ended up, without their knowledge, in the hands of the International Monetary Fund in Brussels, Belgium. See Appendix T if you decide to revoke your birth certificate.) Thus obligated, you will have turned yourself into someone who is subject to all the rules and regulations which have been established by the Secretary of the Treasury to discharge the massive federal debt. But, as long as you remain a Sovereign State Citizen, who is neither a resident nor a citizen of the United States**, and as long as you do not derive income from sources inside the United States** or from a U.S.** trade or business, you are completely outside the jurisdiction of the federal zone. The federal debt is not your burden to carry.

You cannot be compelled, at law, to perform under any third- party debt or obligation. If you are ever so compelled, it is extortion, or "tax-tortion" as Godfrey Lehman calls it. You are not only the victim of extortion. You are also the victim of a massive fiscal fraud which Congress and other officials of the federal government have perpetrated upon Sovereign State Citizens at least since 1913, the year the Federal Reserve Act was passed into law, and also the year the so-called 16th Amendment was simply "declared" into law: two pumps, working in tandem, one pumping money and credit into the economy, the other sucking it out of the economy. The Rothschild-Hamilton money and banking system, as it is called, is older than everyone alive.

The constitutional experts and experienced staff at the National Commodity and Barter Association in Denver, Colorado have done a fine job of summarizing "voluntary compliance" in one of their aging flyers that is still circulating:

> The term "voluntary compliance" appears to be contradictory, but careful analysis shows the words to be accurate and appropriate. An act is voluntary when one does it of his own free will, not because he is forced by law to do it. If a law applies to an individual, his compliance with the law is mandatory, not voluntary. However, individuals engaged in occupations of common right are not subject to the income (excise) tax. For them, compliance with the law is voluntary, not mandatory, because the law does not apply to them.
>
> [brochure entitled Must You Pay Income Tax?]

So, now you know at least some of the many reasons why federal officials admit that income taxes are voluntary. It's a deception, because they will admit that it's voluntary, but they won't tell you why. Quite possibly, they don't even know why because they, too, have been deceived. When the U.S. Treasury's gold was transferred into the vaults of the Federal Reserve banks, lots of people were deceived into believing that Uncle Sam was simply moving that gold out of his right hand and into his left hand. Many of those deceived were Uncle Sam's employees. Only an elite few really knew that the Federal Reserve was established as a private corporation, a Class A common stock corporation, to be exact.

Are there any other reasons, like this, why federal income taxes are voluntary? Yes. In previous chapters, the concepts of "U.S.** resident", "nonresident", "U.S.** citizen", and "alien" were explored in some detail. Nonresident aliens with respect to the federal zone are required to pay taxes only on income derived fron sources within that zone. Those sources may be a "U.S.**" trade or business, "U.S.**" corporations which sell stocks and bonds and pay dividends, or employment with the federal government.

Doing business with the federal zone is your option; it's voluntary. Nobody is compelling you to buy stock from a domestic "U.S.**" corporation. Nobody is compelling you to derive income from a "U.S.**" trade or business. Nobody is compelling you to work for the federal government. But, if you choose to do so, then you will be hel liable for federal taxes on the "privilege" of deriving income from these sources, because these sources are situated inside a zone over which the Congress has exclusive legislative jurisdiction. That is, Congress can do pretty much whatever it wants inside that zone. If you don't like the tax rates, then don't choose a U.S.** trade or business. If you don't want to reside inside their zone, then move somewhere else. If you don't want to be one of their "citizens", then expatriate. Remember, involuntary servitude is forbidden everywhere in this land, even within the federal zone. It's relatively simple, when the boundaries and authorities of the federal zone are taken into full account, the Account for Better Citizenship.

When I say that Congress can do pretty much whatever it wants inside the federal zone, I mean to say that Congress is free to create a system of democratic socialism within that zone see Appendix W). Outside the federal zone, Congress is bound by the chains of the Constitution to guarantee a Republic to the 50 States. Social Security is perhaps the most glaring example of a "voluntary" system offered by the democratic socialists who actually write the laws. These socialists then pay the "law makers" to vote for the laws, even though the real "makers" are not the ones who do the actual voting. (If you want to have some fun, ask your representatives in the House or Senate if they've ever read the IRC, and if so, how much of it they have read and understood.) The actual scope of Social Security is limited to the federal zone, except for those outside the zone who wish to partake of its "benefits" knowingly, intentionally, and voluntarily. Ralph F. Whittington nails it down as follows:

Do you now understand that the Social Security Act was written under the authority of Article 1, Section 8, Clause 17, and Article 4, Section 3, Clause 2, of the Constitution, exclusive authority given to the Congress by "WE THE PEOPLE"???

> The "USE" of a Social Security Account Number is evidence of the following:

1. You are a card carrying and practicing member of National Socialism.

2. You have voluntarily derogated your "Sovereignty", and make public and notorious declaration that you prefer to have the protection of Congress, and prefer to be a "Subject" under the "Exclusive Powers" of Congress and the Bureaucrats that have been assigned certain duties by Congress.

3. You make a public and notorious declaration that you are a "Taxpayer", and will follow the rules as laid down in the United States Code Title 26 (Tax Code), and the various other Laws which are written for enforcement upon the "Subjects of Congress".

4. The use of your Social Security Account Number is evidence of your FRANCHISE with the Federal Government, a Franchise that provides you with Privileges and Advantages, protected by the Federal Government.

5. Makes you, voluntarily, a "United States** Person" (per definition). See 26 U.S.C., Sec. 7701(a)(30).

6. You have rejected the protections of the Constitution for a dole, and prefer to be judged in the "King's Court" if you violate any of his rules.

[The Omnibus, pages 73-74]
[emphasis in original]

Thus, if you are participating knowingly, voluntarily, and intentionally in the "Franchise" called "Social Security", then your participation is evidence that you have volunteered to classify yourself as a "taxpayer", as that term is defined in the Internal Revenue Code. Under the "Law of Presumption", your use of a social security number can be seen by the federal government as prima facie evidence that you have opted to obtain benefits from the federal zone. If you are not participating knowingly, voluntarily and intentionally, then the government's presumption can be rebutted. Aside from creating money via fractional counterfeits, how else do you think the feds obtain the money which they pay to "benefit" recipients? Contrary to federal propaganda, there still is no free lunch.

Remember, there is no "reserve", not in the Federal Reserve, and certainly not in Social Security. As the famous "baby boom" advances in age, this generational cohort is acting like a "pig in a python" to devastate the fiscal integrity of the entire Social Security system. Perhaps you thought that Social Security was really an insurance fund, like an annuity. That's another grand deception (and fraud), the details of which are also beyond the scope of this chapter. Funds have not been "set aside" for you. Social Security is a TAX, and it says so in the law. It's a tax with a bear trap hidden in the bushes. That bear trap converts you from a Sovereign into a subject. Now that you know, you may want to consider changing your status, while you still can. At the very least, continue to educate yourself about this.

There is yet another reason why federal income taxes are voluntary. The Internal Revenue Code says that nonresident aliens may "elect" to be treated as "residents". Think back to The Matrix. If you are a nonresident alien, you are in row 2, column 2. Now think of it as a game of checkers, on a board with only four squares. It's your move. If you volunteer to move from the square at row 2/column 2 to any other square, you will thereby incur a tax liability. According to Publication 519, an alien may be both a resident alien and a nonresident alien during the same tax year:

> This usually occurs for the year you arrive in or depart from the United States**.
>
> [Publication 519, U.S. Tax Guide for Aliens, page 3]

Such an alien is called a "dual status" alien.

A nonresident alien can also "elect" or volunteer to be treated as a resident alien. My reading of the law and the related publications leads me to conclude that this "election" is available only to a nonresident alien who is married, but I am open to persuasion on this point. Specifically, the IRC has this to say about "elections":

> Election to Treat Nonresident Alien Individual as Resident of the United States**. --
>
> (1) In General. -- A nonresident alien individual with respect to whom this subsection is in effect for the taxable year shall be treated as a resident of the United States** --
>
> (A) for purposes of chapters 1 and 5 for all of such taxable year, and
>
> (B) for purposes of chapter 24 (relating to wage withholding) for payments of wages made during such taxable year.
>
> (2) Individuals with Respect to Whom This Subsection is in Effect. -- This subsection shall be in effect with respect to any individual who, at the close of the taxable year for which an election under this subsection was made, was a nonresident alien individual married to a citizen or resident of the United States**, if both of them made such election to have the benefits of this subsection apply to them.
>
> [IRC 6013(g)]
> [emphasis added]

The Instructions for IRS Form 1040NR, U.S. Nonresident Alien Income Tax Return, shed more light on these "election returns":

> Election to be Taxed as a Resident Alien
>
> Under some circumstances you can elect to be taxed as a U.S.** resident for the whole year. You can make this election if either of the following applies to you:
>
> - You were a nonresident alien on the last day of the tax year, and your spouse was a U.S.** citizen or resident alien on the last day of the tax year.
>
> - You were a nonresident alien at the beginning of the tax year, but you were a resident alien on the last day of the tax year and your spouse was a U.S.** citizen or resident alien on the last day of the tax year. (This

> also applies if both you and your spouse were nonresident aliens at the beginning of the tax year and both were resident aliens at the end of the tax year.)
>
> If you elect in 1990 to be taxed as a U.S.** resident, you and your spouse must file a joint return on Form 1040 or 1040A for 1990. Your worldwide income for the whole year will be taxed under U.S.** tax laws. You must agree to keep the records, books, and other information needed to figure the tax. If you made the election in an earlier year, you may file a joint return or separate return on Form 1040 or 1040A for 1990. Your worldwide income for the whole year must be included whether you file a joint or separate return.
>
> [Instructions for Form 1040NR, page 2]
> [emphasis added]

If nonresident aliens "elect" to be treated as "resident" aliens, they are thereby required to file IRS Form 1040 or 1040A instead of Form 1040NR. Filing Form 1040 or 1040A can be taken by the government as prima facie evidence that you want to be treated as a "resident". This, in turn, allows the government to presume that you have volunteered to be treated as a "taxpayer", that is, one who is entitled to the "benefits", and subject to the liabilities, of the federal zone's legislative democracy. The chain of cause and effect is clarified considerably by couching the discussion in terms of The Matrix: four-square checkers (like candidate Richard M. Nixon's famous pet dog). Author and scholar Lori Jacques has summarized it succinctly as follows:

> IR Code Sec. 6013(g) grants an election to treat nonresident alien spouse as resident of the United States**. If the nonresident alien individual makes this election by filing a 1040 form, then returns must be filed for the current year and all subsequent years until the election is terminated.
>
> [United States Citizen vs. National of the United States]
> [page 40, emphasis added]

Again, an "election" can be terminated voluntarily. This termination is described in the IRC as follows:

> Termination of Election. -- An election under this subsection shall terminate at the earliest of the following times:
>
> (A) Revocation by Taxpayers. -- If either taxpayer revokes the election, as of the first taxable year for which the last day prescribed by law for filing the return of tax under chapter 1 has not yet occurred. ...
>
> [IRC 6013(g)(4)]

We have not taken the time to determine if there are similar provisions in the IRC and its regulations for unmarried nonresident aliens. (Remember, the statute has 2,000 pages and the regulations have 6,000 pages.) Author Lori Jacques has taken note of the CFR provisions for terminating "voluntary" withholding, which may be effective in this case. An affidavit is attached to an individual's Form W-4, specifying the name, address and social security number of the employee making the request, the name and address of the employer, and a statement that the employee desires to terminate withholding of federal income tax and desires that the agreement terminate on a specific date. The report by Lori Jacques goes on to explain:

> This arrangement can be found in 2 USC 60 for the Congress. Possibly the same format could be used, thereby revoking a presumed election to be treated as "resident of the United States**."
>
> For the nonresident alien's exemption from withholding and taxation to apply, a statement is to be made stating the kind of exclusion claim.
>
> (1) No income from United States** source
> (2) No income from effectively connected United States** source
> (3) No income from a trade or business conducted within the United States**
> (4) Income excluded under "fundamental law"
>
> [United States Citizen vs. National of the United States]
> [page 40, emphasis added]

A close examination of the CFR regulations for terminating voluntary withholding reveals a trap, however. A number of natural born Sovereign State Citizens have been misled by well intended but ignorant Patriots who thought they had found in those regulations a method to stop paycheck withholding, without any adverse consequences. This method is the infamous section "1441" of the CFR:

> 1.1441-5 Claiming to be a person not subject to withholding.
>
> (a) Individuals. For purposes of chapter 3 of the Code, an individual's written statement that he or she is a citizen or resident of the United States** may be relied upon by the payer of the income as proof that such individual is a citizen or resident of the United States**.
>
> [26 CFR 1.1441-5]
> [emphasis added]

In a now famous circular entitled "We Will Pay $10,000 If You Can Prove the Following Statements of Fact To Be False!", the Save-A-Patriot Fellowship included the following "fact":

> FACT #23: The implementation of IRS Treasury Regulation 1.1441-5 is explained in Publication 515 on page 2: If an individual gives you [the domestic employer or withholding agent] a written statement, in duplicate, stating that he or she is a citizen or resident of the United States, and you do not know otherwise, you may accept this statement and are relieved from the duty of withholding the tax.

IRS Publication 515 is entitled Withholding of Tax on Nonresident Aliens and Foreign Corporations, and the Save-A-Patriot quotation is accurate. However, by referring to The Matrix in chapter 3 of this book (and on the cover), it should now be obvious why such a statement is precisely the wrong thing to do. Nonresident aliens thereby declare themselves to be either citizens of the United States** or residents of the United States**, voluntarily rendering themselves liable for federal income taxes. To underscore why section 1441 is a trap, a Sovereign California Citizen received the following in a letter from the Employment Development Department of the State of California after filing a 1441 statement:

> Your statement submitted in compliance with Title 26, Code of Federal Regulations, Section 1.1441-5, specifically Section 1.1441-5(c) is also noted. Your declaration, received without a date, has been logged and filed into EDD records.
>
> [Employment Development Department]
> [private communication]
> [emphasis added]

Author Lori Jacques summarizes the "1441" statement with surgical accuracy:

> ... [I]t seems rather incomprehensible to file a statement claiming to be a U.S.** citizen (if one is not) making oneself obligated for a tax on income from whatever source -- within and without the United States**. Although one may be exempt from the 30% withholding under this provision, employers do not withhold a flat 30% rate anyway. Some day that declaration of U.S.** citizenship will surely come back to haunt its declarant when the IRS wants the returns and payment of a graduated tax for all of that undeclared income.
>
> [A Ticket to Liberty, November 1990 edition, page 45]

There is a much better method for nonresident aliens to stop withholding. It is called a "Certificate of Exemption from Withholding in Lieu of W-4". This certificate is authorized by section 3402(n) of the IRC (see Appendix X). Details for completing and serving this certificate can also be obtained from Doc Scott's great book entitled Free at Last -- From the IRS, listed in the Bibliography (see Appendix N). Be careful to avoid explicitly declaring yourself as an "employee", however, since this term has a specific meaning in that chapter of the IRC (see the definition of "employee" at IRC 3401(c)). Your certificate is made so as to be "consistent with", or in pari materia with, section 3402(n).

Alternatively, IRS Form 8233 can be used as an alternative to a CERTIFICATE OF EXEMPTION FROM WITHHOLDING IN LIEU OF W-4. The following is the abstract describing Form 8233 in the IRS Printed Product Catalog, Document 7130:

> 8233 62292K (Each)
>
> Exemption from Withholding of Compensation for Personal Services
>
> Used by non resident alien individuals to claim exemption from withholding on compensation for personal services because of an income tax treaty or the personal exemption amount. D:R:FP:F Tax Related Public Use
>
> [IRS Printed Product Catalog]
> [Document 7130, Rev. 6-89, p. 66]

Summary

It is really exciting to discover that federal income taxes are indeed voluntary for nonresident aliens who derive no income from sources inside the federal zone. It is equally exciting to discover that aliens who have "elected" to be "resident aliens" may also terminate that election. (Terminating an election is something that most of us

would never even think of doing! Let's all work and pray to ensure it never happens in this country.) Lastly, is it imperative to understand that the filing of prior 1040 forms can be taken as evidence that a nonresident alien has elected to be a resident alien, for purposes of federal tax law. The federal government is thereby entitled to presume that you are either required to file, or that you have elected to be treated as one who is required to file, if and when your signed 1040 or 1040A form arrives in a pouch of mail destined for an IRS Service Center. The Law of Presumption is so important, the next chapter will be dedicated to this one subject. Even the perjury oath under which you sign your name on IRS tax forms is a subtle indicator of your status vis-a-vis the federal zone. For proof, see Appendix R for [or] the relevant statute from Title 28.

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Chapter 9: The Law of Presumption

A nonresident alien who has filed one or more Forms 1040 in the past is presumed by the IRS to be an individual who was required to file those forms. The filed forms entitle the IRS to presume that this individual either was required to file, or elected to be treated as one who is required to file. Such a requirement would be triggered by changing to resident status, changing to citizen status, and/or opting to derive income from a source inside the federal zone (like federal employment). Accordingly, the IRS is entitled to presume that this nonresident alien has "volunteered" to become a "taxpayer", that is, a person who is subject to an internal revenue tax. Quite apart from the day-to-day assumptions we all make about life in general, the term "presumption" has a very special meaning in law. A presumption in law is a logical inference which is made in favor of a particular fact. The Uniform Commercial Code (UCC) defines "presumption" and "presumed" as follows:

> "Presumption" or "presumed" means that the trier of fact must find the existence of the fact presumed unless and until evidence is introduced which would support a finding of its nonexistence.
>
> [UCC 1-201 (31)]

Black's Law Dictionary, Sixth Edition, defines "presumption" as follows:

> A presumption is a rule of law, statutory or judicial, by which finding of a basic fact gives rise to existence of presumed fact, until presumption is rebutted. ... A legal device which operates in the absence of other proof to require that certain inferences be drawn from the available evidence.

There are, in law, two different and directly opposite kinds of presumptions: a conclusive presumption and a rebuttable presumption. A conclusive presumption is one for which proof is available to render some fact so "conclusive", it cannot be rebutted. To "rebut" a fact is to expose it as false, to disprove it. Thus, a "rebuttable fact" is one which can be disproven and exposed as false. In other words, a rebuttable fact is a lawyer's way of describing a fact that is not a fact. (1984 was a long time ago; the book is even older than that.) The opposite kind of presumption is a rebuttable presumption. A rebuttable presumption is a one that can be overturned or disproven by showing sufficient proof. We are interested primarily in this second type of presumptions -- rebuttable presumptions -- because the Code of Federal Regulations makes explicit certain presumptions about nonresident aliens. The regulations have this to say about the proof of alien residence:

> Proof of residence of aliens.
>
> (a) Rules of evidence. The following rules of evidence shall govern in determining whether or not an alien within the United States** has acquired residence therein for purposes of the income tax.
>
> (b) Nonresidence presumed. An alien by reason of his alienage, is presumed to be a nonresident alien.
>
> [26 CFR 1.871-4]
> [emphasis added]

The regulations are very clear about a key presumption which the IRS does make about aliens. Because of their "alienage", that is, because of their status as aliens in the first place, all aliens are presumed by Treasury

regulations to be nonresident aliens. This presumption is built into the law, because the Code of Federal Regulations is considered to have the force of law. (The CFR is judicially noticed, and courts have ruled that the CFR is a supplement to the published Federal Register, which puts the general public on actual notice too.) This presumption is not a conclusive presumption, however; it is a rebuttable presumption. The regulations establish the rules by which this presumption can be rebutted or disproven, as follows:

> Other aliens. In the case of other [not departing] aliens, the presumption as to the alien's nonresidence may be overcome by proof --
>
> (i) That the alien has filed a declaration of his intention to become a citizen of the United States** under the naturalization laws; or
>
> (ii) That the alien has filed Form 1078 or its equivalent; or
>
> (iii) Of acts and statements of the alien showing a definite intention to acquire residence in the United States** or showing that his stay in the United States** has been of such an extended nature as to constitute him a resident.
>
> [26 CFR 1.871-4]

Filing a declaration of intent to become a U.S.** citizen will "rebut the presumption". Acts or statements by aliens showing a definite intent to acquire residence will also "rebut the presumption". Form 1078 is a Certificate of Alien Claiming Residence in the United States**. The IRS Printed Product Catalog, Document 7130, describes this form as follows:

> 1078 171951 (Each)
> Certificate of Alien Claiming Residence in the United States
>
> Who May File. A resident alien may file the original and one copy of this certificate with the withholding agent to claim the benefit of U.S.** residence for income tax purposes. (A withholding agent is responsible for withholding tax from your income.) D:RF:F Tax Form or Instruction
>
> [page 10, emphasis added]

Notice, in particular, the explicit reference to "the benefit of U.S.** residence for income tax purposes". Wha are the benefits of U.S.** residence for income tax purposes? Recall, from the previous chapter, the "benefits" o being under the protection of Congress and thereby subject to its exclusive jurisdiction. The actual scope of Social Security, for example, is limited to the federal zone, except for those outside the zone who wish to partake of its "benefits" voluntarily. Under the law of presumption, your use of a social security number can be seen by the federal government as proof that you have opted to obtain benefits from the federal zone. Form 1078 is likewise ready-made for those who begin as nonresident aliens, but later opt to declare themselves "resident" in the United States** in order to claim the benefit of that "residence". Simply stated, Form 1078 declares a nonresident alien to be a "resident" for income tax purposes. It moves nonresident aliens out of the square at row 2/column 2 in The Matrix, and into the square at row 1/column 2.

There are other ways by which the presumed nonresidence of aliens can be rebutted, or disproven, thereby moving their four- square checkers into a square that is within the federal zone. The regulations make reference to Form 1078 or its equivalent. (Try to find a definition of the term "equivalent" in the statute or its regulations.)

If nonresident aliens sign a Form W-4, for example, they are presumed to be government employees with income from a source inside the federal zone. Employers are to treat all employees as "residents" and to withhold pay as if the employers have not been instructed otherwise.

Notice how the presumption has shifted. Contrary to the regulations at 26 CFR 1.871-4 (quoted above), employers are told by the IRS to make the opposite "presumption" about the residence of their employees, even if they are not true "employees" as that term is defined in the IRC. If individuals have W-4 and W-2 forms, the presumption is that they were either required to sign these forms, or they have made elections to be treated as residents. Recall that the instructions for Form 1040NR describe the "election to be taxed as a resident alien". This is accomplished by filing an income tax return on Form 1040 or 1040A, and attaching a statement confirming the "election".

An extremely subtle indicator of one's status is the perjury oath which is found on IRS forms. Under Title 28 of the U.S.** Codes, Section 1746, there are two different perjury oaths to which penalties attach: one within the United States**, and one without the United States** (see Appendix R for the precise wording of 28 USC 1746). If an oath is executed without the United States**, it reads, "I declare ... under the laws of the United States of America." If an oath is executed within the United States**, it reads, "I declare ... that the foregoing is true and correct." Thus, your signature under the latter oath can be presumed to mean that you are already subject to the jurisdiction of the United States**. This latter oath is the one found on IRS Form 1040.

It should be clear by now that the IRS may well be making presumptions about your status which are, in fact, not correct. If an original presumption of nonresidence has been rebutted, for example, because a nonresident alien filed one or more 1040 forms in the past, the filed forms do not cast the situation into concrete. The IRS is entitled to formulate a presumption from these filed forms, but this presumption is also rebuttable. If you filed under the mistaken belief that you were required to file, that mistaken belief, in and of itself, does not suddenly turn you into a person who is required to file. Tax liability is not a matter of belief; it is a matter that arises from status and jurisdiction.

The best approach is to "clean the slate". In other words, clear the administrative record of any written documents which may have been filed in error, or in the mistaken belief that the filer was required. In Appendix F of this book, there is an Affidavit of Rescission which can be used to clean the slate. This affidavit is not meant to be a document with universal application, because everyone's situation is different. For example, the affidavit makes certain statements about the laws and regulations which have been studied by the individual who signs it. Not everyone has read these same laws and regulations. The affidavit does, however, cover a wide range of factual matters which will serve to educate the reader about the constructive fraud which Congress and other federal officials have perpetrated on the American people. Various qualified organizations are now available to assist individuals with the procedure for executing this affidavit, filing it with a County Recorder, and serving it on the appropriate government officials. The National Commodity and Barter Association is one such organization. Their address is in the list of organizations found in Appendix M of this book.

Now, let's have a little fun with this law of presumption, as it is called. The law works both ways. This mean that you can use it to your advantage as well as anyone else can. One of the most surprising and fascinating discoveries made by the freedom movement in America concerns the bank signature card. If you have a checking or savings account at a bank, you may remember being asked by the bank officer to sign your name on several documents when you opened that account. One of these documents was the bank signature card. You may have been told that the bank needed your signature in order to compare it with the signatures that would be found on the checks you write, to detect forgeries. That explanation sounded reasonable, so you signed your name on the card.

What the bank officer probably did not tell you was that you signed your name on a contract whereby you agreed to abide by all rules and regulations of the Secretary of the Treasury. You see, bank signature cards typically contain such a clause in the fine print. These rules and regulations include, but are not limited to the

IRC (all 2,000 pages of it) and the Code of Federal Regulations for the IRC (all 6,000 pages of it). These rules may also include every last word of the Federal Reserve Act, another gigantic statute. Now, did the bank have all 8,000 pages of the IRC and its regulations on exhibit for you to examine upon request, before you signed the card? Your bank should be willing, at the very least, to identify clearly what rules and regulations adhere to your signature.

You are presumed to be a person who knows how to read, and who knows how to read a contract before signing your name to it. Once your signature is on the contract, the federal government is entitled to presume that you knew what you were doing when you signed this contract. Their presumption is that you entered into this contract knowingly, voluntarily, and intentionally. Why? Because your signature is on the contract. That's why. Is this presumption rebuttable? You bet it is. Here's why:

Instead of telling you that the bank needed your signature to catch forgeries, imagine that the bank officer described the signature card as follows:

> Your signature on this card will create a contract relationship between you and the Secretary of the Treasury. This Secretary is not the U.S. Secretary of the Treasury, because the U.S. Treasury Department was bankrupted in the year 1933. The Treasury Department referred to on this card is a private corporation which has been set up to enforce private rules and regulations. These rules and regulations have been established to discharge the bankruptcy of the federal government. Your signature on this card will be understood to mean that you are volunteering to subject yourself to a foreign jurisdiction, a municipal corporation known as the District of Columbia and its private offspring, the Federal Reserve system. You accept the benefits of limited liability offered to you by this corporation for using their commercial paper, Federal Reserve Notes, to discharge your own debts without the need for gold or silver.
>
> By accepting these benefits, you are admitting to the waiver of all rights guaranteed to you by the Constitution for the United States of America, because that Constitution cannot impair any obligations in the contract you will enter by signing this card. Your waiver of these rights will be presumed to be voluntary and as a result of knowingly intelligent acts done with sufficient awareness of the relevant circumstances and likely consequences, as explained by the Supreme Court in the case of Brady vs U.S. With your signature on this card, the Internal Revenue Service, a collection agency for the Federal Reserve system, will be authorized to attach levies against any and all of your account balances in order to satisfy any unpaid liabilities which the IRS determines to exist. You will waive all rights against self-incrimination. You will not be entitled to due process in federal administrative tribunals, where the U.S. Constitution cannot be invoked to protect you. Your home, papers and effects will not be secured against search and seizure. Now, please sign this card.

How does the law of presumption help you in this situation? First of all, you presumed that your signature was required, to compare it with the signatures on checks you planned to write. This was a reasonable presumption, because that's what the bank officer told you, but it is also a rebuttable presumption, because of what the fine print says. That fine print can be used to rebut, or disprove, your presumption when push comes to shove in a

court of law. The federal government is entitled to presume that you knew what you were doing when you signed this contract. Well, did you? Did the bank officer explain all the terms and conditions attached thereto, as explained above? Did you read all 8,000 pages of law and regulations before deciding to sign this contract? Did you even know they existed? Was your signature on this contract a voluntary, intentional and knowingly intelligent act done with sufficient awareness of all its relevant consequences and likely circumstances? The Supreme Court has stated clearly that:

> Waivers of Constitutional Rights not only must be voluntary, but must be knowingly intelligent acts done with sufficient awareness of the relevant circumstances and likely consequences.
>
> [Brady vs United States, 397 U.S. 742, 748 (1970)]

Fortunately, the federal government's presumption about you is also rebuttable. Why? Because the feds are guilty of fraud, among other reasons, by not disclosing the nature of the bankruptcy which they are using to envelope the American people, like an octopus with a suction tentacle in everybody's wallet, adults and children alike. The banks became unwitting parties to this fraud because the Congress has obtained a controlling interest in the banks through the Federal Deposit Insurance Corporation and their traffic in Federal Reserve Notes and other commercial paper issued by the Federal Reserve banks, with the help of their agent, the private Treasury Department.

Because this fraud can attach to bank accounts without your knowledge or consent, it is generally a good idea to notify your bank(s), in writing, that the IRS cannot inspect any of your bank records unless you have specifically authorized such inspections by executing IRS Form 6014. The IRS Printed Products Catalog describes this form as follows:

> 6014 42996R (Each)
>
> Authorization -- Access to Third Party Records for Internal Revenue Service Employees
>
> Authorization from Taxpayer to third party for IRS employees to examine records. Re-numbered as a 4-digit form from Letter 995(DO) (7/77). Changes suggested per IRM Section 4082.1 to help secure the correct information from the third party. EX:E:D Tax Related Public Use
>
> [IRS Printed Product Catalog]
> [Document 7130, Rev. 6-89, p. 49]

Make explicit reference to this Form in a routine letter to your bank(s). Inform the appropriate bank officers that they must have a completed Form 6014 on file, with your authorized signature, before they can legally allow any IRS employees to examine your records. Then state, discretely, that you hereby reserve your fundamental right to withhold your authorized signature from Form 6014, because it might otherwise constitute a waiver of your 4th Amendment Rights, and no agency of government can compel you to waive any of your fundamental Rights such as those explicitly guaranteed by the 4th Amendment in the Constitution for the United States of America. (Banks are chartered by the States in which they do business, and as such they are "agencies" of State government.) For good measure, you might also cite pertinent sections in your State Constitution, particularly if it mandates that the U.S. Constitution is the Supreme Law of the Land, as it does in the California Constitution of 1879. Finally, you may wish to state that Form 6014 is not applicable to you anyway, because you are not a "Taxpayer" as that term is defined by Section 7701(a)(14) of the Internal Revenue Code. Therefore, the bank is simply not authorized to release information about you to IRS employees, period!

Social Security is another example of a fraudulent contract with a built-in presumption. Your signature on the original application for Social Security, the SS-5 Form, is presumed by the federal government to mean that you knew what you were getting into, namely, that you knew it was voluntary, that you knew it wasn't a true insurance program, that you knew it was a tax, that you knew Congress reserved to itself the authority to change the rules at any time, and that you knew it would render you a subject of the Congress because you knowingly, intentionally and voluntarily chose to accept the "benefits" of this government program. Now ask yourself the 64,000 dollar questions: How could you have known any of these things, if nobody told you? How could you have known, if the real truth was systematically kept from you? How could you have known, if all applicable terms and conditions were not disclosed to you before you joined the program? And how could you have made a capable, adult decision in this matter when you signed the form as a minor, or your parents signed it for you? The answers to these questions are all the same: there is just no way.

For the record, Black's Law Dictionary, Sixth Edition, defines "fraud" as follows:

> An intentional perversion of truth for the purpose of inducing another in reliance upon it to part with some valuable thing belonging to him or to surrender a legal right. A false representation of a matter of fact, whether by words or by conduct, by false or misleading allegations, or by concealment of that which should have been disclosed, which deceives and is intended to deceive another so that he shall act upon it to his legal injury.
>
> [emphasis added]

The law with respect to fraud is crystal clear. "Constructive fraud as well as actual fraud may be the basis of cancellation of an instrument." El Paso Natural Gas Co. vs Kysar Insurance Co., 605 Pacific 2d. 240 (1979).

How do you reverse these ominous presumptions which the federal government is entitled to make about the "contract" you signed at your friendly local bank, or the "contract" you signed to apply for Social Security? Spend some time to read carefully the Affidavit found in Appendix F of this book. This Affidavit is normally served on the Secretary of the Treasury. You might also be motivated to obtain and study some of the other books listed in the Bibliography (Appendix N) and/or to join some of the organizations listed in Appendix M. The situation is a serious one, but knowledge can help to set you free. It is better to light a candle than to curse the darkness. And light always drives out darkness; darkness never drives out light.

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Chapter 10: The Fundamental Law

The law of presumption is in the class of laws akin to esoteric technicalities. It is quite possible that we could get along quite well without it. The fundamental law, on the other hand, is just what it says: it is a law that is essential, of central importance. We could not get along without it. It determines the essential structure and function of our society. It serves as an original and generating source. A fundamental right, for example, is one which is innate to all free people. When used as a noun, the term "fundamental" refers to one of the minimum constituents, without which a system would not be what it is. In Latin, it is the sine qua non, without which there is nothing. What, then, is the fundamental law in our country?

The fundamental law in America is the Constitution for the United States of America. Black's Law Dictionary, Sixth Edition, contains a definition of "fundamental law" as follows:

> Fundamental law. The law which determines the constitution of government in a nation or state, and prescribes and regulates the manner of its exercise. The organic law of a nation or state; its constitution.

The Constitution is a contract of delegated powers. These powers flow downhill, like water down a mountain stream. The ultimate source of all power is the Creator, who endowed His creations with certain unalienable rights. You and I are His creations, and we receive our power directly from the Creator; there is nothing standing between us and the Creator. We the people, in turn, delegate some of our powers to the States of the Union. We do not relinquish our powers; we delegate them. The 50 States exist to defend our rights in ways which are difficult if not impossible for individuals to defend those rights alone.

Power from the 50 States continues to flow downhill in the form of a contract to the federal government. The Constitution for the United States is a contract of powers delegated to the federal government by the 50 States, to perform specific enumerated services which are difficult if not impossible for individual States to provide for themselves. The fundamental law is, therefore, a "law of agency" whereby the 50 States created an agent in the federal government to exercise a limited set of government services on behalf of the 50 States. These States in turn perform a limited set of services for their creators, the people, above whom there is nothing but the Creator.

The fundamental law is the foundation of our society. In the United States of America, it is the Constitution. Through this document, our fundamental rights are secured and protected against infringement by the federal government and by the State governments, because the States are also parties to this contract. To paraphrase the Declaration of Independence, we hold these truths to be self-evident: that all of us are created equal; that we are endowed by our Creator with certain unalienable rights; that among these are the rights to life, liberty, and the pursuit of happiness; that to secure these rights, governments are instituted among us, deriving their just power from our consent. These rights are unalienable, fundamental, and inherent.

The fundamental law is intimately connected with fundamental rights, because the ultimate purpose of that law is to protect and defend the fundamental rights of Sovereign individuals. The Supreme Court of the United States put it very eloquently when it said:

> Sovereignty itself is, of course, not subject to law, for it is the author and source of law; but in our system, while sovereign powers are delegated to the agencies of government, sovereignty itself remains with the people, by whom and for whom all government exists and acts. And the law is the definition and limitation of power.
>
> [Yick Wo vs Hopkins, 118 U.S. 356, 370 (1886)]

[emphasis added]

Every Sovereign State Citizen is endowed with certain unalienable rights, for the enjoyment of which no written law or statute is required. "These are fundamental or natural rights, recognized among all free people," wrote Chancellor Kent in the case of United States vs Morris. The U.S. Supreme Court has repeatedly stated that fundamental rights are natural rights which are inherent in State Citizenship:

> This position is that the privileges and immunities clause protects all citizens against abridgment by states of rights of national citizenship as distinct from the fundamental or natural rights inherent in state citizenship.
>
> [Madden v. Kentucky, 309 U.S. 83 (1940)]
> [84 L.Ed. 590, at 594; emphasis added]

What are the fundamental or natural rights recognized among all free people? Chancellor Kent answered as follows:

> That the rights to lease land and to accept employment as a laborer for hire are fundamental rights, inherent in every free citizen, is indisputable.
>
> [United States vs Morris, 125 F.Rept. 322, 331 (1903)]

One of the most precious of fundamental rights is the natural right to enjoy the fruits of our own labor, our own "industry". In the year 1919, the Secretary of the Treasury recognized as "fundamental" the right of Sovereign State Citizens to accept employment as laborers for hire, and to enjoy the fruits of their own labor:

> Gross income excludes the items of income specifically exempt by ... fundamental law free from such tax.
>
> [Treasury Decisions under Internal Revenue Laws of the United States, Vol. 21, Article 71]
> [emphasis added]

In the year 1921, the Secretary of the Treasury reiterated this statement concerning the fundamental law:

> Gross income excludes the items of income specifically exempted by the statute and also certain other kinds of income by statute or fundamental law free from tax.
>
> [Treasury Decision 3146, Vol. 23, page 376]
> [emphasis added]

And again in the year 1924, the identical statement was published concerning the fundamental law:

> Gross income excludes the items of income specifically exempted by the statute and also certain other kinds of income by statute or fundamental law free from tax.
>
> [Treasury Decision 3640, Vol. 26, page 769]
> [emphasis added]

The Constitution is, therefore, the fundamental law. Within the 50 States where Congress is restrained by the Constitution, "gross income" excludes certain kinds of income which are free from tax under the fundamental law. Labor is personal property. The fruits of labor are personal property. A tax on personal property is a direct tax, or "capitation" tax. Outside the federal zone and inside the 50 States, Congress is restrained from imposing a direct tax on Sovereign State Citizens, unless that tax is apportioned (see 1:9:4 and 1:2:3). Apportionment is a very simple concept. If California has 10 percent of the nation's population, then California's "portion" would be 10 percent of any direct tax levied by Congress (see Appendix Q). Thus, the income from labor is also personal property, which is free from direct taxation by Congress, unless that tax is apportioned among the 50 States of the Union. In the year 1895, the Supreme Court overturned an Act of Congress precisely because it levied a direct tax without apportionment on a State Citizen:

> First. We adhere to the opinion already announced, that, taxes on real estate being indisputably direct taxes, taxes on the rents or income of real estate are equally direct taxes.
>
> Second. We are of the opinion that taxes on personal property, or on the income of personal property, are likewise direct taxes.
>
> Third. The tax imposed by sections twenty-seven to thirty-seven, inclusive, of the act of 1894, so far as it falls on the income of real estate and of personal property, being a direct tax within the meaning of the Constitution, and therefore, unconstitutional and void because not apportioned according to representation, all those sections, consisting of one entire scheme of taxation, are necessarily invalid.
>
> [Pollock vs Farmers' Loan & Trust Co.]
> [158 U.S. 601 (1895)]
> [emphasis added]

It is important to realize that Charles Pollock was a Citizen of Massachusetts; he was not a citizen of the United States**. This fact is often overlooked in discussions of the Pollock case, because the U.S. Supreme Court's decision explored the history and meaning of direct taxes in such great depth. Pollock's political status can easily get lost like a needle in a haystack. Even experts like author and attorney Jeffrey Dickstein have been mistaken about Pollock's status:

> The Pollock Court clearly found that a tax on the entire income of a United States** citizen was a direct tax that required apportionment to withstand constitutional validity.
>
> [Judicial Tyranny and Your Income Tax, page 20]
> [emphasis added]

Nevertheless, the political status of Charles Pollock is clearly established in the very first sentence of the Pollock decision, as follows:

> This was a bill filed by Charles Pollock, a citizen of the state of Massachusetts, on behalf of himself and all other stockholders of the defendant company similarly situated, against the Farmers' Loan & Trust Company, a corporation of the state of New York, and its directors ....

[Pollock vs Farmers' Loan & Trust Co.]
[157 U.S. 673, 674 (1895)]
[emphasis added]

Notice also that the Farmers' Loan & Trust Company was a corporation of the State of New York. As such, it was a foreign corporation with respect to the federal zone, not a domestic corporation. This is one of the key factual differences between the Pollock and Brushaber cases. This difference has similarly been ignored by many of those who have done any analysis of Pollock. A headnote in the decision explains the corporate implications, as understood by the Supreme Court at that time:

> 5. In so far as the act levies a tax upon income derived from municipal bonds, it is invalid, because such tax is a tax on the power of the states and their instrumentalities to borrow money, and consequently repugnant to the constitution.
>
> [Pollock vs Farmers' Loan & Trust Co.]
> [157 U.S. 673 (1895), emphasis added]

The Pollock case has never been overturned and is still the holding case law on direct taxes. In light of some 17,000 State- certified documents which prove that the so-called 16th Amendment never became law, the importance of the Pollock ruling is vastly enhanced. All direct taxes levied upon State Citizens inside the 50 States must be apportioned, as required by the Constitution.

The situation within the federal zone is entirely different. Remember that Congress has exclusive legislative authority within the federal zone. This means that Congress is not restrained by the Constitution within this zone. Therefore, Congress is not required to apportion a direct tax within the federal zone. When it comes to law, the areas inside and outside the federal zone are heterogeneous with respect to each other, resulting in a principle of territorial heterogeneity. This principle states that areas within the federal zone are subject to one set of rules; the areas without the federal zone are subject to a different set of rules. The Constitution rules outside the zone; the acts of Congress rule inside the zone. (See Appendix W for a summary of Downes vs Bidwell, the pivotal case on this question.) In describing the powers delegated to Congress by Article 1, Section 8, Clause 17 and by Article 4, Section 3, Clause 2 of the Constitution, the Supreme Court has explained this principle as follows:

> 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 guarantees 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 guarantees applicable.
>
> [Hooven & Allison Co. vs Evatt, 324 U.S. 653 (1945)]
> [emphasis added]

Without referring to it as such, author Lori Jacques describes the principle of territorial heterogeneity as follows:

> The "graduated income tax" is not a constitutionally authorized tax within the several states; however, Congress is apparently not prohibited from levying that type of tax upon the "subjects of the sovereign" in the Possessions and Territories. The definitions of "United States" and "State" are stated "geographically to include" only those areas

> constitutionally within congress' exclusive legislative jurisdiction upon whom a graduated tax can be imposed.
>
> [A Ticket to Liberty, November 1990 edition]
> [page 54, emphasis added]

The limitation against direct taxes without apportionment is not the only limitation on Congress outside the federal zone. There are many other limitations. The most famous of these is the Bill of Rights, which recently celebrated its 200th Anniversary (with little if any fanfare by federal government officials). The Bill of Rights is the first 10 amendments to the U.S. Constitution. There is a widespread misunderstanding that the Constitution, as amended by the Bill of Rights, is the source of those rights which are enumerated in the first 10 amendments. Even Black's Law Dictionary makes this "fundamental" error as follows:

> Fundamental rights. Those rights which have their source, and are explicitly or implicitly guaranteed, in the federal constitution.

The rights enumerated in the Bill of Rights did not have their source in the federal Constitution. If this were the case, then our unalienable rights would not have existed before that Constitution was written. Of course, this is nonsense. The Declaration of Independence existed long before the U.S. Constitution. One has only to read that Declaration carefully to appreciate the source of our fundamental, unalienable rights. We are endowed "by our Creator with certain unalienable rights". These rights are not endowed by the Constitution. They are inherent rights which exist quite independently of any form of government we might invent to secure those rights. We relinquish our rights if and only if we waive those rights knowingly, intentionally and voluntarily, or act in such a way as to infringe on the rights of others. As the Supreme Court has said:

> ... [A]cquiescence in loss of fundamental rights will not be presumed.
> [Ohio Bell vs Public Utilities Commission]
> [301 U.S. 292]

Unfortunately, public awareness of the Bill of Rights is in a sorry state. The following article was published in the San Francisco Chronicle on the 200th Anniversary of the signing of the Bill of Rights:

> The right to be ignorant
>
> A new survey shows most Americans don't know much about James Madison's handiwork or the legacy he left them.
>
> The poll, commissioned by the American Bar Association in honor of the Bill of Rights' 200th birthday, found that:
>
> * Sixty-seven percent of those surveyed don't know the Bill of Rights is the first 10 amendments to the Constitution. That's worse than the 59 percent found in a similar survey in 1987, when the five-year celebration of the Constitution's bicentennial started.
>
> * Only 10 percent know the Bill of Rights was approved to protect individuals and states against the power of the federal government.
>
> * More than half are willing to give up some of their Fourth Amendment protections against search and seizure to

help win the war on drugs.

* 51 percent believe government should prohibit hate speech that demeans someone's race, sex, national origin or religion, despite First Amendment free-speech protections.

* Forty-six percent think Congress should be able to ban media coverage of any national security issue unless government gives its prior approval, despite the First Amendment's free-press guarantee.

[San Francisco Chronicle]
[December 16, 1991, page A-20]

The Bill of Rights must be viewed as a set of rules which constrain Congress from passing laws which infringe on our unalienable rights. The Bill of Rights does not say that the Constitution endows us with the right to freedom of speech. It does say that "Congress shall make no law ... abridging the freedom of speech, or of the press." There is a world of difference between these two views. Similarly, it is a common mistake to believe that we enjoy only those rights which are enumerated in the Bill of Rights. This is also a fundamental error. The rights which are enumerated in the Bill of Rights are not the only rights which we enjoy. This is clearly expressed by the 9th and 10th Amendments:

The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

[Constitution for the United States of America]
[Ninth Amendment]

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

[Constitution for the United States of America]
[Tenth Amendment]

With this in mind, it is important to appreciate how the Bill of Rights can be utilized to restrain federal government agents outside the federal zone. Even if it is does operate as a private mercantile organization, the IRS is an "agency" of the federal government. The right to be secure in our persons, houses, papers and effects is guaranteed by the 4th Amendment:

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

[Constitution for the United States of America]
[Fourth Amendment]

Similarly, the rights against self-incrimination and of due process of law are also guaranteed by the 5th Amendment:

> ... [N]or shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use without just compensation.
>
> [Constitution for the United States of America]
> [Fifth Amendment]

The Internal Revenue Service is well aware of these amendments to the U.S. Constitution. For example, many persons are incorrect to believe that the IRS has authority to force disclosure of private books and records. Even though the IRS may have authority to issue a summons in certain circumstances, it has absolutely no authority to compel disclosure of private books and records. This means that you must bring your books and records to an audit, if lawfully summoned to do so, but you are under no obligation to open those books and records, or to submit them to the Internal Revenue Service. As amazing as this may seem, this restraint is documented in the official IRS Tax Audit Guidelines (IR Manual MT 9900-26, 1-29-75), as follows:

> 242.12 Books and Records of An Individual
>
> (1) An individual taxpayer may refuse to exhibit his books and records for examination on the ground that compelling him to do so might violate his right against self-incrimination under the Fifth Amendment and constitute an illegal search and seizure under the Fourth Amendment. However, in the absence of such claims, it is not error for a court to charge the jury that it may consider the refusal to produce books and records, in determining willfulness.
>
> (2) The privilege against self-incrimination does not permit a taxpayer to refuse to obey a summons issued under IRC 7602 or a court order directing his appearance. He is required to appear and cannot use the Fifth Amendment as an excuse for failure to do so, although he may exercise it in connection with specific questions. He cannot refuse to bring his records, but may decline to submit them for inspection on Constitutional grounds. In the Vader case [U.S. vs Vader, 119 F.Supp. 330], the Government moved to hold a taxpayer in contempt of court for refusal to obey a court order to produce his books and records. He refused to submit them for inspection by the Government, basing his refusal on the Fifth Amendment. The court denied the motion to hold him in contempt, holding that disclosure of his assets would provide a starting point for a tax evasion case.
>
> [emphasis added]

Note, in particular, where this IR Manual uses the phrase "in the absence of such claims". In general if you d not assert your rights, explicitly and in a timely fashion, then you can be presumed to have waived them. There’s the "law of presumption" again. You can, therefore, assert your rights under the Fourth and Fifth Amendments to the Constitution, by refusing to submit your books and records for inspection, even though you cannot refuse to bring those books and records to an audit. This may seem like splitting hairs. However, if the federal government could compel your submission of books and records to IRS agents, then the federal government

could compel persons to be witnesses against themselves. This would violate the Fifth Amendment.

Similarly, the federal government could compel the search and seizure of books and records without a warrant issued upon probable cause and describing the place to be searched and the persons or things to be seized. This would violate the Fourth Amendment. Agencies of the federal government are constrained by law to avoid infringing upon the rights guaranteed by the Fourth and Fifth Amendments to the U.S. Constitution.

How do you assert your rights in a polite yet convincing way, so that everyone who needs to know is placed on notice that you have done so? One of the most effective ways of asserting your rights is to become totally alert to every document which bears your signature, past, present and future. Know that your signature is the touch which magically transforms common pieces of paper into commercial contracts, or "commercial agreements" as they are called in the Uniform Commercial Code. Always sign your name with the following phrase immediately above your signature on all contracts which involve bank credit or Federal Reserve Notes:

```
With Explicit Reservation of All My Rights
    and Without Prejudice U.C.C. 1-207
```

A short-hand way of doing the same thing is to utilize the phrase "All Rights Reserved". This phrase appears in most published books and in film credits. The use of these phrases above your signature on any document indicates that you have exercised the "Remedy" provided for you in the Uniform Commercial Code (UCC) in Article 1 at Section 207. This "Remedy" provides a valid legal mechanism to reserve a fundamental, common law right which you possess. Under the common law, you enjoy the right not to be compelled to perform under any contract or commercial agreement which you did not enter knowingly, intentionally and voluntarily.

Moreover, your explicit reservation of rights serves notice upon all administrative agencies of government, whether international, national, state, or local, that you do not, and will not accept the liability associated with the "compelled" benefit of any unrevealed commercial agreements. As you now know from reading previous chapters, the federal government is famous for making presumptions about you, because your signature is on documents which bind you to "commercial agreements" with tons of unrevealed terms and conditions. Think back to the terms and conditions attached to the bank signature card, for example. An unrevealed term is proof of constructive fraud, and constructive fraud is a legal basis for cancelling any written instrument.

Last but not least, your valid reservation of rights results in preserving all your rights, and prevents the loss of any such rights by application of the concepts of waiver or estoppel. A "waiver" has occurred when you sign your name on an agreement which states that you knowingly, intentionally and voluntarily waive one of your fundamental rights. Kiss it goodbye. As long as you are not infringing on the rights of others, only you can waive one or more of your fundamental rights. In law, "estoppel" means that a party is prevented by his own acts from claiming a right, to the detriment of another party who was entitled to rely on such conduct and who has acted accordingly. If all parties were acting in good faith, for example, estoppel prevents you from changing your mind and claiming a right after the fact, in order to get out of an otherwise valid contract. The doctrine of estoppel holds that an inconsistent position or course of conduct may not be adopted to the loss or injury of another. However, if the other party has been responsible for actual fraud, constructive fraud or deliberate misrepresentation, then the estoppel doctrine goes out the window and the contract is necessarily null and void. And there is no statute of limitations on fraud.

The remedy provided for us in the Uniform Commercial Code was first brought to my attention by a Patriot named Howard Freeman, who has written a classic essay entitled The Two United States and the Law. This essay does an excellent job of describing the tangled legal mess that has resulted from the bankruptcy of the federal government in the year 1933. Specifically, the Supreme Court decision of Erie Railroad vs Thompkins in 1938 changed our entire legal system in this country from public law to private commercial law. Prior to 1938, all Supreme Court decisions were based upon public law, i.e., the system of law that was controlled by Constitutional limitations. Ever since the Erie decision in 1938, all Supreme Court decisions have been based

upon what is termed "public policy". Public policy concerns commercial transactions made under the Uniform Commercial Code (U.C.C.). Freeman describes the overall consequences for our system of government as follows:

> Our national Congress works for two nations foreign to each other, and by legal cunning both are called The United States. One is the Union of Sovereign States, under the Constitution, termed in this article the Continental United States***. The other is a Legislative Democracy which has its origin in Article I, Section 8, Clause 17 of the Constitution, here termed the Federal United States**. Very few people, when they see some "law" passed by Congress, ask themselves, "Which nation was Congress working for when it passed this or that so-called law?" Or, few ask, "Does this particular law apply only to residents of the District of Columbia and other named enclaves, or territories, of the Democracy called the Federal United States**?"
>
> [emphasis in original]

The "Federal United States**" to which Freeman refers is the federal zone. Because of its sweetheart deal with the Federal Reserve, Congress deliberately failed in its duty to provide a constitutional medium of exchange for the Citizens of the 50 States. Instead of real money, Congress created a "wealth" of commercial credit for the federal zone, where it is not bound by constitutional limitations. After the tremendous depression that began in 1929, Congress used its emergency authority to remove the remaining real money (gold and silver) from circulation inside the 50 States, and made the commercial paper of the federal zone a legal tender for all Citizens of the 50 States to use in discharging their debts. Freeman goes on to describe the "privilege" we now enjoy for being able to discharge our debts with limited liability, that is, by using worthless commercial paper instead of intrinsically valuable gold and silver:

> ... Congress granted the entire citizenry of the two nations the "benefit" of limited liability in the discharge of all debts by telling the citizenry that the gold and silver coins of the Republic were out of date and cumbersome. The citizens were told that gold and silver (substance) was no longer needed to pay their debts, that they were now "privileged" to discharge debt with this more "convenient" currency, issued by the Federal United States**. Consequently, everyone was forced to "go modern," and to turn in their gold as a patriotic gesture. The entire news media complex went along with the scam and declared it to be a forward step for our democracy, no longer referring to America as a Republic.

You are strongly encouraged to read and study Freeman's entire essay, which can [also] be obtained by writing Howard Freeman, c/o P.O. Box 364, Lusk, Wyoming. A copy of this essay can also be obtained from the Account for Better Citizenship. The compound metaphor of "Two United States" is rich in meanings and long on prophetic insight.

America is now submerged in a tangled legal mess which began in 1901 and reached critical mass in 1913. This mess is due, in large part, to systematic efforts to destroy the Constitution as the fundamental law in this country, and to devolve the nation from a Republic into a Democracy (mob rule) and eventually a socialist dictatorship. The Supreme Court gave its official blessing to the dubious principle of territorial heterogeneity in the Insular Cases. These controversial precedents then paved the way for unrestricted monetary devolution under a private credit monopoly created by the Federal Reserve Act; this Act followed closely behind the fraudulent 16th

Amendment in order to justify "municipal" income taxation (two pumps, working in tandem). The Supreme Court stepped into line once again when their Erie decision threw out almost 100 years of common law precedent. Echoing Justice Harlan's eloquent dissent in Downes vs Bidwell, author Lori Jacques identifies territorial heterogeneity as a root cause of the disease she calls "governmental absolutism":

> There has been no cure for the disease of governmental absolutism introduced into our body politic by the acquisition of Dependencies and the subsequent alleged Sixteenth Amendment. ... [T]hrough Rules and Regulations meant for the Territories and insular Possessions, which are not limited by the Constitution, Congress has extended this limited legislative power into the several states by clever design thereby usurping the states' right to a republican form of Government and virtually destroying the concept of Liberty of the individual. ...
>
> Until the person who receives benefits from the Government is not permitted to vote, or buy himself benefits to the detriment of another, the Liberty of the Individual will be denied. "Benefits" granted by the Government are the rights transferred by the Individual to the Government and then returned as "privileges" by its formula of felicific calculus.
>
> [A Ticket to Liberty, November 1990 edition]
> [pages 145-146, emphasis added]

These efforts to destroy the Constitution have not been entirely successful, however. Due to the concerted efforts of many courageous Americans like Howard Freeman, the United States Constitution is alive, if not well, and remains the Supreme Law of the Land even today. Any statute, to be valid, must be in agreement with the Constitution 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, the fundamental law in these United States. 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.

[16 American Jurisprudence 2d, Section 177]
[emphasis added]

The vivid pattern that is now painfully emerging is that "citizens of the United States", as defined in federal tax law, are the intended victims of a modern 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.

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Chapter 11: Sovereignty

The issue of jurisdiction as it relates to sovereignty is a major key to understanding our system of government under the Constitution. In the most common sense of the word, "sovereignty" is autonomy, freedom from external control. The sovereignty of any government usually extends up to, but not beyond the borders of its jurisdiction. This jurisdiction defines a specific territorial boundary which separates the "external" from th "internal", the "within" from the "without". It may also define a specific function or set of functions which a government may lawfully perform within a particular territorial boundary. Black's Law Dictionary, Sixth Edition, describes sovereignty as follows:

> ... [T]he international independence of a state, combined with the right and power of regulating its internal affairs without foreign dictation.

On a similar theme, Black's defines "sovereign states" to be those which are not under the control of any foreign power:

> No foreign power or law can have control except by convention. This power of independent action in external and internal relations constitutes complete sovereignty.

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.

The federal zone is an area over which Congress exercises exclusive legislative jurisdiction. It is the area over which the federal government exercises its sovereignty. Despite its obvious importance, the subject of federal jurisdiction had been almost entirely ignored outside the courts until the year 1954. In that year, a detailed study of federal jurisdiction was undertaken. The occasion for the study arose from a school playground, of all places. The children of federal employees residing on the grounds of a Veterans' Administration hospital were not allowed to attend public schools in the town where the hospital was located. An administrative decision against the children was affirmed by local courts, and finally affirmed by the State supreme court. The residents of the area on which the hospital was located were not "residents" of the State, since "exclusive legislative jurisdiction" over this area had been ceded by the State to the federal government.

A committee was assembled by Attorney General Herbert Brownell, Jr. Their detailed study was reported in a publication entitled Jurisdiction over Federal Areas within the States, April 1956 (Volume I) and June 1957 (Volume II). The committee's report demonstrates, beyond any doubt, that the sovereign States and their laws are outside the legislative and territorial jurisdiction of the United States** federal government. They are totally

outside the federal zone. A plethora of evidence is found in the myriad of cited court cases (700+) which prove that the United States** cannot exercise exclusive legislative jurisdiction outside territories or places purchased from, or ceded by, the 50 States of the Union. Attorney General Brownell described the committee's report as an "exhaustive and analytical exposition of the law in this hitherto little explored field". In his letter of transmittal to President Dwight D. Eisenhower, Brownell summarized the two volumes as follows:

> Together, the two parts of this Committee's report and the full implementation of its recommendations will provide a basis for reversing in many areas the swing of "the pendulum of power * * * from our states to the central government" to which you referred in your address to the Conference of State Governors on June 25, 1957.
>
> [Jurisdiction over Federal Areas within the States]
> [Letter of Transmittal, page V, emphasis added]

Once a State is admitted into the Union, its sovereign jurisdiction is firmly established over a predefined territory. The federal government is thereby prevented from acquiring legislative jurisdiction, by means of unilateral action, over any area within the exterior boundaries of this predefined territory. State assent is necessary to transfer jurisdiction to Congress:

> The Federal Government cannot, by unilateral action on its part, acquire legislative jurisdiction over any area within the exterior boundaries of a State. Article 1, Section 8, Clause 17, of the Constitution, provides that legislative jurisdiction may be transferred pursuant to its terms only with the consent of the legislature of the State in which is located the area subject to the jurisdictional transfer.
>
> [Jurisdiction over Federal Areas within the States]
> [Volume II, page 46, emphasis added]

Under Article 1, Section 8, Clause 17 of the Constitution, States of the Union have enacted statutes consenting to the federal acquisition of any land, or of specific tracts of land, within those States. Secondly, the federal government has also made "reservations" of jurisdiction over certain areas in connection with the admission of a State into the Union. A third means for transfer of legislative jurisdiction has also come into considerable use over time, namely, a general or special statute whereby a State makes a cession of specific functional jurisdiction to the federal government. Nevertheless, the Committee report explained that "... the characteristics of a legislative jurisdiction status are the same no matter by which of the three means the Federal Government acquired such status" [Volume II, page 3]. There is simply no federal legislative jurisdiction without consent by a State, cession by a State, or reservation by the federal government:

> It scarcely needs to be said that unless there has been a transfer of jurisdiction (1) pursuant to clause 17 by a Federal acquisition of land with State consent, or (2) by cession from the State to the Federal Government, or unless the Federal Government has reserved jurisdiction upon the admission of the State, the Federal Government possesses no legislative jurisdiction over any area within a State, such jurisdiction being for exercise entirely by the State ....
>
> [Jurisdiction over Federal Areas within the States]
> [Volume II, page 45, emphasis added]

The areas which the 50 States have properly ceded to the federal government are called federal "enclaves":

> By this means some thousands of areas have become Federal islands, sometimes called "enclaves," in many respects foreign to the States in which they are situated. In general, not State but Federal law is applicable in an area under the exclusive legislative jurisdiction of the United States**, for enforcement not by State but Federal authorities, and in many instances not in State but in Federal courts.
>
> [Jurisdiction over Federal Areas within the States]
> [Volume II, page 4, emphasis added]

These federal enclaves are considered foreign with respect to the States which surround them, just as the 50 States are considered foreign with respect to each other and to the federal zone: "...[T]he several states of the Union are to be considered as in this respect foreign to each other ...." Hanley vs Donoghue, 116 U.S. 1 (1885). Once a State surrenders its sovereignty over a specific area of land, it is powerless over that land; it is without authority; it cannot recapture any of its transferred jurisdiction by unilateral action, just as the federal government cannot acquire jurisdiction over State area by its unilateral action. The State has transferred its sovereign authority to a foreign power:

> Once a State has, by one means or another, transferred jurisdiction to the United States**, it is, of course, powerless to control many of the consequences; without jurisdiction, it is without the authority to deal with many of the problems, and having transferred jurisdiction to the United States**, it cannot unilaterally capture any of the transferred jurisdiction.
>
> [Jurisdiction over Federal Areas within the States]
> [Volume II, page 7, emphasis added]

Once sovereignty has been relinquished, a State no longer has the authority to enforce criminal laws in areas under the exclusive jurisdiction of the United States**. Privately owned property in such areas is beyond the taxing authority of the State. Residents of such areas are not "residents" of the State, and hence are not subject to the obligations of residents of the State, and are not entitled to any of the benefits and privileges conferred by the State upon its residents. Residents of federal enclaves usually cannot vote, serve on juries, or run for office. They do not, as matter of right, have access to State schools, hospitals, mental institutions, or similar establishments.

The acquisition of exclusive jurisdiction by the Federal Government renders unavailable to the residents of the affected areas the benefits of the laws and judicial and administrative processes of the State relating to adoption, the probate of wills and administration of estates, divorce, and many other matters. Police, fire-fighting, notaries, coroners, and similar services performed by, or under, the authority of a State may result in legal sanction within a federal enclave. The "old" State laws which apply are only those which are consistent with the laws of the "new" sovereign authority, using the following principle from international law:

> The vacuum which would exist because of the absence of State law or Federal legislation with respect to civil matters in areas under Federal exclusive legislative jurisdiction has been partially filled by the courts, through extension to these areas of a rule of international law that[,] when one sovereign takes over territory of another[,] the laws of the original sovereign in effect at the time of the taking[,]

> which are not inconsistent with the laws or policies of the second[,] continue in effect, as laws of the succeeding sovereign, until changed by that sovereign.
>
> [Jurisdiction over Federal Areas within the States]
> [Volume II, page 6, commas added for clarity]
> [emphasis added]

It is clear, then, that only one "state" can be sovereign at any given moment in time, whether that "state" be one of the 50 Union States, or the federal government of the United States**. Before ceding a tract of land to Congress, a State of the Union exercises its sovereign authority over any land within its borders:

> Save only as they are subject to the prohibitions of the Constitution, or as their action in some measure conflicts with the powers delegated to the national government or with congressional legislation enacted in the exercise of those powers, the governments of the states are sovereign within their territorial limits and have exclusive jurisdiction over persons and property located therein.
>
> [72 American Jurisprudence 2d, Section 4]
> [emphasis added]

After a State has ceded a tract of land to Congress, the situation is completely different. The United States**, as the "succeeding sovereign", then exercises its sovereign authority over that land. In this sense, sovereignty is indivisible, even though the Committee's report documented numerous situations in which jurisdiction was actually shared between the federal government and one of the 50 States. Even in this situation, however, sovereignty rests either in the State, or in the federal government, but never both. Sovereignty is the authority to which there is politically no superior. Outside the federal zone, the States of the Union remain sovereign, and their laws are completely outside the exclusive legislative jurisdiction of the federal government of the United States**.

Now, if a State of the Union is sovereign, is it correct to say that the State exercises an authority to which there is absolutely no superior? No, this is not a correct statement. There is no other political body which is superior to the political body which retains sovereignty. The sovereignty of governments is an authority to which there is politically no superior, but there is absolutely a superior body. The source of all sovereignty in a constitutional Republic like the 50 States, united by and under the Constitution for the United States of America, is the people themselves. Remember, the States, and the federal government acting inside those States, are both bound by the terms of a contract known as the U. S. Constitution. That Constitution is a contract of delegated powers which ultimately originate in the sovereignty of the Creator, who endowed creation, individual people like you and me, with sovereignty in that Creator's image and likeness. Nothing stands between us and the Creator. I think it is fair to say that the Supreme Court of the United States was never more eloquent when it described the source of sovereignty as follows:

> Sovereignty itself is, of course, not subject to law, for it is the author and source of law; but in our system, while sovereign powers are delegated to the agencies of government, sovereignty itself remains with the people, by whom and for whom all government exists and acts. And the law is the definition and limitation of power. It is indeed, quite true, that there must always be lodged somewhere, and in some person or body, the authority of final decision; and in many cases of mere administration the responsibility is purely political, no appeal except to the ultimate tribunal of the public judgement, exercised

> either in the pressure of opinion or by means of the suffrage. But the fundamental rights to life, liberty, and the pursuit of happiness, considered as individual possessions, are secured by those maxims of constitutional law which are the monuments showing the victorious progress of the race in securing to men the blessings of civilization under the reign of just and equal laws, so that, in the famous language of the Massachusetts Bill of Rights, the government of the commonwealth "may be a government of laws and not of men." For, the very idea that one man may be compelled to hold his life, or the means of living, or any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any country where freedom prevails, as being the essence of slavery itself.
>
> [Yick Wo vs Hopkins, 118 U.S. 356, 370 (1886)]
> [emphasis added]

More recently, the Supreme Court reiterated the fundamental importance of US the people as the source of sovereignty, and the subordinate status which Congress occupies in relation to the sovereignty of the people. The following language is terse and right on point:

> In the United States***, sovereignty resides in the people who act through the organs established by the Constitution. [cites omitted] The Congress as the instrumentality of sovereignty is endowed with certain powers to be exerted on behalf of the people in the manner and with the effect the Constitution ordains. The Congress cannot invoke the sovereign power of the people to override their will as thus declared.
>
> [Perry vs United States, 294 U.S. 330, 353 (1935)]
> [emphasis added]

No discussion of sovereignty would be complete, therefore, without considering the sovereignty that resides i US, the people. The Supreme Court has often identified the people as the source of sovereignty in our republican form of government. Indeed, the federal Constitution guarantees to each and every State in the Union a "Republican Form" of government, in so many words:

> Section 4. The United States shall guarantee to every State in this Union a Republican Form of Government, and shall protect each of them against Invasion; ....
>
> [United States Constitution, Article 4, Section 4]
> [emphasis added]

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.

The Supreme Court has clearly distinguished between the operation of governments in Europe, and government in these United States*** of America, as follows:

> In Europe, the executive is almost synonymous with the sovereign power of a State; and generally includes legislative and judicial authority. When, therefore, writers speak of the sovereign, it is not necessarily in exclusion of the judiciary; and it will often be found that when the executive affords a remedy for any wrong, it is nothing more than by an exercise of its judicial authority. Such is the condition of power in that quarter of the world, where it is too commonly acquired by force or fraud, or both, and seldom by compact. In America, however, the case is widely different. Our government is founded upon compact. Sovereignty was, and is, in the people.
>
> [Glass vs The Sloop Betsey, 3 Dall 6 (1794)]
> [emphasis added]

The federal Constitution makes a careful distinction between natural born Citizens and citizens of the United States** (compare 2:1:5 with Section 1 of the so-called 14th Amendment). One is an unconditional Sovereign by natural birth, who is endowed by the Creator with certain unalienable rights; the other has been granted the revocable privileges of U.S.** citizenship, endowed by the Congress of the United States**. One is a Citizen, the other is a subject. One is a Sovereign, the other is a subordinate. One is a Citizen of our constitutional Republic; the other is a citizen of a legislative democracy (the federal zone). Notice the superior/subordinate relationship between these two statuses. I am forever indebted to M. J. "Red" Beckman, co-author of The Law That Never Was with Bill Benson, for clearly illustrating the important difference between the two. Red Beckman has delivered many eloquent lectures based on the profound simplicity of the following table:

Chain of command and authority in a:

Majority Rule Democracy	Constitutional Republic
X	Creator
Majority	Individual
Government	Constitution
Public Servants	Government
Case & Statute Law	Public Servants
Corporations	Statute Law
individual	Corporations

In this illustration, a democracy ruled by the majority places the individual at the bottom, and an unknown elite, Mr. "X" at the top. The majority (or mob) elects a government to hire public "servants" who write laws primarily for the benefit of corporations. These corporations are either owned or controlled by Mr. X, a clique of the ultra-wealthy who seek to restore a two-class "feudal" society. They exercise their vast economic power so as to turn all of America into a "feudal zone". The rights of individuals occupy the lowest priority in this chain of command. Those rights often vanish over time, because democracies eventually self-destruct. The enforcement of laws within this scheme is the responsibility of administrative tribunals, who specialize in holding individuals to the letter of all rules and regulations of the corporate state, no matter how arbitrary and with little if any regard for fundamental human rights:

> A democracy that recognizes only manmade laws perforce

> obliterates the concept of Liberty as a divine right.
>
> [A Ticket to Liberty, November 1990 edition, page 146]
> [emphasis added]

In the constitutional Republic, however, the rights of individuals are supreme. Individuals delegate their sovereignty to a written contract, called a constitution, which empowers government to hire public servants to write laws primarily for the benefit of individuals. The corporations occupy the lowest priority in this chain of command, since their primary objectives are to maximize the enjoyment of individual rights, and to facilitate the fulfillment of individual responsibilities. The enforcement of laws within this scheme is the responsibility of sovereign individuals, who exercise their power in three arenas: the voting booth, the trial jury, and the grand jury. Without a jury verdict of "guilty", for example, no law can be enforced and no penalty exacted. Th behavior of public servants is tightly restrained by contractual terms, as found in the written Constitution. Statutes and case law are created primarily to limit and define the scope and extent of public servant power.

Sovereign individuals are subject only to a common law, whose primary purposes are to protect and defend individual rights, and to prevent anyone, whether public official or private person, from violating the rights of other individuals. Within this scheme, Sovereigns are never subject to their own creations, and the constitutional contract is such a creation. To quote the Supreme Court, "No fiction can make a natural born subject." Milvaine vs Coxe’s Lessee, 8 U.S. 598 (1808). That is to say, no fiction, be it a corporation, a statute law, or an administrative regulation, can mutate a natural born Sovereign into someone who is subject to his own creations. Author and scholar Lori Jacques has put it succinctly as follows:

> As each state is sovereign and not a territory of the United States**, the meaning is clear that state citizens are not subject to the legislative jurisdiction of the United States**. Furthermore, there is not the slightest intimation in the Constitution which created the "United States" as a political entity that the "United States" is sovereign over its creators.
>
> [A Ticket to Liberty, November 1990 edition, page 32]
> [emphasis added]

Accordingly, if you choose to investigate the matter, you will find a very large body of legal literature which cites another fiction, the so-called 14th Amendment, from which the federal government presumes to derive general authority to treat everyone in America as subjects and not as Sovereigns:

> Section 1. All persons born or naturalized in the United States**, and subject to the jurisdiction thereof, are citizens of the United States** and of the State wherein they reside.
>
> [United States Constitution, Fourteenth Amendment [sic]]
> [emphasis added]

A careful reading of this amendment reveals an important subtlety which is lost on many people who read it for the first time. The citizens it defines are second class citizens because the "c" is lower-case, even in the case of the State citizens it defines. Note how the amendment defines "citizens of the United States**" and "citizens of the State wherein they reside"! It is just uncanny how the wording of this amendment closely parallels the Code of Federal Regulations (CFR) which promulgates Section 1 of the Internal Revenue Code (IRC). Can it be that this amendment had something to do with subjugation, by way of taxes and other means? Section 1 of the IRC is the section which imposes income taxes. The corresponding section of the CFR defines who is a "citizen" as

follows:

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

Notice the use of the term "its jurisdiction". This leaves no doubt that the "United States**" is a singular entity in this context. In other words, it is the federal zone. Do we dare to speculate why the so-called 14th Amendment was written instead with the phrase "subject to the jurisdiction thereof"? Is this another case of deliberate ambiguity? You be the judge.

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 vs 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 vs Turner, 439 P.2d 266, 272 (1968).

A great deal of written material on the 14th Amendment has been assembled on computer files by Richard McDonald, whose mailing address is 585-D Box Canyon Road, Canoga Park, California Republic (not "CA"). He requests that ZIP codes not be used on his incoming mail. If you must use a ZIP code when you write to him, show it on a separate line, preceded by the words "POSTAL ZONE" and followed by "/TDC" or "without prejudice U.C.C. 1-207". McDonald has done a mountain of legal research and writing on the origins and effects of the so-called 14th Amendment. He documents how key court decisions like the Slaughter House Cases, among many others, all found that there is a clear distinction between a Citizen of a State and a citizen of the United States** (e.g., see 16 Wall. 36, 74). A State Citizen is a Sovereign, whereas a citizen of the United States** is subject to Congress. The exercise of federal citizenship is a statutory privilege which can be taxed with excises. The exercise of State Citizenship is a Common Law Right which cannot be taxed because governments simply cannot tax the exercise of a Right, ever.

The case of U.S. vs Cruikshank is famous, not only for confirming this distinction between State Citizens and U.S.** citizens, but also for establishing a key precedent in the area of due process. This precedent underlies the "void for vagueness" doctrine which can and should be applied to nullify the IRC. On the issue of citizenship, the Cruikshank court ruled as follows:

> We have in our political system a government of the United States** and a government of each of the several States. Each one of these governments is distinct from the others, and each has citizens of its own who owe it allegiance, and whose rights, within its jurisdiction, it must protect. The same person may be at the same time a citizen of the United States** and a citizen of a State, but his rights of citizenship under one of these governments will be different from those he has under the other. Slaughter-House Cases
>
> [United States vs Cruikshank, 92 U.S. 542 (1875)]
> [emphasis added]

The leading authorities for this pivotal distinction are, indeed, a series of U.S. Supreme Court decisions known

as the Slaughter House Cases, which examined the so-called 14th Amendment in depth. An exemplary paragraph from these cases is the following:

> It is quite clear, then, that there is a citizenship of the United States** and a citizenship of a State, which are distinct from each other and which depend upon different characteristics or circumstances in the individual.
>
> [Slaughter House Cases, 83 U.S. 36 (page 408)]
> [16 Wall. 36, 21 L.Ed. 394 (1873)]
> [emphasis added]

A similar authority is found in the case of K. Tashiro vs Jordan, decided by the Supreme Court of the State of California almost fifty years later. Notice, in particular, how the California Supreme Court again cites the Slaughter House Cases:

> That there is a citizenship of the United States** and a citizenship of a state, and the privileges and immunities of one are not the same as the other is well established by the decisions of the courts of this country. The leading cases upon the subjects are those decided by the Supreme Court of the United States and reported in 16 Wall. 36, 21 L. Ed. 394, and known as the Slaughter House Cases.
>
> [K. Tashiro vs Jordan, 256 P. 545, 549 (1927)]
> [emphasis added]

This case was subsequently appealed on a writ of certiorari to the U.S. Supreme Court, where it was affirmed in the case of Jordan vs K. Tashiro, 278 U.S. 123 (1928).

In the fundamental law, the notion of a "citizen of the United States" simply did not exist before the 14th Amendment; at best, this notion is a fiction within a fiction. In discussing the power of the States to naturalize, the California State Supreme Court put it rather bluntly when it ruled that there was no such thing as a "citizen of the United States":

> A citizen of any one of the States of the union, is held to be, and called a citizen of the United States, although technically and abstractly there is no such thing. To conceive a citizen of the United States who is not a citizen of some one of the States, is totally foreign to the idea, and inconsistent with the proper construction and common understanding of the expression as used in the Constitution, which must be deduced from its various other provisions. The object then to be attained, by the exercise of the power of naturalization, was to make citizens of the respective States.
>
> [Ex Parte Knowles, 5 Cal. 300 (1855)]
> [emphasis added]

This decision has never been overturned!

What is the proper construction and common understanding of the term "Citizen of the United States" as used in the original Constitution, before the so-called 14th Amendment? This is an important question, because this status is still a qualification for the offices of Senator, Representative and President. No Person can be a

Representative unless he has been a Citizen of the United States for seven years 1:2:2); no Person can be a Senator unless he has been a Citizen of the United States for nine years 1:3:3); no Person can be President unless he is a natural born Citizen, or a Citizen of the United States 2:1:5). If these requirements had been literally obeyed, there could have been no elections for Representatives to Congress for at least seven years after the adoption of the Constitution, and no one would have been eligible as a Senator for nine years after its adoption. Author John S. Wise, in a rare book now available on Richard McDonald's electronic bulletin board system (BBS), explains away the problem very simply as follows:

> The language employed by the convention was less careful than that which had been used by Congress in July of the same year, in framing the ordinance for the government of the Northwest Territory. Congress had made the qualification rest upon citizenship of "one of the United States***," and this is doubtless the intent of the convention which framed the Constitution, for it cannot have meant anything else.
>
> [Studies in Constitutional Law:
> [A Treatise on American Citizenship]
> [by John S. Wise, Edward Thompson Co. (1906)]
> [emphasis added]

This quote from the Northwest Ordinance is faithful to the letter and to the spirit of that law. In describing the eligibility for "representatives" to serve in the general assembly for the Northwest Territory, the critical passage from that Ordinance reads as follows:

> ... Provided, That no person be eligible or qualified to act as a representative, unless he shall have been a citizen of one of the United States*** three years, and be a resident in the district, or unless he shall have resided in the district three years; ....
>
> [Northwest Ordinance, Section 9, July 13, 1787]
> [The Confederate Congress, emphasis added]

Without citing the case as such, the words of author John S. Wise sound a close, if not identical parallel to the argument for the Respondent filed in the case of People vs De La Guerra, decided by the California Supreme Court in 1870. The following long passage elaborates the true meaning of the Constitutional qualifications for President and Representative:

> As it was the adoption of the Constitution by the Conventions of nine States that established and created the United States***, it is obvious there could not then have existed any person who had been seven years a citizen of the United States***, or who possessed the Presidential qualifications of being thirty-five years of age, a natural born citizen, and fourteen years a resident of the United States***. The United States*** in these provisions, means the States united. To be twenty-five years of age, and for seven years to have been a citizen of one of the States which ratifies the Constitution, is the qualification of a representative. To be a natural born citizen of one of the States which shall ratify the Constitution, or to be a citizen of one of said States at the time of such ratification, and to have attained the age of thirty-five years, and to have been fourteen years a resident within one of the said States, are the Presidential qualifications,

> according to the true meaning of the Constitution.
>
> [People vs De La Guerra, 40 Cal. 311, 337 (1870)]
> [emphasis added]

Thus, the phrase "Citizen of the United States" as found in the original Constitution is synonymous with the phrase "Citizen of one of the United States***", i.e., a Union State Citizen. This simple explanation will help cut through the mountain of propaganda and deception which have been foisted on all Americans by government bureaucrats and their high-paid lawyers. With this understanding firmly in place, it is very revealing to discover that many reprints of the Constitution now utilize a lower-case "c" in the sections which describe the qualifications for the offices of Senator, Representative and President. This is definitely wrong, and it is probably deliberate, so as to confuse everyone into equating Citizens of the United States with citizens of the United States, courtesy of the so-called 14th Amendment. There is a very big difference between the two statuses.

Moreover, it is quite clear that one may be a State Citizen without also being a "citizen of the United States", whether or not the 14th Amendment was properly ratified! In a book to which this writer has returned time and time again, author Alan Stang faithfully cites the relevant court authorities as follows:

> Indeed, just as one may be a "citizen of the United States" and not a citizen of a State; so one apparently may be a citizen of a State but not of the United States. On July 21, 1966, the Court of Appeal of Maryland ruled in Crosse v. Board of Supervisors of Elections, 221 A.2d 431; a headnote in which tells us: "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 ...." At page 434, Judge Oppenheimer cites a Wisconsin ruling in which the court said this: "Under our complex system of government, there may be a citizen of a state, who is not a citizen of the United States in the full sense of the term ...."
>
> [Tax Scam, 1988 edition, pages 138-139, emphasis added]

Conversely, there may be a citizen of the United States** who is not a Citizen of any of the 50 States. In People vs De La Guerra quoted above, the published decision of the California Supreme Court clearly maintained this crucial distinction between the two classes of citizenship, and did so only two years after the alleged ratification of the so-called 14th Amendment:

> I have no doubt that those born in the Territories, or in the District of Columbia, are so far citizens as to entitle them to the protection guaranteed to citizens of the United States** in the Constitution, and to the shield of nationality abroad; but it is evident that they have not the political rights which are vested in citizens of the States. They are not constituents of any community in which is vested any sovereign power of government. Their position partakes more of the character of subjects than of citizens. They are subject to the laws of the United States**, but have no voice in its management. If they are allowed to make laws, the validity of these laws is derived from the sanction of a Government in which they are not represented. Mere citizenship they may have, but the political rights of citizens they cannot enjoy until they are organized into a State, and admitted into the Union.

[People vs De La Guerra, 40 Cal. 311, 342 (1870]
[emphasis added]

In one of the brilliant text files on his electronic bulletin board system (BBS), Richard McDonald utilized his voluminous research into the so-called 14th Amendment when he made the following pleading in opposition to a traffic citation:

> 17. The Accused Common-Law Citizen [defendant] hereby places all parties and the court on NOTICE, that he is not a "citizen of the United States**" under the so-called 14th Amendment, a juristic person or a franchised person who can be compelled to perform to the regulatory Vehicle Codes which are civil in nature, and challenges the In Personam jurisdiction of the Court with this contrary conclusion of law. This Court is now mandated to seat on the law side of its capacity to hear evidence of the status of the Accused Citizen.
>
> [see MEMOLAW.ZIP on McDonald's electronic BBS]
> [see also FMEMOLAW.ZIP and Appendix Y]
> [emphasis added]

You might be wondering why someone would go to so much trouble to oppose a traffic citation. Why not pay the fine and get on with your life? The answer lies, once again, in the fundamental law of our land, the Constitution for the United States of America. Sovereigns have learned to assert their rights, because rights belong to the belligerent claimant in person. The Constitution is the last bastion of the Common Law in our country. Were it not for the Constitution, the Common Law would have been history a long time ago:

> There is, however, one clear exception to the statement that there is no national common law. The interpretation of the constitution of the United States is necessarily influenced by the fact that its provisions are framed in the language of the English common law, and are to be read in the light of its history.
>
> [United States vs Wong Kim Ark, 169 U.S. 891, 893 (1898)]
> [emphasis added]

Under the Common Law, we are endowed by our Creator with the right to travel. "Driving", on the other hand, is defined in State Vehicle Codes to mean the act of chauffeuring passengers for hire. "Passengers" are those who pay a "driver" to be chauffeured. Guests, on the other hand, are those who accompany travelers without paying for the transportation. Driving, under this definition, is a privilege for which a State can require a license. Similarly, if you are a citizen of the United States**, you are subject to its jurisdiction, and a State government can prove that you are obligated thereby to obey all administrative statutes and regulations to the letter of the law. These regulations include, of course, the requirement that all subjects apply and pay for licenses to use the State and federal highways, even though the highways belong to the people. The land on which they were built, and the materials and labor expended in their construction, were all paid for with taxes obtained from the people. Provided that you are not engaged in any "privileged" or regulated activity, you are free to travel anywhere you wish within the 50 States. Those States are parties to the Constitution and are therefore bound by all its terms.

Another one of your Common Law rights is the right to own property free and clear of any liens. ("Unalienable" rights are rights against which no lien can be established precisely because they are un-lien-able.) You enjoy the right to own your vehicle outright, without any lawful requirement that you "register" it with the State Department of Motor Vehicles. The State governments violated your fundamental rights when they concealed

the legal "interest" which they obtained in your vehicle, by making it appear as if you were required to register the vehicle when you purchased it, as a condition of purchase. This is fraud. If you don't believe me, then try to obtain the manufacturer's statement of origin (MSO) the next time you buy a new car or truck. The implications and ramifications of driving around without a license, and/or without registration, are far beyond the scope of this book. Suffice it to say that effective methods have already been developed to deal with law enforcement officers and courts, if and when you are pulled over and cited for driving without a license or tags. Richard McDonald is second to none when it comes to preparing a successful defense to the civil charges that might result. A Sovereign is someone who enjoys fundamental, Common Law rights, and owning property free and clear is one of those fundamental rights.

If you have a DOS-compatible personal computer and a 2400- baud modem, Richard McDonald can provide you with instructions for accessing his electronic bulletin board system (BBS). There is a mountain of information, and some of his computer files were rather large when he began his BBS. Users were complaining of long transmission times to "download" text files over phone lines from his BBS to their own personal computers. So, McDonald used a fancy text "compression" program on all the text files available on his BBS. As a consequence, BBS users must first download a DOS program which "decompresses" the compressed files. Once this program is running on your personal computer, you are then free to download all other text files and to decompress them at your end. For example, the compressed file "14AMREC.ZIP" contains the documentation which proves that the so-called 14th Amendment was never ratified. If you have any problems or questions, Richard McDonald is a very patient and generous man. And please tell him where you read about him and his computer bulletin board (voice: 818-703-5037, BBS: 818-888-9882).

As you peruse through McDonald's numerous court briefs and other documents, you will encounter many gems to be remembered and shared with your family, friends and associates. His work has confirmed an attribute of sovereignty that is of paramount importance. Sovereignty is never diminished in delegation. Thus, as sovereign individuals, we do not diminish our sovereignty in any way by delegating our powers to State governments, to perform services which are difficult, if not impossible for us to perform as individuals. Similarly, States do not diminish their sovereignty by delegating powers to the federal government, via the Constitution. As McDonald puts it, powers delegated do not equate to powers surrendered:

> 17. Under the Constitutions, "... we the People" did not surrender our individual sovereignty to either the State or Federal Government. Powers "delegated" do not equate to powers surrendered. This is a Republic, not a democracy, and the majority cannot impose its will upon the minority because the "LAW" is already set forth. Any individual can do anything he or she wishes to do so long as it does not damage, injure, or impair the same Right of another individual. This is where the concept of a corpus delicti comes from to prove a "crime" or a civil damage.
>
> [see MEMOLAW.ZIP on Richard McDonald's electronic BBS]
> [see also FMEMOLAW.ZIP and Appendix Y]
> [mphasis added]

Indeed, to be a Citizen of the United States*** of America is to be one of the Sovereign people, "a constituent member of the sovereignty, synonymous with the people" [see 19 How. 404]. According to the 1870 edition of Bouvier's Law Dictionary, the people are the fountain of sovereignty. It is extremely revealing that there is no definition of "United States" as such in this dictionary. However, there is an important discussion of the "United States of America", where the delegation of sovereignty clearly originates in the people and nowhere else:

> The great men who formed it did not undertake to solve a question that in its own nature is insoluble. Between equals it made neither superior, but trusted to the mutual

forbearance of both parties. A larger confidence was placed in an enlightened public opinion as the final umpire. The people parcelled out the rights of sovereignty between the states and the United States**, and they have a natural right to determine what was given to one party and what to the other. ...

It is a maxim consecrated in public law as well as common sense and the necessity of the case, that a sovereign is answerable for his acts only to his God and to his own conscience.

[Bouvier's Law Dictionary, 14th Edition, 1870]
[in definition of "United States of America"]
[emphasis added]

We don't need to reach far back into another century to find proof that the people of America are sovereign. In a Department of Justice booklet revised on October 12, 1988 (M-76), the meaning of American Citizenship was described with these eloquent and moving words by the Commissioner of Immigration and Naturalization:

The Meaning of American Citizenship
Commissioner of Immigration and Naturalization

Today you have become a citizen of the United States of America. You are no longer an Englishman, a Frenchman, an Italian, a Pole. Neither are you a hyphenated-American -- a Polish-American, an Italian-American. You are no longer a subject of a government. Henceforth, you are an integral part of this Government -- a freeman -- a Citizen of the United States of America.

This citizenship, which has been solemnly conferred on you, is a thing of the spirit -- not of the flesh. When you took the oath of allegiance to the Constitution of the United States you claimed for yourself the God-given unalienable rights which that sacred document sets forth as the natural right of all men.

You have made sacrifices to reach this desired goal. We, your fellow citizens, realize this, and the warmth of our welcome to you is increased proportionately. However, we would tincture it with friendly caution.

As you have learned during these years of preparation, this great honor carries with it the duty to work for and make secure this longed-for and eagerly-sought status. Government under our Constitution makes American citizenship the highest privilege and at the same time the greatest responsibility of any citizenship in the world.

The important rights that are now yours and the duties and responsibilities attendant thereon are set forth elsewhere in this souvenir booklet. It is hoped that they will serve as a constant reminder that only by continuing to study and learn about your new Country, its ideals, achievements, and goals, and by everlastingly working at your citizenship can you enjoy its fruits and assure their preservation for generations to follow.

May you find in this Nation the fulfillment of your dreams of peace and security, and may America, in turn, never find you wanting in your new and proud role of Citizen of the United States.

[A Welcome to U.S.A. Citizenship, page 3]
[U.S. Department of Justice]
[Immigration and Naturalization Service]
[emphasis added]

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Chapter 12: Includes What?

Now, we juxtapose the sublime next to the ridiculous. In a previous chapter, the issues of statutory construction that arose from the terms "includes" and "including" were so complex, another chapter is required to revisit these terms in greater detail. Much of the debate revolves around an apparent need to adopt either an expansive or a restrictive meaning for these terms, and to stay with this choice. The restrictive meaning settles a host of problems. It confines the meaning of all defined terms to the list of items which follow the words "include", "includes" and "including". An official Treasury Decision, T.D. 3980, and numerous court decisions have reportedly sided with this restrictive school of ambiguous terminology. The Informer provides a good illustration of this school of thought by defining "includes" and "include" very simply as follows:

> ... [T]o use "includes" as defined in IRC is restrictive.
>
> [Which One Are You?, page 20]

> ... [I]n tax law it is defined as a word of restriction ....
>
> [Which One Are You?, page 131]

> In every definition that uses the word "include", only the words that follow are defining the Term.
>
> [Which One Are You?, page 13]

Author Ralph Whittington cites Treasury Decision (T.D.) 3980 as his justification for joining the restrictive school. According to his reading of this T.D., the Secretary of the Treasury has adopted a restrictive meaning by stating that "includes" means to "comprise as a member", to "confine", to "comprise as the whole a part". This was the definition as found in the New Standard Dictionary at the time this T.D. was published:

> "(1) To comprise, comprehend, or embrace as a component part, item, or member; as, this volume includes all his works, the bill includes his last purchase."
>
> "(2) To enclose within; contain; confine; as, an oyster shell sometimes includes a pearl."
>
> It is defined by Webster as follows:
>
> "To comprehend or comprise, as a genus of the species, the whole a part, an argument or reason the inference; to take or reckon in; to contain; embrace; as this volume includes the essays to and including the tenth."
>
> The Century Dictionary defines "including," thus: "to comprise as a part."
>
> [Treasury Decision 3980, January-December, 1927]
> [Vol. 29, page 64, emphasis added]

Authors like Whittington may have seized upon a partial reading of this T.D., in order to solve what we now know to be a source of great ambiguity in the IRC and in other United States Codes. For example, contrary to the dictionary definitions cited above, page 65 of T.D. 3980 goes on to say the following:

> Perhaps the most lucid statement the books afford on the subject is in Blanck et al. vs Pioneer Mining Co. et al. (Wash.; 159 Pac. 1077, 1079), namely, "the word 'including' is a term of enlargement and not a term of limitation, and necessarily implies that something is intended to be embraced in the permitted deductions beyond the general language which precedes. But granting that the word 'including' is a term of enlargement, it is clear that it only performs that office by introducing the specific elements constituting the enlargement. It thus, and thus only, enlarges the otherwise more limited, preceding general language. * * * The word 'including' introduces an enlarging definition of the preceding general words, 'actual cost of the labor,' thus of necessity excluding the idea of a further enlargement than that furnished by the enlarging clause to introduced. When read in its immediate context, as on all authority it must be read, the word 'including' is obviously used in the sense of its synonymous 'comprising; comprehending; embracing.'"
>
> [Treasury Decision 3980, January-December, 1927]
> [Vol. 29, page 65, emphasis added]

Now, didn't that settle the matter once and for all? Yes? No? Treasury Decision 3980 is really not all tha decisive, since it obviously joins the restrictive school on one page, and then jumps ship to the expansive school on the very next page. If you are getting confused already, that's good. At least when it comes to "including", be proud of the fact you are not alone:

> This word has received considerable discussion in opinions of the courts. It has been productive of much controversy.
>
> [Treasury Decision 3980, January-December, 1927]
> [Vol. 29, page 64, paragraph 3, emphasis added]

Amen to that!

One of my goals in this chapter is to demonstrate how the continuing controversy is proof that terms with a long history of semantic confusion should never be used in a Congressional statute. Such terms are proof that the statute is null and void for vagueness. The confusion we experience is inherent in the language, and no doubt deliberate, because the controversy has not exactly been a well kept national security secret.

Let us see if the Restrictive School leads to any absurd results. Reductio ad absurdum to the rescue again! Notice what results obtain for the definition of "State" as found in the 7701, the "Definitions" section of the Internal Revenue Code:

> Step 1: Define "State" as follows:
>
> 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)]

> Step 2: Define "United States" as follows:

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

> Step 3: Substitute text from one into the other:
>
> The term "United States" when used in a geographical sense includes only the Districts of Columbia and the District of Columbia. (Or is it the District of Columbias?)

This is an absurd result, no? yes? none of the above? Is the definition of "United States" clarified by qualifying it with the phrase "when used in a geographical sense"? yes or no? This qualifier only makes our situation worse, because the IRC rarely if ever distinguishes Code sections which do use "United States" in a geographical sense, from Code sections which do not use it in a geographical sense. Nor does the Code tell us which sense to use as the default, that is, the intended meaning we should use when the Code does not say "in a geographical sense". Identical problems arise if we must be specific as to "where such construction is necessary to carry out provisions of this title", as stated in 7701(a)(10). Where is it not so necessary?

The Informer's work is a good example of the confusion that reigns in this empire of verbiage. Having emphatically sided with the Restrictive School, he then goes on to define the term "States" to mean Guam, Virgin Islands and "Etc.", as follows:

> The term "States" in 26 USC 7701(a)(9) is referring to the federal states of Guam, Virgin Islands, Etc., and NOT the 50 States of the Union.
>
> [Which One Are You?, page 98]

You can't have it both ways, can you? no? yes? maybe? Let us marshall some help directly from the IRC itself. Against the fierce winds of hot air emanating from the Restrictive School of Language Arts, there is a section of the IRC which does appear to evidence a contrary intent to utilize the expansive sense:

> 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), emphasis added]

Perhaps we should give this school a completely different name. How about the Federal Area of Restrictive Terminology (F-A-R-T)? All in favor, say AYE! (Confusion is a gaseous state.)

Section 7701(c) utilizes the key phrase "other things", which now requires us to examine the legal meaning of things. (So, what else is new?) Black's Law Dictionary, Sixth Edition, defines "things" as follows:

> Things. The objects of dominion or property as contra-distinguished from "persons." Gayer v. Whelan, 138 P.2d 763, 768. ... Such permanent objects, not being persons, as are sensible, or perceptible through the senses.
>
> [emphasis added]

This definition, in turn, requires us to examine the legal meaning of "persons" in Black's, as follows:

> Person. In general usage, a human being (i.e. natural person), though by statute term may include labor organizations, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

Here, Black's Law Dictionary states that "person" by statute may include artificial persons, in addition to natural persons. How, then, does the IRC define "person"?

> Person. -- The term "person" shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation.
>
> [IRC 7701(a)(1)]

Unfortunately, the IRC does not define the term "individual", so, without resorting to the regulations in the CFR, we must again utilize a law dictionary like Black's Sixth Edition:

> Individual. As a noun, this term denotes a single person as distinguished from a group or class, and also, very commonly, a private or natural person as distinguished from a partnership, corporation, or association ....
>
> [emphasis added]

Therefore, "things" and "persons" must be distinguished from each other, but the term "person" is not limited to human beings because it shall be construed to mean and include an individual, trust, estate, partnership, association, company or corporation. So, are we justified in making the inference that individuals, trusts, estates, partnerships, associations, companies and corporations are excluded from "things" as that term is used in Section 7701(c)? This author says YES. Notice also the strained grammar that is found in the phrase "shall be construed to mean and include". Why not use the simpler grammar found in the phrase "means and includes"? The answer: because the term "includes" is defined by IRC 7701(c) to be expansive, that's why! But the term "include" is not mentioned in 7701(c); therefore, it must be restrictive and is actually used as such in the IRC. Accordingly, no individual, trust, estate, partnership, association, company or corporation could otherwise fall within the statutory meaning of a term explicitly defined by the IRC because, being "persons", none of these is a "thing"! Logically, then, "includes" and "including" are also restrictive when they are used in IRC definitions of "persons". Utterly amazing, yes?

Author Otto Skinner, as we already know from a previous chapter, cites Section 7701(c) of the IRC as proof that we all belong in the Expansive School of Language Science. Followers of this school argue that "includes only" should be used, and is actually used in the IRC, when a restrictive meaning is intended. In other words, "includes" and "including" are always expansive. An intent contrary to the expansive sense is evidenced by using "includes only" whenever necessary. Fine. All in favor say AYE. All opposed, jump ship. The debate is finished yes? Not so fast. Cheerleaders, put down your pom-poms. The operative concepts introduced by 7701(c) are those "things otherwise within the meaning of the term defined". Now, the 64 million dollar question is this:

> How does something join the class of things that are "within the meaning of the term defined", if that something is not enumerated in the definition?

We can obtain some help in answering this question by referring to an older clarification of "includes" and "including" that was published in the Code of Federal Regulations in the year 1961. This clarification introduces

the notion of "same general class". (So, you might be in the right school, but you may be in the wrong class. Detention after school!) This clarification reads:

> 170.59 Includes and including.
>
> "Includes" and "including" shall not be deemed to exclude things other than those enumerated which are in the same general class.
>
> [26 CFR 170.59, revised as of January 1, 1961]

In an earlier chapter, a double negative was detected in the "clarification" found at IRC 7701(c), namely, the terms "not ... exclude" are equivalent to saying "include" ("not-ex" = "in"). Two negatives make a positive. Apply this same finding to regulation 170.59 above, and you get the following:

> "Includes" and "including" shall be deemed to include things other than those enumerated which are in the same general class.

What are those things which are "in the same general class", if they have not been enumerated in the definition? This is one of the many possible variations of the 64 million dollar question asked above. Are we any closer to an answer? yes? no? maybe? (Is this astronomy class, or basket weaving?) If a person, place or thing is not enumerated in the statutory definition of a term, is it not a violation of the rules of statutory construction to join such a person, place or thing to that definition? One of these rules is a canon called the "ejusdem generis" rule, defined in Black's Law Dictionary, 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]

Here the term "same general class" is used once again. One of the major points of this book is to distinguish the 50 States from the federal zone, by using the principle of territorial heterogeneity. The 50 States are in one 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 class, because these same constitutional restraints simply do not limit Congress inside that zone. This may sound totally correct, in theory, but the IRC is totally mum on this issue of "general class" (because it has none). Yes, this is all the more reason why the IRC is null and void for vagueness.

This conclusion is supported by two other rules of statutory construction. The first of these is noscitur a sociis, in Latin. Black's defines this rule as follows:

> Noscitur a sociis. It is known from its associates. The meaning of a word is or may be known from the accompanying words. Under the doctrine of "noscitur a sociis", the meaning of questionable or doubtful words or phrases in a statute may be ascertained by reference to the meaning of other words or phrases associated with it.
>
> [emphasis added]

In this context, the 50 States are associated with each other by sharing their membership in the Union under the

Constitution. The land areas within the federal zone are associated with each other by sharing their inclusion within the zone over which Congress has exclusive legislative jurisdiction. The areas inside and outside the zone are therefore dissociated from each other because of this key difference, i.e., the Union, in or out.

The second rule is inclusio unius est exclusio alterius, in Latin. 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 [a] 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.
>
> [emphasis added]

Are we, or are we not, therefore, justified in drawing the following irrefutable inferences?

> Places omitted from the statutory definitions of "State", "States" and "United States" were intended to be omitted (like California, Maine, Florida and Oregon).
>
> "Include" is omitted from the definition of "includes" and "including" because the latter terms were intended to be expansive, while the former was intended to be restrictive.

Let's dive back into the Code in order to find any help we can get on this issue. In Subtitle F, the Code contains a formal definition of "other terms" as follows:

> Other terms. -- Any term used in this subtitle with respect to the application of, or in connection with, the provisions of any other subtitle of this title shall have the same meaning as in such provisions.
>
> [IRC 7701(a)(28)]

Let's use the rules of grammar to decompose this definition of "other terms" into two separate definitions, as follows:

> Any term used in Subtitle F with respect to the application of the provisions of any other subtitle shall have the same meaning as in such provisions.
>
> -or-
>
> Any term used in Subtitle F in connection with the provisions of any other subtitle shall have the same meaning as in such provisions.

Now, therefore, does IRC 7701(a)(28) clarify anything? For example, if there is a different definition of "State in the provisions of some other subtitle, do we now know enough to decide whether or not:

> (1) that different definition should be expanded with things that are within the meaning as defined at 7701(a)(10)? Yes or No?

(2) the definition at 7701(a)(10) should be expanded with things that are within the meaning of that different definition? Yes or No?

(3) all of the above are correct?

(4) none of the above is correct?

If you are having difficulty answering these questions, don't blame yourself. With all this evidence staring you in the face, it is not difficult to argue that the confusion which you are experiencing is inherent in the statute and therefore deliberate.

To confuse our separate cheering squads even more, the word "shall" means "may". Squad leaders, let's see those pom-poms. Since this may be most difficult for many of you to swallow without convincing proof, the following court decisions leave no doubt about the legal meaning of "shall". In the decision of Cairo & Fulton R.R. Co. vs Hecht, 95 U.S. 170, the U.S. Supreme Court stated:

> As against the government the word "shall" when used in statutes, is to be construed as "may," unless a contrary intention is manifest.
>
> [emphasis added]

Does the IRC manifest a contrary intent? In the decision of George Williams College vs Village of Williams Bay, 7 N.W.2d 891, the Supreme Court of Wisconsin stated:

> "Shall" in a statute may be construed to mean "may" in order to avoid constitutional doubt.

In the decision of Gow vs Consolidated Coppermines Corp., 165 Atlantic 136, that court stated:

> If necessary to avoid unconstitutionality of a statute, "shall" will be deemed equivalent to "may" ....

Maybe we can shed some light on the overall situation by treating the terms "State" and "States" as completely different words. After all, the definition of "United States" uses the plural form twice, and there is no definition of "States" as such. Note carefully the following:

> 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)]

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

So, can we assume that the singular form of words necessarily has a meaning that is different from the plural form of words? This might help us to distinguish the two terms "include" and "includes", since one is the singular form of the verb, while the other can be 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, but the sentence "I include ..." has a singular subject and predicate. What if "include" is used as an infinitive, rather than a predicate? Recall that the "clarification" at IRC 7701(c) contains explicit references to "includes" and "including", but not to the word "include". Does this therefore provide us with a definitive reason for deciding that the term "include" is restrictive, while the terms "includes" and "including" are expansive? Some people, including this author, are completely satisfied that it does (but not all people are so satisfied). What if these latter terms are used in the restrictive sense of "includes only" or "including only"? Are you getting even more confused now? Welcome to the state of confusion (surely a gaseous state). Recall once again the definition of "State" at 7701(a)(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.

Now recall the definition of "United States" at 7701(a)(9):

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

Title 1 and the Code of Federal Regulations come to the rescue. Plural forms and singular forms are interchangeable:

> 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 170.60, revised as of January 1, 1961]

Now, doesn't that really clarify everything? If "includes" is singular and "include" is plural, using the above rı for "inclusive language", the term "include" includes "includes". Wait, didn't we already make this remarkable discovery in a previous chapter? Answer: No, in that chapter, we discovered that "includes" includes "include". But, now we have conflicting results. Didn't we just prove that one is restrictive and the other is expansive? What gives? Remember, also, that "shall" means "may". Therefore, our rule for "inclusive language" from the CFR can now be rewritten to say that "words in the plural form MAY include the singular" (and may NOT, depending on whether it is a week from Tuesday). If this is Tuesday, then we must be in Belgium. At least one major mystery is now solved.

Does the Code of Federal Regulations clarify any of the definitions found in section 7701 of the Internal Revenue Code? The following table lists the headings of corresponding sections from the CFR, beginning at 26 CFR 301.7701-1:

Definitions

301.7701-1	Classification of organizations for tax purposes
301.7701-2	Associations
301.7701-3	Partnerships
301.7701-4	Trusts
301.7701-5	Domestic, foreign, resident, and nonresident persons
301.7701-6	Fiduciary
301.7701-7	Fiduciary distinguished from agent

301.7701-8	Military or naval forces and Armed Forces of the United States
301.7701-9	Secretary or his delegate
301.7701-10	District director
301.7701-11	Social security number
301.7701-12	Employer identification number
301.7701-13	Pre-1970 domestic building and loan association
301.7701-13A	Post-1970 domestic building and loan association
301.7701-14	Cooperative bank
301.7701-15	Income tax return preparer
301.7701-16	Other terms
301.7701-17T	Collective-bargaining plans and agreements (temporary)

[26 CFR 301.7701-1 thru 7701-17T]

This list contains such essential topics as trusts, associations, cooperative banks, and pre- and post-1970 domestic building and loan associations. In fact, there are numerous pages dedicated to these building and loan associations. However, the reader reaches the end of the list without finding any reference to "State" or "United States". Instead, the following regulation is found near the end of the list:

301.7701-16 Other terms.

For a definition of the term "withholding agent" see section 1.1441-7(a). Any other terms that are defined in section 7701 and that are not defined in sections 301.7701-1 to 301.7701-15, inclusive, shall, when used in this chapter, have the meanings assigned to them in section 7701.

[26 CFR 301.7701-16]

Like it or not, we are right back where we started, in IRC Section 7701, the "definitions" section of that Code, where "other terms" are defined differently. You may pass "GO" again, but do not collect 200 dollars. You must pay the bank instead! (Try changing that rule the next time you play Monopoly. The Monopoly bank will, of course, end up owning everything in sight.) You are also free to search some 6,000 pages of additional regulations to determine if the fluctuating definitions of the terms "State" and "United States" are clarified anywhere else in the Code of Federal Regulations. Happy hunting!

The only way out of this swamp is to rely on something other than the murky gyrations of conflicting, mutually destructive semantic mishmash. That something is The Fundamental Law: Congress can only tax the Citizens of foreign States under special and limited circumstances. Congress can only levy a direct tax on Citizens of the 50 States if that tax is duly apportioned. Congress can only levy an indirect tax on Citizens of the 50 States if that tax is uniform. These are the chains of the Constitution. Read Thomas Jefferson.

The historical record documents undeniable proof that the confusion, ambiguity and jurisdictional deceptions now built into the IRC were deliberate. This historical record provides the "smoking gun" that proves the real intent was deception. The first Internal Revenue Code was Title 35 of the Revised Statutes of June 22, 1874. On December 5, 1898, Mr. Justice Cox of the Supreme Court of the District of Columbia delivered an address before the Columbia Historical Society. In this address, he discussed the history of the District of Columbia as follows:

In June 1866, an act was passed authorizing the President to appoint three commissioners to revise and bring

> together all the statutes .... [T]he act does not seem, in terms, to allude to the District of Columbia, or even to embrace it .... Without having any express authority to do so, they made a separate revision and collection of the acts of Congress relating to the District, besides the collection of general statutes relating to the whole United States. Each collection was reported to Congress, to be approved and enacted into law .... [T]he whole is enacted into law as the body of the statute law of the United States, under the title of Revised Statutes as of 22 June 1874. ...
>
> [T]he general collection might perhaps be considered, in a limited sense as a code for the United States, as it embraced all the laws affecting the whole United States within the constitutional legislative jurisdiction of Congress, but there could be no complete code for the entire United States, because the subjects which would be proper to be regulated by a code in the States are entirely outside the legislative authority of Congress.
>
> [District of Columbia Code, Historical Section]
> [emphasis added]

More than half a century later, the deliberate confusion and ambiguity were problems that not only persisted; they were getting worse by the minute. In the year 1944, during Roosevelt's administration, Senator Barkley made a speech from the floor of the House of Representatives in which he complained:

> Congress is to blame for these complexities to the extent, and only to the extent, to which it has accepted the advice, the recommendations, and the language of the Treasury Department, through its so-called experts who have sat in on the passage of every tax measure since I can remember. Every member of the House Ways and Means Committee and member of the Senate Finance Committee knows that every time we have undertaken to write a new tax bill in the last 10 years we have started out with the universal desire to simplify the tax laws and the forms through which taxes are collected. We have attempted to adopt policies which would simplify them. When we have agreed upon a policy, we have submitted that policy to the Treasury Department to write the appropriate language to carry out that policy; and frequently the Treasury Department, through its experts, has brought back language so complicated and circumambient that neither Solomon nor all the wise men of the East could understand it or interpret it.
>
> [Congressional Record, 78th Congress, 2nd Session]
> [Vol. 90, Part 2, February 23, 1944, pages 1964-5]
> [emphasis added]

You have, no doubt, heard that ignorance of the law is no excuse for violating the law. This principle is explicitly stated in the case law which defines the legal force and effect of administrative regulations. But, ambiguity and deception in the law are an excuse, and the ambiguity in the IRC is a major cause of our ignorance. Moreover, this principle applies as well to ambiguity and deception in the case law. 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. In light of their enormous influence in laying the foundations for territorial heterogeneity and a legislative democracy for

the federal zone, The Insular Cases have been justly criticized, by peers, for lacking the minimum judicial precision required in such cases:

> The Absence of Judicial Precision. -- Whether the decisions in the Insular Cases are considered correct or incorrect, it seems generally admitted that the opinions rendered are deficient in clearness and in precision, elements most essential in cases of such importance. Elaborate discussions and irreconcilable differences upon general principles, and upon fascinating and fundamental problems suggested by equally indiscriminating dicta in other cases, complicate, where they do not hide, the points at issue. It is extremely difficult to determine exactly what has been decided; the position of the court in similar cases arising in the future, or still pending, is entirely a matter of conjecture. ...
>
> It is still more to be regretted that the defects in the decision under discussion are by no means exceptional. From our system of allowing judges to express opinion upon general principles and of following judicial precedent, two evils almost inevitably result: our books are overcrowded with dicta, while dictum is frequently taken for decision. Since the questions involved are both fundamental and political, in constitutional cases more than in any others the temptation to digress, necessarily strong, is seldom resisted; at the same time it is strikingly difficult, in these cases, to distinguish between decision, ratio decidendi, and dictum. Yet because the questions involved are both extensive and political, and because the evils of a dictum or of an ill-considered decision are of corresponding importance, a precise analysis, with a thorough consideration of the questions raised, and of those questions only, is imperative. The continued absence of judicial precision may possibly become a matter of political importance; for opinions such as those rendered cannot be allowed a permanent place in our system of government.
>
> [15 Harvard Law Review 220]
> [anonymous]

The average American cannot be expected to have the skill required to navigate the journey we just took through the verbal swamp that is the Internal Revenue Code, nor does the average American have the time required to make such a journey. Chicanery does not make good law. The rules of statutory construction fully support this unavoidable conclusion:

> ... [I]f it is intended that regulations will be of a specific and definitive nature then it will be clear that the only safe method of interpretation will be one that "shall suppress the mischief, and advance the remedy, and to suppress subtle inventions and evasions for the continuance of the mischief ...."
>
> [Statutes and Statutory Construction, by J. G. Sutherland]
> [3rd Edition, Volume 2, Section 4007, page 280 (1943)]

The Supreme Court has also agreed, in no uncertain terms, as follows:

> ... [K]eeping in mind the well settled rule that the citizen is exempt from taxation unless the same is imposed by clear and unequivocal language, and that where the construction of a tax law is doubtful, the doubt is to be resolved in favor of those upon whom the tax is sought to be laid.
>
> [Spreckels Sugar Refining Co. vs McLain]
> [192 U.S. 397 (1903), emphasis added]
>
> In the interpretation of statutes levying taxes it is the established rule not to extend their provisions, by implication, beyond the clear import of the language used, or to enlarge their operations so as to embrace matters not specifically pointed out. In case of doubt they are construed most strongly against the Government, and in favor of the citizen.
>
> [United States vs Wigglesworth, 2 Story 369]
> [emphasis added]

On what basis, then, should the Internal Revenue Service be allowed to extend the provisions of the IRC beyond the clear import of the language used? On what basis can the IRS act when that language has no clear import? On what basis is the IRS justified in enlarging their operations so as to embrace matters not specifically pointed out? The answer is tyranny. The "golden" retriever has broken his leash and is now tearing up the neighborhood to fetch the gold. What a service!

Consider for a moment the sheer size of the class of people now affected by the fraudulent 16th Amendment. First of all, take into account all those Americans who have passed away, but who paid taxes into the Treasury after the year 1913. How many of those correctly understood all the rules, when people like Frank R. Brushaber were confused as early as 1914? Add to that number all those Americans who are still alive today and who have paid taxes to the IRS because they thought there was a law, and they thought that law was the 16th Amendment. After all, they were told as much by numerous federal officials and possibly also their parents, friends, relatives, school teachers, scout masters and colleagues. Don't high school civics classes now spend a lot of time teaching students how to complete IRS 1040 forms and schedules, instead of teaching the Constitution?

Donald C. Alexander, when he was Commissioner of Internal Revenue, published an official statement in the Federal Register that the 16th Amendment was the federal government's general authority to tax the incomes of individuals and corporations (see Chapter 1 and Appendix J). Sorry, Donald, you were wrong. At this point in time, it is impossible for us to determine whether you were lying, or whether you too were a victim of the fraud. Just how many people are in the same general class of those affected by the fraudulent 16th Amendment? Is it 200 million? Is it 300 million? Whatever it is, it just boggles the imagination. It certainly does involve a very large number of federal employees who went to work for Uncle Sam in good faith.

It is clear, there is a huge difference between the area covered by the federal zone, and the area covered by the 50 States. Money is a powerful motivation for all of us. Congress had literally trillions of dollars to gain by convincing most Americans they were inside its revenue base when, in fact, most Americans were outside its revenue base, and remain outside even today. This is deception on a grand scale, and the proof of this deception is found in the statute itself. It is no wonder why public relations "officials" of the IRS cringe in fear when dedicated Patriots like Godfrey Lehman admit, out loud and in person, that he has read the law. It is quite stunning how the carefully crafted definitions of "United States" do appear to unlock a statute that is horribly complex and deliberately so. As fate would have it, these carefully crafted definitions also expose perhaps the greatest fiscal fraud that has ever been perpetrated upon any people at any time in the history of the world. It is now time for a shift in the wind.

Chapter 13: Amendment 16 Post Mortem

The documented failure of the 16th Amendment to be ratified is a cause for motivating all of us to isolate the precise effects of this failed ratification. In previous chapters, a careful analysis of the relevant case law revealed two competing groups of decisions. One group puts income taxes in the category of direct taxes. Another group puts them in the category of indirect taxes. One group argues that the 16th Amendment did amend the Constitution by authorizing an unapportioned direct tax, but only on income, leaving the apportionment rule intact for all other direct taxes. Another group argues that the 16th Amendment did not really amend the Constitution; it merely clarified the taxing power of Congress by overturning the "principle" on which the Pollock case was decided. By distilling the cores of these two competing groups, we are thereby justified in deciding that a ratified 16th Amendment produced one or both of the following two effects:

1. Inside the 50 States, it removed the apportionment restriction from taxes laid on income, but it left this restriction in place for all other direct taxes.

2. It overturned the principle advanced in the Pollock case which held that a tax on income is, in legal effect, a tax on the source of the income.

Federal courts did not hesitate to identify the effects of a ratified 16th Amendment. Now that the evidence against its ratification is so overwhelming and incontrovertible, the federal courts are evidently unwilling to identify the effects of the failed ratification. These courts have opted to call it a "political" question, even though it wasn't a "political" question in years immediately after Philander C. Knox declared it ratified. It is difficult to believe that the federal courts are now incapable of exercising the logic required to isolate the legal effects of the failed ratification. Quite simply, if a ratified 16th Amendment had effect X, then a failed ratification proves that X did not happen. What is X? Their "political" unwillingness to exercise basic logic means that the federal courts have abdicated their main responsibility -- to uphold and defend the Constitution -- and that we must now do it for them instead (see Appendix W concerning "Direct Taxation and the 1990 Census"). At a minimum, the value of X is one or both of the two effects itemized above.

Some people continue to argue, even now, that the 16th Amendment doesn't even matter at all. Soon after The Federal Zone began to circulate among readers throughout America, the flow of complimentary letters grew to become a steady phenomenon. As of this writing, no substantive criticisms have been received of its two major theses, i.e., territorial heterogeneity and void for vagueness. Occasional criticisms did occur, but most of them were minor, lacking in substance, or lacking authority in law. The following is exemplary of the most serious of these criticisms:

> I fail to understand the harping on the invalid ratification of the 16th Amendment. It really doesn't matter whether the amendment was ratified or not -- Brushaber ruled "no new powers, no new subjects", and further went on to tell us that Congress always had the power to tax what the 16th Amendment said could be taxed.
>
> [private communication, June 1, 1992]

It does matter whether the amendment was ratified or not, for several reasons. One obvious reason is that the Federal Register contains at least one official statement that the 16th Amendment is the federal government's general authority to tax the incomes of individuals and corporations (see Chapter 1 and Appendix J). If the amendment failed, then it cannot be the government's general authority to tax the incomes of individuals and corporations. There may be some other authority, but that authority is definitely not the 16th Amendment. The

official statement in the Federal Register is further evidence of fraud and misrepresentation, even if its author was totally innocent.

Another reason is that, contrary to Brushaber, other decisions of the Supreme Court, as well as lower federal courts, have ruled that taxes on incomes are direct taxes, and the 16th Amendment authorized an unapportioned direct tax on incomes. Author Jeffrey Dickstein has done a very thorough job of demonstrating how the Brushaber ruling stands in stark contrast to the Pollock case before it, and to the Eisner case after it. The Brushaber decision is an anomaly for this reason, and for this reason alone. It ruled that income taxes are indirect excise taxes (which necessarily must be uniform across the States of the Union). However, the Brushaber court failed even to mention "The Insular Cases" and the doctrine of territorial heterogeneity that issued therefrom see Appendix W).

If the 16th Amendment authorized an unapportioned direct tax on incomes, per Eisner, Peck, Shaffer and Richardson, then such a tax is not required to be either uniform or apportioned. Therefore, this group of decisions did interpret the 16th Amendment differently from Brushaber; they conclude that it did amend the Constitution and that it did create a new power, namely, the power to impose an unapportioned direct tax. Contrary to the private communication quoted above, Congress has not always had the power to impose an unapportioned direct tax on the States of the Union. In view of the evidence which now proves that the 16th Amendment was never ratified, it is correct to say that Congress has never had the power to impose an unapportioned direct tax on the States of the Union. The Pollock decision now becomes a major hurdle standing in the government's way, because the Pollock Court clearly found that all taxes on income are direct taxes, and all direct taxes levied inside the 50 States must be apportioned. The Pollock decision is most relevant to any direct tax which Congress might levy against the incomes and property of State Citizens, as distinct from citizens of the United States**. (Each has citizens of its own.)

Put in the simplest of language, a ratified 16th Amendment either changed the Constitution, or it did not change the Constitution. If it changed the Constitution, one change that did occur was to authorize an unapportioned direct tax on the incomes of State Citizens. If it did not change the Constitution, the apportionment restriction has always been operative within the 50 States, even now. Either way, the failed ratification proves that Congress must still apportion all direct taxes which it levies upon the incomes and property of Citizens of the 50 States.

Corporations, on the other hand, are statutory creations, whether they are domestic or foreign. As such, they enjoy the privilege of limited liability. Congress is free to levy taxes on the exercise of this privilege and to call them indirect excises. Within the 50 States, such an excise must be uniform for it to be constitutional; within the federal zone, such an excise need not be uniform. In the context of statutory privileges, the apportionment rule is completely irrelevant. Therefore, the status of "United States** citizens" is also a statutory privilege the exercise of which can be taxed with indirect excises, regardless of where that privilege might be exercised. The subject of such indirect taxes is the exercise of a statutory privilege; the measure of such taxes is the amount of income derived from exercising that privilege.

Justice White did all of us a great disservice by writing a ruling that is tortuously convoluted, in grammar and in logic. If he had taken The Insular Cases explicitly into account, and if he had distinguished Frank Brushaber's situs from the situs of Brushaber's defendant, the principle of territorial heterogeneity would have clarified the decision enormously. Specifically, according to the doctrine established by Downes vs Bidwell in 1901, Congress is not required to apportion direct taxes within the federal zone, nor is Congress required to levy uniform excise taxes within the federal zone. However, within the 50 States of the Union, all direct taxes must still be apportioned, and all indirect excise taxes must still be uniform. Now that we know the 16th Amendment never became law, these restrictions still apply to any tax which Congress levies inside the 50 States. Quite naturally, a problem arises when one party is inside the federal zone, and the other party is outside the federal zone. That was the case in Brushaber.

The Downes doctrine defined the "exclusive" authority of1:8:17 in the Constitution to mean that Congress was not subject to the uniformity restriction on excise taxes levied inside the federal zone. By necessary implication, Congress is not subject to the apportionment restriction on direct taxes levied inside the federal zone. It is important to realize that the Union Pacific Railroad Company was a domestic corporation, incorporated by Congress, inside the federal zone. A tax on such a corporation was a tax levied within the federal zone, where the apportionment and uniformity restrictions simply did not exist.

Instead of making this important territorial distinction, Justice White launched into an exercise of questionable logic, attributing statements to the Pollock court which the Pollock court did not make, adding words to the 16th Amendment that were not there, hoping his logic would persuade the rest of us that the Pollock principle was now overturned. According to White, the principle established in Pollock was that a tax on income was a tax on the source of that income. In this context, White is distinguishing income from source, in the same way that interest is distinguished from principal. This same distinction was made by a federal Circuit court in the Richardson case as late as the year 1961. In light of the overriding importance of the Downes doctrine, it is difficult and unnecessary to elevate the importance of this distinction any higher; it is also important to keep it in proper perspective. Within the federal zone, Congress can tax interest and principal (income and source) without any regard for apportionment or uniformity. Therefore, within the federal zone, the distinction is academic.

Whatever the merits of this distinction between income and source, White was wrong to ignore the key Pollock holding that income taxes are direct taxes. The Pollock decision investigated the relevant history of direct taxes in depth. White was also wrong to ignore the clear legislative history of the 16th Amendment, the stated purpose of which was to eliminate the apportionment restriction which caused the Pollock court to overturn an income tax Act in the first place. That Act was found to be unconstitutional precisely because it levied a direct tax on incomes without apportionment. Finally, White was wrong to launch into his lengthy discussion of the 16th Amendment without even mentioning The Insular Cases, when these cases were recent authority for the proposition that Congress did not need an amendment to impose taxes without apportionment or uniformity inside the federal zone. This may be hindsight, but hindsight is always 20/20.

The relevance of the 16th Amendment to the tax on Frank Brushaber's dividend is another matter. Two schools of thought have emerged, with opposing views of that relevance. One school relies heavily on the key precedents established by Pollock. Specifically, the original investment is the "source" of Brushaber's income. A tax on the source is a direct tax. Pollock found that a tax on income is a tax on the source. Therefore, a tax on income is a direct tax. Without a ratified 16th Amendment, such a tax must be apportioned whenever it is levied inside the 50 States. With a ratified 16th Amendment, such a tax need not be apportioned whenever it is levied inside the 50 States. This school argues that Brushaber's dividend was taxable because the 16th Amendment removed the apportionment requirement on such a tax. But, is the tax really levied "inside the 50 States", if the activity which produced the income was actually inside the federal zone? The importance of the Pollock principle now comes to the fore.

The competing school argues that a ratified 16th Amendment was not strictly necessary for Congress to impose a direct tax on Brushaber's dividend without apportionment. Granted, he was a State Citizen who lived and worked within one of the States of the Union. For this reason, the government found that he was a "nonresident alien" under their own rules. If White's ruling did anything else, it held that Brushaber's dividend was also taxable without apportionment and without uniformity because its "source" was inside the federal zone, and that "source" was a taxable activity (profit generation by a domestic corporation). In this context, it does make sense to jettison the Pollock "principle" and to distinguish interest from principal, dividend from original stock investment. Having done so, Justice White could argue that the "source" of Brushaber's dividend was domestic corporate activity and not Brushaber's original investment. Unfortunately for all of us, however, Brushaber did not challenge the constitutionality of the income tax as applied to his dividend, so this question was not properly before the Supreme Court; Brushaber did challenge the constitutionality of the income tax as applied to his defendant.

Unfortunately for Mr. Brushaber, he thought that the defendant was a foreign corporation. The government was correct to point out that the defendant was actually a domestic corporation, chartered by Congress. As such, this corporation's profits could be taxed by Congress without apportionment or uniformity, and without an amendment authorizing such a tax. For the same reasons, Brushaber's share of those same profits could also be taxed without constitutional restrictions, and without an amendment authorizing such a tax, even though he was outside the federal zone and inside a State of the Union. In this context, it is revealing that the Internal Revenue Code imposes a uniform "flat tax" when such income is received by nonresident aliens, giving it the appearance of a uniform indirect tax. However, this "uniformity" is not the consequence of a constitutional requirement; it is the consequence of decisions by Congress acting in its capacity as a majority-ruled legislative democracy.

Moreover, under the authority of the Downes doctrine, Congress is empowered to define domestic corporate profits as "profits before dividends are paid", and to penalize all domestic corporations which attempt to avoid federal taxes by defining their profits as "profits after dividends are paid." Within the federal zone, Congress has the power to assert a superior claim to all profits of domestic corporations, and to define those profits any way it chooses. By "superior claim" I mean that Congress comes before stockholders inside the federal zone, even if the stockholders are outside the federal zone, and even if the money they used to purchase their stock came from a source that was outside the federal zone. A ratified 16th Amendment would have had no effect whatsoever on the power of Congress to levy a tax without any restrictions on any of the assets of domestic corporations. A ratified 16th Amendment would have empowered Congress to tax, without apportionment, dividends paid to State Citizens by foreign corporations when both were inside the 50 States, but a ratified 16th Amendment was not strictly necessary for Congress to tax dividends paid to them by domestic corporations. Neither was a ratified 16th Amendment necessary for Congress to tax dividends paid by either type of corporation to citizens of other nations like France, since the latter citizens enjoy none of the protections guaranteed by the Constitution for the United States of America. In this context, it is important to make a careful distinction between dividends and corporate profits.

It is clear that the second of these two competing schools of thought has now prevailed. Even though there are serious logical and obvious grammatical problems with Justice White's ruling, in retrospect he was right to question the Pollock principle. The situs principle is easier to understand, if only because it dovetails so squarely with the overriding principles of territorial jurisdiction and territorial heterogeneity. Moreover, it is entirely possible for the Pollock principle to yield to the situs principle, even though the 16th Amendment was never actually ratified. Remember that Justice White ruled in Brushaber that the only effect of the 16th Amendment was to overturn the Pollock principle. If the amendment failed, it could thereby be argued that the Pollock principle has never been overturned. Nevertheless, subsequent case law has confirmed the superiority of the situs principle: the source of income is the situs of the income-producing activity. Sources are either inside or outside the federal zone.

Finally, like "income", the term "source" is not in the Constitution either, because the amendment failed to be ratified. Recall the Eisner prohibition, whereby Congress was told it did not have the power to define "income" by any definition it might adopt (see Appendix J). That prohibition was predicated on a ratified 16th Amendment, the text of which introduced the term "income" to the Constitution for the first time. Although the issue did not arise as such and there is no court precedent per se, the exact same logic applies to the term "source". The failed ratification means that Congress is now free to legislate any definition it might adopt for the terms "income" and "source", as long as the statutes containing those terms do not otherwise violate the Constitution as lawfully amended. The source of income is the situs of the income-producing activity.

The explicit recognition of territorial jurisdiction, and of the status of the parties with respect to that territorial jurisdiction, provides much additional clarification to the Brushaber ruling. Such a clarification was definite needed because the almost incomprehensible grammar of the Brushaber ruling is actually responsible for much of the confusion and controversy that continue to persist in this field, even today. As Alan Stang puts it, Justice White turned himself into a pretzel, and lots of other people got twisted up in the process. A clear understanding of status and jurisdiction, and a proper application of the principle of territorial heterogeneity, together provide

an elegant and sophisticated means to eliminate much, if not all, of that confusion and controversy.

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Chapter 14: Conclusions

The areas of land over which the federal government exercises exclusive authority are the District of Columbia, the federal territories and possessions, and the enclaves within the 50 States which have been ceded to the federal government by the consent of State Legislatures. This book has referred to these areas collectively as "the federal zone" -- the zone over which Congress exercises exclusive legislative jurisdiction, the zone over which the federal government is sovereign. Author Ralph Whittington itemizes the federal "states" and possessions as follows:

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(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
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> Inclusive of the aforementioned Federal State(s) and Federal Possessions, the "exclusive Federal Jurisdiction" also extends over all Places purchased by the Consent of the Legislature of one of the Fifty State(s), in which the same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings.
>
> [The Omnibus, page 87]
> [emphasis added]

In exercising its exclusive authority over the federal zone, Congress is not subject to the same constitutional limitations that exist inside the 50 States. For this reason, 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 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.

Without referring to it as such, Lori Jacques has concisely defined the taxing effects of territorial heterogeneity as follows:

> The "graduated income tax" is not a constitutionally authorized tax within the several states; however, Congress is apparently not prohibited from levying that type of tax upon the "subjects of the sovereign" in the Possessions and Territories. The definitions of "United States" and "State" are stated "geographically to include" only those areas constitutionally within congress' exclusive legislative jurisdiction upon whom a graduated tax can be imposed.
>
> [A Ticket to Liberty, November 1990 edition, page 54]
> [emphasis added]

It is in the area of taxation where the restraints of the Constitution are most salient. Congress cannot levy

indirect taxes inside the borders of the 50 States unless the tax rates are uniform across those 50 States. The mountain of material evidence which impugns the ratification of the so-called 16th Amendment should leave no doubt in anybody's mind that Congress must still apportion all direct taxes levied inside the borders of the 50 States and outside the federal zone. For example, if California has 10 percent of the nation's population, then the State of California would pay 10 percent of any apportioned direct tax levied by Congress. Unfortunately, the IRS currently enforces federal income taxes as direct taxes on the gross receipts of individual persons without apportionment. This results in great tension between the law and its administration.

Similarly, Congress is not empowered to delegate unilateral authority to the President to divide or join any of the 50 States of the Union. Dividing or joining States of the Union can only occur with the consent of Congress and of the Legislatures of the States affected. For many reasons like this, the IRC would be demonstrably unconstitutional if it applied to areas over which the 50 States exercise sovereign jurisdiction. It is conclusive, therefore, that the IRC is a municipal law for the federal zone only. As the municipal authority with exclusive legislative jurisdiction, Congress is "City Hall" for the federal zone.

The Bill of Rights also constrains Congress from violating the fundamental rights of Citizens of the 50 States. These rights include, but are not limited to, the right to work for a living, and the right to enjoy the fruits of individual labor. These activities are free from tax under the fundamental law. The fundamental law is the Constitution for the United States of America, as lawfully amended. The first 10 amendments institutionalize a number of explicit constraints on the acts of Congress within the 50 States. The most salient of these amendments are those that mandate due process and prohibit self- incrimination.

The Internal Revenue Code and its regulations impose taxes on the worldwide income of United States** citizens and United States** residents. Throughout this book, two stars "**" after the term "United States**" are used to emphasize that the "United States" in this context has the second of three separate and distinct meanings. These meanings were defined by the Supreme Court in the pivotal case of Hooven & Allison Co. vs Evatt, which is still the standing case law on this question. The high Court indicated that the Hooven case would be the last time it would address a definition of the term "United States". Therefore, this ruling, and the preceding case law and law review articles on which it was based, must be judicially noticed by the entire American legal community.

The United States**, as that term is used in the IRC, is the area over which Congress exercises exclusive legislative authority; it is the federal zone. If you are not a United States** citizen, then you are an alien with respect to the United States**. If you are not a United States** resident, then you are nonresident with respect to the United States**. Therefore, if you were born outside the federal zone, if you live and work outside the federal zone, and if you were never naturalized or granted residency privileges by the federal zone, then you are a nonresident alien under the Internal Revenue Code, by definition. Be clear that an "alien" is not a creature from outer space. The term "alien" is the creation of lawyers.

Nonresident aliens only pay taxes on income that is derived from sources that are inside the federal zone According to explicit language in the Internal Revenue Code, gross income for nonresident aliens includes only gross income which is effectively connected with the conduct of a trade or business within the United States**, and gross income which is derived from sources within the United States**, even if it is not connected with a U.S.** trade or business. Thus, employment with the federal government produces earnings which have their source inside the federal zone. Similarly, unearned dividends paid to nonresident aliens from stocks or bonds issued by U.S.** domestic corporations also have their source inside the federal zone, and are therefore taxable. Frank Brushaber was such a nonresident alien.

For any federal tax liability that does exist, a nonresident alien can utilize Form 1040NR to report and remit that tax liability to the IRS. As a general rule, a nonresident alien need not report or pay taxes on gross income which is derived from sources that are outside the federal zone, or on gross income which is effectively connected with the conduct of a trade or business that is outside the federal zone. The regulations specify a key exception to this

general rule: a return must be filed, however, by nonresident aliens who are engaged in any U.S.** trade or business, whether or not they have derived income from any U.S.** sources.

The law of presumption has made it possible for the federal government to impose income taxes on individuals who had no tax liability in the first place. The regulations which promulgate the Internal Revenue Code make it very clear that all aliens are presumed to be nonresident aliens because of their "alienage", that is, because of their status as aliens from birth. However, through their own ignorance, in combination with a systematic and constructive fraud perpetrated upon them by the federal government, nonresident aliens may have filed 1040 forms in the past, in the mistaken belief they were required to do so, when they were not required to do so.

The receipt of these forms, signed under U.S.** penalties of perjury, entitles the federal government to presume that nonresident aliens have "elected" to be treated as residents and/or they have volunteered to be treated as taxpayers. A completed, signed and submitted 1040 or 1040A form is a voluntarily executed commercial agreement which can be used as prima facie evidence, in criminal trials and civil proceedings, to show that nonresident aliens have voluntarily subjected themselves to the federal income tax. This presumption was described in a decision of the United States** Court of Appeals for the 9th Circuit, in the 1974 ruling of Morse vs U.S. which stated:

> Accordingly, when returns were filed in Mrs. Morse's name declaring income to her for 1944 to 1945, and making her potentially liable for the tax due on that income, she became a taxpayer within the meaning of the Internal Revenue Code.
>
> [Morse vs United States, 494 F.2d 876,880]
> [emphasis added]

Within the borders of the 50 States, the "geographical" extent of exclusive federal jurisdiction is confined to the federal enclaves; this extent does not encompass the 50 States themselves. We cannot blame the average American for failing to appreciate this subtlety, particularly when officials in Congress and elsewhere in the federal government have been guilty of constructive as well as actual fraud ever since the year 1913. Not only are the key definitions of "State" and "United States" confusing and vague; the term "income" isn't even defined in the statute or its regulations, and neither is its "intent".

Close examination of the Internal Revenue Code (IRC), reveals that the meaning of "income" is simply not defined, period! There is an important reason in law why this is the case. At a time when the U.S. Supreme Court did not enjoy the benefit of 17,000 State-certified documents which prove it was never ratified, that Court assumed that the 16th Amendment was the supreme law of the land. In what is arguably one of the most important rulings on the definition of "income", the Supreme Court of the United States has clearly instructed Congress that it is essential to distinguish between what is and what is not "income", and to apply that distinction according to truth and substance, without regard to form. In that instruction, the high Court has told Congress it has absolutely no power to define "income" by any definition it may adopt, because that term was considered by the Court to be a part of the U.S. Constitution:

> Congress cannot by any definition it may adopt conclude the matter, since it 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 vs Macomber, 252 US 189]
> [emphasis added]

Clearly, the Internal Revenue Code has not distinguished between what is, and what is not income. To do so would be an exercise of power which Congress has been told, in clear and certain terms, it simply does not have.

This is a Catch-22 from which the Congress cannot escape, without officially admitting that the 16th Amendment is not law. Congress either defines income by statute, and thereby exercises a power which it does not have, or it fails to define income, thereby rendering whole chunks of the Internal Revenue Code null and void for vagueness. If it argues that the word "income" is not really in the Constitution after all, because the 16th Amendment was never ratified, Congress will admit the amendment is null and void.

The confusion that results from the vagueness we observe in the IRC is inherent in the statute and evidently intentional, which raises some very serious questions concerning the real intent of that statute in the first place. The hired lawyers who wrote this stuff should have known better than to use terms that have a long history of semantic confusion. For this reason, and for this reason alone, I am now convinced that the confusion is inherent in the language chosen by these hired "guns" and is therefore deliberate. Could money have anything to do with it? You bet it does.

It is clear that there is a huge difference between the area enclosed by the federal zone, and the area enclosed by the 50 States of the Union. No one will deny that money is a powerful motivation for all of us. Congress had literally trillions of dollars to gain by convincing most Americans that they were inside its revenue base when, in fact, most Americans were outside its revenue base, and remain outside even today. This is deception on a grand scale, and the proof of this deception is found in the statute itself and its various amendments over time.

It is quite stunning how the carefully crafted definitions of terms like "State" and "United States" do unlock a huge statute, a mountain of regulations, and a pile of forms, instructions and publications that are all horribly complex, and deliberately so. As fate would have it, these carefully crafted definitions also expose perhaps the greatest fiscal fraud that has ever been perpetrated upon any people at any time in the history of the world.

It is now time for a shift in the wind. Let justice prevail. Let no man or woman be penalized from the oppression that results from arbitrary enforcement of vague and ambiguous statutes that benefit the few and injure the many. The Constitution for the United States of America guarantees our fundamental right to ignore vague and ambiguous laws because they violate the 6th Amendment. This is the Supreme Law of the Land. Unlike other governments elsewhere in space and down through time, the federal government of the United States of America is not empowered to be arbitrary.

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.

> In the long history of the world, only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility -- I welcome it. I do not believe that any of us would exchange places with any other people or any other generation. The energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it -- and the glow from that fire can truly light the world.
>
> [President John Fitzgerald Kennedy]
> [Inaugural Address, January 1961]

Appendix A: Letter to John Knox and Memorandum of Law

Edited in honor of his passing by Mitch Modeleski

c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

September 23, 1991

Mr. John Knox, Director
Texas Hill County Patriots
Kerrville, Texas Republic
Postal Code 78028/TDC

Dear John:

I am writing to thank you for the time you spent explaining to me your in-depth understanding of federal jurisdiction at the recent Denver Conference on tax and monetary reform.

By listening to you and Walt Myers debate the question in the hotel lobby, I came to believe that you have done a great deal of good research, John. I was very rewarded by my decision to stay and pick your brains after Walt walked away.

I am also writing this letter to remind you of your offer to send me copies of the legal briefs you mentioned during our conversation. Enclosed are 20 FRN's to this end.

I am slowly collecting substantive papers on the questions of federal jurisdiction, the definitions of "United States", their implications for Congressional taxing powers and statutes, and their implications for the American economy in general.

It is most intriguing, for example, that Alaska became a State when it was admitted to the Union, and yet the United States Codes had to be changed because Alaska was defined in those Codes as a "state" before admission to the Union, but not afterwards. This apparent anomaly is perfectly clear once the legal and deliberately misleading definition of "state" is understood.

Even though my own research has only scratched the surface of this question, I now have ample reasons to believe that the fluctuating definitions of "United States" in Title 26 are likewise intentional and may constitute the essential core of a system of deliberate legal deception that was fastened upon our entire nation by the year 1913.

Notably, Mr. Brushaber was identified in his court documents as a New York Citizen. The Union Pacific Railroad Company was incorporated by Congress. Accordingly, Brushaber was a State Citizen identified as a nonresident alien and taxed upon unearned income that derived from a domestic corporation. He was alien to the jurisdiction of the corporate United States, and nonresident within that jurisdiction because he resided within New York

State. He derived income from a domestic corporation, because the Union Pacific Railroad Company was incorporated by Congress, i.e., in the District of Columbia.

If the Union Pacific Railroad Company had not been incorporated by Congress, it would have been a foreign corporation (i.e., foreign to the federal, corporate United States). If Brushaber had resided in the District of Columbia or in some other federal enclave or possession under exclusive jurisdiction of Congress, he would have been a resident alien. If he had been born inside this exclusive jurisdiction, or if he had been naturalized, he would have been a United States citizen, not an alien, regardless of where he resided. Note that I have been careful to distinguish a "United States citizen" from a "Citizen of the United States"; the former is a person under the jurisdiction of Congress, while the latter is not.

It is quite stunning how the carefully crafted definitions of "United States" do appear to unlock a horribly complex statute, and also expose perhaps the greatest fiscal fraud that has ever been perpetrated upon any people at any time in the history of the world.

I will anxiously look forward to receiving the legal papers which we discussed in Denver.

Thanks very much, John, for your significant contributions to our important and difficult search for the truth in this matter.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

copies: interested colleagues

John H. Knox
In Propria Persona
c/o 111 Stephanie Street
Kerrville, Texas Republic
Postal Code 78028/tdc

UNITED STATES DISTRICT COURT FOR

THE WESTERN DISTRICT OF TEXAS

SAN ANTONIO, TEXAS

JOHN H. KNOX and LOIS C. KNOX)

	)	
Plaintiffs,	)	
	)	Case No. SA-89-CA-1308
vs.	)	(Consolidated with
	)	SA-89-CA-0761)
THE UNITED STATES,	)	
HERMAN SILGUERO and	)	
DOROTHY SILGUERO,	)	
	)	
Defendants	)	

MEMORANDUM IN SUPPORT OF REQUEST

FOR THE DISTRICT COURT TO CONSIDER THE T.R.O.

AND INJUNCTION DENIED BY THE MAGISTRATE

Plaintiffs in the above entitled action are NONRESIDENT ALIENS with respect to the "United States" as those terms are defined in 26 U.S.C., and have had no income effectively connected to a trade or business within the "United States". They COME NOW to file this their Memorandum in Support of a Request for the District Court to Consider the Temporary Restraining Order and the Motion for Injunction and, in support, to show the Court as follows:

1. The issues as to whether there are different meanings for the term "United States", and whether there are three different "United States" operating within the same geographical area, and one "United States" operating outside the Constitution over its own territory (in which it has citizens belonging to said "United States"), were settled in 1901 by the Supreme Court in the cases of De Lima vs Bidwell, 182 U.S. 1 and Downes vs Bidwell, 182 U.S. 244. In Downes supra, Justice Harlan dissented as follows:

> The idea prevails with some -- indeed, it found expression in arguments at the bar -- that we have in this country substantially or practically two national governments; one, to be maintained under the Constitution, with all its restrictions; the other to be maintained by Congress outside and independently of that instrument, by exercising such powers as other nations of the earth are accustomed to exercise.
>
> [Downes supra, page 380, emphasis added]

He went on to say, on page 382:

> It will be an evil day for American liberty if the theory of a government outside of the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution.
>
> [Downes supra, page 382, emphasis added]

2. This theory of a government operating outside the Constitution over its own territory, with citizens of the "United

States" belonging thereto under Article 4, Section 3, Clause 2 (4:3:2) of the Constitution, was further confirmed in 1922 by the Supreme Court in Balzac vs Porto Rico, 258 U.S. 298 (EXHIBIT #4), wherein that Court affirmed, at page 305, that the Constitution does not apply outside the limits of the 50 States of the Union, quoting Downes supra and De Lima supra; that, under 4:3:2, the "United States" was given exclusive power over the territories and the citizens of the "United States" residing therein.

3. The issue arose again in 1944, in the case of Hooven & Allison Co. vs Evatt, Tax Commissioner of Ohio, 324 U.S. 652, wherein the U.S. Supreme Court stated as follows at page 671-672 (EXHIBIT #8):

> The term "United States" may be used in any one of several senses. [1] It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations. [2] It may designate the territory over which the sovereignty of the United States extends, [3] or it may be the collective name of the states which are united by and under the Constitution.1
>
> [brackets, numbers and emphasis added]

---

1. See Langdell, "The Status of our New Territories," 12 Harvard Law Review 365, 371; see also Thayer, "Our New Possessions," 12 Harvard Law Review 464; Thayer, "The Insular Tariff Cases in the Supreme Court," 15 Harvard Law Review 164; Littlefield, "The Insular Cases," 15 Harvard Law Review 169, 281.

Quoting Fourteen Diamond Rings vs United States, 183 U.S. 176; cf. De Lima vs Bidwell, 182 U.S. 1; Dooley vs United States, 182 U.S. 222; Faber vs United States, 221 U.S. 649; cf. Huus vs New York & P.R.S.S. Co., 182 U.S. 392; Gonzales vs Williams, 192 U.S. 1; West India Oil Co. vs Domenech, 311 U.S. 20.

The Court, in Hooven supra, indicated that this was the last time it would address the issue; it would just be judicially noticed.

4. The issue arose in Brushaber vs Union Pacific Railroad Company, 240 U.S. 1. In that case, the high Court affirmed that the "United States" could levy a tax on the income of a nonresident alien when that income derived from sources WITHIN the "United States" (i.e. its territorial jurisdiction).

5. Based upon the decision in Brushaber supra, the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, promulgated the Court's decision as Treasury Decision 2313 (see EXHIBIT #1). T.D. 2313 declared that Frank R. Brushaber was a NONRESIDENT ALIEN with respect to the "United States". T.D. 2313 also declared that the Union Pacific Railroad Company was a DOMESTIC CORPORATION with respect to the "United States" (i.e. its territorial jurisdiction).

6. The Complaint (EXHIBIT #2) filed by Mr. Brushaber shows

that he was a nonresident of the "United States", residing instead in the State of New York, in the borough of Brooklyn, and a Citizen thereof, with his principal place of business in the borough of Manhattan. He owned stocks and bonds issued by the Union Pacific Railroad Company, upon which a cash dividend was declared to him by said company, a domestic corporation of the "United States". Union Pacific was chartered by an Act of Congress for the territory of the federal state of Utah, in order to build a railroad and telegraph line and other purposes. It is a matter of public record that the Union Pacific Railroad Company was a domestic "United States" corporation, of the federal state of Utah, residing in the District of Columbia, with its principal place of business in Manhattan, New York. It was created by an Act of the "United States" Senate and House of Representatives (under their exclusive authority, granted by the Constitution for the United States at 1:8:17) on July 1, 1862 by the 37th Congress, 2nd Session, as recorded in the Statutes At Large, December 5, 1859 to March 3, 1863 at Chapter CXX, page 489 (EXHIBIT #3). Considering the foregoing evidence of the diversity of citizenship of the two parties, it is clear that Mr. Brushaber was a "nonresident alien with respect to the United States", who had income from sources within said "United States". His income derived from the Union Pacific Railroad Company, a corporate citizen created by Congress and residing WITHIN the "United States" (i.e. the District of Columbia). (See EXHIBIT #3)

> ... [A] domestic corporation is an artificial person whose residence or domicile is fixed by law within the territorial jurisdiction of the state which created it. That residence cannot be changed temporarily or permanently by the migrations of its officers or agents to other jurisdictions. So long as it is an existing corporation its residence, citizenship, domicile, or place of abode is within the state which created it. It cannot reside or have its domicile elsewhere; neither can it in legal contemplation be absent from the state of its creation.
>
> [Fowler vs Chillingworth, 113 So. 667, 669 (1927)]
> [emphasis added]

7. Related cases are Hylton vs United States, 3 U.S. (3 Dall.) 171 (1796): Hylton was a Congressman; his salary was income from sources WITHIN the "United States". See also Springer vs U.S., 102 U.S. 586 (1881): Springer, a Virginia Citizen, operated a carriage business in the District of Columbia.

8. The first paragraph of the Secretary's Treasury Decision (EXHIBIT #1) is quoted here as follows:

> (T.D. 2313)
> Income Tax
>
> Taxability of interest from bonds and dividends on stock of domestic2 corporations owned by nonresident aliens, and the liabilities of nonresident aliens under Section 2 of the act of October 3, 1913.
>
> To collectors of internal revenue:
>
> Under the decision of the Supreme Court of the United

States in the case of Brushaber vs Union Pacific Railway [sic] Co., decided January 24, 1916, it is hereby held that income accruing to nonresident aliens in the form of interest from the bonds and dividends on the stock of domestic corporations is subject to the income tax imposed by the act of October 3, 1913.

[footnote and emphasis added]

9. The above decision by the Secretary of the Treasury determined that a tax on income derived from rents, sales of property, wages, professions, or a trade or business WITHIN the "United States", was applicable to such "income" when payable to a nonresident alien, i.e. a Union State Citizen.

---

2. "Domestic" in the "United States" statutes means inside D.C., the possessions, territories, and enclaves of the "United States", i.e. federal states of which there are 14. (EXHIBIT #5)

10. All income tax provisions under 26 U.S.C., subtitle A (an excise tax on "income"), are divided between sources WITHIN and WITHOUT the "United States". They are imposed upon the worldwide income of citizens of the "United States" and aliens residing therein, and upon nonresident aliens (of all kinds) receiving income from sources WITHIN said "United States" and WITHIN the other parts of the American Empire which fall WITHIN the exclusive legislative jurisdiction of the Congress of the "United States", pursuant to 1:8:17 and 4:3:2.

CONSTITUTIONAL AUTHORITY GRANTED TO CONGRESS

11. The Constitution gives to Congress the power to act for the 50 Union States as an international representative and to do so without (outside) the boundaries of each of those 50 States. These powers are expressed in Article 1, Section 8, Clauses 1 thru 16 (1:8:1-16).

12. The Constitution gave to Congress a seat of government, known as the District of Columbia. In time, Congress created a government for the "District", and this "District" became a federal state by definition. (For the other federal "states" of the "United States", see EXHIBIT #5.) However, this "state" (D.C.) is not "united" by or under the Constitution for the United States of America. D.C. has never joined the Union.

13. Furthermore, the Constitution granted to Congress the authority to govern the "District", just as the Legislatures of each of the several States of the Union govern their States within the geographical limits of those States. As Congress began to legislate for the "District", under authority of 1:8:17 and 1:8:18, the difference between the citizens of the "District" and the Citizens3 of the Union became apparent, in that the citizens of the "District" did not possess the right of suffrage or other rights (see Balzac supra, De Lima supra, and Downes supra) and therefore were not recognized as a part of the Sovereignty of "We the People". The Constitution for the United States of America provided no means of taxing these "District" citizens of the "United States". A method of forming municipal

governments and of exercising taxing power over these citizens within the territories of the "United States" was decided by The Insular Cases (see the Bidwell cases, supra). "The Constitution was made for States, not territories," wrote Daniel Webster. "... [T]he Constitution of the United States as such does not extend beyond the limits of the States which are united by and under it ....", wrote author Langdell in "The Status of Our New Territories", 12 Harvard Law Review 365, 371.

---

3. Please note that the U.S. Constitution always denoted Citizen and Person in capital letters until the 14th Amendment, wherein citizen and person were not capitalized.

14. The distinction between "citizens of the United States" and "Union State Citizens" has been fully recognized by the Congress and the Courts as follows:

> We have in our political system a government of the United States and a government of each of the several States. Each one of these governments is distinct from the others, and each has citizens of its own who owe it allegiance, and whose rights, within its jurisdiction, it must protect.
>
> [United States vs Cruikshank, 92 U.S. 588, 590 (1875)] [emphasis added]

> The Federal Government is a "state".
>
> [Enright vs U.S., D.C.N.Y., 437 F.Supp 580, 581]

> Foreign State. A foreign country or nation. The several United States are considered "foreign" to each other except as regards their relations as common members of the Union.
>
> [Black's Law Dictionary, Sixth Edition, page 1407]

15. Congress identifies these citizens of the "District" as "individuals" or citizens who reside in the "United States" and who are subject to the direct control of Congress in its local taxing and other municipal laws.

16. In De Lima supra, the U.S. Attorney defined federal taxes with the following words, at page 99-108:

> Federal taxation is either general or local. Local taxes are levied under Article 1, Section 8, Paragraph 1. Local taxes are for the support of territorial or non-state governments.

Congress imposed a federal excise tax on the "income" of these citizens or "individuals" at 26 U.S.C., Section 1, as a local tax:

> Such taxes are not for the common welfare of the United States, but are to defray the expense of the government of the locality, and in the dual position which Congress

> occupies in our system, as Federal Government and as local government for the territory of the United States not ceded into States of the Union, it has the power to tax for local purposes.
>
> [De Lima supra, page 99]

Hence the term "from sources WITHIN the United States".

> General taxes are of two kinds, direct; and what, for brevity may be called indirect, meaning thereby duties, imposts, and excises. Direct taxes must be laid on all the States alike.
>
> [De Lima supra, page 100]

17. A Citizen of one of the 50 States, residing therein, is a nonresident alien with respect to this local taxing power of Congress (see Brushaber supra). Outside the geographical area of the "United States" (as that term is defined at 26 C.F.R. 1.911-2(g)), Congress lacks power to support the local government by imposing a tax on the incomes of nonresident aliens (ones outside the locality, i.e. Citizens of the 50 States) UNLESS they reside within that jurisdiction by residence, or UNLESS the source of their income is situated WITHIN that geographical territory. Any income arising from sources therein must be withheld at the source by the "withholding agent" (see T.D. 2313, 26 C.F.R. 871, and 26 U.S.C. 1461), unless the recipient is engaged in a trade or business therein. For a full discussion of this local taxation, see pages 55 and 99-108 of De Lima supra. For confirmation of the domestic municipal jurisdiction of the "United States", see Downes supra at pages 383-388.

18. Congress has control of these "individuals", whether they "reside" WITHIN the "United States" (i.e. territorial states, see EXHIBIT #5) or WITHOUT the "United States". These "individuals" (i.e. born within the jurisdiction of Congress, such as a citizen born in the District of Columbia or in one of the territories), whether they reside within "United States" territories, without the "United States" in the "foreign countries" (as defined at 26 C.F.R. 1.911-2(h)), or abroad, are still liable for the federal income tax unless they abrogate that citizenship by naturalization or otherwise. (See 26 C.F.R. 871-5, -6 and -12 and 1.932-1). However, at 26 U.S.C. 911(a)(1), Congress has exempted from taxation all "foreign earned income" of these citizen individuals, except for Puerto Ricans (see 26 C.F.R. 1.932-1(b), IRS Form 2555).

19. Another type of nonresident aliens are those citizens of contiguous countries such as Mexico, Canada and other foreign countries. These foreigners, residents or nonresidents (as the case may be), are subject to the tax on incomes received from any place in the American Empire, i.e. in these united States and in the "United States". A Union State Citizen, previously nonresident, may lose his nonresident status by residing within the territorial sovereignty of the "United States" for 183 days (26 C.F.R. 1.871-7(d)(2)) and thereby becomes subject to the local tax on incomes received from sources within and without the "United States" (i.e. worldwide income).

THE INCOME TAX IS A LOCAL TAX

IMPOSED WITHIN THE "UNITED STATES".

PLAINTIFFS ARE STRANGERS TO THIS LOCALITY.

THE DEFINITIONS IN 26 U.S.C.:

THE INTERNAL REVENUE CODE

20. The definitions used in 26 U.S.C. are very clear in defining "State" and "United States". In every definition that uses the word "include", only the words that follow are defining the term. For example:

21. 26 U.S.C. 3121(e)(1) State. -- The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

22. 26 U.S.C. 7701(a)(9) United States. -- The term "United States" when used in a geographical sense includes only the States and the District of Columbia.

23. The federal government has used these definitions correctly, but IRS agents seem to assume that they mean the 50 States of the Union (America) when they look at the word "States" in 26 U.S.C. 7701(a)(9). You cannot use the common, everyday meaning of the terms "United States" or "State" when talking about the tax laws and many other laws that are enacted under the local, municipal authority of the "United States" government.

24. Another example is the Omnibus Acts at 86th Congress, 1st Session, Volume 73, 1959, and 2nd Session, Volume 74, 1960, Public Laws 86-70 and 86-624. These Acts reveal the crafty way in which the federal government uses correct English and how Congress changes the meanings of words by using its own definitions. For example, all the United States Code definitions had to be changed to allow Alaska and Hawaii to join the Union of States united under the Constitution. When Alaska joined the Union, Congress added a new definition of "States of the United States". This definition had never appeared before, to wit:

> Sec. 48. Whenever the phrase "continental United States" is used in any law of the United States enacted after the date of enactment of this Act, it shall mean the 49 States on the North American Continent and the District of Columbia, unless otherwise expressly provided.
>
> [cf. 1 USCS 1, "Other provisions:"]
> [emphasis added]

Where is it otherwise expressly provided? Answer:

> Sec. 22. (a) Section 2202 of the Internal Revenue Code of 1954 (relating to missionaries in foreign service), and sections 3121(e)(1), 3306(j), 4221(d)(4), and 4233(b) of

such code (each relating to a special definition of "State") are amended by striking out "Alaska,".

(b) Section 4262(c)(1) of the Internal Revenue Code of 1954 (definition of "continental United States") is amended to read as follows: "(1) Continental United States. -- The term 'continental United States' means the District of Columbia and the States other than Alaska."

When Hawaii was admitted to the Union, Congress again changed the above definition, to wit:

Sec. 18. (a) Section 4262(c)(1) of the Internal Revenue Code of 1954 (relating to the definition of "continental United States" for purposes of the tax on transportation of persons) is amended to read as follows: "(1) Continental United States. -- The term 'continental United States' means the District of Columbia and the States other than Alaska and Hawaii."

WHAT ARE THE STATES OTHER THAN ALASKA AND HAWAII?

25. They certainly cannot be the other 48 States united by and under the Constitution, because Alaska and Hawaii just joined them, RIGHT? The same definitions apply to the Social Security Acts. So, what is left? Answer: the District of Columbia, Puerto Rico, Guam, Virgin Islands, etc. These are the States OF (i.e. belonging to) the "United States" and which are under its sovereignty. Do not confuse this term with States of the Union, because the word "of" means "belonging to" in this context.

26. Congress can also change the definition of "United States" for two sentences and then revert back to the definition it used before these two sentences. This is proven in Public Law 86-624, page 414, under School Operation Assistance in Federally Affected Areas, section (d)(2):

The fourth sentence of such subsection is amended by striking out "in the continental United States (including Alaska)" and inserting in lieu thereof "(other than Puerto Rico, Wake Island, Guam, or the Virgin Islands)" and by striking out "continental United States" in clause (ii) of such sentence and inserting in lieu thereof "United States (which for purposes of this sentence and the next sentence means the fifty States and the District of Columbia)". The fifth sentence of such subsection is amended by striking out "continental" before "United States" each time it appears therein and by striking out "(including Alaska)".

27. This one section, all by itself, contains all the evidence you need, by words of construction, to prove that the term "United States" on either side of these sentences did not mean the 50 States united by and under the Constitution. If that is not conclusive to you, then see the following:

26 C.F.R. 31.3121(e)-1 State, United States, and citizen.

(a) When used in the regulations in this subpart, the term "State" includes [in its restrictive form] the District of

> Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Territories of Alaska and Hawaii before their admission as States, and (when used with respect to services performed after 1960) Guam and American Samoa.
>
> (b) When used in the regulations in this subpart, the term "United States", when used in a geographical sense, means the several states, (including the Territories of Alaska and Hawaii before their admission as States), the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands. When used in the regulations in this subpart with respect to services performed after 1960, the term "United States" also includes [in its expansive form] Guam and American Samoa when the term is used in a geographical sense. The term "citizen of the United States" includes [in its restrictive form] a citizen of the Commonwealth of Puerto Rico or the Virgin Islands, and, effective January 1, 1961, a citizen of Guam or American Samoa.
>
> [emphasis added]

Please note the bolded terms. In paragraph (a), Alaska and Hawaii only fit the definition of "State" before joining the Union. That means the definition of "State" was never meant to be the 48 now 50 States of the Union unless distinctly expressed. If paragraph (b) confuses you, the following is submitted:

28. The word "geographical" was never used in tax law until Alaska and Hawaii joined the Union, and it is not defined in the Internal Revenue Code. So, we must use the definition found in the Standard Random House Dictionary:

> ge.o.graph.i.cal 1. of or pertaining to geography 2. of or pertaining to the natural features, population, industries, etc., of a region or regions

29. Were you born in the "United States"? The preposition "in" shows that the "United States" in this question is a place, a geographical place named "United States". It is singular, even though it ends in "s". It also can be plural when referring to the Union States which are places which exist by agreement.

Every human in a nation is a natural Citizen of a place called a nation, if he was born in that nation. Those same people must be naturalized (born again) if they want to become a citizen of another nation. Original citizenship exists because of places, not agreements. This is jus soli, the law of the place of one’s birth (see Black’s Law Dictionary, Sixth Edition).

30. Here are two questions, your own answers to which will solve the dilemma. In a geographical sense, where is the State of Texas located on the continent? In a geographical sense, where is the "United States" (Congress) located on the continent?

31. Now, since typewriters were purchased from the areas that just joined the Union, namely Alaska and Hawaii, according to Title 1, Congress had to use a term that is NOT used in the Internal Revenue Code, in order to buy the same typewriters from the same geographical area:

> Sec. 45. Title I of the Independent Offices Appropriation Act, 1960, is amended by striking out the words "for the purchase within the continental limits of the United States of any typewriting machines" and inserting in lieu thereof "for the purchase within the STATES OF THE UNION AND THE DISTRICT OF COLUMBIA OF ANY TYPEWRITING MACHINES".
>
> [emphasis added]

And, for declarations made under the penalties of perjury, the statute at 28 U.S.C. 1746 separately defines declarations made WITHIN and WITHOUT the "United States" as follows:

> If executed WITHOUT the United States: I declare ... under the laws of the United States of America that the foregoing is true and correct.
>
> If executed WITHIN the United States, its territories, possessions, or commonwealths: I declare ... that the foregoing is true and correct.
>
> [emphasis added]

The latter clause above is the penalty clause that is found on IRS Form 1040 and similar IRS forms.

And, 28 U.S.C. 1603(a)(3) states as follows:

> (3) which is neither a citizen of a State of the United States as defined in section 1332(c) and (d) of this title ....
>
> Section 1332(d). The word "States", as used in this section, includes the Territories, the District of Columbia, and the Commonwealth of Puerto Rico.

Examples of Two Definitions of the term "United States" in 26 U.S.C.

First Definition

> 32. 26 U.S.C. 7701(a)(9):
>
> (9) United States. -- The term "United States" when used in a geographical sense includes only the States and the District of Columbia.

Second Definition

> 33. 26 U.S.C. 4612(a)(4)(A):
>
> (A) In general. -- The term "United States" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, any possession of the United States, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

[emphasis added]

34. The Supreme Court stated in Hepburn & Dundas vs Ellsey, 6 U.S. 445, 2 Cranch 445, 2 L.Ed 332, that the District of Columbia is not a "State" within the meaning of the Constitution. Therefore, it is apparent that the meaning of the term "States" in the first definition above can only mean the territories and possessions belonging to the "United States", because of the specific mention of the District of Columbia and the specific absence of the 50 States (inclusio unius est exclusio alterius). The District of Columbia is not a "State" within the meaning of the Constitution (see Hepburn supra). Therefore, the 50 States are specifically excluded from this first definition of the term "United States".

35. Congress has no problem naming the "50 States" when it is legislating for them, so, in the second definition of the term "United States" above, Congress expressly mentions them, and there is no misunderstanding. If a statute in 26 U.S.C. does not have a special "word of art" definition for the term "United States", then the First Definition of the term "United States" is always used (see above) because of the general nature of that term as defined by Congress.

36. When citizens or residents of the first "United States" are without the geographical area of this first "United States", their "compensation for personal services actually rendered" is defined as "foreign earned income" in 26 U.S.C., Section 911(b) and 911(d)(2), as follows:

> 911(b) Foreign Earned Income. -- ...
>
> (d)(2) Earned Income. --
>
> (A) In general. -- The term "earned income" means wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered.

37. A citizen or resident of the first "United States" does not pay a tax on his "compensation for personal services actually rendered" while residing outside of the first "United States", because Congress has exempted all such compensation from taxation under 26 U.S.C., Section 911(a)(1), which reads as follows:

> 911(a) Exclusion from Gross Income. -- ... [T]here shall be excluded from the gross income of such individual, and exempt from taxation ... (1) the foreign earned income of such individual ....

38. When residing without (outside) this "United States", the citizen or resident of this "United States" pays no tax on "foreign earned income", but is required to file a return, claiming the exemption (see IRS Form 2555).

39. 26 C.F.R., Section 871-13(c) allows this citizen to abandon his citizenship or residence in the "United States" by residing elsewhere.

40. 26 C.F.R., Section 1.911-2(g) defines the term "United States" as follows:

> (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 states4, [Puerto Rico, Guam, Mariana Islands, etc.] the District of Columbia, the possessions and territories of the United States, the territorial waters 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 ....

---

4. This term "state" evidently does not embrace one of the 50 States (where I am a free inhabitant), united by the Constitution, because they are separate governments or foreign states with respect to the "United States" (i.e. D.C., its territories, possessions and enclaves).

None of the 50 united States comes under the sovereignty of the "United States", and subsection (h) defines the 50 States united by the Constitution as "foreign countries":

> (h) Foreign country. The term "foreign country" when used in a geographical sense includes any territory under the sovereignty of a government other than that of the United States.
>
> [26 C.F.R. 1.911-2(h)]

All of the 50 States are foreign with respect to each other and are under the sovereignty of their respective Legislatures, except where a power has been expressly delegated to Congress. The Citizens of each Union State are foreigners and aliens with respect to another Union State, unless they establish a residence therein under the laws of that Union State. Otherwise, they are nonresident aliens with respect to all the other Union States.

41. The regulations at 26 C.F.R., Section 1.1-1(a) state, in pertinent part:

> (a) General Rule. (1) Section 1 of the Code imposes an income tax on the income of every individual who is a citizen or resident of the United States and, to the extent provided by Section 871(b) or 877(b), on the income of a nonresident alien individual.

26 U.S.C., Section 1 imposes a tax on "taxable income" as follows, in pertinent part:

> There is hereby imposed on the taxable income of ... every married individual ... who makes a single return jointly with his spouse under section 6013 ....

42. The regulations promulgated to explain 26 U.S.C., Section 1 are found in 26 C.F.R., Section 1.1-1, and state in pertinent part:

> (a) General Rule. (1) Section 1 of the Code imposes an income tax on the income of every individual who is a citizen or resident of the United States and, to the extent provided by Section 871(b) or 877(b), on the income of a nonresident alien individual.

Please note that the term "taxable income" is not used as such in the above statute because the "income" of those classes of individuals mentioned is taxable as "taxable income".

> Section 1.871 Classification and manner of taxing alien individuals
>
> (a) Classes of aliens. For purposes of the income tax, alien individuals are divided generally into two classes, namely, resident aliens and nonresident aliens. ...
>
> (b) Classes of nonresident aliens. --
>
> (1) In general. For purposes of the income tax, nonresident alien individuals are divided into the following three classes:
>
> (i) Nonresident alien individuals who at no time during the taxable year are engaged in a trade or business in the United States,
>
> (ii) Nonresident alien individuals who at any time during the taxable year are, or are deemed under Section 1.871-9 to be, engaged in a trade or business in the United States, and
>
> (iii) NOT APPLICABLE (concerns residents of Puerto Rico)

43. 26 C.F.R., Section 871-13 states as follows:

> (a) In general. (1) An individual who is a citizen or resident of the United States at the beginning of the taxable year but a nonresident alien at the end of the taxable year, or a nonresident alien at the beginning of the taxable year but a citizen or resident of the United States at the end of the taxable year, is taxable for such year as though his taxable year were comprised of two separate periods, one consisting of the time during which he is a citizen or resident of the United States and the other consisting of the time during which he is not a citizen or resident of the United States.

It sounds complicated, doesn’t it?

NONRESIDENT ALIEN

44. The federal income tax is a local tax for the "United States" to support local government and, in order to become liable to this tax, a State Citizen must be a resident therein (i.e. a resident alien), or receive income from sources therein, or be engaged in a trade or business therein.

45. In 26 U.S.C., Section 7701(b)(1)(A) & (B), Congress defined the statutory difference between "resident alien" and "nonresident alien" as follows:

> (b) Definitions of Resident Alien and Nonresident Alien. --
>
> (1) In general. -- For purposes of this title ...
>
> (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. -- Such individual meets the substantial presence test of paragraph (3).
>
> (iii) First year election. -- Such individual makes the election provided in subparagraph (4).
>
> (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)).

46. Plaintiffs are not "residents" (as that term is defined in the above statutes) nor are they citizens of this "United States". They are nonresident aliens as that term is defined in subsections (B) and (A)(i), (ii), and (iii), and they have the same status as the Plaintiff in Brushaber supra.

INDIVIDUALS REQUIRED TO MAKE RETURNS OF INCOME

47. The following individuals are required to make returns of income:

> 26 C.F.R., Section 1.6012-1. Individuals required to make returns of income.
>
> (a) Individual citizen or resident. --
>
> (1) In general. ... an income tax return must be filed by every individual ... 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, or

(iii) An alien bona fide resident of Puerto Rico during the entire taxable year.

48. John and Lois Knox clearly are not defined in the above statutes, but they are defined in the following statute as ones who are not required to make a return.

49. 26 C.F.R., Section 1.6013-1 states:

(b) Nonresident Alien. A joint return shall not be made if either the husband or wife at any time during the taxable year is a nonresident alien.

Mr. John H. Knox and Mrs. Lois C. Knox are nonresident aliens with respect to the "United States", with no income derived from sources within the "United States", except for John's Military Retirement pay, which is exempt from taxation.

50. 26 C.F.R., Section 871-7 states, in pertinent part, as follows:

Except as otherwise provided in Section 1.871-12, a nonresident alien individual to whom this section applies is not subject to the tax imposed by section 1 or section 1201(b)5 but, pursuant to the provision of section 871(a), is liable to a flat tax of 30 percent upon the aggregate of the amounts determined under paragraphs (b), (c), and (d) of this section which are received during the taxable year from sources within the United States.

[emphasis added]

51. Please note 26 C.F.R., Section 1.871-4(b), Proof of residence of aliens, which establishes a key legal presumption:

(b) Nonresidence presumed. An alien by reason of this alienage, is presumed to be a nonresident alien.

52. Further facts are illustrated by the definition of "withholding agent" at 26 U.S.C., Section 7701(a)(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.

53. 26 U.S.C., Section 1441 refers to nonresident aliens who receive income from sources within the "United States", as set forth in Section 871(a)(1). The other sections do not apply to the Plaintiffs.

54. Your attention is invited to 26 C.F.R., Section 31.3401(a)(6)-1(b), which states as follows:

5. Capital gains tax.

> Remuneration for services performed outside the United States. Remuneration paid to a nonresident alien individual ... for services performed outside the United States is excepted from wages and hence is NOT SUBJECT TO WITHHOLDING. [emphasis added]

55. As a rule, Military Retirement Pay of a nonresident alien individual is exempted from the income tax at 26 C.F.R., Section 31.3401(a)-1(b)(1)(ii), with the following exception:

> Where such retirement pay or disability annuity ... is paid to a nonresident alien individual, withholding is required only in the case of such amounts paid to a nonresident alien individual who is a resident of Puerto Rico.

and at 26 C.F.R., Section 935-1(a)(3):

> ... [F]or special rules for determining the residence for tax purposes of individuals under military or naval orders, see section 514 of the Soldiers' and Sailors' Civil Relief Act of 19406, 50 App. U.S.C. 574. The residence of an individual, and, therefore, the jurisdiction with which he is required to file an income tax return under paragraph (b) of this section, may change from year to year.

Section 574(1) of The Soldiers' and Sailors' Relief Act states that:

> For the purposes of taxation in respect of the personal property, income, or gross income of any such person by any State, Territory, possession, or political subdivision of any of the foregoing, or the District of Columbia, of which such person is not a resident or in which he is not domiciled ... personal property shall not be deemed to be located or present in or to have a situs for taxation in such State, Territory, possession or political subdivision, or district.
>
> [emphasis added]

EXTRAORDINARY AND EXCEPTIONAL CIRCUMSTANCES

56. Plaintiffs herein are at an advanced age of 62 and both are in ill health, unable to work or to pay the tax or to sue for a refund. Lois has only one kidney which does not function properly; complicating this is a lung disease which prevents her from breathing. She has been totally disabled since 1981, with no earned income from any source since that time. John has emphysema and has difficulty breathing upon exercise. They are

6. See Exhibit #6 attached hereto and made a part hereof.

unable to pay the tax and sue for refund without the complete destruction of their home, which is combined with their business. The property which is the subject of this case is a one-of-a-kind property which is, or would be, irreplaceable years down the road, if a refund suit was won. The property has a value of $100,0007 and was allegedly sold for the sum of $16,000.00, which is all that could be recovered in a refund suit as pertains to said property. This creates an irreparable situation for Plaintiffs. The tax with penalties and interest claimed by the government against both Plaintiffs for 1982 is around $19,000.00 and, without the sale of the business property and home, it will be many years before a tax in this amount can be paid in full. Plaintiffs will not live long enough to prosecute such a suit. Equity and justice require some relief in such a situation.

AUTHORITY FOR THE COURT TO ISSUE THE INJUNCTION

57. In Botta vs Scanlon, 288 F.2d 504 (2nd Circuit, 1961), the Court set forth the general exceptions to the bar at 26 U.S.C., Section 7421, stating (see EXHIBIT #7):

> "... [I]t has long been settled that this general prohibition is subject to exception in the case of an individual taxpayer against a particular collector where the tax is clearly illegal or other special circumstances of an unusual character make an appeal to equitable remedies appropriate." National Foundry Co. of N.Y. vs Director of Int. Rev., 2 Cir. 1956, 229 F.2d 149, 151.

The Court then gave a number of examples, as follows:

> "(a) Suits to enjoin collection of taxes which are not due from the plaintiff but, in fact, are due from others. For example, see Raffaele vs Granger, 3 Cir. 1952, 196 F.2d 620, 622 ....
>
> "(b) Cases in which plaintiff definitely showed that the taxes sought to be collected were "probably" not validly due. For example, Midwest Haulers, Inc. vs Brady, 6 Cir. 1942, 128 F.2d 496, and John M. Hirst & Co. vs Gentsch, 6 Cir. 1943, 133 F.2d 247.
>
> "(c) Cases in which a penalty was involved. For example, Hill vs Wallace, 259 U.S. 44, 42 S.Ct 453, 66 L.Ed 822; Lipke vs Lederer, 259 U.S. 557, 42 S.Ct. 549, 66 L.Ed. 1061; Regal Drug Corporation vs Wardell, 260 U.S. 386, 43 S.Ct 152, 67 L.Ed 318; Allen vs Regents of the University System of Georgia, 304 U.S. 439, 58 S.Ct 980, 82 L.Ed 1448.

---

7. The property had a value of $125,000 two years ago, when the IRS allegedly sold it.

> "(d) Cases in which it was definitely demonstrated that it was not proper to levy the tax on the commodity in question, such as Miller vs Standard Nut Margarine Company of Florida, 284 U.S. 498, 52 S.Ct. 260, 76 L.Ed 422.

"(e) Cases based upon tax assessment fraudulently obtained by the tax collector by coercion. For example, Mitsukiyo Yoshimura vs Alsup, 9 Cir. 1948, 167 F.2d 104" (141 F.Supp. at page 338).

[4] In the present case, if any of the plaintiffs are not subject to any tax liability, such plaintiff might well be within the exception stated in 9 Mertens, Law of Federal Income Taxation, Section 49.213, Chapter 49, page 226, as follows: ...

"[2] It is equally well setted [sic] that the Revenue laws relate only to taxpayers. No procedure is prescribed for a nontaxpayer where the Government seeks to levy on property belonging to him for the collection of another's tax, and no attempt has been made to annul the ordinary rights or remedies of a non-taxpayer in such cases. If the Government sought to levy on the property of A for a tax liability owing to B, A could not and would not be required to pay the tax under protest and then institute an action to recover the amount so paid. His remedy would be to go into a court of competent jurisdiction and enjoin the Government from proceeding against his property." In Tomlinson vs Smith, 7 Cir. 1942, 128 F.2d 808 ... the Court affirmed an order granting interlocutory injunction and noted the "distinction between suits instituted by taxpayers and non-taxpayers" (at page 811).

CONCLUSION

Plaintiffs are in no way subjected to any derivative liability. The procedures set forth in 26 C.F.R. do not authorize the Secretary or his delegate to manufacture income and tax it where a Person is without the taxable class. 26 C.F.R., Section 871 is unclouded in that, where there is no income from sources within the "United States" by a nonresident alien, the choice is delegated to that Person by Congress as to whether a return is to be filed or not (see 26 C.F.R. 1.871-8). Where the Secretary determines the existence of taxable income when there has been no return, he should sign the substitute return and assume the responsibility for the determination as required by 26 U.S.C. 6020(b)(1). Treasury Decision 2313 explains that the withholding agent is responsible for withholding the tax from sources within the "United States", for filing a Form 1040NR and for paying over the tax withheld from said nonresident alien. (See Treasury Decision 2313 and 26 C.F.R. 1.1461-3). Therefore, no penalties should accrue to the Plaintiffs. Lois K. Knox has no community property interest in John's Military Retirement Pay and, therefore, no taxable income accrues therefrom.

The fact that the Knoxs were not aware of the above information from the early years of their lives and they reported the "earned income" from their labor in the foreign States of the Union as a local tax of the "United States", does not change their status as Citizens of the Republic of Union States. Nor does it change their status from nonresidents aliens to the "individuals" defined in 26 C.F.R., Section 1.1-1. Nor does it justify the Secretary's actions taken when he has been repeatedly informed by the Knoxs of their true status. The Secretary is required to know the law he is administering, and to do so with justice and equity within the parameters set forth by Congress.

Arbitrary actions are discouraged by the Executive, the Congress and the Courts.

PRAYER

WHEREFORE, PREMISES CONSIDERED, Plaintiffs pray that this Court grant a temporary and permanent injunction against the IRS, its employees, agents, Commissioner and Attorneys by ordering a cessation of the levies and seizures against all forms of property owned by Plaintiffs; that the Court order a return of property seized in the past, declare the sale of such property voidable or void, and order a release of all liens filed against the Plaintiffs. In the alternative, Plaintiffs request that this case be remanded back to the Administrative Agency for resolution and arbitration. Plaintiffs further request the Court to grant such other and further relief in law or in equity as Plaintiffs may be entitled.

I declare under penalty of perjury, under the laws of the United States of America, that the foregoing is true and correct, to the best of my knowledge and belief, per 28 U.S.C. 1746(1).

Executed on this 5th day of September, 1991.

Respectfully submitted,

/s/ John H. Knox

[addendum to Knox brief]

CASES

ARGUED AND DETERMINED

in the

SUPREME COURT OF JUDICATURE

of the

STATE OF INDIANA

at Indianapolis, November Term, 1878,
in the Sixty-Third Year of the State.

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Daly et al. vs The National Life Insurance Company

of the United States of America.
[cite omitted]

"Foreign Corporation" Defined. -- The statutes of this State define a foreign corporation to be "a corporation created by or under the laws of any other state, government, or country," or one "not incorporated or organized in this State".

Same. -- Insurance Company Created by Act of Congress. -- An insurance company created by an act of Congress is a foreign corporation subject to the requirements of the statute of this State approved June 17th, 1852, "respecting foreign corporations and their agents in this State." 1 R.S. 1876, p. 373.

Same. -- Congress as a Local Legislature. -- Constitutional Law. -- An act of Congress creating a private corporation is the act of Congress as the local Legislature of the District of Columbia; as Congress can not, under the federal constitution, as the Congress of the United States, create a private corporation.

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Appendix B: Omnibus Acts

ALASKA OMNIBUS ACT
PUBLIC LAW 86-70; 73 STAT. 141
[H.R. 7120]
86th Congress -- First Session
1959

An Act to amend certain laws of the United States in light of the admission of the State of Alaska into the Union, and for other purposes.

INTERNAL REVENUE

Sec. 22

(a) Section 2202 of the Internal Revenue Code of 1954 (relating to missionaries in foreign service),98 and sections 3121(e)(1), 3306(j), 4221(d)(4), and 4233(b) of such Code (each relating to a special definition of "State")99 are amended by striking out "Alaska,".

(b) Section 4262(c)(1) of the Internal Revenue Code of 1954 (definition of "continental United States")1 is amended to read as follows:

"(1) Continental United States. -- The term 'continental United States' means the District of Columbia and the States other than Alaska."

(c) Section 4502(5) of the Internal Revenue Code of 1954 (relating to definition of "United States")2 is amended by striking out "the Territories of Hawaii and Alaska" and by inserting in lieu thereof "the Territory of Hawaii".

(d) Section 4774 of the Internal Revenue Code of 1954, (relating to territorial extent of law)3 is amended by striking out "the Territory of Alaska."

(e) Section 7621(b) of the Internal Revenue Code of 1954 (relating to boundaries of internal revenue districts)4 is amended to read as follows:

"(b) Boundaries. -- For the purpose mentioned in subsection (a), the President may subdivide any State, Territory, or the District of Columbia, or may unite into one district two or more States or a Territory and one or more States."

---

98. 26 U.S.C.A. (I.R.C. 1954) Section 2202.
99. 26 U.S.C.A. (I.R.C. 1954) Sections 3121(e)(1), 3306(j), 4221(d)(4), 4233(b).
1. 26 U.S.C.A. (I.R.C. 1954) Section 4262(c)(1).
2. 26 U.S.C.A. (I.R.C. 1954) Section 4502(5).
3. 26 U.S.C.A. (I.R.C. 1954) Section 4774.
4. 26 U.S.C.A. (I.R.C. 1954) Section 7621(b).

(f) Section 7653(d) of the Internal Revenue Code of 19545 is amended by striking out "its Territories or possessions" and inserting in lieu thereof "its possessions on the Territory of Hawaii".

(g) Section 7701(a)(9) of the Internal Revenue Code of 1954 (relating to definition of "United States")6 is amended by striking out "the Territories of Alaska and Hawaii" and inserting in lieu thereof "the Territory of Hawaii".

(h) Section 7701(a)(10) of the Internal Revenue Code of 1954 (relating to definition of State)7 is amended by striking out "Territories" and inserting in lieu thereof "Territory of Hawaii".

(i) The amendments contained in subsections (a) through (h) of this section shall be effective as of January 3, 1959.

_____

5. 26 U.S.C.A. (I.R.C. 1954) Section 7653(d).
6. 26 U.S.C.A. (I.R.C. 1954) Section 7701(a)(9).
7. 26 U.S.C.A. (I.R.C. 1954) Section 7701(a)(10).

HAWAII OMNIBUS ACT
PUBLIC LAW 86-624; 74 STAT. 411
[H.R. 11602]
86th Congress -- Second Session
1960

An Act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes.

INTERNAL REVENUE

Sec. 18.

(a) Section 4262(c)(1) of the Internal Revenue Code of 1954 (relating to the definition of "continental United States" for purposes of the tax on transportation of persons)52 is amended to read as follows:

"(1) Continental United States. -- The term 'continental United States' means the District of Columbia and the States other than Alaska and Hawaii."

(b) Section 2202 of the Internal Revenue Code of 1954 (relating to missionaries in foreign service)53 is amended by striking out "the State, the District of Columbia, or Hawaii" and inserting in lieu thereof "the State or the District of Columbia".

(c) Section 3121(e)(1) of the Internal Revenue Code of 1954 (relating to a special definition of "State")54 is amended by striking out "Hawaii,".

(d) Sections 3306(j) and 4233(b) of the Internal Revenue Code of 1954 (each relating to a special definition of "State")55

are amended by striking out "Hawaii, and".

(e) Section 4221(d)(4) of the Internal Revenue Code of 1954 (relating to a special definition of "State or local government")56 is amended to read as follows:

"(4) State or local government. -- The term 'State or local government' means any State, any political subdivision thereof, or the District of Columbia."

(f) Section 4502(5) of the Internal Revenue Code of 1954 (relating to definition of "United States")57 is amended by striking out "the Territory of Hawaii,".

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52. 26 U.S.C.A. (I.R.C. 1954) Section 4262(c)(1).
53. 26 U.S.C.A. (I.R.C. 1954) Section 2202.
54. 26 U.S.C.A. (I.R.C. 1954) Section 3121(e)(1).
55. 26 U.S.C.A. (I.R.C. 1954) Sections 3306(j) and 4233(b).
56. 26 U.S.C.A. (I.R.C. 1954) Section 4221(d)(4).

(g) Section 4774 of the Internal Revenue Code of 1954 (relating to territorial extent of law)58 is amended by striking out "the Territory of Hawaii,".

(h) Section 7653(d) of the Internal Revenue Code of 1954 (relating to shipments from the United States)59 is amended by striking out ", its possessions or the Territory of Hawaii" and inserting in lieu thereof "or its possessions".

(i) Section 7701(a)(9) of the Internal Revenue Code of 1954 (relating to definition of "United States")60 is amended by striking out ", the Territory of Hawaii,".

(j) Section 7701(a)(10) of the Internal Revenue Code of 1954 (relating to definition of "State")61 is amended by striking out "the Territory of Hawaii and".

(k) The amendments contained in subsections (a) through (j) of this section shall be effective as of August 21, 1959.

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57. 26 U.S.C.A. (I.R.C. 1954) Section 4502(5).
58. 26 U.S.C.A. (I.R.C. 1954) Section 4774.
59. 26 U.S.C.A. (I.R.C. 1954) Section 7653(d).
60. 26 U.S.C.A. (I.R.C. 1954) Section 7701(a)(9).
61. 26 U.S.C.A. (I.R.C. 1954) Section 7701(a)(10).

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Appendix C: Treasury Decision 2313

Treasury Decisions
Under Internal Revenue Laws
of the United States

Vol. 18

January-December 1916

W. G. McAdoo
Secretary of the Treasury
Washington

Government Printing Office
1917

(T.D. 2313)
Income Tax

Taxability of interest from bonds and dividends on stock of domestic corporations owned by nonresident aliens, and the liabilities of nonresident aliens under section 2 of the act of October 3, 1913.

Treasury Department
Office of Commissioner of Internal Revenue
Washington D.C., March 21, 1916

To collectors of internal revenue:

Under the decision of the Supreme Court of the United States in the case of Brushaber v. Union Pacific Railway [sic] Co., decided January 24, 1916, it is hereby held that income accruing to nonresident aliens in the form of interest from the bonds and dividends on the stock of domestic corporations is subject to the income tax imposed by the act of October 3, 1913.

Nonresident aliens are not entitled to the specific exemption designated in paragraph C of the income-tax law, but are liable for the normal and additional tax upon the entire net income "from all property owned, and of every business, trade, or profession carried on in the United States," computed upon the basis prescribed in the law.

The responsible heads, agents, or representatives of nonresident aliens, who are in charge of the property owned or business carried on within the United States, shall make a full and complete return of the income therefrom on Form 1040, revised, and shall pay any and all tax, normal and additional, assessed upon the income received by them in behalf of their nonresident alien principals.

The person, firm, company, copartnership, corporation, joint-stock company, or association, and insurance company in the United States, citizen or resident alien, in whatever capacity acting, having the control, receipt, disposal, or payment of

fixed or determinable annual or periodic gains, profits, and income of whatever kind, to a nonresident alien, under any contract or otherwise, which payment shall represent income of a nonresident alien from the exercise of any trade or profession within the United States, shall deduct and withhold from such annual or periodic gains, profits, and income, regardless of amount, and pay to the officer of the United States Government authorized to receive the same such sum as will be sufficient to pay the normal tax of 1 per cent imposed by law, and shall make an annual return on Form 1042.

The normal tax shall be withheld at the source from income accrued to nonresident aliens from corporate obligations and shall be returned and paid to the Government by debtor corporations and withholding agents as in the case of citizens and resident aliens, but without benefit of the specific exemption designated in paragraph C of the law.

Form 1008, revised, claiming the benefit of such deductions as may be applicable to income arising within the United States and for refund of excess tax withheld, as provided by paragraphs B and P of the income-tax law, may be filed by nonresident aliens, their agents or representatives, with the debtor corporation, withholding agent, or collector of internal revenue for the district in which the withholding return is required to be made.

That part of paragraph E of the law which provides that "if such person * * * is absent from the United States, * * * the return and application may be made for him or her by the person required to withhold and pay the tax * * *" is held to be applicable to the return and application on Form 1008, revised, of nonresident aliens.

A fiduciary acting in the capacity of trustee, executor, or administrator, when there is only one beneficiary and that beneficiary a nonresident alien, shall render a return on Form 1040, revised; but when there are two or more beneficiaries, one or all of whom are nonresident aliens, the fiduciary shall render a return on Form 1041, revised, and a personal return on Form 1040, revised, for each nonresident alien beneficiary.

The liability, under the provisions of the law, to render personal returns, on or before March 1 next succeeding the tax year, of annual net income accrued to them from sources within the United States during the preceding calendar year, attaches to nonresident aliens as in the case of returns required from citizens and resident aliens. Therefore, a return on Form 1040, revised, is required except in cases where the total tax liability has been or is to be satisfied at the source by withholding or has been or is to be satisfied by personal return on Form 1040, revised, rendered in their behalf. Returns shall be rendered to the collector of internal revenue for the district in which a nonresident aliens carries on his principal business within the United States or, in the absence of a principal business within the United States and in all cases of doubt, the collector of internal revenue at Baltimore, Md., in whose district Washington is situated.

Nonresident aliens are held to be subject to the liabilities and requirements of all administrative, special, and general

provisions of law in relation to the assessment, remission, collection, and refund of the income tax imposed by the act of October 3, 1913, and collectors of internal revenue will make collection of the tax by distraint, garnishment, execution, or other appropriate process provided by law.

So much of T.D. 1976 as relates to ownership certificate 1004, T.D. 1977 (certificate Form 1060), 1988 (certificate Form 1060), T.D. 2017 (nontaxability of interest from bonds and dividends on stock), T.D. 2030 (certificate Form 1071), T.D. 2162 (nontaxability of interest from bonds and dividends on stock) and all rulings heretofore made which are in conflict herewith are hereby superseded and repealed.

This decision will be held effective as of January 1, 1916.

W. H. Osborn
Commissioner of Internal Revenue

Approved, March 30, 1916:

Byron R. Newton,
Acting Secretary of the Treasury

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Appendix D: Form 1040 for the Year 1913

Author's Note:

The federal government wasted no time in levying income taxes after Secretary of State Philander C. Knox declared that the so-called 16th Amendment had been ratified. His fraudulent declaration was made on February 25, 1913. The first Form 1040 was printed to cover the period of March 1 to December 31, 1913. This form was entitled "Return of Annual Net Income of Individuals (As provided by Act of Congress, approved October 3, 1913.)"

A most revealing part of this Form 1040 is found in the "Instructions", which are reproduced verbatim on the following pages. In the first paragraph of these instructions, there is valuable evidence which substantiates the validity of The Matrix discussed throughout this book. This paragraph is repeated as follows, in order to highlight key phrases:

> This return shall be made by every citizen of the United States, whether residing at home or abroad, and by every person residing in the United States, though not a citizen thereof, having a net income of $3,000 or over for the taxable year, and also by every nonresident alien deriving income from property owned and business, trade, or profession carried on in the United States by him.
>
> [Form 1040 for the Year 1913]
> [From March 1, to December 31]
> [Instructions, Paragraph 1]

INSTRUCTIONS

1. This return shall be made by every citizen of the United States, whether residing at home or abroad, and by every person residing in the United States, though not a citizen thereof, having a net income of $3,000 or over for the taxable year, and also by every nonresident alien deriving income from property owned and business, trade, or profession carried on in the United States by him.

2. When an individual by reason of minority, sickness or other disability, or absence from the United States, is unable to make his own return, it may be made for him by his duly authorized representative.

3. The normal tax of 1 per cent shall be assessed on the total net income less the specific exemption of $3,000 or $4,000 as the case may be. (For the year 1913, the specific exemption allowable is $2,500 or $3,333.33, as the case may be.) If, however, the normal tax has been deducted and withheld on any part of the income at the source, or if any part of the income is received as dividends upon the stock or from the net earnings of any corporation, etc., which is

taxable upon its net income, such income shall be deducted from the individual's total net income for the purpose of calculating the amount of income on which the individual is liable for the normal tax of 1 per cent by virtue of this return. (See page 1, line 7.)

4. The additional or super tax shall be calculated as stated on page 1.

5. This return shall be filed with the Collector of Internal Revenue for the district in which the individual resides if he has no other place of business, otherwise in the district in which he has his principal place of business; or in case the person resides a foreign country, then with the collector for the district in which his principal business is carried on in the United States.

6. This return must be filed on or before the first day of March succeeding the close of the calendar year for which return is made.

7. The penalty for failure to file the return within the time specified by law is $20 to $1,000. In case of refusal or neglect to render the return within the required time (except in cases of sickness or absence), 50 percent shall be added to amount of tax assessed. In case of false or fraudulent return, 100 percent shall be added to such tax, and any person required by law to make, render, sign, or verify any return who makes any false or fraudulent return or statement with intent to defeat or evade the assessment required by this section to be made shall be guilty of a misdemeanor, and shall be fined not exceeding $2,000 or be imprisoned not exceeding one year, or both, at the discretion of the court, with the costs of prosecution.

8. When the return is not filed within the required time by reason of sickness or absence of the individual, an extension of time, not exceeding 30 days from March 1, within which to file such return, may be granted by the collector, provided an application therefor is made by the individual within the period for which such extension is required.

9. This return properly filled out must be made under oath or affirmation. Affidavits may be made before any officer authorized by law to administer oaths. If before a justice of the peace or magistrate, not using a seal, a certificate of the clerk of the court as to the authority of such officer to administer oaths should be attached to the return.

10. Expense for medical attendance, store accounts, family supplies, wages of domestic servants, cost of board, room, or house rent for family or personal use, are not expenses that can be deducted from gross income. In case an individual owns his own residence he can not deduct the estimated value of his rent, neither shall he be required to include such estimated rental of his home as income.

11. The farmer, in computing the net income from his farm for his annual return, shall include all moneys received for

produce and animals sold, and for the wool and hides of animals slaughtered, provided such wool and hides are sold, and he shall deduct therefrom the sums actually paid as purchase money for the animals sold or slaughtered during the year.

When animals were raised by the owner and sold or slaughtered he shall not deduct their value as expenses or loss. He may deduct the amount of money actually paid as expense for producing any farm products, live stock, etc. In deducting expenses for repairs on farm property the amount deducted must not exceed the amount actually expended for such repairs during the year for which the return is made. (See page 3, item 6.) The cost of replacing tools or machinery is a deductible expense to the extent that the cost of the new articles does not exceed the value of the old.

12. In calculating losses, only such losses as shall have been actually sustained and the amount of which has been definitely ascertained during the year covered by the return can be deducted.

13. Persons receiving fees or emoluments for professional or other services, as in the case of physicians or lawyers, should include all actual receipts for services rendered in the year for which return is made, together with all unpaid accounts, charges for services, or contingent income due for that year, if good and collectible.

14. Debts which were contracted during the year for which return is made, but found in said year to be worthless, may be deducted from gross income for said year, but such debts can not be regarded as worthless until after legal proceedings to recover the same have proved fruitless, or it clearly appears that the debtor is insolvent. If debts contracted prior to the year for which return is made were included as income in return for year in which said debts were contracted, and such debts shall subsequently prove to be worthless, they may be deducted under the head of losses in the return for the year in which such debts were charged off as worthless.

15. Amounts due or accrued to the individual members of a partnership from the net earnings of the partnership, whether apportioned and distributed or not, shall be included in the annual return of the individual.

16. United States pensions shall be included as income.

17. Estimated advance in value of real estate is not required to be reported as income, unless the increased value is taken up on the books of the individual as an increase of assets.

18. Costs of suits and other legal proceedings arising from ordinary business may be treated as an expense of such business, and may be deducted from gross income for the year in which such costs were paid.

19. An unmarried individual or a married individual not living with wife or husband shall be allowed an exemption of

$3,000. When husband and wife live together they shall be allowed jointly a total exemption of only $4,000 on their aggregate income. They may make a joint return, both subscribing thereto, or if they have separate incomes, they may make separate returns; but in no case shall they jointly claim more than $4,000 exemption on their aggregate income.

20. In computing net income there shall be excluded the compensation of all officers and employees of a State or any political subdivision thereof, except when such compensation is paid by the United States Government.

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Appendix E: Viacom Transcript

Federal Income Taxes, The IRS and The Federal Reserve

by Mitch Modeleski, Founder
Account for Better Citizenship
c/o Post Office Box 6189
San Rafael, California Republic
Postal Zone 94903-0189/TDC

A Transcript of the Videotape
Pre-Recorded on December 10, 1991
in the Professional Studios of:

Viacom Cablevision
1111 Andersen Drive
San Rafael, California Republic
Postal Zone 94901/TDC

Hello, ladies and gentlemen.

My name is Mitch Modeleski.

I am the founder of the Account for Better Citizenship.

For the next 30 minutes, I will be talking to you about federal income taxes, the IRS, and the federal reserve system.

If you have a VCR, you might want to insert a blank tape and record the next half-hour. You are going to hear some things that you might want to hear again, or to replay later on for your family, friends, and neighbors.

If you don’t have a VCR, at the end of this program we will tell you how to obtain a transcript of this program.

Let me first introduce myself. Before founding the Account for Better Citizenship, I studied to be a Catholic priest for almost 6 years.

I have a Bachelor’s degree from UCLA in Political Science.

I have a Master’s degree in Public Administration from the University of California at Irvine.

I have also completed 5 of the required 7 courses for a Master’s degree in the Program in Social Ecology, also at the University of California at Irvine.

I have more than 20 years of professional experience in public policy, environmental planning, and computer systems development.

Now, before you get the wrong idea, I want you to understand that I have always had to work for a living.

When I graduated from college, I was over $6,000 in debt to banks for student loans and other financial aid.

I have always paid the taxes I owed. I have obeyed the law. And I have never been arrested.

During those 20 years of experience, I came to tolerate the normal shenanigans I witnessed in American politics ...

... until June of 1990, when I was presented with real material evidence that the 16th Amendment to the U.S. Constitution was never ratified.

You may already know that the 16th Amendment is the so-called "income tax" amendment.

I investigated and found that some 17,000 State-certified documents have been assembled to prove that the 16th Amendment is really a fraud.

The U.S. Secretary of State in the year 1913, a man by the name of Philander Knox, simply "declared" it ratified, in the face of serious problems which he knew existed with the ratification in several of the States.

You should know that it takes three-fourths (3/4) of the States to ratify an amendment to the Constitution for the United States.

Let me give you just a few examples of the obstacles which this amendment encountered in some of the States.

In the State of Illinois, a 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."

In the State of Arkansas, the Governor vetoed the proposed amendment and the State Legislature never overrode his veto. You should know that the Arkansas Constitution does not exempt amendments from requiring a Governor’s signature.

In Kentucky, the Senate Journal contains a clear statement that 9 Kentucky Senators voted FOR the amendment, and 22 voted AGAINST the amendment. And yet, Philander Knox declared that the State of Kentucky ratified the 16th Amendment.

This is obviously a serious matter, because we now have evidence that one or more federal officials have actually tampered with the supreme law of the land, contrary to their own sworn oaths of office.

The year was 19131, an ominous year in the history of America.

In that same year, the Federal Reserve was established.

Look in your wallet for a moment, and pull out a Federal Reserve Note. Already, you have a big problem in your hands.

First of all, the Federal Reserve is not "federal". It is no more federal than Federal Express, or Federated Hardware Stores. There is no government copyright or trademark on using the word "federal".

Secondly, there is no "reserve". If we have time, we will explain what is meant by "fractional reserve banking".

---

1. On the pre-recorded video tape, Mr. Modeleski erred by stating that the year was 1916. The correct year was 1913.

Thirdly, Federal Reserve Notes are not real promissory notes, because they do not promise to pay anything, like gold, or silver, or any real substance.

The Federal Reserve System was conceived by a conspiracy of bankers and politicians who met secretly off the coast of Georgia to create the Federal Reserve Act.

This Act of Congress was designed to remove the Constitution as a constraint on the financial operations of the U.S. government.

It created a private credit monopoly which Congressman Louis T. McFadden once called "one of the most corrupt institutions the world has ever known". Congressman McFadden was Chairman of the House Banking and Currency Committee from 1920 to 1933.

The operations of the Federal Reserve are complicated and secretive. For example, this huge syndicate of private banks has never been publicly audited.

I will do my best to simplify the operations of the Federal Reserve for you.

The Federal Reserve System is set up to encourage Congress to spend money it doesn't have -- lots of it.

Rather than honestly taxing Americans for all the money it wants to spend, Congress runs up a huge deficit which it covers by printing ink on paper and calling it bonds, or Treasury Bills.

Some of these T-bills are purchased by hard-working Americans like you and me, with money that we obtained from real labor, something that has real value.

But the deficits have become so huge, the wage earners do not have enough money to purchase all these bonds every year.

So, Congress walks across the street, and offers these bonds to the Federal Reserve. The FED says, "Sure, we'll buy those bonds. Your interest rate is 8.25, or 9 and a half. Take it or leave it."

Congress always takes it, because there's nobody else with that kind of money. Remember, the Federal Reserve is a private credit MONOPOLY.

Now, what does the FED use to purchase those bonds?

They CREATE money OUT OF THIN AIR, using bookkeeping entries to manufacture credit out of nothing. They used to use pen and ink, then typewriters, now computers do the job.

This artificial money would normally create very rapid inflation. This happened in Germany just prior to World War II, when Louis McFadden was a Congressman. It eventually took a wheel barrow full of Deutsche marks to buy one loaf of bread. Can you imagine that?

The bankers realized that a mechanism was needed to withdraw this artificial money out of circulation as quickly as it was put into circulation.

Enter the Internal Revenue Service.

The IRS is really a collection agency for the Federal Reserve.

The FED pumps money into the economy, and the IRS sucks it out of the economy.

This has the effect of artificially maintaining the purchasing power of this "fiat money", as it is called by monetary experts.

This is one of the PRIMARY PURPOSES of the income tax.

We know this to be true, because a man named Beardsley Ruml explained it clearly in an essay he published in 1946. Beardsley Ruml was chairman of the Federal Reserve Bank of New York, so he was in a position to know.

The shocking fact is that Federal income taxes do not pay for any government services; they are used to make interest payments on the federal debt. These interest payments are now approaching 40 percent of the federal budget.

Now, the Federal Reserve Act is unconstitutional for many reasons, foremost among which is that Congres delegated to a private corporation a power which Congress never had, that is, to counterfeit money.

It is unlawful for Congress to exercise a power which is not authorized to it by the Constitution. The People (you and I) and the States reserve ALL powers not expressly delegated to the federal government.

Congress got hooked on this sweetheart deal and started spending money so fast, it quickly bankrupted the Federal Government.

This may also come as a shock to many of you. And you might feel that what we are about to say is paranoid or crazy. We felt this way too when we first discovered it. We couldn't believe it. So we investigated.

Our research discovered that the bankers foreclosed on the United States Treasury no later than the year 1933. They called the loans and confiscated all the gold then held by the U.S. Treasury.

An Act of Congress caused all that gold to be transferred to the Federal Reserve banks. Remember, those are private banks. And the Treasury Department is NOT the U.S. Treasury Department.

To secure the rest of their debt, Congress then liened, in effect, on the future property and earnings of all the American people, through Social Security taxes, payroll withholding taxes, inheritance taxes, and the like.

Congress mortgaged the American people, using our labor and our property as collateral.

What Congress did was analogous to this: I walk into a large department store and see a new toaster I want. I tell the sales person to ship it to my home tomorrow, and to send the bill to Willie Brown.

Now, when Willie Brown gets the bill for this toaster, he's going to be pretty mad, and rightly so. He didn't ord the toaster; he doesn't own the toaster; he wasn't a party to the transaction. In fact, he didn't even know about it. And yet, I am holding him responsible to pay for the toaster.

In this example, I am Congress; the department store is the Federal Reserve; and Willie Brown represents the American people.

This is fraud, because Congress did not openly and freely disclose the real reasons for its actions.

Lack of full disclosure is grounds for fraud in any contract. The Uniform Commercial Code says so.

And yet, all Americans are being unlawfully enslaved by this fraud, to help discharge the debt which Congress

has tried to impose upon all of us.

Now, at this point, we will show you how to contact us to obtain more information about this fraud. If you're no recording this program, get a pencil and write down our mailing address:

> Account for Better Citizenship c/o USPS Post Office Box 6189 San Rafael, California Republic Postal Code 94903-0189/TDC

If you will send us a stamped, self-addressed envelope, we will be happy to send you a free reading list, and also a list of organizations which you can contact to obtain more information and to get yourself more involved.

We will also send you a list of other documents which you can purchase directly from us.

For example, we have already filed several formal complaints with the Congress of the United States concerning the 16th Amendment fraud. These complaints include a request for a Grand Jury Investigation right here in Marin County.

Another document is a formal letter to all the Governors of the 50 States, putting them on notice of the great fraud and deception under which the American people now suffer. This letter includes a series of attachments which fully document the fraud and deception.

Now, I want to talk a little bit about the law itself, the Internal Revenue Code, and the IRS administration of that law.

The law and its administration are two completely different things.

Under the Constitution, federal direct taxes on private property must be apportioned. Your wages are private property. Apportionment means that California pays 10 percent of the bill, if California has 10 percent of the nation's population. This is one of the reasons why we have a census every decade.

In its administration of the internal revenue laws, the IRS is now imposing income taxes as direct taxes without apportionment, and cites the 16th Amendment for its authority to do so. Well, you now know that the 16th Amendment never happened.

Another big problem is the legal definition of "income". Believe it or not, the term "income" is not defined anywhere in the Internal Revenue Code. All by itself, this renders the law null and void for vagueness.

On numerous occasions, the U.S. Supreme Court has already decided that "income" means profit or gain, and wages are not income. In one of the most famous of cases to decide this question, the case of Eisner versus Macomber, the Supreme Court said:

> ... it is essential to distinguish between what is and what is not income, and to apply that distinction according to truth and substance, without regard to form.

And, in what must have been one of its finest hours, that same Court also said:

> Congress cannot by any definition it may adopt conclude the matter [of defining income], since it 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.

Now, the law is something entirely different from the IRS administration of that law. In order to understand the law itself, we have consulted with legal investigators, attorneys, professors, and paralegals. With their expert

help, we have come to conclude the following:

The citizens and residents of the United States are required to pay income taxes. But what is meant by the term "United States" in the Internal Revenue Code?

Well, this term has three different meanings, depending on the context. First, it may mean the name of a sovereign nation occupying the position of other sovereigns in the family of nations.

Secondly, it may mean the collective name for the 50 States which are united by and under the Constitution.

Thirdly, it can also mean the territory over which the federal government has exclusive jurisdiction. This territory includes only the District of Columbia, and the limited territories and possessions which belong to the Congress of the United States. These are places like Guam, Midway, and the Virgin Islands; they do NOT include the 50 States of the Union. Congress does not own California, for example.

When the law states that citizens and residents of the United States are required to pay income taxes, the law is using the term "United States" in this third sense.

The law says that if you're not a "United States citizen", then you're an "alien". Also, the law says that if you're not a "resident of the United States", then you're a non-resident.

Accordingly, most American Citizens, born free in one of the 50 States, living and working in one of the 50 States, are therefore NONRESIDENT ALIENS according to the Internal Revenue Code.

I know it sounds strange, but the law is not referring to creatures from outer space. The law is referring to the creations of lawyers. You are "alien" with respect to the federal government's areas of exclusive jurisdiction, if you were born outside those areas.

You are a "citizen" of the federal government if you were born in the District of Columbia or in one of these limited other areas, or if you elected to become a "citizen" through a process known as naturalization.

There are only 2 reasons why NONRESIDENT ALIENS must pay federal income taxes:

(1) They either have income that is effectively connected with a trade or business inside the United States (using the third, limited definition of the United States), and/or

(2) They have income from a source inside the United States (again, using this third, limited definition).

Aside from these exceptions, nonresident aliens pay no taxes on their earnings.

So, talk with your CPA or tax attorney, and be sure to clarify your status. You may want to consider filing IRS Form 1040NR next April 15. If you have no income which falls into these two categories, then you can put ZERO on line 23, the income total.

Be careful about attaching any W-2 or 1099 forms. Section 6065 of the Internal Revenue Code requires that such documents be certified. If they are not certified, they are not valid.

Now, if you have ever filed one or more 1040 forms in the past, the government is entitled to presume that you

are a person who is required to file a return and to pay federal income taxes.

This is called the "law of presumption", and your 1040 forms can be used as evidence to prove that you are required to pay, even when you are not. So, you may need to reverse this presumption on their part, to prevent this from happening.

Thus, you should consider setting the record straight by sending a formal AFFIDAVIT to the Secretary of the Treasury, which will clarify your actual status and leave no doubt about their lack of jurisdiction over you.

On the list of organizations we will send to you, there are several groups around the country who can assist you in preparing and executing this affidavit.

Enough of these details for now.

To summarize, chances are, you have been volunteering federal income taxes in the past, and there is actually no legal requirement for you to continue doing so in the future.

If you would like me to speak with your CPA or tax attorney, I will be happy to share the results of our research with them.

In the meantime, get yourself involved, and study the Constitution. Find out how interesting and exciting it can be.

You have often heard that we get the government we deserve. Let’s do everything we can to deserve the very best government that any nation has ever had.

I say these things because I hold these truths to be self- evident:

That all of us are created equal;

That we are endowed by our Creator with certain unalienable rights;

That among these, are the rights to life, liberty, and the pursuit of happiness;

That, to secure these rights, governments are instituted among us, deriving their just powers from our consent;

And that, whenever any form of government becomes destructive of these ends, it is 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 shall seem most likely to effect our safety and our happiness.

And to this end, I dedicate my life, my fortune, and my sacred honor.

Thank you very much.

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Appendix F: Affidavit of Rescission

Certified Mail Number: _____

Date: _____

John Q. Doe
c/o USPS Post Office Box [##]
Marin County
San Rafael, California Republic
united States of America
zip code exempt (DMM 122.32)

NUNC PRO TUNC ESTOPPEL AT LAW AND

PUBLIC NOTICE RESCISSION AFFIDAVIT

OF JOHN Q. DOE

CALIFORNIA STATE/REPUBLIC)
) Subscribed, Sworn and Sealed
MARIN COUNTY)

PREAMBLE

I, State Citizen John Q. Doe, being a free Sovereign adult, natural born in Massachusetts, living and working as a State Citizen domiciled in the California Republic since 1952 and I, as such status, hereby make this Special Appearance, by Affidavit, in Propria Persona, proceeding Sui Juris, At Law, in Common Law, with Assistance, Special, neither conferring nor consenting to any foreign jurisdiction, except to the judicial power of California and/or America, and as such I willfully enforce all Constitutional limitations respectively on all government agencies when dealing with them. Wherefore, the undersigned Affiant, named herein and above, upon affirmation declares and evidences the following:

I, John Q. Doe, am of lawful age and competent. I am a Sovereign natural born free State Citizen domiciled in the California Republic (see 2:1:5 in the U.S. Constitution), and thereby in the united States of America, in fact, by right of heritage, a Sovereign State Citizen inhabiting and domiciled in the California Republic, protected via hereditary succession by my predecessors' previous contracts with government as found in the Northwest Ordinance of 1787, the Organic Act of 1849 (the original Constitution of California), the Articles of Confederation of 1777, the Constitution for the united States of America (1787) including its Preamble, and the Bill of Rights (1791) including its Preamble; and, as such, I retain all my unalienable rights granted by God in positive law, embodied in the Declaration of Independence (1776) and binding rights upon myself and my parentage, on this day and for all time now and hereafter. And further,

I, John Q. Doe, a Sovereign natural born free State Citizen,

in Propria Persona, proceeding Sui Juris, At Law, with Assistance, Special, receiving mail c/o USPS Post Office Box [##], San Rafael, California Republic, zip code exempt (DMM 122.32), being duly sworn and affixing my signature to this document, do hereby make the following statement of fact and affirm: the so-called "Social Security" number 123-45-6789 is rescinded in application, in body and in signature, for I affirm that this agreement was imposed upon me by usage of threat, coercion, withholding of material facts, and uninformed consent, and that I was not at age of majority; therefore, this aforementioned government action constitutes constructive fraud and placed me under duress of mind and therefore deprived me of giving any meaningful consent to the original "Social Security" application and agreement. This agreement is null and void, ab initio (from its inception), due to the aforementioned fraud. And further,

AFFIDAVIT AMENDMENT PROTECTION CLAUSE

I, the undersigned, in order to protect my unalienable rights to life, liberty and property, inclusive of my right to the proper in rem and in personam State Citizenship status, have been forced to amend certain legal documents and statements, due to the continued revelation and increased discovery of the continuous acts of fraud upon me by the de facto governments, both State and Federal, and therefore I declare that I am now and fully intend to remain free to amend any and all such documents and statements, as a matter of substantive right, for I cannot be held liable for either the acts or the omissions by governments which are out of my control, which acts and omissions constitute fraud in one form or another. Therefore, I proceed at all times "WITH EXPLICIT RESERVATION OF ALL MY UNALIENABLE RIGHTS AND WITHOUT PREJUDICE TO ANY OF MY UNALIENABLE RIGHTS", inclusive of my personal right to substantive and procedural due process proceedings under the Judicial Power of both my State and my Nation. And further,

I, John Q. Doe, do state and affirm the following:

1. That material facts were withheld, such as Title 28, U.S.C., Section 1746, Subsections 1 & 2 (being without or within the "United States", respectively), which caused me to be unaware that a completed, signed and submitted "Form 1040" or "income tax return" and other Internal Revenue Service and State Franchise Tax Board forms and documents are voluntarily executed instruments which could be used as prima facie evidence against me in criminal trials and civil proceedings to show that I had voluntarily waived my Constitutionally secured rights and that I had voluntarily subjected myself to the federal income/excise tax, to the provisions of the Internal Revenue Code (hereinafter referred to as the IRC), to the authority of the State Franchise Tax Board (hereinafter referred to as the FTB) and to the authority of the Internal Revenue Service (hereinafter referred to as the IRS) by signing and thereby affirming, under penalty of perjury (within the "United States"), that I was, in effect, a "person" subject to the tax; that the above induced and/or forced action, via State and Federal governments, clearly indicates a violation of Article 1, Section 9, Clause 3 (1:9:3), to wit: "No Bill of Attainder or ex post facto Law shall be passed" and also Article 1, Section 9, Clause 4 (1:9:4), to wit:

"No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration hereinbefore directed to be taken" in the United States Constitution. These above same injunctions are found in the Northwest Ordinance and in the California Constitution. And further,

2. That material facts were withheld, which caused me to be unaware of the legal effects of signing and filing income tax returns, as shown by the decision of the United States Court of Appeals for the 9th Circuit in the 1974 ruling in the case of Morse vs U.S., 494 F.2d 876, 880, wherein the Court explained how a State Citizen became a "taxpayer" by stating: "Accordingly, when returns were filed in Mrs. Morse's name declaring income to her for 1944 and 1945, making her potentially liable for the tax due on that income, she became a taxpayer within the meaning of the Internal Revenue Code." [emphasis added] And further,

3. That material facts were withheld, which caused me to be unaware that the signing and filing of an income tax return and other IRS forms are acts of voluntary compliance for a Sovereign natural born free State Citizen inhabiting the united States of America, when executed and submitted by said Sovereign living and working within the States of the Union; that I was unaware that, in a legislative court such as a United States District Court, the completed IRS documents can become prima facie evidence, sufficient to sustain a legal conclusion by a judge, that the signer has voluntarily changed his lawful status/state FROM that of a Sovereign natural born free State Citizen who is not subject to any federal income tax and who possesses all of his God-given, Constitutionally secured rights when dealing with government, TO the legal status of a "taxpayer" (any individual, trust, estate, partnership, association, company or corporation subject to federal excise tax), that is, a "person" who is subject to the federal excise tax and is, therefore, subject to the authority, jurisdiction and control of the federal government under the IRC, to the statutes governing federal taxation and to the regulations of the IRS, thereby imposing the tax on himself, waiving his God-given Constitutionally secured rights to property and labor in respect to the federal income/excise tax statutes and their administration by the IRS, and establishing himself as one who has privileges only, but no rights, in dealings with the IRS, the same as a corporation; that it is my understanding that the change of status/state resulting from the signed IRS documents is very similar to the change of status that occurs when one enlists in the military service and voluntarily takes an oath that subjects him to the authority, jurisdiction and control of the federal government under Title 10 of the United States Code (i.e., the statutes governing the armed forces and the regulations of the military service), thereby waiving his Constitutionally guaranteed rights in relation to dealings with the military services. And further,

4. That I, as a Sovereign natural born free State Citizen and inhabitant in the united States of America, domiciled in the California Republic, and as a Free Man, am endowed by my Creator with numerous unalienable/inalienable rights which include but are not limited to my rights to "life, liberty and the pursuit of happiness (property)", which rights are specifically identified in the Magna Carta (1215) and the Declaration of Independence (1776), and protected and secured by the Constitution for the

united States of America (1789) and the subsequent Bill of Rights, Articles in Amendment 1 thru 10 (1791); that my birthright to the "life, liberty and the pursuit of happiness" has been interpreted by both the Framers of the Constitution and by the U.S. Supreme Court to include my unalienable right to contract, to acquire, to deal in, to sell, rent, and exchange properties of various kinds, real and personal, without requesting or exercising any privilege or franchise from government; that I have learned that these unalienable property rights also include my right to contract for the exchange of my labor-property for other properties and remuneration, such as wages, salaries, and other earnings; that I have never knowingly, intentionally or voluntarily waived any of these unalienable rights, nor can I, John Q. Doe, be forced to waive any of these rights granted to me by God the Father, my Creator (see Brady vs U.S., 397 U.S. 742 at 748 (1970)), because I am endowed with these rights by my Creator and by nobody else and nothing else. And further,

5. That I understand that, if the exercise of my rights were subjected to taxation, these same rights could be destroyed by increasing the tax rates to unaffordable levels; therefore, courts have repeatedly ruled that government has no power whatsoever to tax or otherwise "lien" against the exercise of any rights, particularly the rights of Sovereign State Citizens, as shown by the United States Supreme Court in the case of Murdock vs Pennsylvania, 319 U.S. 105 (1943), which stated: "A state may not impose a charge for the enjoyment of a right granted by the Federal Constitution."; that unalienable rights are rights against which no lien can be established precisely because they are un-a-lien-able; that America's founding documents enumerate some of my unalienable rights, none of which rights I have ever waived knowingly, voluntarily and intentionally; that I freely choose to obey all American Law and to pay all Lawful taxes in jurisdictions which are applicable to me for the common good; that I stand in Propria Persona with Assistance, Special; that my status and unalienable rights, as stated hereinafter and in the foregoing, are not negotiable. And further,

6. That, for years past and at least since the year 1964, I have been influenced by numerous cases of people going to jail and being punished, and also by numerous and repeated public warnings made by the FTB and by the IRS, via radio, television, the printed press and other forms of public communication media, warning of the "deadline" for filing State and Federal forms, such as a "Form 1040 Income Tax Return" and/or other IRS forms and documents; this therefore caused me to file said forms under threat, duress and coercion. And further,

7. That, in addition to the aforesaid warnings, I have also been influenced by the misleading and deceptive wording of IRS publications and IRS-generated news articles, by the pressure of widespread rumors and misinformed public opinion, and by the advice and assurances of lawyers, C.P.A.'s and income tax preparers which misled me to believe incorrectly that the 16th Amendment to the Constitution for the united States of America abolished the Fifth Amendment of that same Constitution and authorized Congress to impose a direct tax on me, my property, my exchanges of property and/or property received as a result of exercising my Constitutionally secured right to contract; that I was further misled into believing that I had a legal duty and

obligation to file a "Form 1040 Income Tax Return" and other IRS and State tax forms, schedules and documents, and that I was unaware of 28 U.S.C. 1746, wherein there are two perjury clauses: (1) one stating that you are without the "United States" and also (2) the other stating that you are within the "United States", respectively. The perjury clauses on both State and Federal tax forms stipulate, under penalty of perjury, that I was stating unknowingly, involuntarily and unintentionally that I was within the "United States". This is an act of fraud by both State and Federal taxing agencies. And further,

8. That I have also been further influenced, misled and alarmed by rumors, by misinformed public opinion and by the advice and assurances of lawyers, C.P.A.'s and income tax preparers to the effect that "the IRS and the FTB will get you", and that it would be a crime punishable by fines and/or imprisonment if I did not fill out, sign and file with the IRS a "Form 1040"; that, in point of fact, the only person actually named within the IRC as a person required to collect an income tax, to file an income tax return and to pay an income tax is a "Withholding Agent"; and that, to the best of my knowledge, I am not now, nor have I ever been a "Withholding Agent". And further,

9. That, in addition to all of the reasons stated in paragraphs 6, 7 and 8 above, I was influenced by the common and widespread practice of employers who, either knowingly or unknowingly, without Power of Attorney, misled me and their employees to believe that they and I must have a Social Security Number and that all are subject to the withholding of "income taxes" from their earnings, either with or without their permission, based upon the employers' possibly mistaken assumption that they, as employers, are required by law to withhold "income taxes" from the paychecks of their employees, which is contrary to the Sections 3402(n), 7343 and 7701(a)(16) of the IRC, absent a voluntary execution of Form W-4, the "Employee's Withholding Allowance Certificate". And further,

10. That I have also been mistakenly influenced and mistakenly impressed by annual public displays and indiscriminate public offerings by the IRS and the FTB of large quantities of the Forms 1040 and 540 in banks, in post offices and through the U.S. mail, which public displays and indiscriminate public offerings also had the effect of reminding me of, and inducing me to respond mistakenly by filling out, signing and sending "Form 1040" to the IRS and "Form 540" to the FTB. And further,

11. That said "Forms 1040" contained no reference to any law or laws which would explain just exactly who is and who is not subject to, or liable for, the income tax, State or Federal, nor did it contain any notice or warning to anyone that merely sending said completed "Form 1040" to the IRS would waive my right to privacy, as secured by the 4th Amendment in the U.S. Constitution, and also waive my right to not be a witness against myself, as secured by the 5th Amendment in the U.S. Constitution, and that a completed "Form 1040" would, in itself, constitute legal evidence, admissible in a court of law, that the filer is subject to and liable for the income/excise tax, even though and regardless of the fact that I, as a Sovereign natural born free State Citizen, am actually and legally not subject to the statutory jurisdiction of the IRC, nor liable for any

income/excise tax, and regardless of the fact that, to the best of my knowledge, I have no legal duty or obligation whatsoever to complete and file any "Form 1040" or State income tax forms, nor did they ever evidence 28 U.S.C. 1746. And further,

12. That at no time was I ever notified or informed by the IRS or by the State of California, nor by any of their agents or employees, nor by any lawyer, C.P.A., or tax preparer, of the fact that the so-called 16th Amendment in the U.S. Constitution, as correctly interpreted by the U.S. Supreme Court in such cases as Brushaber vs Union Pacific Railroad Co., 240 U.S. 1 (1916) and Stanton vs Baltic Mining Co., 240 U.S. 103 (1916), identified the income tax as an indirect excise tax in accordance with Article 1, Section 8, Clause 1 (1:8:1) of the United States Constitution; that the so-called 16th Amendment to the U.S. Constitution, as correctly interpreted by the U.S. Supreme Court, does not authorize a tax on all individuals but is applicable to nonresident aliens (e.g., Frank R. Brushaber) who involve themselves in activities, events or occupations which come under, or are within, the taxing authority of the "United States", as explained in Treasury Decision 2313, dated March 21, 1916; that the so-called 16th Amendment was never actually ratified nor could it have been enacted into positive law because the requisite number of States (i.e., 36) did not meet the lawful requirements for amending the Constitution at that time; and that a mass of incontrovertible material evidence available since the year 1985 proves that the act of "declaring" the so-called 16th Amendment "ratified" was an act of outright fraud by Philander C. Knox in the year 1913. And further,

13. That at no time was I ever notified or informed by the FTB nor by the IRS, their agents or employees, nor by any lawyer, C.P.A. or tax preparer, of the fact that, because of various rulings of the U.S. Supreme Court in such cases as Flint vs Stone Tracy Co., 220 U.S. 107 (1911), and Pollock vs Farmer’s Loan and Trust Co., 157 U.S. 492 (1895), the indirect excise tax on incomes identified by the so-called 16th Amendment is also a tax upon corporate privileges granted by government, which tax is measured by the amount of corporate income (see Corporations Tax Act, Statutes at Large, 1909, vol. XXXVI, section 38, page 112); that this indirect excise tax is also imposed on the taxable income of foreign corporations, and on the taxable income of nonresident aliens to the extent this (latter) income is either effectively connected with the conduct of a trade or business within the corporate jurisdiction of the "United States", or derived from sources within the corporate jurisdiction of the "United States" although not effectively connected with the conduct of trade or business within the corporate jurisdiction of the "United States", according to Sections 871 and 872 of the IRC. And further,

14. That my attention has been called to Report No. 80-19A, entitled "Some Constitutional Questions Regarding the Federal Income Tax Laws" published by the American Law Division of the Congressional Research Service of the Library of Congress, updated January 17, 1980; that this publication describes the tax on "income" identified in the so-called 16th Amendment to the U.S. Constitution as an indirect excise tax; that this report stated: "The Supreme Court, in a decision written by Chief Justice White, first noted that the 16th Amendment did not authorize any new type of tax, nor did it repeal or revoke the

tax clauses of Article I of the United States Constitution, quoted above."; and this report further stated: "Therefore, it can clearly be determined from the decisions of the United States Supreme Court that the income tax is an indirect tax, generally in the nature of an excise tax ....", thus proving in my mind that the "income tax" is not a tax on me as a Sovereign natural born free State Citizen, but is, rather, an indirect excise tax as described by the U.S. Supreme Court in the case of Flint vs Stone Tracy Co., 220 U.S. 107 (1911), wherein the high Court defined excise taxes as "... taxes laid upon the manufacture, sale, or consumption of commodities within the country, upon licenses to pursue certain occupations, and upon corporate privileges ....", none of which aforesaid classifications apply to me. And further,

15. That I was unaware of the truth of the rarely publicized statement by the IRS that the "income" tax system is based upon "voluntary compliance with the law and self-assessment of tax"; that I was unaware before June of 1990 of a posted notice in the main lobby of the Federal Building in San Francisco, California, outside the offices of the IRS, which notice reads, in pertinent part, "The purpose of the Internal Revenue Service is to ... encourage and achieve the highest degree of voluntary compliance in accordance with the tax laws and regulations."; that I was unaware before June of 1990 that Mr. Roger M. Olsen, Assistant Attorney General, Tax Division, Department of Justice, Washington, D.C., made the following statement to an assemblage of tax lawyers on May 9, 1987: "We encourage voluntary compliance by scaring the heck out of you."; that it has never been either my intention nor my desire to voluntarily self-assess an excise tax upon myself, nor to give up my right to property, nor to voluntarily subject myself to such an excise tax; that I had always thought that compliance was required by law. And further,

16. That I have examined Sections 871 thru 878, 1441, 1442, 1443, 3401(c), 6001, 6011, 6012(a), 6331(a), 7203, 7205 and 7343 of the IRC, and I am entirely convinced and completely satisfied that I am not now, nor was I ever, any such "person" or individual referred to by these sections. And further,

17. That, after careful study of the IRC, and after consultations on the provisions of that Code with informed lawyers, tax accountants and tax preparers concerning the provisions of the IRC, I have never found or been shown any sections of the IRC that imposed any requirement on me as a Sovereign natural born free State Citizen and unprivileged inhabitant, living and working within a County within a State of the Union, to file a "Form 1040 Income Tax Return" or any other State income tax form, or that imposed a requirement upon me to pay a tax on "income", or that would classify me as a "person liable", as a "person made liable", or as a "taxpayer" as the term "taxpayer" is defined in IRC Section 7701(a)(14), which states: "The term ’taxpayer’ means any person subject to any internal revenue tax." And further,

18. That, after the study and consultations mentioned in paragraph 17, the only mention of any possible requirement upon me, as an individual, to pay a tax on "income", that I could find, or was shown in the IRC, was the title of Part I under Subtitle A, Chapter 1, Subchapter A (which is deceptively titled

"Tax on Individuals") and Section 6012(a), Subtitle F, Chapter 61-A, Part II-B, Subpart B, and the California Tax Statutes; that a careful study and earnest examination of these parts of the IRC revealed that the "individuals" to whom these sections refer are, in fact, either individuals who work within a foreign nation like France and are taxed according to a tax treaty, or they are nonresident aliens who receive income which is either effectively connected with the conduct of a trade or business within the corporate jurisdiction of the "United States", or derived from sources within the corporate jurisdiction of the "United States", although not effectively connected with the conduct of trade or business within the corporate jurisdiction of the "United States", according to Sections 871 and 872 of the IRC; and that, to the best of my knowledge, I have never conducted any trade or business within the corporate jurisdiction of the "United States", nor have I ever derived income from sources within the corporate jurisdiction of the "United States". And further,

19. That, after the study and consultations mentioned in paragraph 17 above, my attention was called to the IRC, Chapter 21, entitled "Federal Insurance Contributions Act" (Social Security), and my attention was also called to Subchapter A of Chapter 21 entitled "Tax on Employees", which includes Section 3101, wherein the Social Security tax is identified as a tax on "income", not as an "Insurance Contribution", not as a "Tax on Employees", and not as a tax on wages or earnings; that my attention was further called to these facts: there is no provision in the IRC that imposes the tax on employees or requires them to pay the tax; a voluntarily signed and completed Form W-4, "Employee's Withholding Allowance Certificate", allows an employer to withhold money from a worker's pay for Social Security "income" tax, even though the worker has claimed on that form to be "exempt" from the graduated "income" tax; and an employer has no authority to withhold money from a worker's pay for the Social Security "income" tax, for the graduated "income" tax, nor for any IRS-imposed penalty or assessment, if there is no voluntarily signed "Form W-4" in force and no "Form 2678" in force Granting Power of Attorney. And further,

20. That, after the study and consultations described in paragraph 17 above, my attention was called to Section 61(a) of the IRC, which lists items that are sources of "income", and to the following facts: that IRS Collections Summons Form 6638 (12-82) confirms that these items are sources, not "income", by stating that the following items are "sources": "wages, salaries, tips, fees, commissions, interest, rents, royalties, alimony, state or local tax refunds, pensions, business income, gains from dealings in property, and any other compensations for services (including receipt of property other than money)."; that sources are not "income", but sources become "income" if they are entered as "income" on a signed "Form 1040", because the signer affirms, under penalty of perjury (within the "United States"), that the items entered in the "income" section of the "Form 1040" are "income" to the signer; that Section 61(b) clearly indicates which sections of the IRC identify and list items that are included in "income" by stating: "For items specifically included in gross income, see Part II (sec. 71 and following)". And further,

21. That my attention was then called to the said Part II

entitled: "Items Specifically Included in Gross Income"; that I studied sections 71 thru 87 and noticed that wages, salaries, commissions, tips, interest, dividends, pensions, rents, royalties, etc., are not listed as being included in "income" in those Sections of the IRC; and that, in fact, those items are not mentioned anywhere in any of these sections of the IRC. And further,

22. That, after further diligent study, it appears entirely clear to me that the only way that property received by me as a Sovereign natural born free State Citizen, living and working within the States of the Union, in the form of wages, salaries, commissions, tips, interest, dividends, rents, royalties and/or pensions could be, or could have been legally considered to be "income", is if I voluntarily completed and signed a "Form 1040 Income Tax Return", thereby affirming, under penalty of perjury (within the "United States"), that the information on such "Form 1040" was true and correct, and that any amounts listed on the "Form 1040" in the "income" block were "income", and thereby acknowledging under oath or affirmation, that I am, or was, a taxpayer subject to the tax and have, or had, a duty to file a "Form 1040 Income Tax Return" and/or other IRS forms, documents and schedules, none of which instruments I have ever signed with the understanding that I signed them knowingly, voluntarily and intentionally and by means of knowingly intelligent acts done with sufficient awareness of all the relevant circumstances and consequences (see Brady vs United States, 397 U.S. 742 at 748 (1970)); and that, when I have sent in State and Federal tax forms purposely not signed, they were returned to me with a letter instructing and stipulating that I must sign the forms under the penalty of perjury, thereby claiming that I was a "United States citizen" due to the wording of the perjury clause (see 28 U.S.C. 1746(2)). And further,

23. That, with good faith, with an honest reliance upon the aforementioned U.S. Supreme Court rulings and with reliance upon my constitutionally protected Natural Common Law Bill of Rights, Amendments 1 thru 10 (1791), to lawfully contract, to lawfully work and to lawfully acquire and possess property, I am convinced and satisfied that I am not now, nor was I ever subject to, liable for, or required to pay an income/excise tax; that I am not now, nor have I ever been a "taxpayer", and there has never been a Judicial Power proceeding in which it was ruled that I was a "taxpayer" as that term is defined and used in the IRC; and that I have never had any legal duties or obligations whatsoever to file any "Form 1040" or to make any "income tax return", or to sign or submit any other IRS "individual" forms or documents or schedules, to pay any "individual" income tax, to keep any personal financial records, or to supply any personal information to the IRS. And further,

24. That the U.S. Congress, the International Monetary Fund, the Federal Reserve Banks and the Internal Revenue Service, by means of vague, deceptive and misleading words and statements in the IRC, in the Code of Federal Regulations (CFR), in official statements by IRS Commissioners in the Federal Register, in IRS publications and in IRS-generated news articles, committed constructive fraud and misrepresentation by misleading and deceiving me, as well as the general public, into believing that I was required to file "Form 1040 Income Tax Returns" and other IRS forms, documents and schedules and that I was also required

to keep records, to supply information and to pay income taxes. And further,

25. That, by reason of the aforementioned facts, I do hereby exercise my rights as a Sovereign natural born free State Citizen, upheld by various court decisions, to rescind, to cancel and to render null and void, Nunc Pro Tunc, both currently and retroactively to the time of signing, based upon the constructive fraud and misrepresentation perpetrated upon me by the Federal government, the U.S. Congress, the IRS, the "State of California", and the FTB, all IRS and FTB forms, statements, documents, returns, schedules, contracts, licenses, applications, articles, certificates and/or commercial agreements ever signed and/or submitted by me, or on my behalf by third parties (including but not limited to Forms 1040 and attached schedules, Forms W-2, Forms W-4, and Forms 1099) on the accounts bearing the account numbers 123-45-6789, and 98-7654321 and all my signatures on any and all of the aforementioned items, including the original "Social Security" application, which caused the account bearing the account number 123-45-6789 to be established; that this notice of rescission is based upon my rights with respect to constructive fraud and misrepresentation as established in, but not limited to, the cases of Tyler vs Secretary of State, 184 F.2d 101 (1962) and also El Paso Natural Gas Co. vs Kysar Insurance Co., 605 Pacific 2d 240 (1979), which stated: "Constructive fraud as well as actual fraud may be the basis of cancellation of an instrument." And further,

26. That I do hereby declare that I am not and never was a "taxpayer" as that term is defined in the IRC, a "person liable" for any internal revenue tax, or a "person" subject to the provisions of the IRC, and I do hereby declare that I am, and have always been, a "nontaxpayer"; that courts have recognized and acknowledged that individuals can be nontaxpayers, "... for with them Congress does not assume to deal and they are neither the subject nor the object of revenue laws ....", as stated in the cases of Long vs Rasmussen, 281 F. 236 (1922), De Lima vs Bidwell, 182 U.S. 176, 179, and Gerth vs United States, 132 F. Supp. 894 (1955). And further,

27. That evidence now available to me proves that the Internal Revenue Service has to date failed to comply with the clear and unambiguous requirements imposed on all federal government agencies by the following Congressional statutes: the Federal Register Act (44 U.S.C. 1501 et seq.), the Administrative Procedures Act (5 U.S.C. 551 et seq.), and the Paperwork Reduction Act (44 U.S.C. 3501 et seq.); that the IRS failure to comply with the requirements of these statutes constitutes further constructive fraud, breach of fiduciary trust between Sovereign State Citizens and public servants, and violations of the solemn oaths of office required of federal government officials, thereby relieving me of any and all legal duties which could or might otherwise exist for me to file any returns, schedules, or other documents with the IRS; and that, after having read these three statutes and summaries of related case law, I thereby conclude that there is no reason why the IRS would be exempt from any of the clear and unambiguous requirements imposed upon federal government agencies by these three statutes, notwithstanding any and all allegations to the contrary that heretofore may have been published by the IRS or the Treasury Department in the Federal Register without also citing the proper

legal authorities, if any, for such allegations. And further,

28. That recent diligent studies have convinced me of the above, and that as such I am not "subject to" the territorially limited "exclusive legislation" nor to the foreign jurisdiction mandated for the District of Columbia, federal enclaves, federal territories, and federal possessions by Article 1, Section 8, Clauses 17 and 18 and Article 4, Section 3, Clause 2 of the U.S. Constitution, including its "internal" governmental organizations therein (hereinafter referred to as the "Federal Legislative Democracy" and elsewhere referred to in this Affidavit as the "corporate jurisdiction of the United States"); that I am not "subject to" this foreign jurisdiction by reason of any valid contract or any valid commercial agreement resulting in adhesion thereto across America, nor are millions of other Sovereign State Citizens, unless they have provided "waivers of rights guaranteed by the Constitution" by means of "knowingly intelligent acts", such as contracts or commercial agreements with such government(s) "with sufficient awareness of the relevant circumstances and likely consequences", as ruled by the U.S. Supreme Court in Brady vs. U.S., 397 U.S. 742 at 748 (1970); and that I myself have given no such "waivers". And further,

29. That these same diligent studies have also proved to me that misrepresentation and a shrewd and criminal constructive fraud have been perpetrated upon Sovereign State Citizens by government, under counterfeit "color of law", through the apparent entrapments of "certain activities (monopoly occupations) and privileges (other benefits)" allowed by statutory acts or otherwise; that, by reason of American Law which has never been repealed, such sources of past and present criminal element in and behind government should be brought to justice in a Constitutional Court of Law for aiding and abetting this misrepresentation and constructive fraud as willing accomplices; that it is for such a Court, with a 12-member jury of peers, to decide who is and who is not guilty among personnel of government, media, schools, lawyers, accountants, clergy and other purveyors of misinformation and other mind-set propaganda, in this and related regards. And further,

30. That, due to such shrewd entrapments over many years, I have unwittingly signed many related documents, contracts and commercial agreements, some even under the "perjury" jurat (within the "United States") as was supposedly required; with American Law on my side, I hereby rescind and cancel any and all such signatures and render them null and void, nunc pro tunc, except for those which I may choose to have considered as being under "TDC" (Threat, Duress and/or Coercion), past and present; that this is also my lawful notice that all such signatures of mine in the future on instruments of government or other entities, including banks, which might otherwise result in contract adhesion, are to be considered as being under "TDC", whether appearing therewith or otherwise; that my Constitutional "Privileges and Immunities" (per Article 4, Section 2) are apart from those mandated for the Federal Legislative Democracy by Article 1, Section 8, Clauses 17 and 18 and by Article 4, Section 3, Clause 2, and shall not by Law be violated ever; and that my status, in accord, is stated for all to see and know in 2:1:5, 1:2:3, 4:2:1 and 3:2:1 of the Constitution for the united States of America. And further,

31. That, with this accurate knowledge and with "the supreme Law of the Land" (Article 6, Section 2) again on my side, I do Lawfully and "squarely challenge" the fraudulent, usurping, octopus-like authority and jurisdiction cited above in paragraph 28, which authority and jurisdiction do not apply to me (see Hagans vs. Lavine, 415 U.S. 528 at 533); it is, therefore, now mandatory for any personnel of the Federal Legislative Democracy or its agents to FIRST PROVE its "jurisdiction", if any, over me before any further procedures can take place in my regard, per Title 5, United States Code, "Government Organization and Employees", Section 556(d), specifically by disclosing in writing any and all contracts or other commercial agreements whereby the Federal Legislative Democracy and its agents claim to have obtained controlling interest in me such that my specific performance to any third party debt or obligation can be compelled; OR ELSE any of its personnel and accomplices who willfully violate this statute can and shall be personally charged as citizens under Title 18, United States Criminal Code, Sections 241, 242, 1001 and/or otherwise; and, in fairness, it must be added that, to my knowledge, IRS agents have NO written lawful "Delegation of Authority" within the 50 States of the Union and their so-called "Form 1040" appears to be a bogus and bootleg document on its face. And further,

32. That, with all of the above in mind, it appears that this Sovereign natural born free State Citizen is, by Law, as "foreign" and as much a NONRESIDENT ALIEN with respect to the Federal Legislative Democracy as he is to France, and thus shall be free to use related Forms of the Federal Legislative Democracy if and when they might be needed, required and/or appropriate at various future times and places yet to be determined (see paragraphs 12, 13 and 18 above), including but not limited to Form W-8 ("Certificate of Foreign Status") or its equivalent for banks and/or other financial institutions, Forms 1040X ("Amended U.S. Individual Income Tax Return") and 1040NR ("U.S. Nonresident Alien Income Tax Return") for refunds and for correcting the administrative record, and IRC Section 3402(n) which authorizes certificates of exemption from withholding. And further,

33. That, since my date of birth on June 21, 1948, I have always been a NONRESIDENT ALIEN with respect to the Federal Legislative Democracy of the "United States", never having resided, worked, nor having any income, to the best of my recollection, from any sources within the District of Columbia, Puerto Rico, Virgin Islands, Guam, American Samoa, Northern Mariana Islands, the Trust Territory of the Pacific Islands or any other territory or possession within the "United States", which entity obtains its exclusive legislative authority and jurisdiction from Article 1, Section 8, Clauses 17 and 18 and Article 4, Section 3, Clause 2 of the U.S. Constitution; that I have always been a non-taxpayer outside the venue and jurisdiction of the IRC; that, to the best of my knowledge, I have never had any "U.S. trade or business" as defined in the IRC, in 26 C.F.R. or in 27 C.F.R.; that, to the best of my knowledge, I have never had any "gross income" from any U.S. sources, as the term "gross income" is defined in IRC Section 872(a). And further,

34. That my use of IRS Forms 1040X and 1040NR shall be presumed to mean that they were filed solely to correct the administrative record permanently, retroactively to June 21,

1948, so as to claim any lawful refunds that may be due, to rebut any erroneous presumptions and/or terminate any erroneous elections of U.S. "residence" which may have been established in error by the filing of any prior IRS forms, schedules and other statements by mistakes resulting in part from the demonstrable vagueness that is evident in the IRC and its regulations, and by mistakes resulting also from the constructive fraud and misrepresentation mentioned throughout this Affidavit; that I was neither born nor naturalized in the "United States", I have never been subject to its jurisdiction, and I have never been a "United States citizen" as defined in 26 C.F.R. 1.1-1(c) and as defined in the so-called 14th Amendment to the U.S. Constitution. And further,

35. That the federal government has committed fraud, duress and coercion, exercised undue influence, and evidenced unlawful menace against the American people by representing the so-called 14th Amendment as a lawfully ratified amendment in the U.S. Constitution, when contrary proof, published court authorities and other competent legal scholars have now established that it was NOT lawfully ratified. (See State vs Phillips, 540 P.2d 936 (1975); Dyett vs Turner, 439 P.2d 266 (1968); 28 Tulane Law Review 22; 11 South Carolina Law Quarterly 484.) And further,

36. That I am not now, nor have I ever knowingly, intentionally and voluntarily, with informed consent, entered into any personal, internal, public or private agreement, contract, stipulation, account or similar contrivance with the "United States", the "Federal Government" or the "District of Columbia", its territories, its agencies or other property appurtenant thereto, which would have altered or waived my de jure, Sui Juris status, or my unalienable God-given natural rights; that any such agreements or contracts, expressed or implied, such as a Social Security number and application, or Driver’s License, or Bank Signature Card, or the use of Federal Reserve Notes (which are not lawful Specie) etc., have all been hereby rescinded ab initio, due to the fraudulent withholding of material facts, which became a snare and a trap and, as such, are a Bill of Attainder on this Sovereign natural born free State Citizen and inhabitant in the united States of America, for I cannot become a nexus by the effect of a fraudulent nexum, because my status and unalienable natural rights are not negotiable, and the government, both State and Federal, has not proved that they ever had jurisdiction to change my status, as required by Title 5 U.S.C. Section 556(d), or as defined and set out as a Constitutional requirement in Hagans vs Lavine, 415 U.S. 528, 533 (see also Brady vs United States, 397 U.S. 742 at 748 (1970)); that any change of status would lawfully have to take place in a Common Law (judicial power) court under the due process clause of the 5th Amendment to the U.S. Constitution. And further,

37. That this is to certify that I, John Q. Doe, am a Sovereign natural born free State Citizen and inhabitant in the united States of America, domiciled in the California Republic, living and working in Marin County, living under the Common Law, having assumed, among the powers of the Earth, the Separate and Equal Station to which the Laws of Nature and Nature’s God entitles me, in order to secure the Blessings of Liberty to Myself and my Posterity, and in order to re-acquire the Birthright that was taken from me by fraud, do hereby asseverate

nunc pro tunc and rescind, ab initio, all feudatory contracts with the Federal government and its agencies, and with the corporate State of California and its agencies; for I, John Q. Doe, being of sound mind and body, do not choose, nor have I ever chosen, to give up, relinquish or otherwise waive any of my God-given, natural, fundamental, Constitutionally secured rights. And further,

38. That my use of the phrase "WITH EXPLICIT RESERVATION OF ALL MY RIGHTS AND WITHOUT PREJUDICE UCC 1-207 (UCCA 1207)" above my signature on this document indicates: (1) 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; (2) 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; (3) 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 (4) 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. And further,

39. That I reserve my unalienable right to amend this Affidavit at times and places of my own choosing, according as new facts and revelations are made available to me at various future times and places as yet unknown, and as yet to be determined, given the massive fiscal fraud which has now been sufficiently revealed to me by means of material and other reliable evidence which constitutes satisfactory and incontrovertible proof of the fraud to which I refer in this paragraph and elsewhere in this Affidavit. And further,

40. That I affirm, under penalty of perjury, under the Common Law of America, without the "United States", that the foregoing is true and correct, to the best of my current information, knowledge and belief, per 28 U.S.C. 1746(1); and

Further This Affiant saith not.

Subscribed and affirmed to Nunc Pro Tunc on the date of my majority, which day was June 21, 1969.

Subscribed, sealed and affirmed to this _____ day of

_____, 1993.

I now affix my own signature to all of the above affirmations WITH EXPLICIT RESERVATION OF ALL MY RIGHTS AND WITHOUT PREJUDICE UCC 1-207 (UCCA 1207) (see paragraph 38 above):

_____

John Q. Doe, State Citizen and Principal, by special Appearance, in Propria Persona, proceeding Sui Juris, with Assistance, Special, with explicit reservation of all my unalienable rights and without prejudice to any of my unalienable rights

John Q. Doe
c/o USPS Post Office Box [##]
San Rafael, California Republic
zip code exempt (DMM 122.32)

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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

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Appendix G: Deceptive IRS Code Words

'Income', 'Person', 'Taxpayer', 'Shall', and 'Must'

Learn to Decipher the Internal Revenue Code and IRS Publications

The Internal Revenue Code (IRC) is a masterpiece of deception designed to mislead Citizens into believing that individuals are subject to federal income tax. The Code was written by attorneys for the Internal Revenue Service (IRS), and contains a series of directory statutes using the word "shall", with provisions that are requirements for corporations, but not for individuals. Even members of Congress are generally unaware of the deceptive legal meanings of certain terms that are consistently used in the IRC. These terms have legal definitions for use in the IRC that are very different from the general understanding of the meaning of the words.

Lack of knowledge of these legal definitions causes misunderstanding by uninformed Citizens who are confused as to the correct interpretation of both the IRC and the true meaning of the tricky wording in IRS instructional publications and news articles. However, when you understand the legal definitions of these terms, the deception is easily recognized and the limited application of the Code becomes clear. This understanding will help you to see that filing income tax forms and paying income taxes must be voluntary acts for most Americans because the United States Constitution forbids the federal government to impose any tax directly upon individuals.

'INCOME'

Most people mistakenly believe all moneys they receive, such as wages, salaries, and tips, are "income". However, for years, IRS publication #525, entitled "Taxable and Nontaxable Income", has acknowledged that wages and salaries are NOT "income". Publication #525 states: "Wages and salaries are the main SOURCE of income for most people." In the court decision of Graves vs People of the State of New York ex rel O'Keefe, 59 S.Ct. 595 (1939), the United States Supreme Court ruled that a source of income is not income, and the source is not subject to income tax. In that decision, the Court stated: "A tax on income is not economically or legally a tax on its source." However, wages, salaries, commissions, and tips (sources) are considered to be "income" for an individual when he lists them as "income" on an IRS tax return form. When he signs the tax form under penalty of perjury, he has made a voluntary oath that his wages, salary, commissions, and tips listed on the return are "income" and that he is subject to the tax.

In the still standing decision of Brushaber vs Union Pacific Railroad Company, 240 U.S. 1, the United States Supreme Court ruled that the federal income tax is an excise tax under the Sixteenth Amendment (the income tax amendment). The Court explained that THE INCOME TAX CANNOT BE IMPOSED AS A DIRECT TAX (A TAX ON INDIVIDUALS OR ON PROPERTY) because the United States Constitution still requires that all direct taxes must be apportioned among the States. "Apportioned" means that a direct tax is laid upon the State governments in proportion to each State's population. The Court ruled that income tax can be constitutional only as an indirect (excise) tax -- that is, a tax on profits earned by corporations or privileges granted by government. In other words, said the Supreme Court, in order for there to be "income", there MUST be profits or gains received in the exercise of a privilege granted by government. As an example, a lawyer is granted the government privilege of being an officer of the government court when he represents clients in litigation.

At law, labor is property. In fact, the Supreme Court has identified labor as man's most precious property. Therefore, the exchange of one's labor for wages or salary (which are also property) is considered by law to be an exchange of properties of equal value in which there is NO gain or profit. Such a property exchange of equal value cannot be taxed because there is no profit or gain. Also, one who works in an ordinary occupation is not a recipient of any privilege granted by government, because he is merely exercising his constitutionally guaranteed right to work and earn an living. Courts have repeatedly ruled that no tax may be placed upon the exercise of

rights. Their reasoning was sensible. If the exercise of rights could be taxed, government could destroy them by excessive rates of taxation.

Items that the law includes in "income" are described in Code sections listed under the title of "Items Specifically Included in Gross Income", which covers Sections 71 through 86. Nowhere in these sections and nowhere else in the Code is there any mention of wages, salaries, commissions, or tips as being "income". For example, to deceive and intimidate waitresses into declaring their tips to be income is a double fraud. First, tips are gifts, not wages. According to the IRC, gifts are not subject to income tax. In fact, even if tips were considered to be wages, they would still not be "income" and would not be subject to an income (excise) tax unless one enters them as "income" on a tax return form.

’PERSON’

People generally consider the term "person" to mean an individual only. But, IRC Section 7701, entitled "Definitions", includes a corporation, a trust, an estate, a partnership, an association, or company as being a "person". All of these legal entities are "persons" at law, so it is legally correct but very misleading when the federal income (excise) tax on corporations is described by the deceptive title of "Personal Income Tax". This misleading description leads most people to believe that it means a tax on individuals.

The legal term "person" has an even more restricted definition when used in IRC Chapter 75, which contains all the criminal penalties in the Code. In Section 7343 of that Chapter, a "person" subject to criminal penalties is defined as:

> ... [A]n officer or employee of a corporation, or a member or employee of a partnership, who, as such officer, employee or member, is under a duty to perform the act in respect of which the violation occurs.

An individual who is not in such a capacity is not defined as a "person" subject to criminal penalties. Unprivileged individuals, who do not impose the income (excise) tax upon themselves by filing returns, are not subject to the tax and they are not "persons" who can lawfully be subjected to criminal charges for not filing a return or not paying income tax.

Sections of the Code relating to the requirements for filing returns, keeping records, and disclosing information state that those sections apply to "every person liable" or "any person made liable". These descriptions mean "any person who is liable for the tax". They do not state or mean that all persons are liable. The only persons liable are those "persons" (legal entities such as corporations) who owe an income (excise) tax, and are therefore subject to the requirements of the IRC. If you substitute the word "corporation" for the term "person" (a corporation is a person at law) when reading the Code or other articles and publications relating to income tax, the true meaning of the Code becomes more apparent.

A TAX PAYER IS NOT A ’TAXPAYER’

The deceptive term "taxpayer" is a legal term created by combining the words "tax" and "payer". The general understanding of the term’s meaning is different from its legal definition in the IRC. Section 7701(a)(14) gives the legal definition of the term "taxpayer" in relation to income tax. It states: "The term ’taxpayer’ means any person subject to any internal revenue tax." (All internal revenue taxes are excise taxes.) Note that the section does not say that all persons are "taxpayers" subject to internal revenue tax. Corporations are "taxpayers", for they are "persons" subject to an internal revenue (excise) tax.

The term "taxpayer" is used extensively throughout the IRC, in IRS publications, news articles, and instructiona

literature as a verbal trap to make uninformed Citizens believe that all individuals are subject to federal income tax and to the requirements of the IRC. These materials state that "taxpayers" are required to file returns, keep records, supply information, etc. Such statements are technically correct, because "taxpayers" are those legal "persons" previously described that are subject to an excise tax, but unprivileged individuals are not "taxpayers" within the meaning of the IRC.

The confusion about the meaning of the term leads most people to mistakenly assume that they are "taxpayers" because they pay other taxes such as sales taxes and real estate taxes. Those people are tax payers, not "taxpayers" as defined in the IRC. When they read articles and publications related to income tax, describing the legal requirements for "taxpayers", they erroneously believe that the term applies to them as individuals. It is very important to understand that the IRC requirements apply to IRC-defined "taxpayers" only, and not to unprivileged individuals. Corporations and other government-privileged legal entities are "taxpayers under the Internal Revenue Code"; unprivileged individuals are not, unless they voluntarily file income tax returns showing they owe taxes, thus legally placing themselves in the classification of "taxpayers". Because of its legal definition, the term "taxpayer" should never be used in relation to income tax, except to describe those legal entities subject to a federal excise tax.

’SHALL’ means ’MAY’

In general use, the word "shall" is a word of command with a mandatory meaning. In the IRC, "shall" is a directory word that has a mandatory meaning when applied to corporations. The IRC contains a series of directory statutes using the word "shall" in describing the actions called for in those sections of the law. The provisions of these directory statutes are requirements for corporations, because corporations are created by government and, consequently, are subject to government direction and control. Since corporations are granted the privilege to exist and operate by government-issued charters, they do not have the constitutionally guaranteed rights of individuals. This government-granted privilege legally obligates corporations to make a "return" of profits and gains earned in the exercise of their privileged operations when directed to do so by law. This is why the tax form is called a "return".

However, directory words in the Code merely imply that individuals are required to perform certain acts, but directory words are not requirements for individuals when a mandatory interpretation of the directory words would conflict with the constitutionally guaranteed rights of individuals. Courts have repeatedly ruled that in statutes, when a mandatory meaning of the word "shall" would create a constitutional conflict, "shall" must be defined as meaning "may". The following are quotes from a few of these decisions. In the decision of Cairo & Fulton R.R. Co. vs Hecht, 95 U.S. 170, the U.S. Supreme Court stated:

> As against the government the word "shall" when used in statutes, is to be construed as "may," unless a contrary intention is manifest.

In the decision of George Williams College vs Village of Williams Bay, 7 N.W.2d 891, the Supreme Court of Wisconsin stated:

> "Shall" in a statute may be construed to mean "may" in order to avoid constitutional doubt.

In the decision of Gow vs Consolidated Coppermines Corp., 165 Atlantic 136, the court stated:

> If necessary to avoid unconstitutionality of a statute, "shall" will be deemed equivalent to "may" ....

Sections 6001 and 6011 of the IRC are cited in the Privacy Act notice in the IRS 1040 instruction booklet in order to lead individuals to believe they are required to perform services for tax collectors. Note the use of the word "shall" in the following sections of the Code:

Section 6001 states:

> Every person liable for any tax imposed by this title, or for the collection thereof, shall keep such records, render such statements, make such returns, and comply with such rules and requirements as the Secretary may from time to time prescribe.

Section 6011 states:

> When required by regulations prescribed by the Secretary any person made liable for any tax imposed by this title, or for the collection thereof, shall make a return or statement according to the forms and regulations prescribed by the Secretary.

Note that Sections 6001 and 6011 apply to "every person liable" and "any person made liable", but not to "individuals". However, THERE IS NO SECTION IN THE IRC THAT MAKES INDIVIDUALS LIABLE FOR PAYMENT OF INCOME TAX because any law imposing a federal tax on individuals would be unconstitutional, for it would violate the taxing limitations in the U.S. Constitution which prohibit direct taxation of individuals by the federal government. People are often confused when reading the Code because, under Subtitle A, Chapter 1, which covers income taxes, Part 1 of Subchapter A has the misleading title of "Tax on Individuals". The title is misleading because Part 1 imposes the tax on "income", but contains no requirement for individuals to pay it. But an individual becomes a "person liable" for the tax when he files an income tax form, thereby swearing that he is liable for (owes) the tax.

The Privacy Act notice in the instruction booklet for IRS Form 1040 also shows that disclosure of information by individuals is not required. The notice states:

> Our legal right to ask for information is Internal Revenue Code sections 6001 and 6011 and their regulations.

The IRS does not say that those sections require individuals to submit the information; those sections only give the IRS the authority to ask for it.

Section 6012 states:

> Returns with respect to income taxes under Subtitle A shall be made by the following: (1)(A) Every individual having for the taxable year gross which equals or exceeds the exemption amount ...."

Subsections (2) through (6) list corporations, estates, trusts, partnerships, and certain political organizations as also being subject to this section.

Any requirements compelling unprivileged individuals to keep records, make returns and statements, or to involuntarily perform any other services for tax collectors, would be violations of constitutionally guarantee

rights.

The Thirteenth Amendment to the United States Constitution forbids compelling individuals to perform services involuntarily. The Amendment states:

> Neither slavery nor involuntary servitude, except as punishment for crimes whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

The Fourth Amendment in the Bill of Rights of the United States Constitution states that the people's right to privacy of their papers shall not be violated by government. To compel individuals to disclose information taken from their papers would violate this right.

The Fifth Amendment in the Bill of Rights protects the right of individuals not to be required to be witnesses against themselves. To compel individuals to disclose information by submitting statements or information on a tax return form, all of which could be used against them in criminal prosecutions, would violate their Fifth Amendment right.

These examples show some constitutional conflicts that would result from defining the word "shall" as meaning "is required to". Thus, "shall" in the above mentioned statutes must be interpreted as meaning "may". Consequently, for individuals, keeping records, making statements, and making returns are clearly voluntary actions that are not required by law.

'HAVING' INCOME

According to the wording of Section 6012 previously discussed, it is a directory statute which pertains to the filing of income tax returns, and applies only to those individuals "having income". Since the word "having" has no deceptive legal definition in the Code, its legal meaning is the same as its customary meaning in general use. Although dictionaries define the word "have" as meaning "possess" or "hold in one's possession", the IRS fraudulently misinterprets "having income" as meaning "receiving gross receipts" when applying Section 6012 to individuals.

To better understand the meaning of "having income", consider this example: If during one year a corporation receives ten million dollars (gross receipts) from the sales of its products, and has expense items of nine million dollars, the corporation has a profit (income) of one million dollars. When tax liabilities are determined at the end of the year, the corporation has (possesses) an increase in its assets (a gain) of one million dollars. But, if the corporation's expenses equalled its gross receipts, it would then have (possess) no profit or gain (income) and it would owe no income tax.

Now, consider another example: If during one year an individual receives fifteen thousand dollars in wage (gross receipts) from the sale of his labor, and has expenses of fifteen thousand dollars to sustain himself and his family, he then has (possesses) no increase in assets. Although he has (possesses) nothing more than he had at the beginning of the year, IRS agents consider him as "having income" of fifteen thousand dollars. IRS agents ignore the fact that his wages were not income according to their own publications!

'MUST' means 'MAY'

Most people have never studied the IRC and their understanding of the law is generally based on hearsay, newspaper articles and IRS instructional materials. These instructions make frequent use of the deceptive word "must" in describing the things that the IRS wants you to do, because "must" is a forceful word that people mistakenly believe to mean "are required". Very few people realize that "must" is a directory word similar t

"shall" and that, in IRS instructions to the public, it means "may", the same as the word "shall".

In the legal definition of the word "must" in Black's Law Dictionary, it states:

> ... [I]t is often used in a merely directory sense, and consequently is a synonym for the word "may" not only in the permissive sense of that word, but also in the mandatory sense which it sometimes has.

Because of the constitutional conflicts explained earlier in this article, the word "must", similar to the word "shall", cannot have a mandatory meaning for individuals. It therefore means "may" when used in IRS instruction publications.

The IRS instructions for Form 1040 state that you "must" file a return if you have certain amounts of income. IRS withholding instructions state that employers "must" withhold money from paychecks for income tax, "must" withhold social security tax (an income tax also), and "must" send to the IRS any W-4 withholding statement claiming exemption from withholding, if the wages are expected to usually exceed $200 per week. An understanding of the legal meaning of the word "must" exposes the deception by the IRS and makes it clear that the actions called for are voluntary actions for individuals that are not required by law. If these actions were required by law, the instructions would not use the word "must", but would say that the actions were "required".

FREE SOVEREIGN CITIZENS

Prior to the American Revolution, the American colonists were subjects of the English Kings and were subject to their orders and edicts. But, according to the Declaration of Independence and the United States Constitution, the Citizens of our country are free sovereign individuals. They are not subjects of government, nor are they subject to mandatory direction or control by the federal government. Except for duties such as military draft and jury duty, the federal government has no authority to require unprivileged individuals to perform services fc government.

There is no section in the IRC requiring individuals to pay income tax or file income tax returns, because the federal government has no constitutional authority to impose any tax directly upon individuals or to require them involuntarily to keep records, make statements, make returns, or perform any acts for the convenience of federal tax collectors. But, if an individual files a return, his voluntary action of signing the form, thereby swearing under penalty of perjury that he owes the tax, is an acknowledgement under oath that he is subject to the tax (a "taxpayer") and is therefore subject to the directory statutes of the IRC.

The reader should remember the legal definitions of the various terms and the information about the rights of Citizens presented in this article whenever he reads the IRC and other materials relating to income tax in order to better understand the correct meaning of whatever they read.

INFORM PEOPLE OF THEIR RIGHTS.
SHOW THIS TO YOUR FRIENDS!
REPRINT THIS ARTICLE AND DISTRIBUTE IT.
YOU MAY PRINT YOUR GROUP'S NAME
AND MESSAGE BELOW.

To obtain additional information,
send a large self-addressed stamped envelope to:

FREE STATE CONSTITUTIONISTS
c/o Post Office Box 3281

Baltimore, Maryland
Postal Code 21228/TDC

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Appendix H: Analysis of U.S. vs Hicks

MEMO

TO: Interested Colleagues

FROM: Mitch Modeleski, Founder
Account for Better Citizenship

DATE: October 25, 1991

SUBJECT: 9th Circuit Wrongly Decides
U.S. vs Hicks and U.S. vs Bentson

The Ninth Circuit Court of Appeals has based its two recent income tax rulings on blatantly wrong premises. In upholding convictions for willful failure to file income tax returns, the Court rejected appeals by both defendants to the clear and unambiguous provisions of the Paperwork Reduction Act (PRA) and the Administrative Procedure Act (APA). A simple yet careful analysis of these rulings is sufficient to expose the faulty premises upon which both rulings are based. As the Holy Bible says, "Only the fool builds his house upon sand" (or words to that effect).

U.S. vs Hicks

The case of U.S. vs Hicks is the more important of the two because it was decided first, it contains more "analysis", and sets a precedent to which the second case refers. Beginning with the PRA, the Court admits that the IRS must comply with the PRA and "... in particular, must display OMB control numbers on its tax return forms and on its regulations." Nevertheless, despite a clear and unambiguous public protection clause, the Court ruled that the IRS failure to comply with the PRA does not prevent the defendant from being penalized and that the PRA constitutes no defense to prosecution under 26 U.S.C. 7203:

> "But even assuming without deciding that the IRS failed to comply with the PRA here, its failure does not prevent Hicks from being penalized."

The Court's "analysis" justifies its ruling on the basis of a careful distinction it draws between agency regulations and Congressional statutes. Specifically, in the absence of an "express prior mandate" from Congress, a citizen may escape penalties for failing to comply with an agency information collection request that is issued via regulation, but without displaying an OMB control number. It is the existence of an "explicit statutory requirement" which makes all the difference, according to the 9th Circuit. The Court refers to its own precedents as follows:

> "The legislative history of the PRA and its structure as a whole lead us to conclude that it was aimed at reining in agency activity. ... Where an agency fails to follow the PRA in regard to an information collection request that the agency promulgates via regulation, at its own discretion, and without express prior mandate from Congress, a citizen may indeed escape penalties for failing to comply with the agency's request. See e.g. United States v. Hatch, 919 F.2d 1394 (9th Cir. 1990); United States v. Smith, 866 F.2d 1092 (9th Cir. 1989). But where Congress sets forth an explicit statutory requirement that the citizen provide information,

> and provides statutory criminal penalties for failure to comply with the request, that is another matter. This is a legislative command, not an administrative request. The PRA was not meant to provide criminals with an all-purpose escape hatch. [emphasis added]

What exactly is this legislative command, this "explicit statutory requirement", this "express prior mandate" upon which the Court places so much emphasis? We search in vain amidst the Court's analysis of the PRA. Instead, we are told that the tax code predates the PRA by over 25 years and that Congress never intended the PRA to create a loophole in that tax code:

> Moreover, the provision of the tax code under which Hicks was convicted predates the PRA by over 25 years. If, in enacting the PRA, Congress had intended to repeal 26 U.S.C. 7203, it could have done so explicitly. Repeals by implication are not favored. ... Congress enacted the PRA to keep agencies, including the IRS, from deluging the public with needless paperwork. It did not do so to create a loophole in the tax code.
>
> We hold that the public protection provision of the PRA, 44 U.S.C. 3512, constitutes no defense to prosecution under 26 U.S.C. 7203. To hold otherwise -- to interpret the PRA without reference to Congress' purpose -- would be to elevate form over substance. [emphasis added]

Evidently, the Court is ready and willing to elevate legislative commands over administrative requests, "explicit statutory requirements" over agency regulations. However, it is not willing to be explicit itself about the exact statutory requirement that is so elevated, at least not in its analysis of the PRA. It is not until the Court analyzes the Administrative Procedure Act (APA) that we finally discover a pivotal reference to the exact statutory requirement which the Court considers so sacred. But this pivotal reference is a foundation of sand.

Administrative Procedure Act

Having made such an important distinction between statutes and regulations, the Court then proceeds to reiterate the same distinction in rejecting a defense based upon the APA. Even though the IRS has failed to publish Form 1040 in the Federal Register, and even though the IRS has failed to promulgate Form 1040 according to the APA notice and comment procedures, the Court maintains that the defendant still had a legal duty to file a tax return. According to the Court, it is entirely "meritless" to argue that the IRS's failure to publish its form eliminated any legal duty that might have required the defendant to file income tax returns:

> Hicks's argument is meritless. It confuses law with regulations with respect to such law. It is the tax code itself, without reference to regulations, that imposes the duty to file a tax return. ... However, even if we suppose that the duty to file tax returns can be understood only with reference to regulations, the IRS has duly promulgated sufficient regulations, e.g. 26 CFR 1.6011-1, 1.6012-1, to make that duty clear. The meaning of "willful failure to make a tax return" is apparent without reference to the contents of Form 1040 or its instructions. Hicks cannot complain that he did not know what was expected of him. He had a duty to make a tax return, and chose to ignore that duty.

Notice, in particular, that the Court has still not mentioned the exact statutory requirement which it considers so decisive. Instead, we are told that the tax code imposes the duty to file a tax return, that the IRS has promulgated "sufficient regulations" to make that duty clear, and that Form 1040 and its instructions are not needed to know that duty. Evidently, the Court judges the statute to be crystal clear and the regulations to be duly promulgated and "sufficient", even if we suppose that the statute is not crystal clear. What exactly is the controlling statutory requirement, and is the "duty to file" as apparent in that statute as the Court would have us believe? In answer to the first question, the Court finally plays its hand:

> Hicks's reliance on United States v. Reinis, 794 F.2d 506 (9th Cir. 1986) is misplaced. As the Fourth Circuit noted in Bowers, Reinis involved unpublished rules (specifically, instructions for a Currency Transaction Report Form) that imposed "substantive obligations beyond those created by the statute itself." ... Only by publication could this obligation become known. The 1040 form, by contrast, did not add to Hicks's basic substantive obligation. That obligation is to comply with the applicable provisions of the Internal Revenue Code. The code requires that persons such as Hicks make a return. 26 U.S.C. 6012. [emphasis added]

At long last, we finally discover the exact statutory requirement which the Court considers so decisive. But is the "duty to file" as "apparent", as obvious and as crystal clear in this exact citation as the Court would have us believe? Let us now quote the operant phrases from a subset of Title 26, Section 6012:

> (a) GENERAL RULE: Returns with respect to income taxes under subtitle A shall be made by the following:
>
> > (1)(A) Every individual having for the taxable year gross income which equals or exceeds the exemption amount .... except that ... nonresident alien individuals subject to the tax imposed by section 871 and foreign corporations subject to the tax imposed by section 881 may be exempted from the requirement of making returns under this section. [emphasis added]

Admittedly, Section 6012 contains a lot more verbiage which covers a lot more exceptions to the general rule, e.g., those not married, heads of households, surviving spouses, joint returns, estates, trusts, political organizations and homeowners associations, and so on ad nauseam. Likewise, the meaning of "nonresident alien individuals" and "foreign corporations" is an entirely separate and complex subject which will divert us too far from the path at hand. The important point here is that the general rule specifies a threshold, namely, the duty to file is imposed by law on every individual having "gross income which equals or exceeds the exemption amount". Is this law sufficiently clear, explicit, and unambiguous? Apparently the Ninth Circuit thinks so. But is it really? Let's be honest and objective about this, because the issues here are important and even crucial to the future of our country.

What is a Widget?

In order to answer these questions, let us first reason by analogy. Because you are now reading a law which I have enacted for you, you are hereby informed that you have a duty to send me a birthday card, and a pair of free tickets to the World Series, if and when I reach the age of 50 widgets. Your immediate response is obvious: what's a widget? You would be happy to comply with the duty if I would only define what a "widget" is, in terms

you understand. Absent such a definition, you cannot comply because my law is vague, and hence void. Once you know what a widget is, you are confident you will be able to determine when my age passes the threshold number of widgets, at which point you will be happy to satisfy your "known legal duty". Without a doubt, my definition of "widget" is crucial and decisive for you to satisfy your duty.

This same logic applies directly to the statutory threshold established for "gross income". At the risk of repeating a mountain of published analysis on this very same issue, we are forced once again to quote the statutory definition of "gross income" as follows:

> SEC. 61. GROSS INCOME DEFINED
>
> (a) GENERAL DEFINITION. Except as otherwise provided in this subtitle, gross income means all income from whatever source derived, including (but not limited to) the following items ... [list follows].

Even though the statute has defined "gross income", it still has not defined "income". What the statute does say is comparable to saying, "Gross widgets means all widgets from whatever source derived." (Or, as Godfrey Lehman says, "Gross gobbledygook is gobbledygook from whatever source derived.") But we still have not defined "widgets" (or gobbledygook) and the definition of "gross widgets" is necessarily vague for this reason and for this reason alone. The statutory definition of "gross income" is a tautology, because it uses a term it is defining in the definition of the term defined. From a purely grammatical point of view, the only thing accomplished by this statutory definition of "gross income" is to qualify the meaning of "gross"; it accomplishes nothing else.

Furthermore, close examination of Title 26, the Internal Revenue Code (IRC), reveals that the meaning of "income" is simply not defined, period! There is an important reason in law why this is the case. At a time when the Supreme Court did not enjoy the benefit of 17,000 State-certified documents which prove it was never ratified, that Court assumed that the 16th Amendment was the supreme law of the land. In what is arguably one of the most important rulings on the definition of "income", the Supreme Court of the United States has clearly instructed Congress that it is essential to distinguish between what is and what is not "income", and to apply that distinction according to truth and substance, without regard to form. In that instruction, the high Court has told Congress that it has absolutely no power to define "income" because that term was considered by the Court to be a part of the U.S. Constitution:

> Congress cannot by any definition it may adopt conclude the matter, since it 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 vs Macomber, 252 US 189] [emphasis added]

Clearly, the Internal Revenue Code has not distinguished between what is and what is not income because to do so would be an exercise of power which Congress does not have. This is a Catch-22 from which the Congress cannot escape. It either defines income by statute and thereby exercises a power which it does not have, or it fails to define income, thereby rendering whole chunks of the Internal Revenue Code null and void for vagueness.

The well documented failure of the 16th Amendment to be ratified raises a host of other issues too complex to analyze here. One could argue, for example, that the term "income" is really not a part of the Constitution after all, because it is found only in the text of the failed amendment. Suffice it to say that Congress has never had the power to lien on the private property of sovereign Citizens of the 50 States, with or without the 16th

Amendment, unless the lien results from a statute authorizing a direct tax which satisfies the apportionment rule in the Constitution (1:2:3 and 1:9:4).

Income is private property. Absent a direct tax, or some commercial agreement to the contrary, the federal government is not empowered to obtain a controlling interest in, or otherwise lien on private property so as to compel a private Citizen's performance to any third-party debt or obligation. Moreover, it is a well established principle in law that government cannot tax a sovereign Citizen for freely exercising a right guaranteed by the U.S. Constitution. The acquisition and exchange of private property is such a right.

Numerous other rulings of the Supreme Court have all defined "income" in the same exact terms, namely income is a "profit" or a "gain". (See attached formal petition to Rep. Barbara Boxer for all relevant citations.) Remember, these are not the writings of some extremist or radical constitutional libertarian. We are relying here upon the words of the Supreme Court of the United States, in cases wherein the official definition of "income" was decisive. Try to find a principle that is better settled:

> Remember that our source is not some "tax protest" group. Just about everything we are telling you comes from the U.S. Supreme Court. It would be difficult, and perhaps impossible, in our system of jurisprudence, to find a principle better settled than the one we have been citing.
>
> [from Tax Scam by Alan Stang, Mt. Sinai Press, POB 1220, Alta Loma, CA 91701, 1988]

Whatever arguments one may choose to make from this point forward, those arguments would certainly benefit from a knowledge of the relevant case law in this area. I mean, if we're talking gasoline taxes, then we know the subject of the tax is gasoline; if we're talking tobacco taxes, then we know the subject is tobacco. Why should a tax on "income" be any different? Just because the Congressional Research Service chooses to differ with the Supreme Court? Just because the IRS uses police power to enforce a different definition? Just because the Federal Reserve needs a powerful agency to collect interest payments for its syndicated monopoly on private credit?

Is the Code Sufficient?

The Ninth Circuit tips its hand in another, albeit subtle way when it discusses so-called makeshift returns. Simply stated, you don't need a Form 1040 or its instructions to make and file a return; the statute and the regulations are enough:

> While it is true that the regulations state that filing a Form 1040 is the preferred manner of making a return, it is by no means the only manner of filing. 26 C.F.R. 1.6012-1(a)(6). Knowing the code and the regulations, and no more, is enough to enable Hicks to attempt to comply with the obligation to file a return. He did not need to consult a 1040 form or its instructions. See also 26 C.F.R. 1.6011-1(b) (taxpayer is not penalized for filing a makeshift return pending the filing of a proper return). It follows that Form 1040 is not a "rule" subject to the complicated publication, notice, and comment requirements of the APA.
>
> [emphasis added]

Notice, in particular, that the Court has ruled that "knowing the code and the regulations, and no more, is enough ...." The Court has not ruled that "knowing the code is enough". This is an important, and telling

admission on the part of the Ninth Circuit. By their own previous precedents in Hatch and Smith, this Court ruled that OMB control numbers and expiration dates are required to be displayed in the Code of Federal Regulations. We already know that the IRC does not define "income". If the regulations also fail to contain a satisfactory definition of "income", and if those same regulations fail to display currently valid OMB control numbers, the conscientious citizen is faced with a double whammy. The regulations are not only null and void for vagueness, they can also be ignored as "bootleg requests" because they do not display OMB approval. If the Code cannot be understood without those regulations, the Code is not sufficient. Last but not least, Congress' lack of power to legislate a statutory definition of "income" is also equally true of the regulations which promulgate statutes. Were the regulations which implement Section 6012 to contain a definition of "income", the very existence of that definition in a regulation (which has the force of law) would evidence the exercise of a power which Congress has been told, in clear and certain terms, it simply does not have.

U.S. vs Bentson

Having established its precedents in U.S. vs Hicks, the Ninth Circuit proceeds to make summary hay of similar issues raised by defendant Stephen W. Bentson. The Court observed that Bentson's PRA argument was essentially the same as the argument it rejected in Hicks, and they found no merit in it:

> Bentson points to dicta in United States v. Collins ... that suggest that persons charged with criminal violations of the Internal Revenue Code might in some circumstances legitimately raise a PRA defense. For reasons given in Hicks, we believe that the PRA was not intended to provide such a defense, and therefore we disagree with the Collins court's dicta.

The Court's disposal of the APA argument is even less enlightening:

> The district court denied Bentson's motion for dismissal based on the APA as untimely. Whether or not it was untimely, the legal theory on which the motion was based has no merit. Hicks, supra.

So much for the APA. Since the Bentson case contains no additional analysis and relies upon the precedent(s) set by the Hicks case, it would be fair to fault the Bentson ruling for the same reasons that the Hicks ruling is faulty.

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Appendix I: Notice to 50 Governors

MEMO

TO: Friends, Neighbors, Colleagues
and all interested parties

FROM: Mitch Modeleski, Founder
Account for Better Citizenship

DATE: September 10, 1991

SUBJECT: Enclosed Letter to 50 State Governors

Enclosed please find a copy of our letter and attachments to the 50 Governors of the sovereign States of the Union.

With this letter, we place these 50 Governors on notice that a great fraud and deception have been fastened upon the American people.

This fraud and deception are the result of a private credit monopoly (the Federal Reserve System) and a repressive and confiscatory taxing syndicate (the Internal Revenue Service) that have been imposed upon us without our consent.

We petition the Governors to understand that heavy government borrowing and excessive taxation go hand-in-hand, that a foreign jurisdiction has obtained control of money and credit in America, and that the situation is now so serious, it threatens systematically to corrupt and destroy the very foundations of our modern civilization.

Help us to assist the Governors to understand that Congress has seized vast powers from the States for the federal government by means of gross deficit spending, heavy government borrowing, and unlawful delegation of monetary powers to a private banking cartel.

Help us to abolish the specter of modern slavery which now threatens to destroy the essential rights and freedoms which made this a great nation and the envy of others around the world.

Please join us in demanding the 50 Governors to act decisively in accordance with their solemn oath of office: to uphold and defend the Constitution of the United States from all enemies, both foreign and domestic.

Help us to restore a government which has drifted so far off course, it hardly resembles the constitutional republic it was designed to be.

Account for Better Citizenship
c/o USPS P. O. Box 6189
San Rafael, California Republic
Postal Code 94903-0189/TDC

Account for Better Citizenship
c/o USPS Post Office Box 6189
San Rafael, California Republic
Postal Code 94903-0189/TDC

Governor [date]
Office of the Governor
State Capitol
City, State

Dear Governor :

We are writing in order to notify you formally that a great fraud and deception have been fastened upon the people of your State. In so doing, we place you on notice of this fraud and deception, and request that you exercise your solemn oath of office to uphold and defend the Constitution of the United States and the rights of the people.

Our forefathers waged the War of Independence, suffered enormous sacrifices, and even gave their lives to sever our nation from an unlawful jurisdiction imposed on them by the King of England. This jurisdiction is known as Admiralty Law. Its primary beneficiary is the Federal Reserve System, a private credit monopoly once described by Congressman Louis T. McFadden as "one of the most corrupt institutions the world has ever known". Congressman McFadden was Chairman of the House Banking and Currency Committee from 1927 to 1933.

By utter deceit and a failure to abide by the mandates of the U.S. Constitution, our lawmakers have imposed this same unlawful jurisdiction back upon the people. This was done through the chicanery and great pressure applied by the international banking community, whose aim has always been to control the issuance of money and credit. Foremost among these bankers was Mayer Amschel Rothschild who stated,

> "Permit me to issue and control the money of a nation, and I care not who makes the laws."

We are now in an undeclared economic war, and the enemy is winning!

If the people of this nation had not been raped by the great banking cartels, we would have no poor or homeless in our nation; to quote an editorial in the London Times in 1865, we would by now have become:

> "... prosperous beyond precedent in the history of the civilized governments of the world."

This same editorial went on to predict that our nation would pay off its debts and be without a debt. It would have all the money necessary to carry on its commerce. The brains and wealth

of all countries would go to North America. For these reasons, the London Times urged that our government be destroyed, or it would destroy every monarchy on the globe!

American history reveals that Benjamin Franklin traveled to England as a representative of the Colonies. The British officials there asked how it was the Colonies managed to collect enough taxes to build poor houses, and how they handled this terrible burden of caring for the poor. Franklin's reply was simple and direct:

> "We have no poor houses in the Colonies, and if we had, we would have no one to put in them, as in the Colonies there is not a single unemployed man, no poor and no vagabonds."

He went on to explain the underlying reason for this:

> "It is because in the Colonies we issue our own paper money. We call it Colonial Script, and we issue only enough to move all goods freely from the producers to the Consumers; and as we create our money, we control the purchasing power of money, and have no interest to pay."

As Franklin knew so well, this system guarantees honest money. There would be no need for inflation or deflation, as long as the money supply was kept equal to the value of goods to be moved.

Contrast this condition to that of England: all her money was borrowed from banks, and repressive taxes were laid upon the people. Banks usurped the government's right to create and regulate money. Banks created money or credit "out of thin air", by mere bookkeeping entries, with no labor or wealth involved or exchanged.

Today, we suffer from the same debt money system here in America. As a result, the nation's wealth is being systematically transferred from a nation of producers to a syndicate of lenders, who have done nothing in any way to earn it or warrant it.

Why should the people pay tribute to a private credit monopoly for the benefit of using their own money? The people retain an unalienable right to create their own medium of exchange, through their elected representatives in the Congress of the United States, as mandated by the Constitution. When this right was challenged by the British, the Colonists went to war. Benjamin Franklin identified this as the real reason for the War of Independence:

> "The Colonies would gladly have borne the little tax on tea and other matters, had it not been that England took away from the Colonies their money, which created unemployment and dissatisfaction."

We believe that President Abraham Lincoln was assassinated for his creation of "United States Notes", and for his refusal to borrow debt money from banks. Lincoln was quoted to say:

> "The people can and will be furnished with a currency as safe as their own Government. Money will cease to be master and become the servant of humanity. Democracy will rise superior to the money power."

Governor, with your help, and with the grace of God, this can still happen.

Governor, we expect you to understand that debt money and excessive taxes go hand-in-hand. Today, Americans pay over 10,000 PERCENT more in taxes than did Colonial Americans. Federal income taxes are confiscated under duress, even though they are voluntary under law, and apply only to persons in federal enclaves or possessions.

The framers made it plain that "No money shall be drawn from the Treasury but in consequence of appropriations made by Law" (Article I, Section 9, Clause 7). Nevertheless, a philosophy of "tax, tax; spend, spend; elect, elect" began in the Roosevelt era when the U.S. Supreme Court relaxed traditional restrictions on the Federal Government in the Butler case (297 US 1, 1936).

In this case, the Court interpreted the "general welfare" clause as a general grant of power to Congress to tax and spend for anything it felt was in the interest of the nation's welfare. This ruling opened the U.S. Treasury to unlimited looting by politicians who saw this as a golden opportunity to increase taxes and buy votes with federally funded projects in their respective States. A massive share of this funding is now done through heavy government borrowing!

Governor, if this situation is not changed, the destiny of our nation is literally in the hands of international bankers and their cohorts. As German statesman and soldier Bismarck predicted:

> "The death of Lincoln was a disaster for Christendom .... I fear that foreign bankers with their craftiness and tortuous tricks will entirely control the exuberant riches of America and use them systematically to corrupt modern civilization. They will not hesitate to plunge the whole of Christendom into wars and chaos in order that the earth shall become their inheritance."

For our own sake, and for the sake of our posterity, we pray that you will be earnest in your endeavor to help set our nation aright. Honor your oath of office, so that your constituents and our Creator may properly show you respect, and that you too may proclaim, with Benjamin Franklin:

> "I can appear cheerfully before God fearing nothing from His justice in this particular."

Governor, join us to help restore the laws and liberties that our founding fathers fought so hard to win and leave to us, their posterity.

Please take the time necessary to study personally the

material enclosed with this letter. It summarizes the fraud we now suffer, from a private credit monopoly and a confiscatory taxing syndicate imposed upon us without our consent.

Then, honor us by acting decisively in accordance with your solemn oath of office: to uphold and defend the Constitution of the United States from all enemies, both foreign and domestic, so help you God.

Yours for liberty and justice,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

/s/ Leigh Waddell
Secretary

attachments:

Graph of U.S. National Debt
'Why, Pilgrim, Don't You Act?'
'Promises Made, Promises Broken'
'How It All Began'
'The Rothschild-Hamilton Money and Banking System'
'The Lost Document'
'What You Should Know About the Federal Reserve System'
Letter to 60 Minutes, by Mitch Modeleski, 5/29/91
Letter to 60 Minutes, by Godfrey Lehman, 5/21/91
Letter to Prof. Louis Roseman, by Mitch Modeleski, 5/2/91
'The Two United States and the Law,' by Howard Freeman
'$10,000 Reward'
Selected Bibliography

enclosure:

A Moderate Proposal for Restoring Prosperity
Individual and National, by Jean Carpenter

Why, Pilgrim, Don't You Act'

an excerpt from the book Tax Scam, by Alan Stang:

"As you know, the Constitution reserves the power over money to the Congress, which power Congress is forbidden to delegate. How would you respond, were Congress illegally to give its power to a private corporation, like Ford or Xerox, or Occidental Petroleum or IBM, or a new corporation organized for the purpose? Suppose Congress confiscated your gold and gave it to that private corporation. Suppose that private corporation issued currency the government forced you to use, and on which it forced you to pay interest. Suppose that private corporation extended credit ('cheap money') and then called the loans; did so time after time, creating endless boom and bust; thereby farming the farmer and bringing the people to their knees -- protesting all the while in a blizzard of propaganda that it was fighting these things.

"How would you respond? Do we exaggerate when we speculate that you would call it the biggest scandal of all

time? Are we far afield when we guess that you would demand a special prosecutor, complete with hearings, to expose the conspiracy; seizure of the corporation's assets and abolition of the corporation; long prison terms for the perpetrators, in government and out; and restoration to Congress of the money power, in obedience to the Constitution?

"Pilgrim, if that is close to what you would demand, may we ask respectfully why you have not demanded it -- because the private corporation we have been talking about is the Federal Reserve System.

[Alan Stang, Tax Scam, Research Publications, P.O. Box 84902,
Phoenix, Arizona 85071, 1988, pages 228-229]

Promises Made, Promises Broken

In promoting passage of the Federal Reserve Act of 1913, its sponsors, and those working to see it passed, made ten promises:

1. To operate entirely under the direction and control of the President and his appointees to the Board of Governors.

2. To pay interest to the government for the privilege of printing Federal Reserve Notes as the nation's currency.

3. To perform many banking services for the government free of charge.

4. To manage the nation's money supply so as to stabilize the dollar which, in turn, would stabilize prices.

5. To remove the United States from the control of Wall Street.

6. To prevent depressions and eliminate "boom and bust" cycles.

7. To be a friend and helper to farmers and to the monetary needs of small businesses.

8. To create a system that would remain forever decentralized, so each Federal Reserve Bank would have as much influence in monetary policies as the one in New York City.

9. To protect American interests against foreign monetary assaults.

10. To supervise and inspect local banks and provide funds when they were pressed by unexpected demands.

Contrary to promises, the effects of the Federal Reserve Act have been disastrous:

1. Judged by the promises at the time the act was passed, including a stable currency and elimination of boom and bust cycles, the Fed must be rated, at best, a colossal failure.

2. The Federal Reserve action of curtailing the nation's money supply by a third in 1929 converted a serious recession into a disastrous depression, destroying one-third of the nation's banks in the process.

3. Judged on the basis of the U.S. Constitution and by the intent of its framers, the Federal Reserve Act and amendments are clearly unconstitutional.

4. The present system, requiring people and businesses to pay interest to the banks on every Federal Reserve dollar in circulation, is a devastating and needless burden, adding to bankruptcies in a recession and severely hampering recovery. An Honest Money System, based on debt-free money, is essential to the economic

well-being of the people all across the U.S.

5. An unstable national money supply is a debilitating handicap at best and, at worst, not only causes but worsens "boom or bust" business cycles so destructive of the people's best interests.

6. The people of America now suffer from needless recessions brought on by the cumulative effects of inflation and interest-bearing debt financing encouraged by the Federal Reserve System.

How It All Began

an excerpt from the book A Writ for Martyrs, by Eustace Mullins:

"The income tax amendment and the Federal Reserve Act were passed in the same year, 1913, because they function as an essential team, and were planned to do so. The Federal Reserve districts and the Internal Revenue Districts are "new states," which have been established within the jurisdictions of legal states of the Union. But why were they so established, and why are they co- functional? The Internal Revenue Service has the duty of collecting large amounts of taxes from employed Americans, solely as an agent of the Federal Reserve System. It was not accidental, nor was it coincidental, that these acts coincided with the preparations of World War I. The necessity for income tax "collections" did not become obvious for some years. The U.S. Congress had awarded the Federal Reserve System the power to issue money, despite the fact that the Federal Reserve bank stock was entirely owned by private stockholders. The Federal Reserve System then began to issue large amounts of profitable interest- bearing "U.S. dollars," without control from any government agency. It became apparent that the Federal Reserve System must set up its own system of controls, which it did through the Internal Revenue Service. Here again, the "Service" was not a service to the U.S. Government, nor a service to the American people. It was a service to the Federal Reserve System. The IRS performed the necessary task of "sopping up" the enormous amounts of money issued by the private stockholders of the Federal Reserve System to finance their systematic acquisition of all the property of the people of the United States.

"If these billions of paper instruments remained in continuous circulation, they would become mere assignats, not worth a Continental. The money is controlled by confiscatory taxation through the agency of the Internal Revenue Service. The system was laid down by David Ricardo, son of Abraham Israel, an Amsterdam stock manipulator who moved to England and made a fortune with the Rothschilds in the Waterloo speculations. Ricardo developed the technique of controlling the people through taxation. His direct descendant, Rita Ricardo Campbell, now advises President Reagan on Social Security.

"As the largely worthless paper assignats are forcibly removed from circulation by the zealous activities of the Internal Revenue Service, the Federal Reserve System can then issue more billions of paper currency to the public. The constant flow of "new money" deceives the public into thinking these assignats have real value.

"The IRS also fulfills Ricardo's dictum that the worker must never be allowed to enjoy more than a bare subsistence wage. Income tax, withholding tax, Social Security tax and other taxes fulfill Ricardo's dictum. With no money beyond bare subsistence, the workers are effectively prevented from engaging in political activity. In effect, the IRS functions as the slave overseer of the great American plantation, plying the lash freely in order to keep the workers bent to their tasks. However, neither the function of sopping up paper money for the Federal Reserve System nor the controlling of the workers by robbing them of their wages is a proper function of the United States Government."

[Eustace Mullins, A Writ for Martyrs, published by O.T.U. Christ
Church, P. O. Box 1105, Staunton, VA 24401, 1985, pages 190-191]

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Appendix J: Petitions to Congress

Text of Prepared Statement

Read Aloud at Community Meeting

Sponsored by Representative Barbara Boxer

by

Mitch Modeleski, Founder
Account for Better Citizenship

August 22, 1990

Dance Palace
Pt. Reyes Station, California

Good Evening, Representative Boxer. My name is Mitch Modeleski. I want to thank you for inviting us to this gathering, and for your statement to us here tonight. I have listened with undivided attention to what you have said. I have come here tonight to ask that you now give me your undivided attention, and that you answer honestly, yes or no, the simple question I will put to you at the end of my brief statement. Representative Boxer, I formally present to you substantive evidence that the 16th Amendment to the Constitution of the United States was never lawfully ratified. I present to you substantive evidence that a massive fiscal fraud has been perpetrated by the federal government upon the people of this land, a massive fiscal fraud that began in the year 1913 and continues until today. And so, I will put to you this simple question. Please honor my question by answering YES or NO. Do you, or do you not, support the abolition of federal taxes on personal income sources?

MEMO

TO: Friends, Neighbors, Colleagues
and all interested parties

FROM: Mitch Modeleski, Founder
Account for Better Citizenship

DATE: January 1, 1991

SUBJECT: Enclosed Letter to Rep. Barbara Boxer

I am writing to share with you a copy of my recent long letter to Congresswoman Barbara Boxer, my representative in the Congress of the United States. If you will please find the time to read the entire letter, I am confident you will agree that it documents numerous reasons for coming to the following conclusions about our federal government:

1. Wages are not taxable income, as the term is 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 "income tax" amendment, was never lawfully ratified by the required 36 States, but was declared ratified by the U.S. Secretary of State.

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.

Please feel free to duplicate this memo and the attached letter to Representative Barbara Boxer, in any quantity you wish.

If you wish to write to me, please use the address found on the first page of my letter to Rep. Boxer.

Thank you for your consideration.

REGISTERED U.S. MAIL:
Return Receipt Requested

c/o P. O. Box 6189
San Rafael, California
Postal Zone 94903-0189

December 24, 1990

Rep. Barbara Boxer
House of Representatives
United States Congress
Washington, D.C. 20515

Dear Representative Boxer:

With this letter, I formally petition you for redress of a major legal grievance which I now have with the federal government of the United States of America. At your community meeting in Pt. Reyes Station last fall, you agreed publicly, in front of several hundred witnesses, to examine the evidence against the 16th Amendment to the U.S. Constitution. Since I have not heard from your office on this matter, I am writing this letter to remind you of your promise, and to remind you also of your oath of office, by which you swore to uphold and defend the Constitution of the United States of America, so help you God.

I do understand how the crisis in Iraq has succeeded in changing your priorities and distracting you, your staff, and your colleagues from other pressing national issues. At your recent community meeting at the College of Marin, you chose to limit public discussion to the reasons for and against a Congressional declaration of war against Iraq. I must admit, to the extent President Bush sought to preempt the front page with his offensive military maneuvers, he has been almost entirely successful in that endeavor. Barbara, you must understand that the problems with the 16th Amendment, and they are many, will not go away simply because the President, the Courts, or the Congress wish them away.

A terribly confusing and fearful situation has arisen out of the fact that the Supreme Court has, on several

occasions, clearly defined what constitutes "taxable income", whereas Federal District and Appellate Courts have, for at least the last ten years, chosen to ignore the relevant Supreme Court decisions and to include wages in their definition of taxable income. As a result of decisions by these lower courts, people have been imprisoned and their homes and other assets have been forcibly taken from them. Moreover, the Federal courts have consistently refused to admit into evidence any of the 17,000 State-certified documents which have been assembled against the 16th Amendment.

These same lower courts cite the case of Brushaber vs Union Pacific Railroad, among others, in support of their conclusion that the 16th Amendment has been declared constitutional by the U.S. Supreme Court. To add to the confusion, federal tax experts like Irwin Schiff and Otto Skinner cite this same Supreme Court in support of their conclusion that the 16th Amendment did not change any of the taxing powers already found in the U.S. Constitution. For example, Schiff has written the following:

> Another fallacy promoted by the government and the legal establishment is that the Sixteenth Amendment amended the Constitution. The Brushaber Court, however, clearly explained that, in reality, the Sixteenth Amendment did not alter the taxing clauses of the Constitution. ...
>
> Here the Court pointed out that any belief that the 16th Amendment gave the government a new, direct taxing power (not limited by either apportionment or the rule of uniformity) would "cause one provision of the Constitution to destroy another", and "if acceded to ... would create radical and destructive changes in our constitutional system."
>
> [from The Great Income Tax Hoax, Hamden, 1984, Freedom Books, pages 182-183, emphasis added]

Author Otto Skinner relies, in part, on the Supreme Court decision in Stanton vs Baltic Mining Company which reads:

> ... the provisions of the Sixteenth Amendment conferred no new power of taxation[,] but simply prohibited the previous complete and plenary power of income taxation[,] possessed by Congress from the beginning[,] from being taken out of the category of indirect taxation[,] to which it inherently belonged[,] and being placed in the category of direct taxation subject to apportionment.
>
> [quoted in The Best Kept Secret, San Pedro, Calif., 1986, Otto U. Skinner, emphasis and commas added for clarify]

Contrast these cases with the following statement published in the Federal Register, Vol. 39, No. 62, March 29, 1974, in the section entitled "Department of the Treasury, Internal Revenue Service, Organization and Functions", which reads as follows:

> (2) Since 1862, the Internal Revenue Service has undergone a period of steady growth as the means for financing Government operations shifted from the levying of import duties to internal taxation. Its expansion received considerable impetus in 1913 with the ratification of the

> Sixteenth Amendment to the Constitution under which Congress received constitutional authority to levy taxes on the income of individuals and corporations. [emphasis added]

I have several serious problems with this statement, which was published in the Federal Register by Donald C. Alexander, Commissioner of Internal Revenue at that time. First of all, the IRS now defines "income" to include wages. Using the above quote, the IRS cites the 16th Amendment for its authority to levy taxes on wages. Nevertheless, this definition of income flatly contradicts the definition of income found in several key Supren Court decisions. Specifically, the Brushaber court wrote the following in their decision to uphold the constitutionality of the 16th Amendment:

> Moreover in addition the conclusions reached in the Pollock Case did not in any degree involve holding that income taxes generically and necessarily came within the class of direct taxes on property, but on the contrary, recognized the fact that taxation on income was in its nature an excise entitled to be enforced as such ....
>
> [Brushaber vs Union Pacific Railroad 240 U.S. 1, emphasis added]

Can there be any doubt that taxes on wages are "direct taxes on property"? District and Appellate courts have repeatedly sided with the IRS by ruling that "income" is anything that "comes in". In doing so, these same courts flatly contradict earlier Supreme Court decisions on the very same subject. Take the case of Southern Pacific Company vs John Z. Lowe, Jr., 247 U.S. 330, which decided as follows:

> We must reject in this case ... the broad contention submitted in behalf of the Government that all receipts -- everything that comes in -- are income within the proper definition of "gross income" ....

Another Supreme Court decision which defined what constitutes "taxable income" is Emanuel J. Doyle vs Mitchell Brothers Company, 247 U.S. 179. In defining "income", this decision stated that:

> ... it imports, as used here, something entirely distinct from principal or capital either as a subject of taxation or as a measure of the tax; conveying rather the idea of gain or increase arising from corporate activities.

Another Supreme Court case, Stratton’s Independence vs Howbert, 231 U.S. 406, issued yet another official definition of "income" as follows:

> This court had decided in the Pollock Case that the income tax law of 1894 amounted in effect to a direct tax upon property, and was invalid because not apportioned according to population as prescribed by the Constitution ... for "income" may be defined as the gain derived from capital, from labor, or from both combined ....

Without question, the most significant Supreme Court case to define "income" was Mark Eisner vs Myrtle H. Macomber, 252 U.S. 189, commonly known as Eisner vs Macomber. In the following long passage, pay particular attention to the explicit intent of the Supreme Court in wording its decision the way it did:

> In order, therefore, that the clauses cited above from Article I of the Constitution may have proper force and effect ... it becomes essential to distinguish between what is and what is not "income," as the term is there used; and to apply the distinction, as cases arise, according to truth and substance, without regard to form. Congress cannot by any definition it may adopt conclude the matter, since it 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.
>
> ... Here we have the essential matter -- not a gain accruing to capital, not a growth or increment of value in the investment; but a gain, a profit, something of exchangeable value proceeding from the property, severed from the capital however invested or employed, and coming in, being "derived," that is received or drawn by the recipient (the taxpayer) for his separate use, benefit and disposal -- that is income derived from property. Nothing else answers the description.
>
> ... A proper regard for its genesis, as well as its very clear language, requires also that this [16th] Amendment shall not be extended by loose construction, so as to repeal or modify, except as applied to income, those provisions of the Constitution that require an apportionment according to population for direct taxes upon property real and personal. This limitation still has an appropriate and important function, and is not to be overridden by Congress or disregarded by the courts. [emphasis added]

In another Supreme Court case, Merchant's Loan & Trust Company vs Smietanka, 255 U.S. 509, note in particular that the definition of "income" was considered to be "definitely settled" as follows:

> ... with the addition that it should include "profit gained through a sale or conversion of capital assets," there would seem to be no room to doubt that the word must be given the same meaning in all of the Income Tax Acts of Congress that was given to it in the Corporation Excise Tax Act and that what that meaning is has now become definitely settled by decisions of this court.
>
> In determining the definition of the word "income" thus arrived at, this court has consistently refused to enter into the refinements of lexicographers or economists and has approved, in the definitions quoted, what it believed to be the commonly understood meaning of the term which must have been in the minds of the people when they adopted the Sixteenth Amendment to the Constitution. ...
>
> Notwithstanding the full argument heard in this case and in the series of cases now under consideration, we continue entirely satisfied with that definition, and, since the fund here taxed was the amount realized from the sale of the stock in 1917, less the capital investment as determined by the trustee as of March 1, 1913, it is palpable that it was

> a "gain or profit" "produced by" or "derived from" that investment, and that it "proceeded," and was "severed" or rendered severable, from, by the sale for cash, and thereby became that "realized gain" which has been repeatedly declared to be taxable income within the meaning of the constitutional amendment and the acts of Congress.

Accordingly, after reviewing all the relevant federal court decisions for the past 80 years, constitutional tax expert and author Jeffrey A. Dickstein has written the following to summarize his findings:

> Income has been defined by the United States Supreme Court to be a profit or gain derived from various sources, such as labor and capital. A tax directly on the source is a direct tax, and must still be apportioned. A tax on the income derived from the source need not be apportioned. Labor, the labor contract, and the right to sell labor have all been held by the Supreme Court to constitute property. The procedure to determine if there is a gain derived from the sale of property has been set forth by Congress. Gain is derived only if one receives over and above the fair market value of the cost of the property. These basic principles are simple to state and simple to apply. They also lead to one inescapable conclusion:
>
> WAGES DO NOT CONSTITUTE INCOME.
>
> ... You must be cautioned that not filing a return with the Internal Revenue Service could result in the imposition of civil penalties and/or the recommendation for criminal prosecution. This illegal conduct on the part of our Executive Department of government is yet but another in a long line of abuses, similar to those which resulted in the Declaration of Independence. It is nonetheless my contention that provisions contained in the United States Constitution, together with decisions of the United States Supreme Court, fully support the legal conclusion that wages do not constitute income as shown in previous chapters, and reinforce the position that the Internal Revenue Service is violating the law in its administration of the personal federal income tax, with the full consent of the federal judiciary.
>
> [from Judicial Tyranny and Your Income Tax, Missoula, Custom Prints, 1990, pages 277- 280, emphasis added]

Return now to the statement by IRS Commissioner Donald C. Alexander in the Federal Register in 1974. Under the 16th Amendment, "Congress received constitutional authority to levy taxes on the income of individuals and corporations." Even if the 16th Amendment had been properly ratified by three-fourths of the 48 States in 1913, the Supreme Court has repeatedly defined "taxable income" to be a "gain or profit", not wages or fair compensation for labor. The Supreme Court has never included wages in its several definitions of "taxable income" nor in its interpretations of the 16th Amendment. If that had ever been the intent of the 16th Amendment, or of the Framers of the original Constitution, don’t you think the Supreme Court would have said so by now? The Supreme Court has certainly had plenty of opportunities to do so, and they have not done so. Wages for labor were not invented yesterday.

Consider now the situation that arises from a 16th Amendment that was never properly ratified. I am not going

to bother here with spelling errors, or with differences in the capitalization of the word "State", that occurred in various resolutions presented to the state legislatures. I am referring, instead, to important, official acts which directly affect the legality of the 16th Amendment, including the vetoes of governors and a State court decision which struck down the Resolution. Note the situation that obtained in Illinois, as quoted from The Law that Never Was, by Bill Benson and M. J. 'Red' Beckman

> In Ryan v. Lynch, 68 Ill. 160, a certificate of the Secretary of State purporting to give full and true copies of the journals of the senate and house relating to the passage of the bill was in evidence and did not show that the bill was read three times on three different days nor passed on a vote of the ayes and noes, as required by the constitution, and the court said that 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.
>
> In People v. Knopf, 198 Ill. 340, the court again stated the rule that if the facts essential to the passage of a law are not set forth in the journal the conclusion is that they did not transpire, and if the journal fails to show that an act was passed in the mode prescribed by the constitution the act must fail. [page 52]

Nevertheless, U.S. Secretary of State Philander Knox declared Illinois to be one of the States which ratified th 16th Amendment.

In Arkansas, Governor George W. Donaghey vetoed Senate Joint Resolution No. 7, the proposed 16th Amendment, and the Arkansas Legislature failed to override his veto. According to the provisions of Article VI, Section 16 of the Arkansas State Constitution:

> Every order or resolution in which the concurrence of both houses of the General Assembly may be necessary, except on questions of adjournment, shall be presented to the Governor, and before it shall take effect, be approved by him; or being disapproved, shall be repassed by both houses, according to the rules and limitations prescribed in the case of a bill.

When confronted with this serious matter, namely, a governor's veto and the failure of a state legislature to override his veto, the Solicitor of the Department of State wrote the following:

> Ratification by Arkansas. Power of the governor to veto.
> It will be observed from the above record that the Governor of the State of Arkansas vetoed the resolution passed by the legislature of that State. It is submitted, however, that this does not in any way invalidate the action of the legislature or nullify the effect on the resolution, as it is believed that the approval of the Governor is not necessary and that he has not the power to veto in such cases.
>
> [quoted in The Law that Never Was, page 22]

"It is believed that the approval of the Governor is not necessary and that he has not the power to veto in such

cases." Note, in particular, who is making this statement. It is not a judge; it is not a law maker; and it is not a law. The person is a staff lawyer in the Department of State, an organization with no authority whatsoever to make laws or to render official interpretations of law. Making federal law is a power reserved for the Congress of the United States. Rendering final, official interpretations of law is a power reserved for the Supreme Court of the United States. Here, we have the case of a ministerial agent rendering a highly important legal opinion, and a wrong one at that, in a matter affecting the Constitution of the United States, the supreme law of the land. And his opinion was allowed to stand. This is an abomination!

I do not pretend to have any power to foresee the future, particularly in matters affecting the politics of legal interpretation. Nevertheless, with that said, the IRS and the federal government in general face a number of difficult political and legal problems, should the ratification of the 16th Amendment ever be overturned. Quite obviously, the IRS will no longer be able to cite this Amendment as the means "under which Congress received constitutional authority to levy taxes on the income of individuals and corporations." It will need to find, or create, some other authority to levy taxes on the "income" of individuals and corporations. But this is a lot easier said, than done.

With or without a 16th Amendment, the IRS must deal with a long series of Supreme Court decisions which consistently define "taxable income" to be something quite other than wages. More to the point, the Supreme Court has also ruled that "Congress cannot by any definition it may adopt conclude the matter, since it cannot by legislation alter the Constitution." This means that neither the IRS nor Congress have the authority to define "income" any old way they want. This applies to you too, Barbara Boxer, as an elected member of the House of Representatives and as a private citizen. Under the Constitution of the United States, the IRS has never been empowered to make any laws in this area. Those seeking to re-define "income" to include wages will need to persuade the Supreme Court to overturn all previous decisions to the contrary, including decisions which investigated in depth the relevant issues and history of direct taxes, indirect taxes, and defining income.

Assuming for the moment that it was properly ratified, there remains a serious debate, both inside and outside the federal judiciary, as to whether the 16th Amendment authorized an unapportioned direct tax on "income", or whether it authorized an excise entitled to be enforced as an indirect tax. The Pollock Case supports the idea that federal income taxes are direct taxes. The Brushaber Case supports the idea that federal income taxes are indirect taxes. Contrary to Supreme Court rulings, the IRS defines income to include wages, and cites the 16th Amendment as its authority for imposing direct taxes on wages without apportionment. Accordingly, some legal scholars conclude that the 16th Amendment did amend the Constitution, while others conclude that it did not. A properly pleaded Supreme Court decision would hopefully settle the several issues in this particular debate; it would serve to determine which rule applies to "federal income taxes" -- apportionment for direct taxes, uniformity for indirect taxes, or neither -- and to provide a credible justification for this determination.

To illustrate the range of disagreement on such a fundamental constitutional issue, consider the conclusion of legal scholar Vern Holland:

> It results, therefore: ...
>
> 4. That the Sixteenth Amendment did not amend the Constitution. The United States Supreme Court by unanimous decisions determined that the amendment did not grant any new powers of taxation; that a direct tax cannot be relieved from the constitutional mandate of apportionment; and the only effect of the amendment was to overturn the theory advanced in the Pollock case which held that a tax on income, was in legal effect, a tax on the sources of the income.
>
> [The Law that Always Was, Tulsa, 1987, F.E.A. Books, p. 220]

Now consider an opposing view. After much research and much litigation, author and attorney Jeffrey A Dickstein offers the following clarification:

> A tax imposed on all of a person's annual gross receipts is a direct tax on personal property that must be apportioned. A tax imposed on the "income" derived from those gross receipts is also a direct tax on property, but as a result of the Sixteenth Amendment, Congress no longer has to enact legislation calling for the apportionment of a tax on that income. [ibid., pages 60-61, emphasis added]

We must be careful not to put the cart before the horse, however. Like it or not, this debate cannot proceed any further without squarely facing 17,000 State-certified documents impugning the entire ratification process of the 16th Amendment. This means that citizens and lawmakers together must confront our current situation "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." Chicanery is not synonymous with good law. Specifically, even if this were its specific intent, the 16th Amendment could never have done away with the apportionment requirement on any direct taxes if it never became a law in the first place. Without question, the IRS is now enforcing the collection of income taxes as direct taxes without apportionment, and cites the 16th Amendment as its authority to do so.

Without the 16th Amendment, Congress does retain its original authority to levy two great categories of taxes -- direct taxes and indirect taxes -- an authority it always had. Without the 16th Amendment, direct taxes are constitutional, and therefore legal, if and only if they are apportioned across the several States. Taxes on wages, or on all of a person's gross receipts, are direct taxes on personal property which must be apportioned, and are illegal and unconstitutional if they are not. Moreover, failing the 16th Amendment and using Dickstein's logic as a guide, taxes on the "income" derived from those gross receipts are also direct taxes on property, and must also be apportioned. Without the 16th Amendment, indirect taxes are constitutional, and therefore legal, if and only if they are uniform across the several States. To the extent that the IRS, and any other branches of the federal government, should violate these rules, they are violating the supreme law of the land and thus violating individual rights which that supreme law was explicitly established to guarantee.

One way out of this dilemma for the federal government is to begin immediately to apportion taxes levied on wages and other gross receipts of individuals, and to demonstrate to the Supreme Court that the totals obtained from the various States are proportional to their respective populations. Irwin Schiff describes in simple language how this could be done. Another way out of this dilemma is to begin immediately to impose income taxes as "excise taxes" on corporate profits, and to demonstrate to the satisfaction of the Supreme Court that the resulting tax rates are uniform across the States. For example, it is entirely within the power of Congress to impose an "income tax" on the profits of the Federal Reserve Corporation, since that corporation is not an agency of the federal government, and is currently exempted from income taxes by an act of Congress.

By themselves, neither of these are very likely to happen, or be very easy to enforce if they do happen, should the 16th Amendment be overturned, and should its overturning receive the widespread publicity it is likely to receive. If the 16th Amendment is overturned, the people will, for better or for worse, rejoice that "income taxes" have been declared unconstitutional and, as currently administered by the IRS, they would be right.

To resolve any lingering doubts, the Supreme Court should be presented with an opportunity to determine squarely the constitutionality of a general tax on gross receipts without apportionment. According to scholar Vern Holland, a properly pleaded case has never been brought before the high Court. Holland asserts that the bulk of historical evidence allows for only one conclusion:

> The Court cannot ignore the weight of evidence that proves that a General Tax on Income levied upon one of the Citizens

> of the several States, has always been a direct tax and must be apportioned. [ibid., page 220]

The best alternatives available to the federal government are to abandon direct taxes on wages entirely, to shift instead to a greater reliance on excise taxes, and to reverse its policy of debt financing. The machinery for administering excise taxes is already in place for taxing the sale of commodities like gasoline. Abolishing withholding taxes will eliminate a huge, involuntary burden on the vast working classes of America, and restore incentive to a working place badly in need of all the motivation it can muster. It will also put the lie to the IRS claim that federal "income" taxes are voluntary, all the while employers are forced to withhold the wages of employees who are told repeatedly they have no choice in the matter.

Moreover, there is much evidence to suggest that lowering taxes would have the effect of stimulating the economy in a disproportionate, economically "elastic" way. For example, see "Higher Taxes Aren't the Answer -- History Proves it," by Stephen Moore, Reason Foundation, Santa Monica, CA, October 1990. By abolishing "wage taxes" and relying instead on excise taxes levied upon commercial transactions, the government raises more money as the economy improves, and raises less money as the economy declines, giving government a strong incentive to "tune" its excise taxes accordingly. I am prepared to share with you some excellent proposals for financing the federal government entirely thru a national sales tax.

This is a far cry from our present situation, in which the federal government is fast approaching total bankruptcy, and cannot balance its budget without simultaneously raising taxes further still and reducing spending even more so. Because it employs so many people at present, and buys so many goods and services, the federal government is central to the American economy. Thru the vehicle of debt financing, the federal government now grows at the expense of the economy, plunging future generations into ever higher debt, and ever larger interest payments. At the rate we are going, it is only a matter of months before the interest payments alone on the national debt will exceed the entire annual tax revenues to the U.S. Treasury.

It is becoming increasingly difficult to hide a trillion dollar savings and loan scandal. The Federal Savings and Loan Insurance Corporation (FSLIC) is basically broke. The Federal Deposit Insurance Corporation (FDIC) now has only $4 billion to cover some $2 trillion in bank deposits. Thus, the federal insurance fund covers only one-fifth of one percent of total deposits (i.e. 4 / 2000). The FDIC will fail when only a small number of banks collapse. Call these the "first wave". Lacking any federal insurance at that point, a second wave of bank failures will cause millions of Americans to lose their bank deposits forever, and possibly also lose the millions of home mortgages on which those deposits are leveraged. By itself, isn't this enough to convince you how serious is our national fiscal crisis?

Representative Barbara Boxer, I implore you to exercise your powers as an elected official in the Congress of the United States, to examine carefully the mountain of evidence against the 16th Amendment, to investigate the many consequences of declaring it null and void, and to study the many alternative ways of financing the federal government without direct taxes on the gross receipts of individuals. You have a number of legal options available to you, including the power to subpoena documents and witnesses before Congressional committees. You have it within your power to authorize such committees to investigate charges of fraud and other illegal tampering with the procedures for amending the Constitution of the United States, the supreme law of our land. You have it within your power to examine all the actions of federal government officials involved in declaring the 16th Amendment "ratified" in the year 1913, because there is no statute of limitations on fraud. And you have it within your power to include the American public in a process of open hearings, public education and free discussion on this subject, as you did so wonderfully at the College of Marin to discuss a declaration of war.

Representative Barbara Boxer, I stand ready, willing, and able to help you in any way I can to investigate further the charge of felony fraud which I now make to you:

THE SIXTEENTH AMENDMENT WAS NEVER LAWFULLY RATIFIED.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures: computer analysis of evidence
against the 16th Amendment

Failures to Ratify the 16th Amendment to the Constitution of the United States: A Status Summary by State

State	See Notes	Error #1	Error #2	Error #3	Error #4	Error #5	Error #6	Error #7	Error #8	Error #9
Alabama		YES	YES							
Arizona		YES	YES							YES
Arkansas		YES	YES	YES						YES
California		YES	YES							YES
Colorado		YES								YES
Connecticut	(10)							YES		
Delaware		YES	YES							
Florida	(11)							YES		
Georgia		YES	YES			YES		YES		YES
Idaho		YES	YES		YES					YES
Illinois		YES	YES							YES
Indiana		YES	YES							YES
Iowa		YES	YES							YES
Kansas		YES	YES			YES	YES			YES
Kentucky		YES	YES	YES				YES		YES
Louisiana		YES	YES							YES
Maine		YES	YES					YES		YES
Maryland		YES	YES		YES					YES
Massachusetts		YES	YES							YES
Michigan		YES								YES
Minnesota		YES	YES							YES
Mississippi		YES	YES							YES
Missouri		YES			YES					YES
Montana		YES	YES							YES
Nebraska		YES	YES							YES
Nevada		YES	YES							YES
New Hampshire		YES	YES							
New Jersey		YES	YES			YES				
New Mexico										YES
New York		YES	YES		YES		YES			YES
North Carolina		YES	YES							YES
North Dakota		YES	YES							YES
Ohio		YES	YES		YES					YES
Oklahoma		YES	YES							YES
Oregon		YES	YES							YES
Pennsylvania	(12)							YES		
Rhode Island	(13)							YES		
South Carolina		YES	YES							YES
South Dakota		YES	YES		YES					

Tennessee		YES	YES			YES	YES
Texas		YES	YES				YES
Utah	(14)					YES	
Vermont		YES	YES		YES		YES
Virginia	(15)					YES	
Washington		YES		YES			YES
West Virginia		YES	YES	YES			YES
Wisconsin		YES	YES				
Wyoming		YES	YES				YES

Description of Errors:

1. Failure to concur in U. S. Senate Joint Resolution No. 40 in that various changes were made to the text of the official Joint Resolution of the U.S. Congress.

2. Failure to follow the guidelines for the return of a certified copy of the ratification action, as contained in Congressional Concurrent Resolution No. 6, and as required by Section 205 of the Revised Statutes of 1878.

3. Governor vetoed the resolution and the State Legislature failed to override the veto.

4. Resolution was not submitted to the Governor for approval.

5. State Senate failed to pass the resolution by a required 2/3 majority.

6. State Assembly or House failed to pass the resolution by a required 2/3 majority.

7. State Senate failed to pass the resolution.

8. State Assembly or House failed to pass the resolution.

9. Other State constitutional violations not mentioned above.

(Source: The Law That Never Was -- The Fraud of the 16th Amendment and Personal Income Tax, by Bill Benson and M. J. 'Red' Beckman, published by Constitutional Research Assoc., Box 550, South Holland, IL 60473, April 1985)

Notes:

(10) The Senate rejected the minority report of the committee on judiciary and federal relations recommending ratification of this amendment on June 23, 1911, by a vote of 6 to 19. (Connecticut Senate Journal, 1911, pp. 1346-1348)

(11) Florida House passed H.J. Res. 192, ratifying this amendment on May 21, 1913, by a vote of 59 to 0. (Florida House Journal, 1913, p. 1686.) The Senate committee on constitution recommended that the resolution do not pass. May 27, 1913. (Florida Senate Journal, 1913, p. 1745.)

(12) The House passed a joint resolution ratifying the sixteenth

amendment on May 10, 1911, by a vote of 139 to 4. (Pennsylvania House Journal, 1911, pp. 2690-2691.) The Senate referred the joint resolution to the committee on judiciary special, where it lay. (Pennsylvania Senate Journal, 1911, p. 2162.)

(13) Senate resolution refusing to ratify this amendment was concurred in by House April 29, 1910. (Rhode Island House Journal, April 29, 1910.)

(14) The House rejected this amendment on March 9, 1911, by a vote of 31 to 10. (Utah House Journal, 1911, pp. 606-607.) The Senate passed the resolution ratifying the amendment by a vote of 12 to 2 on February 17, 1911. (Utah Senate Journal, 1911, p. 256.)

(15) The Senate ratified this amendment by a vote of 19 to 5 on March 9, 1910. (Virginia Senate Journal, 1910, pp. 651-652.) The House Journal, 1910, does not show that this resolution ratifying the amendment ever came to a vote.

(Notes 10-15 from U.S. Senate Document No. 240, 71st Congress, "Ratification of the Constitution and Amendments by the States")

Defense Strategy 1:
States Made Changes to the Text of the Resolution

	state	error1	
1	Alabama	YES	
2	Arizona	YES	
3	Arkansas	YES	
4	California	YES	
5	Colorado	YES	
6	Delaware	YES	
7	Georgia	YES	
8	Idaho	YES	
9	Illinois	YES	
10	Indiana	YES	
11	Iowa	YES	
12	Kansas	YES	
13	Kentucky	YES	[number needed to defeat Amendment]
14	Louisiana	YES	
15	Maine	YES	
16	Maryland	YES	
17	Massachusetts	YES	
18	Michigan	YES	
19	Minnesota	YES	
20	Mississippi	YES	
21	Missouri	YES	
22	Montana	YES	
23	Nebraska	YES	
24	Nevada	YES	
25	New Hampshire	YES	
26	New Jersey	YES	
27	New York	YES	
28	North Carolina	YES	
29	North Dakota	YES	

30	Ohio	YES
31	Oklahoma	YES
32	Oregon	YES
33	South Carolina	YES
34	South Dakota	YES
35	Tennessee	YES
36	Texas	YES
37	Vermont	YES
38	Washington	YES
39	West Virginia	YES
40	Wisconsin	YES
41	Wyoming	YES [number available to defeat Amendment]
42	Connecticut	
43	Florida	
44	New Mexico	
45	Pennsylvania	
46	Rhode Island	
47	Utah	
48	Virginia	

Defense Strategy 2:
Various Violations of State Constitutions

	state	error9
1	Arizona	YES
2	Arkansas	YES
3	California	YES
4	Colorado	YES
5	Georgia	YES
6	Idaho	YES
7	Illinois	YES
8	Indiana	YES
9	Iowa	YES
10	Kansas	YES
11	Kentucky	YES
12	Louisiana	YES
13	Maine	YES [number needed to defeat Amendment]
14	Maryland	YES
15	Massachusetts	YES
16	Michigan	YES
17	Minnesota	YES
18	Mississippi	YES
19	Missouri	YES
20	Montana	YES
21	Nebraska	YES
22	Nevada	YES
23	New Mexico	YES
24	New York	YES
25	North Carolina	YES
26	North Dakota	YES
27	Ohio	YES
28	Oklahoma	YES
29	Oregon	YES
30	South Carolina	YES
31	Tennessee	YES
32	Texas	YES
33	Vermont	YES

34	Washington	YES	
35	West Virginia	YES	
36	Wyoming	YES	[number available to defeat Amendment]
37	Alabama		
38	Connecticut		
39	Delaware		
40	Florida		
41	New Hampshire		
42	New Jersey		
43	Pennsylvania		
44	Rhode Island		
45	South Dakota		
46	Utah		
47	Virginia		
48	Wisconsin		

Defense Strategy 3:
States Failed to Follow Guidelines for Certified Copy

	state	error2	
1	Alabama	YES	
2	Arizona	YES	
3	Arkansas	YES	
4	California	YES	
5	Delaware	YES	
6	Georgia	YES	
7	Idaho	YES	
8	Illinois	YES	
9	Indiana	YES	
10	Iowa	YES	
11	Kansas	YES	
12	Kentucky	YES	
13	Louisiana	YES	[number needed to defeat Amendment]
14	Maine	YES	
15	Maryland	YES	
16	Massachusetts	YES	
17	Minnesota	YES	
18	Mississippi	YES	
19	Montana	YES	
20	Nebraska	YES	
21	Nevada	YES	
22	New Hampshire	YES	
23	New Jersey	YES	
24	New York	YES	
25	North Carolina	YES	
26	North Dakota	YES	
27	Ohio	YES	
28	Oklahoma	YES	
29	Oregon	YES	
30	South Carolina	YES	
31	South Dakota	YES	
32	Tennessee	YES	
33	Texas	YES	
34	Vermont	YES	
35	West Virginia	YES	
36	Wisconsin	YES	
37	Wyoming	YES	[number available to defeat Amendment]

38	Colorado							
39	Connecticut							
40	Florida							
41	Michigan							
42	Missouri							
43	New Mexico							
44	Pennsylvania							
45	Rhode Island							
46	Utah							
47	Virginia							
48	Washington							

Defense Strategy 4:
Confirmed Noes + Governor Vetoes + Errors 4 - 8

	state	error10	error3	error4	error5	error6	error7	error8
1	Virginia	(15)						YES
2	Utah	(14)						YES
3	Rhode Island	(13)					YES	
4	Pennsylvania	(12)					YES	
5	Florida	(11)					YES	
6	Connecticut	(10)					YES	
7	Kentucky		YES				YES	
8	Arkansas		YES					
9	New York			YES		YES		
10	Idaho			YES				
11	Maryland			YES				
12	Missouri			YES				
13	Ohio			YES				
14	South Dakota			YES				
15	Washington			YES				
16	West Virginia			YES				
17	Kansas				YES	YES		
18	Georgia				YES		YES	
19	New Jersey				YES			
20	Vermont				YES			
21	Maine						YES	
22	Tennessee						YES	
23	Alabama							
24	Arizona							
25	California							
26	Colorado							
27	Delaware							
28	Illinois							
29	Indiana							
30	Iowa							
31	Louisiana							
32	Massachusetts							
33	Michigan							
34	Minnesota							
35	Mississippi							
36	Montana							
37	Nebraska							
38	Nevada							
39	New Hampshire							
40	New Mexico							

41	North Carolina						
42	North Dakota						
43	Oklahoma						
44	Oregon						
45	South Carolina						
46	Texas						
47	Wisconsin						
48	Wyoming						

Defense Strategy 5:
Failed House/Senate + Failed 2/3 + Vetoes and not Submitted to Governor

	state	error7	error8	error5	error6	error3	error4
1	Georgia	YES		YES			
2	Kentucky	YES				YES	
3	Connecticut	YES					
4	Florida	YES					
5	Maine	YES					
6	Pennsylvania	YES					
7	Rhode Island	YES					
8	Tennessee	YES					
9	Utah		YES				
10	Virginia		YES				
11	Kansas			YES	YES		
12	New Jersey			YES			
13	Vermont			YES			
14	New York				YES		YES
15	Arkansas					YES	
16	Idaho						YES
17	Maryland						YES
18	Missouri						YES
19	Ohio						YES
20	South Dakota						YES
21	Washington						YES
22	West Virginia						YES
23	Alabama						
24	Arizona						
25	California						
26	Colorado						
27	Delaware						
28	Illinois						
29	Indiana						
30	Iowa						
31	Louisiana						
32	Massachusetts						
33	Michigan						
34	Minnesota						
35	Mississippi						
36	Montana						
37	Nebraska						
38	Nevada						
39	New Hampshire						
40	New Mexico						
41	North Carolina						
42	North Dakota						
43	Oklahoma						
44	Oregon						

45	South Carolina							
46	Texas							
47	Wisconsin							
48	Wyoming							

Defense Strategy 6:
Confirmed Noes + Governor Vetoes + Not Submitted to Governor

	state	error10	error3	error4	error5	error6	error7	error8
1	Virginia	(15)						YES
2	Utah	(14)						YES
3	Rhode Island	(13)					YES	
4	Pennsylvania	(12)					YES	
5	Florida	(11)					YES	
6	Connecticut	(10)					YES	
7	Kentucky		YES				YES	
8	Arkansas		YES					
9	New York			YES		YES		
10	Idaho			YES				
11	Maryland			YES				
12	Missouri			YES				
13	Ohio			YES				
14	South Dakota			YES				
15	Washington			YES				
16	West Virginia			YES				
17	Kansas				YES	YES		
18	Georgia				YES		YES	
19	New Jersey				YES			
20	Vermont				YES			
21	Maine						YES	
22	Tennessee						YES	
23	Alabama							
24	Arizona							
25	California							
26	Colorado							
27	Delaware							
28	Illinois							
29	Indiana							
30	Iowa							
31	Louisiana							
32	Massachusetts							
33	Michigan							
34	Minnesota							
35	Mississippi							
36	Montana							
37	Nebraska							
38	Nevada							
39	New Hampshire							
40	New Mexico							
41	North Carolina							
42	North Dakota							
43	Oklahoma							
44	Oregon							
45	South Carolina							
46	Texas							
47	Wisconsin							
48	Wyoming							

Foreman
Marin County Grand Jury
Hall of Justice
Civic Center
San Rafael, California
Postal Zone 94903

Dear Foreman:

Enclosed with this letter please find our completed Request for Investigation by the Marin County Grand Jury.

As stated in the summary section of our completed form, we hereby request the Marin County Grand Jury to do the following:

(1) to investigate possible obstruction of justice and misprision of felony by Representative 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.

Attached please find a signed copy of the formal, written petition which I have already sent to Rep. Boxer via registered United States mail, return receipt requested and received. This petition is dated December 24, 1990. A second copy of this petition was sent at the same time via standard, first class mail to her office in Washington, D.C, and a third copy was also sent via first class mail to her office in San Rafael, California.

This petition seeks to state the problem as succinctly as possible, to review the relevant decisions of the U.S. Supreme Court, to analyze the legal and economic implications of nullifying the so-called 16th Amendment, and to present a summary of numerous State-certified documents which prove that felony fraud was committed when this Amendment was "declared" ratified in the year 1913 by then Secretary of State, Philander C. Knox.

As the author of this petition and as an interested citizen who is, above all, dedicated to preserving our constitutional republic and the rule of law which the constitution was explicitly established to guarantee, it is my earnest hope that you will review these materials with the utmost care and

attention to detail which they deserve.

The story you are about to read would fill volumes of fascinating historical fiction, were it not all true in every last detail. Please consider me to be ready, willing, and able to assist you, in any way I can, to review every relevant detail with honesty, integrity, and an unflagging passion for the truth, the whole truth, and nothing but the truth in this critical matter which now affects the entire nation in so many ways.

Thank you very much for your consideration. I will look forward to your prompt response to this Request.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

Attachments:

- Request for Grand Jury Investigation
- Memo dated 1/1/91 summarizing petition
- Formal petition dated 12/24/90
- Excerpts from U.S. criminal codes
- Text of statement read aloud to Rep. Boxer, 8/22/90
- How It All Began: a quote from Eustace Mullins
- Proof of registered mail sent and received

Misprision of Felony, 18 U.S.C. 4 states:

> Whoever, having knowledge of the actual commission of a felony cognizable by a court of the United States, conceals and does not as soon as possible make known the same to some judge or other person in civil or military authority under the United States, shall be fined not more than $500 or imprisoned not more than three years, or both.

18 U.S.C. 1001 states:

> Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

18 U.S.C. 1002 states:

> Whoever, knowingly and with intent to defraud the United States, or any agency thereof, possesses any false, altered, forged, or counterfeited writing or document for the purpose of enabling another to obtain from the United States, or from any agency, officer or agent thereof, any sum of money,

shall be fined not more than $10,000 or imprisoned not more than five years, or both.

18 U.S.C. 1017 states:

> Whoever fraudulently or wrongfully affixes or impresses the seal of any department or agency of the United States, to or upon any certificate, instrument, commission, document, or paper or with knowledge of its fraudulent character, with wrongful or fraudulent intent, uses, buys, procures, sells, or transfers to another any such certificate, instrument, commission, document, or paper, to which or upon which said seal has been so fraudulently affixed or impressed, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

18 U.S.C. 1018 states:

> Whoever, being a public officer or other person authorized by any law of the United States to make or give a certificate or other writing, knowingly makes and delivers as true such a certificate or writing, containing any statement which he knows to be false, in a case where the punishment thereof is not elsewhere expressly provided by law, shall be fined not more than $500 or imprisoned not more than one year, or both.

18 U.S.C. 3 states:

> Whoever, knowing that an offense against the United States has been committed, receives, comforts or assists the offender in order to hinder or prevent his apprehension, trial or punishment, is an accessory after the fact.
>
> Except as otherwise expressly provided by an Act of Congress, an accessory after the fact shall be imprisoned not more than one-half the maximum term of imprisonment or fined not more than one-half the maximum fine prescribed for the punishment of the principal, or both; or if the principal is punishable by death, the accessory shall be imprisoned not more than ten years.

---

c/o P. O. Box 6189
San Rafael, California
Postal Zone 94903-0189

April 15, 1991

Rep. Barbara Boxer
House of Representatives
United States Congress
Washington, D.C.
Postal Zone 20515

Dear Rep. Boxer:

Thank you very much for your brief letter to me, dated March 27, 1991. I appreciate your decision to refer my petition dated December 24, 1990, to the House Ways and Means Committee, for comments from that committee's counsel.

From prior contacts with other American citizens who have filed similar petitions with their representatives in the Congress, I know that a stock answer is to send to constituents a copy of the so-called Ripy Report, "Ratification of the Sixteenth Amendment," by Thomas B. Ripy, Congressional Research Service, May 20, 1985 (see enclosed).

Before you or Committee counsel make the same mistake with me, please understand that I already possess a copy of the Ripy Report and find it entirely unsatisfactory as to matters of fact. Specifically, the Ripy Report does not attempt to challenge any of the material facts presented by authors Benson and Beckman in the book The Law That Never Was.

You will recall that my petition to you of December 24, 1990 included a computer-based summary of the evidence against the 16th Amendment. Once again, permit me to summarize only some of these facts, as follows:

* Eleven States amended the proposed resolution.

* The Senate of the State of Kentucky rejected the proposed amendment by a vote of 9 for and 22 against ratification.

* Five States failed to ratify the amendment by the required two-thirds majority in one of the chambers of their legislatures (Georgia, Kansas, New York, New Jersey, and Vermont).

* Minnesota, California and Ohio never sent official notification of the action taken by their respective legislatures.

* Another six States did not record whatever action was taken by their respective legislatures in the Journals of their General Assemblies.

* Ten States never voted on the proposed amendment.

* Nine States deleted the preamble to the joint resolution.

* Twenty-six States changed the punctuation of the preamble.

* Twenty-five States changed the punctuation of the resolution.

* Twenty-four States changed the capitalization of certain words.

* Nineteen States made grammatical changes.

* 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." (Ryan vs Lynch, 68 Ill. 160)

* The Governor of the State of Arkansas vetoed the resolution, the Arkansas Legislature never overrode his veto, and the Arkansas Constitution did not exempt Constitutional amendments from a governor's signature.

* Oklahoma changed the proposal so as to require the laying of an income tax pursuant to a census or enumeration, the precise requirement the proposed amendment sought to alleviate.

On February 15, 1913, the Solicitor of the State Department advised Secretary of State Philander C. Knox that:

> "... under provisions of the Constitution a legislature is not authorized to alter IN ANY WAY the amendment proposed by Congress, the function of the legislature consisting merely in the right to approve or disapprove the proposed amendment."
>
> ("Ratification of the 16th Amendment to the Constitution of the United States," Office of the Solicitor, emphasis added)

Accordingly, I find it necessary to agree entirely with the following statement by attorney and litigator Andrew B. Spiegel, from his publication which I have enclosed with this letter:

> "The Ripy Report does not attempt to challenge any of the facts presented by William J. Benson .... Thus, for the purposes of this argument, those facts must be taken as conceded by the government. It is those facts which lead to the inescapable conclusion that the so-called income tax amendment is null and void."
>
> [from "Ratification of the Income Tax Amendment: Has the Federal Government Defrauded the American People? A Response to the Ripy Report," Constitutional Research Associates, September 15, 1986, p. 2, emphasis added]

Moreover, in your letter of March 27, 1991, referring to counsel for the Ways and Means Committee, you state, "His views on the matter are crucial." With all due respect, I must also disagree with this statement. Although I would have to agree that his views may be important, as far as written records are concerned, they are certainly not crucial, not to me, not as I use that term. The Constitution, laws that are consistent with the Constitution, fully informed jury verdicts, and official rulings of the U.S. Supreme Court are crucial to me, not the views of hired lawyers who happen to enjoy staff positions on this or that Congressional committee. I do expect you to appreciate the difference between these two sources of "view".

I am sending a copy of this letter to Rep. Dan Rostenkowski with the hope that it will prevent any fruitless attempt by his staff

to satisfy me with a copy of the Ripy Report, a report which clearly fails to deal with crucial matters of fact.

Thank you again for your consideration in this matter which has, by now, affected many millions of Americans since the year 1913, the year in which the so-called 16th Amendment was "declared" ratified, and the year in which the Federal Reserve Act was first enacted into law.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosure: "... Response to the Ripy Report,"
by Andrew B. Spiegel

copies: Rep. Dan Rostenkowski
interested citizens

REGISTERED U.S. MAIL:
Return Receipt Requested

c/o P. O. Box 6189
San Rafael, California
Postal Zone 94903-0189

May 3, 1991

Rep. Barbara Boxer
House of Representatives
United States Congress
Washington, D.C.
Postal Zone 20515

Dear Rep. Boxer:

I am entirely unsatisfied with your letter dated April 12, 1991. At various times during the past year, I have requested you in person, and in writing, to examine the material evidence against the 16th Amendment. At your community meeting in Pt. Reyes on August 22, 1990, in front of several hundred witnesses, you agreed to do so, and you have not done so. At no time between then and now, have you demonstrated to me that you have, in fact, examined any of the material evidence against the ratification of the 16th Amendment.

Instead, you have referred my formal, written petition to the Chairman of the House Committee on Ways and Means. Rep. Rostenkowski responded to you with documents that included a cover letter dated April 8, 1991, and a copy of "Part IX: Frequently Asked Questions Concerning the Federal Income Tax," from CRS Report for Congress, 89-623 A, November 17, 1989. Your

letter of April 12, 1991 amounts to nothing more than another cover letter, transmitting these documents to me.

To repeat, your response fails to demonstrate to me that you have examined any of the material evidence against the 16th Amendment.

Moreover, I find a number of serious errors, omissions, and deficiencies in the CRS Report from Rep. Rostenkowski. Permit me to examine only those errors which I consider to be major ones, in the interest of brevity.

First of all, the CRS Report attempts to answer this question:

Was the Sixteenth Amendment properly ratified?

In answer to this question, however, the Report limits its scope to answering only two subordinate questions:

1. Did the President sign the resolution which became the Sixteenth Amendment.

2. Do clerical errors in the ratifying resolutions of the various state legislatures negate the ratification of the Sixteenth Amendment?

I agree with the Report's answer to the first subordinate question, namely, that constitutional amendments need not be submitted to the President. However, I cannot accept the limited scope of the second question, nor the limited scope of the answer provided. The CRS Report would have us believe that the problems with the 16th Amendment are limited to "variations from the resolution enacted by Congress in punctuation, capitalization, and/or spelling" [page 310]. Barbara, I certainly hope you do not expect me to believe that a Governor's veto is the same as a "clerical error", or that the failure to satisfy the 2/3 majority required by some State Constitutions is a "clerical error!"

The problems with the 16th Amendment are not limited to variations in punctuation, capitalization, and/or spelling. These problems include serious, official acts by Governors, State Legislatures, and at least one State Court. 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." My letter to you dated April 15, 1991, summarized the major problems. At the risk of repeating myself, permit me to summarize once again some of these problems, as follows:

* Eleven States amended the proposed resolution.

* The Senate of the State of Kentucky rejected the proposed amendment by a vote of 9 for and 22 against ratification.

* Five States failed to ratify the amendment by the required two-thirds majority in one of the chambers of

their legislatures (Georgia, Kansas, New York, New Jersey, and Vermont).

* Minnesota, California and Ohio never sent official notification of the action taken by their respective legislatures.

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* The Governor of the State of Arkansas vetoed the resolution, the Arkansas Legislature never overrode his veto, and the Arkansas Constitution did not exempt Constitutional amendments from a governor's signature.

* Oklahoma changed the proposal so as to require the laying of an income tax pursuant to a census or enumeration, the precise requirement the proposed amendment sought to alleviate.

On February 15, 1913, the Solicitor of the State Department advised Secretary of State Philander C. Knox that:

> "... under provisions of the Constitution a legislature is not authorized to alter IN ANY WAY the amendment proposed by Congress, the function of the legislature consisting merely in the right to approve or disapprove the proposed amendment."
>
> ("Ratification of the 16th Amendment to the Constitution of the United States," Office of the Solicitor, emphasis added)

The CRS Report also errs by expecting readers to accept the proposition that "the correctness of the Secretary's certification is a political question and therefore his certification is conclusive upon the courts" [emphasis added].

This is tantamount to saying that fraud is a "political question" and cannot be adjudicated by any courts because it is fraud -- a notion that is patently absurd. Moreover, the following criteria are quoted to identify the existence of a political question in a given case:

* a lack of judicially discoverable and manageable standards for resolving it

* the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion

* the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordinate branches of government.

There is no lack of judicially discoverable and manageable standards for resolving the factual problems with 16th Amendment. In fact, there are plenty of such standards; they are called rules of evidence, and they are so fundamental to jurisprudence in this country, they are required reading for first-year law students everywhere. The judiciary enjoys a well established body of rules for discovering, admitting, and managing all manners of material evidence.

The process for amending the Constitution is clearly written into the Constitution itself. As such, there exists a clear "initial policy determination", and this policy determination is clearly not of a kind for nonjudicial discretion. The Constitution does not authorize the Secretary of State to exercise any discretion when certifying amendments thereto. Specifically, the Secretary of State is not empowered to decide that "the approval of the Governor is not necessary and that he has not the power to veto in such cases," even if the Secretary sincerely believes, albeit wrongly, that he does enjoy this power.

Courts can and have undertaken independent resolution of such issues without expressing a lack of respect due to other branches of government. An Illinois Court has already voided that State's vote on the resolution to approve the 16th Amendment. The U.S. Supreme Court has declared several acts of Congress to be unconstitutional. If the Secretary of State fails to abide by the official guidelines for amending the Constitution, it is he who lacks respect due to the other branches of government. It is he who has failed to abide by his solemn oath of office, namely, to uphold and defend the Constitution of the United States. The high Court is under no obligation to "express respect" for the other branches of the federal government by allowing their unconstitutional acts to remain intact and uncorrected. On the contrary, the federal system of checks and balances has made this corrective action an essential government institution.

The second major problem I have with the CRS Report has to do with the following two questions:

1. What is income?

2. Are wages taxable as income?

In answer to the first question, the Report summarizes the definition of "income" as follows:

> Income has been defined as gain derived from capital, from labor, or from both combined. The operative word in this definition is gain. Gain, in the tax context, is the surplus when the basis of an item ... is subtracted from the item's fair market value.
>
> [CRS Report, page 316, emphasis added]

I have no dispute with this definition. However, in answer to the second question, the Report uses the following example:

> ... if John Doe works 5 hours for $5.00 per hour, is the $25.00 he receives taxable income to him? As we have seen in the above analysis, we must determine if there has been a gain which is realized and recognized.
>
> To see if there was a gain we do not look only to the fair market value of the labor, but rather we determine the difference between the fair market value and his basis (cost) in the labor. Generally one has a zero basis in one's own labor. Therefore, Doe's gain is $25.00 minus 0, or $25.00. This gain is realized when Doe is paid or has right to receive payment. [pages 316-317, emphasis added]

Unfortunately for the CRS Report, it cites absolutely no authority for its empty assertion that "generally one has a zero basis in one's own labor". This assertion is a fatal flaw. It has been made without reference to the relevant decisions of the U.S. Supreme Court, and without reference to the intent of the framers of the 16th Amendment. As such, this assertion is arbitrary; it is also ludicrous. Author Alan Stang explains why it is ludicrous, and does so better than anyone else:

> We warned you that reading this book could be dangerous to people with heart conditions. Now that you have gotten off the floor, you may want to read that paragraph again. Yes, it does really say what you thought it says, doesn't it? It says that generally (not specifically?) you have a zero basis in your labor. In other words, it says your labor is worthless. Now you know. Why does your employer, who is presumably intelligent, buy something that is worthless? Notice that these government authors do admit you must have gain in order to have income, even if wages are your only receipts.
>
> [Alan Stang, Tax Scam, Alta Loma, CA, Mount Sinai Press, 1988, page 78, emphasis added]

Attached to this letter, please find numerous authoritative definitions of "taxable income" as this phrase is clearly and

consistently defined by decisions of the U.S. Supreme Court and lower courts which concur. These decisions remain in full force today. Note, in particular, that the Supreme Court has already instructed Congress that it is essential to distinguish between what is and what is not "income", and to apply that distinction according to truth and substance. In that instruction, the high Court has told Congress that it has absolutely no power to be arbitrary (or ludicrous) in its official definition of income:

> Congress cannot by any definition it may adopt conclude the matter, since it 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 vs Macomber, 252 US 189]

Remember, this is not the writing of some radical constitutional libertarian. These are the words of the Supreme Court, in a case which is one of the most famous and important rulings to render official definitions of "income". Whatever arguments you choose to make from this point forward, those arguments would certainly benefit from a knowledge of the relevant case law in this area. I mean, if we're talking gasoline taxes, then we know the subject of the tax is gasoline; if we're talking tobacco taxes, then we know the subject is tobacco. Why should a tax on "income" be any different? Just because the Congressional Research Service chooses to differ with the Supreme Court? Just because the IRS uses police power to enforce a different definition? Just because the Federal Reserve needs a powerful agency to collect interest payments for its syndicated monopoly on private credit?

Here, I find it necessary to repeat the conclusions of a recognized authority who has studied this issue in depth. After reviewing all the relevant federal court decisions for the past 80 years, constitutional tax expert and author Jeffrey A. Dickstein has written the following to summarize his findings:

> Income has been defined by the United States Supreme Court to be a profit or a gain derived from various sources, such as labor and capital. A tax directly on the source is a direct tax, and must still be apportioned. A tax on the income derived from the source need not be apportioned. Labor, the labor contract, and the right to sell labor have all been held by the Supreme Court to constitute property. The procedure to determine if there is a gain derived from the sale of property has been set forth by Congress. Gain is derived only if one receives over and above the fair market value of the cost of the property. These basic principles are simple to state and simple to apply. They also lead to one inescapable conclusion:
>
> WAGES DO NOT CONSTITUTE INCOME.
>
> [from Judicial Tyranny and Your Income Tax, Missoula, MT, Custom Prints, 1990, pages 277-280, emphasis added]

Representative Boxer, I must now go on record to state, clearly

and unequivocally, that you have failed me. You have failed me because you have failed to keep the promise you made before several hundred witnesses on August 22, 1990. You have failed me because you have failed to uphold and defend the Constitution of the United States. This Constitution is my explicit delegation of power to you, an elected member of the Congress of the United States.

You have failed me because, by shuffling papers back and forth, you have deliberately refused to examine the material evidence which impugns the entire ratification process of the 16th Amendment. This material evidence proves that a massive fiscal fraud has been perpetrated by the federal government upon the people of this land, a massive fiscal fraud that began in the year 1913 and continues until today.

Until and unless you demonstrate to me that you have examined this material evidence, I am very sad to say I now have no choice but to include you among the many persons who are responsible for perpetrating this fraud upon our entire nation.

I want you to know that this matter is much too important to me, and to millions of hard-working Americans, for me to be dissuaded by some little paper war you prefer to wage.

Either do the job you were elected to do, or be mature enough to accept the legal and political consequences.

Consider yourself warned.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures: "Defining Income: The Court Record"
Text of first published advertisement
Computer analysis of evidence
against the 16th amendment

copy: Rep. Dan Rostenkowski

Defining Income: The Court Record

Repeat these words, out loud, at least three times a day:

WE, THE PEOPLE, CAN
ABOLISH THE ILLEGAL INCOME TAX

Please join us in teaching the American people to:

TAKE THE SECOND STEP

to educate each other with the relevant facts and authorities.

Wages are not "taxable income" as the term is clearly and consistently defined by U.S. Supreme Court decisions that remain in full force today.

We now cite verbatim the relevant decisions from the U.S. Supreme Court and lower courts which concur:

Income is NOT everything that comes in:

> We must reject ... the broad contention submitted in behalf of the Government that all receipts -- everything that comes in -- are income within the proper definition of "gross income" ....
>
> [Southern Pacific Company vs John Z. Lowe, 247 US 330]

Corporate profits are "income":

> [Income] imports, as used here, something entirely distinct from principal or capital either as a subject of taxation or as a measure of the tax; conveying rather the idea of gain or increase arising from corporate activities.
>
> [Emanuel J. Doyle vs Mitchell Brothers Company, 247 US 179]

The Constitution PROHIBITS direct taxes without apportionment:

> This court had decided in the Pollock Case that the income tax law of 1894 amounted in effect to a direct tax upon property, and was invalid because not apportioned according to population as prescribed by the Constitution ... for "income" may be defined as the gain derived from capital, from labor, or from both combined.
>
> [Stratton’s Independence vs Howbert 231 US 406]

Congress CANNOT change the Constitution:

> In order, therefore, that the clauses cited above from Article I of the Constitution may have proper force and effect ... it becomes essential to distinguish between what is and what is not "income," as the term is there used; and to apply the distinction ... according to truth and substance, without regard to form. Congress cannot by any definition it may adopt conclude the matter, since it 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.
>
> [Mark Eisner vs Myrtle H. Macomber, 252 US 189]

Again, "income" is a gain, a profit:

> Here we have the essential matter -- not a gain accruing to capital, not a growth or increment of value in the investment; but a gain, a profit, something of exchangeable value proceeding from the property, severed from the capital however invested or employed, and coming in, being "derived," that is received or drawn by the recipient (the taxpayer) for his separate use, benefit, and disposal -- that is income derived from property. Nothing else answers the description.
>
> [Mark Eisner vs Myrtle H. Macomber, 252 US 189]

Supreme Court has REPEATEDLY ruled that wages are not "income":

> In determining the definition of the word "income" thus arrived at, this court has consistently refused to enter into the refinements of lexicographers and economists and has approved, in the definitions quoted, what it believed to be the commonly understood meaning of the term ....
>
> We continue entirely satisfied with that definition, and, since the fund here taxed was the amount realized from the sale of the stock in 1917, less the capital investment as determined by the trustee as of March 1, 1913, it is palpable that it was a "gain or profit" "produced by" or "derived from" that investment, and that it "proceeded," and was "severed" or rendered severable, from, by the sale for cash, and thereby became that "realized gain" which has been repeatedly declared to be taxable income ....
>
> [Merchant’s Loan & Trust vs Smietanka, 255 US 509]

"Income" has been legally and officially defined:

> And the definition of "income" approved by this Court is: "The gain derived from capital, from labor, or from both combined," provided it be understood to include profit gained through a sale or conversion of capital assets. ... It is thus very plain that the statute imposes the income tax on the proceeds of the sale of personal property to the extent only that gains are derived therefrom by the vendor ....
>
> [Goodrich vs Edwards, 255 US 527]

You do NOT obtain "income" by charging for services rendered:

> The phraseology of form 1040 is somewhat obscure .... But it matters little what it does mean; the statute and the statute alone determines what is income to be taxed. It taxes only income "derived" from many different sources; one does not "derive income" by rendering services and charging for them.
>
> [Edwards vs Keith, Second Circuit Court of Appeals, 231 F111]

"Income" means "gain" -- "gain" means "profit":

> Income" ... means "gain" "derived" from, and not accruing to, capital or labor or from both combined, including profit gained through the sale or conversion of capital, the gain not being taxable until realized, and, in such connection, "gain" means profit or something of exchangeable value, and "derived" means proceeding from property, severed from capital, however invested or employed, and coming in, received or drawn by taxpayer for his separate use, benefit, and disposal.
>
> [Staples vs U.S., District Court, E.D. Pennsylvania, 21 F. Supp. 737]

No gain, no income -- no income, no tax:

> Income is nothing more nor less than realized gain .... It is not synonymous with receipts .... Whatever may constitute income, therefore, must have the essential feature of gain to the recipient .... If there is no gain, there is no income.
>
> [Conner vs U.S., District Court, Houston Division, 303 F. Supp. 1187]

Wages and profits are two DIFFERENT things:

> There is a clear distinction between "profit" and "wages" or compensation for labor. Compensation for labor cannot be regarded as profit within the meaning of the law.
>
> [Oliver vs Halstead, 196 Va. 992; 86 S.E. 2d 858]

Payment for labor is NOT profit:

> Reasonable compensation for labor or services rendered is not profit.
>
> [Laureldale Cemetery Assoc. vs Matthews, 345 Pa. 239; 47 A. 2d 277, 280]

The meaning of "income" has been CONSISTENT in law:

> ... "Income" has been taken to mean the same thing as used in the Corporation Excise Tax Act of 1909, in the Sixteenth Amendment and in the various revenue acts subsequently passed ....
>
> [Bowers vs Kerbaugh-Empire Co., 271 US 174]

Again, "income" has had the SAME MEANING in law:

> ... and before the 1921 Act this Court had indicated ... what it later held, that "income," as used in the revenue acts taxing income, adopted since the 16th Amendment, has the same meaning that it had in the Act of 1909.
>
> [Burnet vs Harmel, 287 US 103]

"Income" is NOT the same as "gross receipts":

> Constitutionally the only thing that can be taxed by Congress is "income." And the tax actually imposed by Congress has been on net income as distinct from gross income. The tax is not, never has been and could not constitutionally be upon "gross receipts" ....
>
> [Anderson Oldsmobile, Inc. vs Hofferbert, U.S. District Court, Maryland, 102 Federal Supplement 902]

Try to find a principle that is better settled:

> Remember that our source is not some "tax protest" group. Just about everything we are telling you comes from the U.S. Supreme Court. It would be difficult, and perhaps impossible, in our system of jurisprudence, to find a principle better settled than the one we have been citing.
>
> [Alan Stang, Tax Scam, Mt. Sinai Press, POB 1220, Alta Loma, California 91701, 1988]

Other cases not cited here say the SAME THING:

> In addition to the cases cited above, the following also support and affirm this definition of "income": ... United States vs Supplee-Biddle Hardware Co., 265 US 189; United States vs Phellis 257 US 156; Miles vs Safe Deposit & T. Co., 259 US 247; Irwin vs Gavit 268 US 161; Edwards vs Cuba R. Co., 268 US 628.
>
> [Irwin Schiff, The Great Income Tax Hoax, Freedom Books, POB 5303, Hamden, Connecticut 06518, 1985, page 475]

Take these citations to your tax attorney or CPA, and demand a response. Research assembled for you by:

Account for Better Citizenship
Post Office Box 6189
San Rafael, California Republic
Postal Zone 94903-0189

[Text of First Published Advertisement]

Repeat these words, out loud, at least three times a day:

WE, THE PEOPLE CAN
ABOLISH INCOME TAX

Please join us in demanding the United States Congress to

TAKE THE FIRST STEP

to authorize a full study to find other ways of funding the U.S. government without direct taxes on personal income sources.

The I.R.S. has already conducted a limited study of several alternatives and documented their findings at taxpayer expense.

We now want to condition all public servants to realize that personal income taxes are a horrible scourge upon the economic prosperity of all American citizens. These taxes must stop.

When we, the people have the power to abolish slavery, to abolish prohibition, and to enact women's suffrage; when we, the people can declare a national holiday to celebrate our Declaration of Independence, then

> We, the people can refuse to elect Representatives who fail to advocate the abolition of federal income taxes.

It is as simple as ABC. If you are a citizen and registered voter, then know that you have this power. We, the people can abolish an entire system of taxes expressly prohibited by the U.S. Constitution itself (see Article 1, Section 9, Paragraph 4).

Your donation will be used to purchase full-page ads in major newspapers throughout the country, advocating the abolition of federal taxes on personal income. $1 from every citizen buys a whole lot of advertising! To this end, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor.

Please send your donations, and any letters of support, to:

Account for Better Citizenship
Post Office Box 6189
San Rafael, California 94903-0189

We will keep your name, address, and ALL other identification completely confidential UNLESS you authorize us in writing to use it in our advertising. We respect your right to privacy.

May you be prosperous beyond your wildest dreams!

Sincerely yours,

/s/ Mitch Modeleski
Founder

P.S. The mailing address of Congress:

Congress of the United States
House of Representatives
Washington, D.C. 20515

United we stand and divided we fall.

Failures to Ratify the 16th Amendment to the Constitution of the United States: A Status Summary by State

State	See Notes	Error #1	Error #2	Error #3	Error #4	Error #5	Error #6	Error #7	Error #8	Error #9
Alabama		YES	YES							
Arizona		YES	YES							YES
Arkansas		YES	YES	YES						YES
California		YES	YES							YES
Colorado		YES								YES
Connecticut	(10)							YES		
Delaware		YES	YES							
Florida	(11)							YES		
Georgia		YES	YES			YES		YES		YES
Idaho		YES	YES		YES					YES
Illinois		YES	YES							YES
Indiana		YES	YES							YES
Iowa		YES	YES							YES
Kansas		YES	YES			YES	YES			YES
Kentucky		YES	YES	YES				YES		YES
Louisiana		YES	YES							YES
Maine		YES	YES					YES		YES
Maryland		YES	YES		YES					YES
Massachusetts		YES	YES							YES
Michigan		YES								YES
Minnesota		YES	YES							YES
Mississippi		YES	YES							YES
Missouri		YES			YES					YES
Montana		YES	YES							YES
Nebraska		YES	YES							YES
Nevada		YES	YES							YES
New Hampshire		YES	YES							
New Jersey		YES	YES			YES				
New Mexico										YES
New York		YES	YES		YES		YES			YES
North Carolina		YES	YES							YES
North Dakota		YES	YES							YES
Ohio		YES	YES		YES					YES
Oklahoma		YES	YES							YES
Oregon		YES	YES							YES
Pennsylvania	(12)							YES		
Rhode Island	(13)							YES		
South Carolina		YES	YES							YES
South Dakota		YES	YES		YES					
Tennessee		YES	YES					YES		YES
Texas		YES	YES							YES
Utah	(14)								YES	
Vermont		YES	YES			YES				YES
Virginia	(15)								YES	
Washington		YES			YES					YES
West Virginia		YES	YES		YES					YES
Wisconsin		YES	YES							
Wyoming		YES	YES							YES

Description of Errors:

1. Failure to concur in U. S. Senate Joint Resolution No. 40 in that various changes were made to the text of the official Joint Resolution of the U.S. Congress.

2. Failure to follow the guidelines for the return of a certified copy of the ratification action, as contained in Congressional Concurrent Resolution No. 6, and as required by Section 205 of the Revised Statutes of 1878.

3. Governor vetoed the resolution and the State Legislature failed to override the veto.

4. Resolution was not submitted to the Governor for approval.

5. State Senate failed to pass the resolution by a required 2/3 majority.

6. State Assembly or House failed to pass the resolution by a required 2/3 majority.

7. State Senate failed to pass the resolution.

8. State Assembly or House failed to pass the resolution.

9. Other State constitutional violations not mentioned above.

(Source: The Law That Never Was -- The Fraud of the 16th Amendment and Personal Income Tax, by Bill Benson and M. J. 'Red' Beckman, published by Constitutional Research Assoc., Box 550, South Holland, IL 60473, April 1985)

Notes:

(10) The Senate rejected the minority report of the committee on judiciary and federal relations recommending ratification of this amendment on June 23, 1911, by a vote of 6 to 19. (Connecticut Senate Journal, 1911, pp. 1346-1348)

(11) Florida House passed H.J. Res. 192, ratifying this amendment on May 21, 1913, by a vote of 59 to 0. (Florida House Journal, 1913, p. 1686.) The Senate committee on constitution recommended that the resolution do not pass. May 27, 1913. (Florida Senate Journal, 1913, p. 1745.)

(12) The House passed a joint resolution ratifying the sixteenth amendment on May 10, 1911, by a vote of 139 to 4. (Pennsylvania House Journal, 1911, pp. 2690-2691.) The Senate referred the joint resolution to the committee on judiciary special, where it lay. (Pennsylvania Senate Journal, 1911, p. 2162.)

(13) Senate resolution refusing to ratify this amendment was concurred in by House April 29, 1910. (Rhode Island House Journal, April 29, 1910.)

(14) The House rejected this amendment on March 9, 1911, by a vote of 31 to 10. (Utah House Journal, 1911, pp. 606-607.) The Senate passed the resolution ratifying the amendment by a vote of 12 to 2 on February 17, 1911. (Utah Senate Journal, 1911, p. 256.)

(15) The Senate ratified this amendment by a vote of 19 to 5 on March 9, 1910. (Virginia Senate Journal, 1910, pp. 651-652.) The House Journal, 1910, does not show that this resolution ratifying the amendment ever came to a vote.

(Notes 10-15 from U.S. Senate Document No. 240, 71st Congress, "Ratification of the Constitution and Amendments by the States")

Defense Strategy 1:
States Made Changes to the Text of the Resolution

	state	error1	
1	Alabama	YES	
2	Arizona	YES	
3	Arkansas	YES	
4	California	YES	
5	Colorado	YES	
6	Delaware	YES	
7	Georgia	YES	
8	Idaho	YES	
9	Illinois	YES	
10	Indiana	YES	
11	Iowa	YES	
12	Kansas	YES	
13	Kentucky	YES	[number required to defeat Amendment]
14	Louisiana	YES	
15	Maine	YES	
16	Maryland	YES	
17	Massachusetts	YES	
18	Michigan	YES	
19	Minnesota	YES	
20	Mississippi	YES	
21	Missouri	YES	
22	Montana	YES	
23	Nebraska	YES	
24	Nevada	YES	
25	New Hampshire	YES	
26	New Jersey	YES	
27	New York	YES	
28	North Carolina	YES	
29	North Dakota	YES	
30	Ohio	YES	
31	Oklahoma	YES	
32	Oregon	YES	
33	South Carolina	YES	
34	South Dakota	YES	
35	Tennessee	YES	

36	Texas	YES	
37	Vermont	YES	
38	Washington	YES	
39	West Virginia	YES	
40	Wisconsin	YES	
41	Wyoming	YES	[number available to defeat Amendment]
42	Connecticut		
43	Florida		
44	New Mexico		
45	Pennsylvania		
46	Rhode Island		
47	Utah		
48	Virginia		

Defense Strategy 2:
Various Violations of State Constitutions

	state	error9	
1	Arizona	YES	
2	Arkansas	YES	
3	California	YES	
4	Colorado	YES	
5	Georgia	YES	
6	Idaho	YES	
7	Illinois	YES	
8	Indiana	YES	
9	Iowa	YES	
10	Kansas	YES	
11	Kentucky	YES	
12	Louisiana	YES	
13	Maine	YES	[number required to defeat Amendment]
14	Maryland	YES	
15	Massachusetts	YES	
16	Michigan	YES	
17	Minnesota	YES	
18	Mississippi	YES	
19	Missouri	YES	
20	Montana	YES	
21	Nebraska	YES	
22	Nevada	YES	
23	New Mexico	YES	
24	New York	YES	
25	North Carolina	YES	
26	North Dakota	YES	
27	Ohio	YES	
28	Oklahoma	YES	
29	Oregon	YES	
30	South Carolina	YES	
31	Tennessee	YES	
32	Texas	YES	
33	Vermont	YES	
34	Washington	YES	
35	West Virginia	YES	
36	Wyoming	YES	[number available to defeat Amendment]
37	Alabama		

38	Connecticut		
39	Delaware		
40	Florida		
41	New Hampshire		
42	New Jersey		
43	Pennsylvania		
44	Rhode Island		
45	South Dakota		
46	Utah		
47	Virginia		
48	Wisconsin		

Defense Strategy 3:
States Failed to Follow Guidelines for Certified Copy

	state	error2	
1	Alabama	YES	
2	Arizona	YES	
3	Arkansas	YES	
4	California	YES	
5	Delaware	YES	
6	Georgia	YES	
7	Idaho	YES	
8	Illinois	YES	
9	Indiana	YES	
10	Iowa	YES	
11	Kansas	YES	
12	Kentucky	YES	
13	Louisiana	YES	[number required to defeat Amendment]
14	Maine	YES	
15	Maryland	YES	
16	Massachusetts	YES	
17	Minnesota	YES	
18	Mississippi	YES	
19	Montana	YES	
20	Nebraska	YES	
21	Nevada	YES	
22	New Hampshire	YES	
23	New Jersey	YES	
24	New York	YES	
25	North Carolina	YES	
26	North Dakota	YES	
27	Ohio	YES	
28	Oklahoma	YES	
29	Oregon	YES	
30	South Carolina	YES	
31	South Dakota	YES	
32	Tennessee	YES	
33	Texas	YES	
34	Vermont	YES	
35	West Virginia	YES	
36	Wisconsin	YES	
37	Wyoming	YES	[number available to defeat Amendment]
38	Colorado		
39	Connecticut		
40	Florida		

41 Michigan
42 Missouri
43 New Mexico
44 Pennsylvania
45 Rhode Island
46 Utah
47 Virginia
48 Washington

Defense Strategy 4:
Confirmed No's + Governor Vetoes + Errors 4 - 8

	state	error10	error3	error4	error5	error6	error7	error8
1	Virginia	(15)						YES
2	Utah	(14)						YES
3	Rhode Island	(13)					YES	
4	Pennsylvania	(12)					YES	
5	Florida	(11)					YES	
6	Connecticut	(10)					YES	
7	Kentucky		YES				YES	
8	Arkansas		YES					
9	New York			YES		YES		
10	Idaho			YES				
11	Maryland			YES				
12	Missouri			YES				
13	Ohio			YES				
		[number required to defeat Amendment]						
14	South Dakota			YES				
15	Washington			YES				
16	West Virginia			YES				
17	Kansas				YES	YES		
18	Georgia				YES		YES	
19	New Jersey				YES			
20	Vermont				YES			
21	Maine						YES	
22	Tennessee						YES	
		[number available to defeat Amendment]						
23	Alabama							
24	Arizona							
25	California							
26	Colorado							
27	Delaware							
28	Illinois							
29	Indiana							
30	Iowa							
31	Louisiana							
32	Massachusetts							
33	Michigan							
34	Minnesota							
35	Mississippi							
36	Montana							
37	Nebraska							
38	Nevada							
39	New Hampshire							
40	New Mexico							
41	North Carolina							

42	North Dakota						
43	Oklahoma						
44	Oregon						
45	South Carolina						
46	Texas						
47	Wisconsin						
48	Wyoming						

Defense Strategy 5:
Failed House/Senate + Failed 2/3 + Vetoes and not Submitted to Governor

	state	error7	error8	error5	error6	error3	error4
1	Georgia	YES		YES			
2	Kentucky	YES				YES	
3	Connecticut	YES					
4	Florida	YES					
5	Maine	YES					
6	Pennsylvania	YES					
7	Rhode Island	YES					
8	Tennessee	YES					
9	Utah		YES				
10	Virginia		YES				
11	Kansas			YES	YES		
12	New Jersey			YES			
13	Vermont			YES			
	[number required to defeat Amendment]						
14	New York				YES		YES
15	Arkansas					YES	
16	Idaho						YES
17	Maryland						YES
18	Missouri						YES
19	Ohio						YES
20	South Dakota						YES
21	Washington						YES
22	West Virginia						YES
	[number available to defeat Amendment]						
23	Alabama						
24	Arizona						
25	California						
26	Colorado						
27	Delaware						
28	Illinois						
29	Indiana						
30	Iowa						
31	Louisiana						
32	Massachusetts						
33	Michigan						
34	Minnesota						
35	Mississippi						
36	Montana						
37	Nebraska						
38	Nevada						
39	New Hampshire						
40	New Mexico						
41	North Carolina						
42	North Dakota						

43	Oklahoma							
44	Oregon							
45	South Carolina							
46	Texas							
47	Wisconsin							
48	Wyoming							

Defense Strategy 6:
Confirmed No’s + Governor Vetoes + Not Submitted to Governor

	state	error10	error3	error4	error5	error6	error7	error8
1	Virginia	(15)						YES
2	Utah	(14)						YES
3	Rhode Island	(13)					YES	
4	Pennsylvania	(12)					YES	
5	Florida	(11)					YES	
6	Connecticut	(10)					YES	
7	Kentucky		YES				YES	
8	Arkansas		YES					
9	New York			YES		YES		
10	Idaho			YES				
11	Maryland			YES				
12	Missouri			YES				
13	Ohio			YES				
		[number required to defeat Amendment]						
14	South Dakota			YES				
15	Washington			YES				
16	West Virginia			YES				
17	Kansas				YES	YES		
18	Georgia				YES		YES	
19	New Jersey				YES			
20	Vermont				YES			
21	Maine						YES	
22	Tennessee						YES	
		[number available to defeat Amendment]						
23	Alabama							
24	Arizona							
25	California							
26	Colorado							
27	Delaware							
28	Illinois							
29	Indiana							
30	Iowa							
31	Louisiana							
32	Massachusetts							
33	Michigan							
34	Minnesota							
35	Mississippi							
36	Montana							
37	Nebraska							
38	Nevada							
39	New Hampshire							
40	New Mexico							
41	North Carolina							
42	North Dakota							
43	Oklahoma							

44 Oregon
45 South Carolina
46 Texas
47 Wisconsin
48 Wyoming

REGISTERED U.S. MAIL:
Return Receipt Requested

c/o P. O. Box 6189
San Rafael, California
Postal Zone 94903-0189

May 22, 1991

Rep. Dan Rostenkowski
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C.
Postal Zone 20515

Dear Rep. Rostenkowski:

With this letter I formally petition you for redress of a major legal grievance which I now have with the federal government of the United States of America.

As you must already know from copies of correspondence addressed by me to Rep. Barbara Boxer and forwarded to you by me and also by her office, the material evidence in my possession indicates 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 Secretary of State Philander C. Knox in the year 1913. I remind you that there is no statute of limitations on fraud.

My previous petitions to Rep. Barbara Boxer are dated December 24, 1990; April 15, 1991; and May 3, 1991. Copies of those petitions are again enclosed and included by reference in this formal petition to you.

Please understand that I take Rep. Boxer's referral to you of my original petition to her, dated 12/24/90, as prima facie evidence that you are, in fact, in the chain of government officials responsible for administrative due process in this matter.

It is for this reason that I am taking all steps known to me, in order to exhaust all known remedies for redress of this major legal grievance with the federal government.

If you are not, in fact, a responsible official in the chain of administrative due process in this matter, I will require from you written evidence of the official(s) who do constitute this chain of due process. This written evidence must be received by me within forty-five (45) calendar days of today, which day is Saturday, July 6, 1991. Absent any written evidence from you by this deadline, I will therefore be forced to conclude that you do sit at the end of this chain of administrative due process.

Thank you very much for your consideration in this important matter, which by now has affected many millions of Americans in so many ways.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures: copies of petitions to Rep. Boxer

copies: Rep. Barbara Boxer
interested colleagues
files

[Next Appendix | Table of Contents]

Appendix L: IRS Form W-8: Certificate of Foreign Status

ASSEVERATION OF FOREIGN STATUS

[Substitute W-8 Form]

This document replaces/supersedes any/all previous declarations of status by John Q. Doe and it is to be used as my NOTICE OF RESCISSION OF ANY PREVIOUS SIGNATURE AND ANY POWER OF ATTORNEY, ab initio, as it relates to any previous W-4, W-8, W-9, etc., as well as Federal and State information forms or presentments.

California State/Republic)
) ASSEVERATION OF STATUS
County of Marin)

I, John Q. Doe, state, of Right, my Status as follows:

1. That I am of lawful age and that I am competent to make this Asseveration of Status;

2. That I am a non-immigrant, non-naturalized, nonresident alien, non-taxpayer, natural born free American, Sovereign man and an inhabitant of a geographical area in a State of the American Union known as the California Republic;

3. That I am an American and nonresident alien with respect to the "United States" (i.e., the District of Columbia, Guam, American Samoa, Virgin Islands, Commonwealth of Puerto Rico, etc.) with no income effectively connected with a "trade or business" (IRC 7701(a)(26)) within the "United States" (Government);

4. That I have never knowingly, willingly, voluntarily and intentionally inhabited the state of the forum (Forum Contractus in Latin);

5. That I have never been involved in any taxable "trade or business" activity under 27 Code of Federal Regulations (CFR) pursuant to commerce in Alcohol, Tobacco Products and Firearms, State or Federal;

6. That this Asseveration is to be used in lieu of Form W-8, as suggested by that Form W-8, specifically: "Use Form W-8 or a substitute form containing a substantially similar statement to tell the payor ... that you are a nonresident alien individual, foreign entity, or exempt foreign person not subject to certain U.S. information return, reporting or backup withholding rules."

The following information is given in lieu of a Form W-8:

Name: John Q. Doe
Location: c/o USPS P. O. Box [##]
San Rafael, California Republic
zip code exempt (DMM 122.32)

Please note: I do not voluntarily use unqualified ZIP codes or other forms of Federal Identification, e.g., "CA", "TX", "FL", etc., because I do not reside inside Government (U.S.) Territory or any of its Federal Territories.

U.S. taxpayer identification number: not applicable

See Form W-8: "... foreign persons [sic] are not generally required to have a U.S. taxpayer identification number, nor are they subject to any backup withholding because they do not furnish such a number to a payer or broker." [Emphasis added for purposes of conspicuous notice.]

You are hereby ordered to purge the "Social Security or Taxpayer I.D. Number" as shown on Your "Payer's Request for Taxpayer Identification Number" form, if any.

Check the appropriate space(s) with an "X":

( ) For Interest Payments, I am not a "U.S. citizen" or "U.S. resident"; AND

( ) For Broker Transactions or Barter Exchanges, I am an exempt foreign Sovereign man.

THIS ASSEVERATION OF STATUS IS TO NOTIFY PAYERS, MIDDLEMEN, BROKERS, AND BARTER EXCHANGES NOT TO WITHHOLD OR REPORT PAYMENTS OF INTEREST, BROKER TRANSACTIONS, OR BARTER EXCHANGES.

The W-8 accompanying this ASSEVERATION OF STATUS should not and cannot be attached to this ASSEVERATION OF STATUS but is enclosed for information purposes only.

NUNC PRO TUNC, this _____ day of _____, 19____ Anno Domini, for June 21, 1948 (date of birth),

with explicit reservation all of my unalienable rights
and without prejudice to any of my unalienable rights,

I, _____
(signature)

_____
(printed name)

state that the foregoing is true in substance and in fact, to the best of my knowledge and belief, and is made in good faith, and that this asseveration could be used as evidence, and that I have personal knowledge of the facts stated herein.

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)

)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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

Appendix M: List of Organizations

1. National Commodity and Barter Association
   c/o P. O. Box 2255
   Longmont, Colorado 80502

2. Free Enterprise Society
   300 West Shaw, Suite 205
   Clovis, California 93612

3. Save-A-Patriot Fellowship
   c/o P. O. Box 91
   Westminster, Maryland 21157

4. Freeman Education Association
   8141 East 31st Street, Suite "F"
   Tulsa, Oklahoma 74145

5. National Citizen Education
   9205 S.E. Clackamas Road, Suite 435
   Clackamas, Oregon 97015

6. The Liberty Amendment
   c/o P. O. Box 2386
   El Cajon, California 92021

7. America’s Bulletin
   c/o P. O. Box 935
   Medford, Oregon 97501

8. Religious Technology Center
   6331 Hollywood Boulevard, Suite 1200
   Los Angeles, California 90028-6329

9. Monetary Realist Society
   c/o P. O. Box 31044
   St. Louis, Missouri 63131

10. Citizens for an Alternative Tax System
    1015 Oneota Drive
    Los Angeles, California 90065

11. Fully Informed Jury Association
    P. O. Box 59
    Helmville, Montana 59843

12. Liberty Library
    300 Independence Avenue, S.E.
    Washington, D.C. 20003

13. American Constitutional Liberties Association
    1250 La Playa, Suite 304
    San Francisco, California 94122

14. Constitutional Law Center
    631 Wilhagen Drive
    Sacramento, California 95816

15. U.S. Constitutional Liberties Association
    4671 Marshal Road, Suite "C"
    Garden Valley, California 95633

16. American Institute for the Republic
    80 East 100 North
    Provo, Utah 846006-3110

17. Center for Action
    Box 472, HCR - 31
    Sandy Valley, Nevada 89019-9998

18. Christian Patriot Association
    c/o P. O. Box 596
    Boring, Oregon 97009

19. Citizens for Just Taxation
    c/o P. O. Box 368
    Dolton, Illinois 60419

20. Continental Congress Organizing Committee
    c/o P. O. Box 1257
    Escondido, California 92033

21. Gregory-Forrester Group
    309 Water Oak Lane
    Matthews, North Carolina 28105

22. Informed Voters Alliance
    RR 2, Box 157-C
    Baldwin, Kansas 66006

23. Justice Symposium
    7033 North 13th Place
    Phoenix, Arizona 85020

24. The Moneychanger
    c/o P. O. Box 341753
    Memphis, Tennessee 38184

25. National Alliance for Constitutional Money
    13877 Napa Drive
    Independent Hill, Virginia 22111

26. Radio Amateur Freemen’s Association
    5509 Washington Avenue
    Evansville, Indiana 47715

27. School for the Last Days
    c/o P. O. Box 155
    Rayville, Missouri 64084

28. Sound Dollar Committee
    c/o P. O. Box 226
    Fort Lee, New Jersey 07024

29. Texas Hill County Patriots
    111 Stephanie Street
    Kerrville, Texas 78028

30. Truth in Taxes

c/o 175 Booth Road, Apt. D-3
Marietta, Georgia 30060-3238

31. American Statesmen’s Assembly
1009 E. Capitol Expressway, Suite 312
San Jose, California 95121

32. Citizens Tax Council
c/o P. O. Box 2197
Orofino, Idaho 83544

33. The California Statesman
8158 Palm Street
Lemon Grove, California 91945

34. Friends of Patrick Henry
c/o P. O. Box 1776
Hanford, California 93232

35. American Liberties Association
c/o 306 Turnberry Way
Vallejo, California

36. National Liberty Alliance
c/o P. O. Box 9002
Spokane, Washington 99209-9002

37. Liberty Institute
1400 Moline, #301
Aurora, Colorado 80010

38. Common-Law Service Center HQ
3rd Judicial District
564 La Sierra Drive, Suite 187
Sacramento, California Republic

39. Constitutional Research Associates
c/o P. O. Box 550
South Holland, Illinois 60473

40. The Petitioner
2219 West 32nd Avennue
Denver, Colorado 80211

41. Christian Health Fellowship
c/o 1291 East Vista Way, #136
Vista, California

42. Mid-South Patriots
3125 South Mendenhall, #379
Memphis, Tennessee 38115

43. Pacific Information Network
105 Serra Way, #213
Milpitas, California 95035

44. Lion’s Inn Educational Trust
c/o P. O. Box 270676
San Diego, California 92198

45. National League for the Separation of Church and State

c/o Post Office Box 2832
San Diego, California 92112

46. Financial Independence Network Trust
c/o P. O. Box 122024
Ft. Worth, Texas 76121

47. Tax Consultants of Idaho
c/o P. O. Box 3507
Boise, Idaho 83703-0507

48. Freedom Calendar
704 Edgerton
St. Paul, Minnesota 55101

49. NCE California
35016 Rd. 112
Visalia, California 93291

50. Action Institute
161 Ottawa, N.W., Suite 405-K
Grand Rapids, Michigan 49503

51. American Enterprises Institute
1150 - 17th Street, N.W.
Washington, D.C. 20036

52. American Legislative Exchange Council
214 Massachusetts Avenue, N.E.
Washington, D.C. 20002

53. Cato Institute
224 Second Street, S.E.
Washington, D.C. 20003

54. Center for Strategic and International Studies
1800 "K" Street, N.W., Suite 400
Washington, D.C. 20006

55. Citizens Against Government Waste
1301 N. Connecticut Avenue, N.W., Suite 400
Washington, D.C. 20036

56. Citizens for a Sound Economy
470 L'Enfant Plaza, S.W., Suite 7112
Washington, D.C. 20024

57. Competitive Enterprises Institute
233 Pennsylvania Avenue, S.E., Suite 100
Washington, D.C. 20003

58. Fiscal Associates
1515 S. Jefferson Davis Highway
Arlington, Virginia 22202

59. The Freeman
30 South Broadway
Irvington, New York 10533

60. Heartland Institute
634 South Wabash Avenue, 2nd Floor

Chicago, Illinois 60605

61. Foundation
1438 North Hollenbeck
Covina, California Republic

62. Common Law Service Center HQ
564 La Sierra Drive, #187
Sacramento, California Republic

63. Institute for Policy Innovation
250 South Stemmons, Suite 306
Lewisville, Texas 75057

64. Institute for Research on Economics of Taxation
1331 Pennsylvania Avenue, N.W., Suite 515
Washington, D.C. 20004-1774

65. Manhattan Institute
52 Vanderbilt Avenue
New York, New York 10017

66. National Center for Policy Analysis
12655 North Central Expressway
Dallas, Texas 75243

67. National Federation of Independent Businesses
600 Maryland Avenue, S.W., Suite 700
Washington, D.C. 20024

68. National Tax Limitation Committee
151 North Sunrise Avenue, Suite 901
Roseville, California 95661

69. National Taxpayers Union
325 Pennsylvania Avenue, S.E.
Washington, D.C. 20003

70. Tax Foundation
470 L'Enfant Plaza, S.W., Suite 7400
Washington, D.C. 20024

71. Washington Institute for Policy Studies
223 - 105th Street, N.E., Suite 202
Bellevue, Washington 98004

72. National Educator
P.O. Box 333
Fullerton, California 92632

73. Future of Freedom Foundation
P.O. Box 9752
Denver, Colorado 80209

74. The Foundation for Economic Education
30 South Broadway
Irvington-on-Hudson, New York 10533

75. Acres USA
P.O. Box 9547
Kansas City, Missouri 64133

76. Advocates for Better Government
c/o P.O. Box 11653
Montgomery, Alabama 36111-0653

77. Aid & Abet Newsletter
P.O. Box 8787
Phoenix, Arizona 85066

78. A.M.E.N., Inc.
1500 Gulf City Road, #34
Ruskin, Florida 33570

79. American Coalition of Unregistered Churches
P.O. Box 11
Indianapolis, Indiana Republic 46206

80. American Independent Party
P.O. Box 180
Durham, California 95938

81. Americans for a Voice in Government, Inc.
P.O. Box 878
Valrico, Florida 33594

82. Americans for Ending Aid to Communist Countries
1234 S.E. 22nd Avenue
Ocala, Florida 32671

83. Americans to Limit Congress Terms
900 N.E. Second Street, Suite 200
Washington, D.C. 20002

84. Anti-Shyster
P.O. Box 540786
Dallas, Texas 75354-0786

85. APRA News
P.O. Box USA
Benton, Tennessee 37307

86. Barrister’s Inn
P.O. Box 9411
Boise, Idaho 83707

87. Behold Newsletter
729 Molalla Avenue, Suite 2
Oregon City, Oregon

88. Bill Tolley’s Congressional Watch
4250 Pinewood Road
Melbourne, Florida 32934

89. Christian Defense League
P.O. Box 449
Raleigh, North Carolina 27613

90. Citizen Alert
1761 Bus Center Drive
Reston, Virginia 22090

91. Citizens Committee to Clean Up the Courts
9800 South Oglesby
Chicago, Illinois 60617

92. Concerned Citizens for the Constitution
P.O. Box 44590
Indianapolis, Indiana 46244

93. Citizens for a Debt Free America
2550 South Sunny Slope Road
New Berlin, Wisconsin 53151

94. Coalition to End the Permanent Congress
P.O. Box 7309
North Kansas City, Missouri 64116

95. Committee to Restore the Constitution
P.O. Box 986
Fort Collins, Colorado 80522

96. Common Law Court for the USA
3537 Ambassador Caffery Parkway, Suite 32
Lafayette, Louisiana, USA 70503

97. Conservative Caucus
450 East Maple Avenue
Vienna, Virginia 22180

98. Constitutional Revival
P.O. Box 3182
Enfield, Connecticut 06083

99. Council on Domestic Relations
P.O. Box 3362
Springfield, Illinois 62708

100. Criminal Politics
300 North Zeeb Road
Ann Arbor, Michigan 48106

101. Crusade Against Corruption
P.O. Box 4063
Marietta, Georgia 30061

102. Democracy Requires Attention
P.O. Box 4163
Honolulu, Hawaii 96813

103. Diminish the National Debt
P.O. Box 3663
Carbondale, Illinois 62903

104. Eight Is Enough
P.O. Box 4888
Orlando, Florida 32802-4888

105. Family Rights Committee
4303 Vineland Road, Suite F-16
Orlando, Florida 32811

106. Farmer’s and Consumer’s Sun Time

710 East Bowen Avenue
Bismark, North Dakota 58504

107. Firearms Coalition
P.O. Box 6537
Silver Springs, Maryland 20906

108. For the People
3 River Street
White Springs, Florida 32096

109. Free Congress
717 N.E. Second Street
Washington, D.C. 20002

110. Freedom
1301 North Catalina Street
Los Angeles, California 90027

111. Freedom Law Center
1902 West Kennedy Blvd.
Tampa, Florida 33606

112. Golden Mean Machine
P.O. Box 1247
Condon, Montana 59826

113. Grass Roots Journal
P.O. Box 8738
Longboat Key, Florida 34228

114. HALT
1319 "F" Street, N.W., Suite 300
Washington, D.C. 20004

115. Justice Times
P.O. Box 562
Clinton, Arkansas 72031

116. Larry McDonald Foundation
6240 CR 214
St. Augustine, Florida 32092

117. L.A.W.
15209 Lake Magdalene
Tampa, Florida 34653

118. Libertarian Party
1528 Pennsylvania Avenue, S.E.
Washington, D.C. 20003

119. L.I.M.I.T.S.
1815 Seashore Drive
Tacoma, Washington 98465

120. LINK
P.O. Box 115
Santa Rosa, California 95402

121. Louis F. Mlecka
P.O. Box 908

Brooksville, Florida 34605

122. McAlvany Intelligence Report
P.O. Box 84904
Phoenix, Arizona 85071

123. National Federal Lands Conference
P.O. Box 847
Bountiful, Utah 84011

124. National Forget Me Not Association
6844 Parkside Drive
New Port Richey, Florida 34653

125. National Tax Limitation Committee
400 Rockingham Avenue
Tavares, Florida 32778

126. New Nation USA (NNUSA)
P.O. Box 441
Morongo Valley, California 92256

127. Newswatch Magazine
P.O. Box 1073
St. Ann, Missouri 63071

128. N.Y. Taxpayers Education Network
Route 9 N
Upper Jay, New York 12987-9601

129. Patriot Network
P.O. Box 2368
Anderson, South Carolina 29622

130. Patriot Review
P.O. Box 905
Sandy, Oregon 97055

131. Patriots for Liberty
P.O. Box 334
Rochester, Indiana 46975

132. Paul Revere Club
P.O. Box 565
Flora, Illinois 62830

133. Pilot Connection
6223 Pacific Avenue, Suite 324
Stockton, California 95207

134. Prevailing Winds Research
P.O. Box 23511
Santa Barbara, California 93121

135. Public Service Research Company
1761 Business Center Drive
Reston, Virginia 22090

136. Publius Press
3100 South Philamena Place, Suite B
Tucson, Arizona 85730

137. Republican Liberty Caucus
1717 Apalachee Parkway, Suite 434
Tallahassee, Florida 32301

138. Robeson Defence Committee
P.O. Box 1389
Pembroke, North Carolina 28372

139. Saving America
P.O. Box 1205
Middleburg, Florida 32050

140. School of Statesmanship
1235 Newport Road
Manheim, Pennsylvania 17545

141. Second Amendment Rev. Ed. Foundation
801 Home Avenue
Oak Park, Illinois 60304

142. SMART
16661 S.E. Highway 42
Weirsdale, Florida 32195

143. Sovereignty Resolution
1154 West Logan Street
Freeport, Illinois 61032

144. State Citizen Service Center
585-D Box Canyon Road
Canoga Park, California Republic

145. The Strecker Group
1501 Colorado Boulevard
Eagle Rock, California 90041

146. Taxpayers Against Deficit/Debt
5994 Saginaw Highway
Grand Lodge, Missouri 48837

147. Thinking Americans for Better Government
1047 Briarwood Loop
Las Cruces, New Mexico 88005

148. Throw the Hypocritical Rascals Out
4127 West Cypress Street
Tampa, Florida 33607

149. T.R.I.M.
2151 Cliffbrook Avenue
Pensacola, Florida 32526

150. Truth At Last
P.O. Box 1211
Marietta, Georgia 30061

151. United States Bookstore
3417 South Dale Mabry
Tampa, Florida 33629

152. U.$. End
242 Taragona Way
Daytona Beach, Florida 32114

153. U.S. Federalist/The White Rose
227 Edge Avenue
Valparaiso, Florida 32580

154. U.S. Taxpayers Alliance
5225 Nob Lane
Indianapolis, Indiana 46226

155. Voter Outreach
204 North El Camino Real, #719
Encinitas, California 92024

156. Reason Foundation
3415 S. Sepulveda Blvd., #400
Los Angeles, California 90034

List assembled and distributed by:

Account for Better Citizenship
c/o Post Office Box 6189
San Rafael, California Republic
Postal Zone 94903-0189/TDC

[Next Appendix | Table of Contents]

Selected Bibliography:

Federal Income Taxes, the IRS, and the Federal Reserve System

America’s Coming Tax Revolt, by R.W. Mertz
Parrot Communications Int’l, Inc.
2917 N. Ontario Street
Burbank, California 91504
1992 (14.95 plus 2.75 S&H)

Are You A Nonresident Alien?, by Jack Colson
c/o ABS P.O. Box 935
Medford, Oregon 97501
1990 (3.00 includes S&H)

Become a Nontaxpayer and Save, Revised Edition, by Floyd Wright
c/o P.O. Box 323
Grass Valley, California 95945
1992 (19.95 plus 2.00 S&H)

The Best Kept Secret, by Otto Skinner
P.O. Box 6609
San Pedro, California 90734
1986 (10.00 plus 2.00 S&H)

If You Are the Defendant, by Otto Skinner
P.O. Box 6609
San Pedro, California 90734
1989 (21.00 plus 2.00 S&H)

The Biggest Con: How the Government is Fleecing You, by Irwin A. Schiff
Freedom Books
60 Skiff St.
Hamden, Connecticut 06517
1976 (7.00)

Confidential IRS Tax Audit Guide distributed by Common Sense Press
P.O. Box 1544
Billings, Montana 59103 (15.00)

Documentation Packet with Court Briefs, by Jerry Richey
c/o ABS, P.O. Box 935
Medford, Oregon 97501
1990 (12.00 includes S&H)

Do Unto the IRS As They Would Do Unto You!, by M.J. "Red" Beckman
Common Sense Press
P.O. Box 1544
Billings, Montana 59103
1983 (5.00 includes S&H)

Economic Survival, by National Citizen Education
9205 S.E. Clackamas Road, Suite 435
Clackamas, Oregon 97015
(10.00 includes S&H)

The Federal Mafia, by Irwin A. Schiff

Freedom Books
60 Skiff Street
Hamden, Connecticut 06517
1990 (19.95 plus S&H)

The Federal Zone: Cracking the Code of Internal Revenue
by Mitch Modeleski, Founder, Account for Better Citizenship
c/o POB 6189
San Rafael, California 94903-0189/tdc
1992 (40.00 includes S&H)

Financial Survival, by National Citizen Education
9205 S.E. Clackamas Road, Suite 435
Clackamas, Oregon 97015
(10.00)

41 Ways to Lick the IRS with a Postage Stamp, by Daniel J. Pilla
Winning Publications
506 Kenny Road, Suite 120
St. Paul, Minnesota 55101
1990

Free at Last -- from the IRS, by Dr. N. A. Scott
2649 Vista Way, #8-137
Oceanside, California 92054/TDC
1991 (40.00 + 3.00 S&H)

Good-Bye April 15th!, by Boston T. Party
Javelin Press
c/o 504 West 24th Street, #73-P
Austin, Texas Republic
Postal Zone 78705/tdc
1992 (40.00 includes S&H, 43.00 for two-day delivery)

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Freedom Books
60 Skiff Street
Hamden, Connecticut 06517
1985 (17.95)

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M-FACT Books
P.O. Box 8596 - S.C. Br.
Independence, Missouri 64054
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60 Skiff Street
Hamden, Conn. 06517
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60 Skiff Street
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1982 (11.50)

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Free Enterprise Society
300 W. Shaw Avenue

Suite 205, Clovis, California 93612
1978 (12.00 plus 1.50 S&H)

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300 Independence Avenue, S.E.
Washington, D.C. 20003
(4.00)

The IRS and the Black Robed Cover-Up, by M.J. "Red" Beckman
Common Sense Press
P.O. Box 15444, Billings, Montana 59103
1983 (7.00 includes S&H)

The IRS and the Question of Jurisdiction, by Ernest Solivan
4202 E. Cactus Rd., #8202
Phoenix, Arizona 85032
(29.95 includes S&H)

The IRS Conspiracy, by Henry J. Hohenstein
Nash Publishing Corporation
9255 Sunset Blvd.
Los Angeles, Calif. 90069
1974

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c/o ABS, P.O. Box 935
Medford, Oregon 97501
1990 (10.00 includes S&H)

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P. O. Box 70486
Oakland Park, Florida 33307-0486
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P.O. Box 535
Southampton, Penna. 18966
1986 (9.95 plus 1.00 S&H)

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PEGS Bookstore
P.O. Box 9337
Missoula, Montana 59807
1990

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F.E.A. Books
8141 E. 31st Street, Suite "F"
Tulsa, Oklahoma 74145
1987 (14.95)

The Law That Never Was, Volume I, by M.J. "Red" Beckman and Bill Benson
Constitutional Research Associates
POB 550
South Holland, Illinois 60473
1985 (25.00 plus 3.00 S&H)

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Research Associates, POB 550, South Holland, Illinois 60473, 1986

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Random House, Inc.
New York, New York 10022
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A Moderate Proposal for Restoring Prosperity Individual and National
by Jean Carpenter
PRS Nutshells
5147 South Harvard Ave., Suite 248
Tulsa, Oklahoma 74135
1991 (7.50 includes S&H)

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Wisconsin Education Fund
P.O. Box 321
Port Washington, Wisconsin 53074
1970 (0.50 each)

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Kenny Road, Suite 120, St. Paul, Minnesota 55101, 1986

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c/o P.O. Box 91109
Houston, Texas 77291-1172
1987 (40.00 includes S&H)

Ratification of the Income Tax Amendment: Has the Federal Government
Defrauded the American People? A Response to the Ripy Report
by Andrew B. Spiegel
Constitutional Research Associates
P.O. Box 550
South Holland, Illinois 60473
September 15, 1986

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P.O. Box 1105
Staunton, Virginia 24401
1985

Secrets of the Temple: How the Federal Reserve Runs the Country,
by William Greider
Simon & Schuster, Rockefeller Center
1230 Avenue of the Americas
New York, New York 10020
1987

Secrets of the Tax Revolt, by James Ring Adams
Harcourt Brace Jovanovich
1250-6th Ave.
San Diego, Calif. 92101
1984 (16.95)

The Silver Bulletin, by Bill Medina
c/o P.O. Box 70400,
Sunnyvale, California 94086-0400
(25.00)

16th Amendment Reliance Package, by Bill Benson
Constitutional Research Associates

P.O. Box 550
South Holland, Illinois 60473
($200.00 includes S&H)

The Social Security Swindle, by Irwin A. Schiff
Freedom Books
60 Skiff Street
Hamden, Connecticut 06517
1983 (12.95)

Super Gun, by Lori Jacques
c/o P.O. Box 1509
Bisbee, Arizona 85603-2509
1992 (30.00 + 3.50 S&H)

Tax Fraud & Evasion: The War Stories, by Donald W. MacPherson
MacPherson & Sons Publishers, Ltd.
3404 West Cheryl Drive, A-250
Phoenix, Arizona 85051
1989 (17.95 plus 2.00 S&H)

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Winning Publications
506 Kenny Rd., #120
St. Paul, Minn. 55101
1989

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Devin-Adair Publishers
6 North Water Street
Greenwich, Connecticut 06830
1985

Tax Scam, by Alan Stang
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P.O. Box 84902
Phoenix, Arizona 85071
1988 (9.95 plus 1.50 S&H)

A Ticket to Liberty, by Lori Jacques
c/o P. O. Box 1509
Bisbee, Arizona 85603-2509
November 1990 (33.00 includes S&H)

To Harass Our People, by Congressman George Hansen
Positive Publications
P.O. Box 23560
Washington, D.C. 20024
1984

United States Citizen versus National of the United States, by Lori Jacques
c/o P.O. Box 1509
Bisbee, Arizona 85603-2509,
1989 (write author for price and availability)

Which One Are You? The American Nonresident Nontaxpayer -or-
United States Citizen Resident Taxpayer, by The Informer
published by Who Are You
c/o 60-6 Roundtree Drive
Naugatuck, Connecticut
(55.00 includes S&H)

Who’s Afraid of the IRS, by Miss Lynn Johnston
Laissez Faire Books, 532 Broadway - 7th Floor
New York, New York 10012
1983 (14.95 includes S&H)

You Can Rely on The Law That Never Was! Selections from the Trial and Post-Trial Motions of William J. Benson
Constitutional Research Associates
PO. Box 550
South Holland, Illinois 60473
($35.00 plus 2.00 S&H)

Editor’s note:
For those interested in doing additional research, many of the above references contain their own excellent bibliographies.

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Appendix O: Constructive Notice and Demand

Registered U.S. Mail
Return Receipt Requested
Postal Serial #

c/o Street/P.O. Box
City, State
zip code exempt
(DMM 122.32)

Date

District Director
Internal Revenue Service
City, State
Postal Code:

Re: Constructive Notice, Demand, and Statement
Regarding IRS Request for Form 1040 Tax Return

Dear Mr. Director:

This correspondence addresses your agency's request that I file a Form 1040 tax return and pay a tax for which I am not made liable. Enclosed with your agency's request was IRS Notice 557, entitled "Who Must File a Federal Income Tax Return". Because you are in the initial stages of making a serious error with me regarding your lawful jurisdiction and authority in this "1040" matter, I hereby issue this constructive notice, demand and statement.

This constructive notice is to advise you of my lawful status as a sovereign natural born free State Citizen under the U.S. Constitution (see 2:1:5), that is, a "non-taxpayer" under the law, and to demand that you comply with all due process requirements of the law and permanently curtail any further information collection requests and proceedings against my person and my property.

Be advised that I am not a "citizen of the United States" and I am not a "resident of the United States". I am and have always been a "nonresident alien" from birth (my legal status), as that term is now defined in Title 26 and its regulations. Among its other purposes, this letter now explicitly rebuts, retroactively to my date of birth, any erroneous presumptions and terminates any erroneous elections of "U.S. residence" which were established as a consequence of demonstrable mistakes, by me and others, which resulted in part from the vagueness that is evident in Title 26 and its regulations, and in part from the actual and constructive frauds which have been perpetrated upon all Americans by the Congress and other federal officials at least since the year 1913.

To demonstrate the vagueness to which I refer, after an honest and a diligent search which now stretches over several years, I am still unable to find in Title 26 any statute which defines the "intent" of that title (see 26 USC 7701(a) et seq.), nor have I been able to find a statutory definition of the term "income" (even though "gross income" and "ordinary income" are defined). My family obligations now demand that I stop searching for definitions which evidently do not exist, and shift to you, Mr. Director, the burden of finding and exhibiting these definitions. I stand on my rights to substantive due process, as guaranteed by the Bill of Rights, which nullify any and all actions you and others in your agency may take under the presumed "authority" of vague and arbitrary statutes and their associated regulations.

To demonstrate the fraud to which I refer, there are now literally thousands of certified documents which constitute material evidence proving, beyond any reasonable doubt, that the so-called 16th Amendment was never ratified. Your agency can no longer rely on it as law, as was done by Commissioner Donald C. Alexander in The Federal Register of March 29, 1974, Volume 39, No. 62, page 11572. At that time, Mr. Alexander

published his official statement about the IRS as follows:

> Since 1862, the Internal Revenue Service has undergone a period of steady growth as the means for financing Government operations shifted from the levying of import duties to internal taxation. Its expansion received considerable impetus in 1913 with the ratification of the Sixteenth Amendment to the Constitution under which Congress received constitutional authority to levy taxes on the income of individuals and corporations.
>
> [emphasis added]

Contrast this statement with the ruling of an Illinois State Court: "It is as much a nullity as if it had been the act or declaration of an unauthorized assemblage of individuals," (Ryan v. Lynch, 68 Ill. 160). Several District Courts of Appeal have been presented with the question of whether or not the so-called 16th Amendment was properly ratified. See:

Miller vs United States,	868 F.2d	236	(1989,	7th Circuit)
U.S. vs Sitka,	845 F.2d	43	(1988,	2nd Circuit)
Stubbs vs Commissioner,	797 F.2d	936	(1986,	11th Circuit)
United States vs Stahl,	792 F.2d	1438	(1986,	9th Circuit)
United States vs Ferguson,	793 F.2d	828	(1986,	7th Circuit)
Sisk vs Commissioner,	791 F.2d	58	(1986,	6th Circuit)

It has been well documented that Philander C. Knox knew that the so-called 16th Amendment had not been properly ratified by the 48 States in 1913, yet he certified its ratification anyway. This is fraud. The courts, when presented with this overwhelming problem, have decided that the fraud perpetrated upon the people was in the nature of a "political" question and, therefore, not proper for judicial review.

Since the so-called 16th Amendment has now been declared a "political" question, my "political" actions are deserving of the protection guaranteed by the First Amendment to the Constitution for the United States of America. Boycotting the Internal Revenue Service and the income tax, under the protection of the First Amendment, is definitely a part of our democratic political process, until such time as Congress (or the federal Courts) decide to resolve this political question once and for all.

Moreover, the federal government has committed further fraud, duress and coercion, exercised undue influence, and evidenced unlawful menace against the American people by representing the so-called 14th Amendment as a lawfully ratified amendment in the U.S. Constitution, when contrary proof, published court authorities and other competent legal scholars have now established that it was NOT lawfully ratified. (For conclusive proof, see State vs Phillips, 540 P.2d 936 (1975); Dyett vs Turner, 439 P.2d 266 (1968); 28 Tulane Law Review 22; 11 South Carolina Law Quarterly 484.)

This constructive notice to you is based upon legal advice which I have received from a number of attorneys, CPA’s, income tax professionals, and upon in-depth research into the Internal Revenue Code, applicable regulations, court cases, the laws concerning "Delegation of Authority" (i.e., the Federal Register Act and the Administrative Procedure Act), the Privacy Act, and the U.S. Constitution (the supreme law of the land).

One particularly revealing document (which I will emphasize herein) that proves my legal position in this tax matter is the Privacy Act Notice (Publication #609) which I obtained from the IRS, and which is also published in the IRS Instructions for Form 1040.

You are hereby advised that, as a sovereign natural born free State Citizen under the U.S. Constitution (see 2:1:5), I explicitly reserve all my rights and waive none. I demand that you, in your capacities as a public servant

and as an individual, comply with the law and afford me substantive and procedural due process at all times. In order for you to afford me all due process in this matter, I now demand the following:

DELEGATION OF AUTHORITY ORDERS

I hereby demand that you send me copies of the Delegations of Authority from the Secretary of the Treasury, all the way down to your position as District Director, which create and set forth your full and complete authority to function and act in your present capacity as an employee of the Internal Revenue Service.

I also demand to receive copies of the Delegations of Authority that have been handed down to any other case agent(s) who have assisted you in issuing the above mentioned documents. I also demand the full names of said agents.

Essentially, I demand to see the "chain" of authority delegations above yours, to determine if they are properly set forth and to determine if they have all been properly published in the Federal Register as required by the law (the Act of July 26, 1935, 49 Stat. 500) which created the Federal Register, and by the Administrative Procedure Act, Section 3.

Section 3 of the Administrative Procedure Act clearly commands that the following types of agency rules are to be published in the Federal Register:

> Every agency shall separately state and currently publish in the Federal Register:
>
> (1) descriptions of its central and field organization including delegations by the agency of final authority and the established places at which, and the methods whereby the public may secure information or make submittals or requests;
>
> (2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available as well as forms and instructions as to the scope and content of all papers, reports, or examinations; and
>
> (3) substantive rules adopted as authorized by law and statements of general policy or interpretations formulated and adopted by the agency for guidance of the public, but not rules addressed to and served upon named persons in accordance with law ....

Both Sections 3 and 9 of the Act protect the public from an agency’s failure to publish this required information:

> No person shall in any manner be required to resort to organization or procedure not so published. ...
>
> No sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the agency and as authorized by law.

Also, Section 7 of the Federal Register Act states:

> No document required under section 5(a) to be published in

> the Federal Register shall be valid as against any person who has not had actual knowledge thereof.

Mr. District Director, the point here is due process of law. I demand full compliance. Do not send me any copies of delegation orders unless you can satisfy the entire request. A partial response by you will evidence your failure to satisfy this request and will fail to prove your lawful authority by any means.

It has come to my attention that the Office of the Federal Register has issued a statement indicating that Treasury Department Orders 150-10 and 150-37 (regarding taxation) were not published in the Federal Register. Evidently, there are no published orders from the Secretary of the Treasury giving the Commissioner of Internal Revenue the requisite authority to enforce Title 26, the Internal Revenue Code, within the 50 States of the Union. Furthermore, under Title 3, Section 103, the President of the United States, by means of Presidential Executive Order, has not delegated authority to enforce the Internal Revenue Code within the 50 States of the Union.

Very simply, Mr. District Director, you are required to present proof that the above mentioned orders have been published in the Federal Register prior to the date of your initial request for information, and prior to the issuance of any unilateral determinations, by you and/or your case agent(s), of my status as a "taxpayer" or a "nontaxpayer".

As proof that my request is valid and lawfully on point, I refer you to the following statutes and authorities that make it necessary for the Secretary of the Treasury to delegate authority to the Commissioner of Internal Revenue. First, by authority of the Internal Revenue Code, Section 7602, the Secretary is authorized to issue a summons. This section must be read in conjunction with Section 7701: "Definitions". Note, in particular, definitions (11) and (12) in order to identify individuals properly:

> Section 7602. Examination of books and witnesses.
>
> (a) Authority to Summon, Etc. -- For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized ....
>
> Section 7701(11) Secretary of the Treasury and Secretary.
>
> (A) Secretary of the Treasury. The term "Secretary of the Treasury" means the Secretary of the Treasury, personally, and shall not include any delegate of his.
>
> Section 7701(12) Delegate
>
> (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; and
>
> (ii) when used with reference to any other official of the

United States, shall be similarly construed.

(B) Performance of Certain Functions in Guam or American Samoa. The term "delegate," in relation to the performance of functions in Guam or American Samoa with respect to taxes imposed by Chapters 1, 2, and 21, also includes any officer or employee of any other department or agency of the United States, or of any possession thereof, duly authorized by the Secretary (directly, or indirectly by one or more redelegations of authority) to perform such functions.

Further, Treasury Department Order No. 150-10 can be found in CCH Paragraph 6585 (unofficial publication). Section 5 reads as follows:

U.S. Territories and Insular Possessions. The Commissioner shall, to the extent of authority otherwise vested in him, provide for the administration of the United States internal revenue laws in the U.S. Territories and insular possessions and other authorized areas of the world.

Thus, the evidence available to me indicates that the only authority delegated to the Internal Revenue Service is to enforce tax treaties with foreign territories, U.S. territories and possessions, and Puerto Rico. To be consistent with the law, Treasury Department Orders, particularly TDO's 150-10 and 150-37, were deemed necessary to be published in the Federal Register. Thus, given the absence of published authority delegations within the 50 States of the Union, the obvious conclusion is that the various Treasury Department orders found in Internal Revenue Manual 1229 have absolutely no legal bearing, force or effect on sovereign Citizens of these 50 States, such as myself.

Again, the Secretary of the Treasury delegates his authority to the different department heads by Treasury Department Orders, which require publication in the Federal Register pursuant to 44 USC 1501 et seq. Only when the Secretary of the Treasury properly delegates authority to the Commissioner of Internal Revenue, and said orders are duly published in the Federal Register, then and only then does the Commissioner have authority to re-delegate authority to his subordinates by issuing Commissioner's Delegation Orders, which become a part of Internal Revenue Manual 1229.

All orders affecting the rights and obligations of "United States citizens" and "United States residents" must be published in accordance with the proper authorities. Pursuant to 44 USC 1501 et seq., no one can be adversely affected or bound by an unpublished order, and anyone may lawfully and safely ignore such an order with impunity. Of course, no one anywhere in the world can be affected if the proper and relevant delegation orders are not duly published.

Without lawful delegation of authority to issue, among other things, your "Request for Tax Return", to determine correctness of any return, to make a return where none has been made, to make and issue determinations of deficiencies for any internal revenue tax, and/or to file tax liens and institute levies, Mr. District Director, you cannot proceed further against me in this matter, particularly with your intent to collect information and, ultimately, to collect taxes.

Mr. District Director, if you are unable to comply with the demands in this letter on or before [date exactly 30 days hence], I will correctly conclude under law that you have absolutely no delegated authority, that you are acting under a covert, secret jurisdiction and, as such, that you are operating unlawfully under color of law and cannot proceed further in this matter, period. Moreover, after this deadline, your failure to comply will mean that you are forever barred by the doctrine of estoppel by acquiescence from proceeding any further against me in

this regard.

JURISDICTION IS REQUIRED TO BE PROVEN

Your delegated authority must include, but not be limited to Constitutional, Statutory, Contract and/or Merchant Law(s), including treaties if any. If you claim the jurisdiction of statutory law as your authority, I demand that you disclose to me, in writing, how and in what precise manner I became the subject and/or the object of said statute.

If you claim the jurisdiction of contract and/or merchant law as your authority, I demand that you disclose to me, in writing, what contract or commercial agreement granted this jurisdiction to you, including but not limited to the title, date, witnesses thereto, and all parties thereto, whereby I have knowingly, intentionally, and voluntarily entered into a contract or commercial agreement which provides the legal basis for any such alleged jurisdiction. In equity, you can be compelled by a court of law to disclose fully, under oath, what contract or commercial agreement granted this jurisdiction to you.

Mr. District Director, the issue of whether I, as a sovereign natural born free State Citizen under the Constitution (see 2:1:5), am liable by statute to file a 1040 Form and to pay a tax under some alleged "blanket tax law" is secondary to the issue of jurisdiction, because you must first prove that you have lawful jurisdiction over me. I am not aware of any facts on record upon which you could have made a valid determination that I am a "taxpayer/subject" pursuant to Title 26 USC Section 7701(a)(14), or to any other laws cited above, or that I have granted you jurisdiction. I submit that there are no conclusive facts nor any conclusive presumptions on the administrative record which have conferred jurisdiction to you upon myself or the subject matter.

Therefore, and pursuant to Title 26 USC Section 6110, you are hereby required to furnish me copies of the all documents upon which you have based your presumptive determination that I am a "taxpayer/subject" who is in a particular "taxable class" that lawfully authorizes you to issue your "Request(s) for a 1040 Tax Return" to me and to institute collection efforts against me.

There are numerous cases that speak to the status of a "nontaxpayer" as opposed to the status of a "taxpayer". The following are just a few relevant citations (see also Exhibit A for other relevant cases):

> The term "taxpayer" in this opinion is used in the strict or narrow sense contemplated by the Internal Revenue Code and means a person who pays, overpays, or is subject to pay his own personal income tax. (See Section 7701(a)(14) of the Internal Revenue Code of 1954.) A "nontaxpayer" is a person who does not possess the foregoing requisites of a taxpayer.
>
> [Economy Plumbing and Heating Co. vs U.S.]
> [470 F.2d 585, note 3 at 590]

> The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers and not to nontaxpayers.
>
> [Economy Plumbing and Heating Co. vs U.S.]
> [470 F.2d 585, at 589]

> Persons who are not taxpayers are not within the system and can obtain no benefit by following the procedures prescribed for taxpayers, such as the filing of claims or refunds.

[Economy Plumbing and Heating Co. vs U.S.]
[470 F.2d 585, at 589]

> The income tax is, therefore, not a tax on income as such. It is an excise tax with respect to certain activities and privileges which is measured by reference to the income which they produce. The income is not the subject of the tax: it is the basis for determining the amount of the tax.
>
> [House Congressional Record, March 27, 1943, at 2580]

It is a principle of law that, once challenged, the person asserting jurisdiction must prove that jurisdiction exists as a matter of law. For judicial support of this principle, see in particular the following cases:

> Griffin vs Matthews, 310 F.Supp. 341; 423 F.2d 272
> McNutt vs. G.M., 56 S.Ct. 780; 80 L.Ed 1135
> Basso vs. U.P.L., 495 F.2d 906
> Thomson vs Gaskiel, 62 S.Ct. 673; 873 L.Ed 111

To deny me knowledge of jurisdiction and equal protection is to deny me due process of law. Such is a violation by you of 42 USC 1983, and/or 18 USC 241 and 242, under which section I may sue you, should you willfully deny me any right to due process and unlawfully move forward to collect information, to assess, to collect monies, and/or to institute a lien or levy action upon any of my property. Mr. District Director, I do hope that you understand the extreme liability and punishment that you face under the law in the event of such violations.

NOTICE OF PERSONAL LIABILITY

As you are aware, Mr. District Director, if you, as an individual or as a government employee/public servant, act outside your lawful capacity, with no delegated authority, you can be held personally liable for each and every violation that you commit. However, at this point, you need simply comply with the law. The burden is now rightfully and lawfully upon you to produce.

However, be further advised that my possible future remedies will include the filing of a complaint against you and your superior(s) with a U.S. Magistrate and the Federal Bureau of Investigation, and/or a formal complaint with a U.S. Magistrate under Rule 3 of the Federal Rules of Criminal Procedure demanding that a Summons be issued upon you to show cause why you should not be formally charged with a violation of 26 USC 7214(a)(1), (3), (6), and (7), for starters.

There could be charges filed against you for unauthorized and unlawful disclosure under the Internal Revenue Code (26 USC 6103) as well for your failure to provide due process. See, for example, Husby vs United States, 672 F. Supp. 442, and Rorex vs Traynor, 771 F.2d 383. Title 26 USC, Section 7431(a)(1) states as follows:

> Disclosure by Employee of the United States. If any officer or employee of the United States knowingly, or by reason of negligence, discloses any return or return information with respect to a taxpayer in violation of any provision of section 6103, such taxpayer may bring a civil action for damages against the United States in a district court of the United States.

Title 26 USC, Section 7431(c) provides for damages:

> Damages. In any action brought under subsection (a), upon a

finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of ---

(1) the greater of --

(A) $1,000.00 for each act of unauthorized disclosure of a return or return information with respect to which such defendant is found liable, or

(B) the sum of --

(i) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure, plus

(ii) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages, plus

(2) the costs of the action.

A lawsuit for unlawful disclosure against you personally can be extremely damaging and costly to you and your agency, because the $1,000 fine can be multiplied a thousand-fold under certain conditions.

Other charges can include fraud, theft and criminal conspiracy to deprive a Sovereign State Citizen of rights guaranteed to him by the U.S. Constitution. Keep in mind that you personally enjoy absolutely no personal immunity for acts committed outside your capacity as a public servant. Furthermore, the Anti-Injunction Act will not protect you as long as there is no valid information request, no valid notice, or no valid assessment with respect to me, in addition to your lack of delegated authority.

Please note well the ruling in the following court case, particularly as it affects agents who are unaware of the limitations upon their authority:

Whatever the form in which the Government functions, anyone entering into an arrangement with the Government takes the risk of having accurately ascertained that he who purports to act for the Government stays within the bounds of his authority ... and this is so even though as here, the agent himself may have been unaware of the limitations upon his authority.

[Federal Crop Ins. Corp. vs Merrill, 332 U.S. 380]

LEGAL ADVICE RELIED UPON

During the past years, I have conducted diligent research and have received and relied upon legal advice from independent tax professionals who all advised me in writing that the law does not make me liable to file income tax returns, no matter how much money I make. Some of my counsel also advised me of your agency’s violations with regard to Delegations of Authority, and have pointed out and proven many other serious problems and violations. Thus, in a prudent sense, I have every reason to rely fully on the legal advice I have received from tax professionals.

Also, Article 1, Section 10 of the U. S. Constitution secures my right to contract. Obviously, I enjoy the unalienable right to free association through contract. My relationship with all those with whom I choose to

associate is by private contract which cannot be impaired by you or anyone else. "Unalienable" rights are rights that cannot be surrendered or transferred without my consent. (See Exhibit A for relevant court cases.)

IRS PRIVACY ACT NOTICE SUPPORTS MY NON-FILER STATUS

Furthermore, the IRS Privacy Act Notice #609 which your agency sent to me supports my legal position that I am not liable for sending you information on a Form 1040. I am advised by professionals that your Notice is deceptively written to trick all individuals into believing that they are "liable", and therefore it is a shameful and vicious fraud. Careful legal analysis has brought forth the real explanation and proof. Your Notice first refers to Title 26 USC, Section 6001, which states in part:

> Whenever in the judgement of the Secretary it is necessary, he may require any person, by notice served upon such person or by regulations, to make such returns, render such statements, or keep such records, as the Secretary deems sufficient to show whether or not such person is liable for tax under this title.
>
> [emphasis added]

Your Notice 609 continues to Section 6011, which states in part:

> When required by regulations prescribed by the Secretary any person made liable for any tax imposed by this title, or with respect to the collection thereof, shall make a return or statement according to the forms and regulations prescribed by the Secretary.
>
> [emphasis added]

I am advised that to be "liable" for a tax means that one is responsible to provide information relative to such taxes on the appropriate "information collection request" form. Neither of the above Code sections states that all individuals are liable to make a return, and no specific forms are mentioned either. This defect is in sharp contrast to other types of taxes enumerated in the Code, all of which clearly have a Code section specifically describing who is liable to fill out the return, to submit it and to pay any tax that is owed. In this latter regard, the law is crystal clear to me; but with regard to "income" taxes, the law and its regulations are anything but crystal clear.

I must first be an individual who is subject to, and made liable for a particular type of tax under Title 26, the Internal Revenue Code, i.e., income tax. Since I am neither subject to, nor liable for, any particular type of tax under Title 26, there is absolutely no requirement to comply with your request for information, for the filing of a Form 1040, or even for payment of any income tax.

Finally, my tax professionals all advise me that Section 6012 of your Privacy Act Notice does not apply to me; it only applies to those who are made liable or subject to, either by statute or by having volunteered to be liable for, the filing of your tax form.

However, notwithstanding the facts that Sections 6001 and 6011 of your Privacy Act Notice do not make me liable for the tax, and fail to even cross-reference a Code section in Subtitle A that would make me liable to file, as a purely voluntary act on my part and to prove my good faith in resolving this matter, here is my "statement":

> In good faith, I have determined from written, reliable, legal advice from tax professionals and further research

> into the law, that I am not liable or subject to or for any tax under Title 26, and nothing I receive is subject to tax under Subtitle A. I am not a "taxpayer" as defined in Section 7701(a)(14), and as defined in Section 1313(b). Nor am I that "person" as defined in Section 7343. And, I am not engaged in any revenue taxable activity under Title 26, and I have no valid contracts with your agency, direct or quasi. Thus, you have no lawful jurisdiction to proceed further in this matter.
>
> I have unalienable, God-given rights which I will not waive at any time, and you are prohibited from violating my absolute right to due process by instituting unlawful assessments, levies or seizures. Essentially, your "income tax" and Title 26 simply do not apply to me, as an individual with free sovereign natural born Citizen status.

In addition, your Privacy Act Notice constitutes a "Miranda Warning" to me, because it states that "the information may be given to the Department of Justice and to other federal agencies, as provided by law." The 5th Amendment protects me from revealing any and all information which you may give to the Justice Department and other federal agencies, because this amendment provides that NO PERSON SHALL BE COMPELLED TO BE A WITNESS AGAINST HIMSELF. Please be advised that this right of mine is not negotiable under any circumstances. I have never waived any of my rights knowingly, intentionally, or voluntarily. I have never committed any knowingly intelligent acts which, to my knowledge, could or would be construed as waiving any of my rights.

Again, Mr. District Director, you have asked me for information, including a 1040 Income Tax Return, and it appears impossible for me to give you any information whatsoever without waiving one or more of my God-given unalienable rights, which rights are explicitly guaranteed by the Constitution for the United States of America. In further support of my right to claim the protection of the 5th Amendment, I refer specifically to your own IRS Special Agent's Handbook, Section 342.11(2), which states as follows:

> The right to refuse to answer incriminating questions applies not only to court trials, but to all kinds of criminal or civil proceedings, including administrative investigations.
>
> [George Smith vs U.S., 337 S.Ct. 1000]
> [U.S. vs Harold Gross, 276 F.2d 816]
> [Councilman vs Hitchcock]
> [McCarthy vs Arndstein]

Further, the 4th Amendment right is likewise relevant here, because it follows that a violation of the 5th Amendment, and any forcible extraction of information or property against my will, constitute an illegal search and seizure. There is no "probable cause", as required by the 4th Amendment, because jurisdiction has not been proven.

The famous case of Miranda vs Arizona sums up the relevant strength of my rights as a Sovereign State Citizen, as follows:

> Where rights secured by the Constitution are involved, there can be no rule making or legislation which would abrogate them.

You also compound your fraud upon the inhabitants of the 50 States of the Union by implying that all individua

(without exception) are required to file a tax return, when it is well settled that federal income taxes are completely and totally voluntary for nonresident aliens who live and work outside areas of exclusive federal legislative jurisdiction, unless their income derives from a source that is inside a federal area (see authorities at 1:8:17 and 4:3:2 in the U.S. Constitution and Treasury Decision 2313).

Your ADP and IDRS document 6209 classifies the W-2 and W-4 in a number five (#5) tax class. This indicates that the form is only for a gift tax. This also confirms that the tax is a voluntary tax; when individuals fill out these forms, they are voluntarily giving a gift. There is also a problem with your W-4 in that there must first be a tax imposed upon an individual before that individual can incur a tax liability. For most individuals, no section of the Code can be found which imposes an income tax on them and therefore makes them liable, hence they "incurred no liability for income tax imposed under subtitle A of the Code ...."

Another problem with the W-4 form is that it does not allow you to claim exemptions, but only allowances. Therefore, whenever you attempt to claim exemptions, you are automatically falsifying the form. Yet another problem with the W-4 form is its title. It does not purport to be an Employee's Withholding Exemption Certificate. It purports to be an Employee's Withholding Allowance Certificate.

The end result of what the Internal Revenue Service has accomplished is the promulgation of a plethora of regulations to govern a form which simply does not exist (see 26 CFR 31.3402(f)(1)-1(e)(2), 3402(n), 31.3402(f)(5)-1(b)(1).)

In summary, for a Sovereign State Citizen such as myself, providing information and proceeding to pay taxes pursuant to a 1040 form is entirely voluntary. The voluntary nature of the tax system is clearly proven by the following statement by the U.S. Supreme Court:

> Our system of taxation is based on voluntary assessment and payment, not upon distraint.
>
> [U.S. vs Flora, 362 U.S. 176]
> [emphasis added]

CONCLUSIONS

The above jurisdictional challenge and constructive notice are made in good faith. My sincere intent is to uphold the Supreme Law of the Land, the U.S. Constitution, and all relevant laws that are consistent with the Constitution, and to simply resolve this matter quickly by getting to the truth of the law and the facts as outlined above for the record. And you, Mr. District Director, in your capacity as a public servant and as an individual as well, also have a clear obligation to uphold the United States Constitution and the relevant laws as stated above. I demand that you follow all the rules and afford me all due process. In the case of Robinson vs U.S., 920 F.2d 1157, the Appellate Court stated that this is an IRS game that is being played and, therefore, the IRS must play according to the rules:

> The procedural provisions of the Code appear to be the creation of a scholastic, but whimsical mind. In general, however, the Courts take them literally; the game must be played according to the rules. In the factual situation here, the IRS broke the rules.
>
> [Johnson, An Inquiry into the Assessment Process]
> [35 Tax L. Rev. 285, 286 (1980)]

The burden of proof is now entirely upon you, Mr. District Director. As time is of the essence, do not ignore this notice and demand. In regard to your decision to reply or not, please bear in mind the following quote from the

U.S. Court of Appeals:

> Silence can only be equated with fraud where there is a legal or moral duty to speak or where an inquiry left unanswered would be intentionally misleading. ... We cannot condone this shocking conduct by the IRS. Our revenue system is based upon the good faith of the taxpayers and the taxpayers should be able to expect the same from government in its enforcement and collection activities.... This sort of deception will not be tolerated and if this is the "routine" it should be corrected immediately.
>
> [U. S. vs Tweel, 550 F.2d 297, 299 (1977), emphasis added]
> [quoting U.S. vs Prudden, 424 F.2d 1021, 1032 (1970)]
>
> Silence is a species of conduct, and constitutes an implied representation of the existence of the state of facts in question, and the estoppel is accordingly a species of estoppel by misrepresentation. [cite omitted] When silence is of such a character and under such circumstances that it would become a fraud upon the other party to permit the party who has kept silent to deny what his silence has induced the other to believe and act upon, it will operate as an estoppel.
>
> [Carmine vs Bowen, 64 A. 932 (1906), emphasis added]

Obviously, Mr. District Director, your response must be in writing. To be sure that I receive it, I require you to send it via either Certified or Registered Mail, return receipt requested. There is abundant case law that sets forth the following axiom of law:

> When jurisdiction is challenged in writing, it must be answered in writing.
>
> [emphasis added]

I hereby demand that you comply with this constructive notice and demand, and that you take corrective actions by simply curtailing any and all "information collection actions" that you currently have in process relative to me. Your failure to take this action will prove bad faith, that is, a willful intent on your part to violate the law.

You have hereby been given my constructive notice and demands under law. You now have full personal knowledge of my lawful status as a Sovereign nontaxpayer. Therefore, Mr. District Director, I expect to receive your written response on or before [date exactly 30 days hence] to resolve and formally terminate this case and to permanently close my file for lack of agency jurisdiction and for rampant violations of the law.

For your information, I am now obliged to forward copies of this letter, with substantial documentation, including legal opinions, to higher officials within your agency, including the Secretary of the Treasury and the Commissioner of Internal Revenue, as well as my Representatives in the House and Senate. I will do this so as to exhaust all my administrative remedies. Over the years, our community has become very interested in the subject of IRS abuses and violations of due process, and I will not hesitate to print cogent letters about these IRS abuses and violations of due process in any and all publication media available to me.

Lastly, as mentioned above, I have legal opinions which have advised me that I am not liable or subject to, or for, the "income tax", and none of your Notices, including Notice 557, applies to me. Again, Notice 557 applies only to those who are subject to, or liable for, the tax. In order to "reduce paper", I am not sending you copies of

these legal opinions at this time, since I believe it is unnecessary to do so. As I mentioned above, this is a two-part matter. You must first satisfy the issues of jurisdiction and delegation of authority.

Thank you very much for your prompt attention to this important matter.

Sincerely yours,

/s/ John Q. Doe
All Rights Reserved Without Prejudice

enclosures: copy of IRS letter dated __/__/__

attachment: Exhibit A: Supreme Court decisions

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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

Exhibit A

Decisions of the Supreme Court
of the United States

"There is a clear distinction in this particular case between an individual and a corporation, and that the latter has no right to refuse to submit its books and papers for an examination at the suit of the State. The individual may stand upon his constitutional right as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the Constitution. Among his rights are refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of law. He owes nothing to the public so long as he does not

trespass upon their rights."

[Hale vs Henkel, 201 U.S. 43]

"The individual, unlike the corporation, cannot be taxed for the mere privilege of existing. The corporation is an artificial entity which owes its existence and charter powers to the state; but, the individual's rights to live and own property are natural rights for the enjoyment of which an excise cannot be imposed."

[Redfield vs Fisher, 292 P. 813, at 819]

"Included in the right of personal liberty and the right of private property -- partaking of the nature of each -- is the right to make contracts for the acquisition of property. Chief among such contracts is that of personal employment, by which labor and other services are exchanged for money or other forms of property."

[Coppage vs Kansas, 236 U.S. 1, at 14]

"The common business and callings of life, the ordinary trades and pursuits, which are innocuous in themselves, and which have been followed in all communities from time immemorial, must, therefore, be free in this country to all alike upon the same conditions. The right to pursue them, without let nor hindrance, except that which is applied to all persons of the same age, sex, and condition, is a distinguishing privilege of citizens of the United States, and an essential element of that freedom which they claim as their birthright."

[Butchers Union Co. vs Crescent City Co.]

NOTE: The above Supreme Court decisions have never been overturned. Further, Kenneth W. Starr, Solicitor General, on February 1, 1990, made the following statement in a letter to a United States Senator: It is well established that the decisions of the United States Supreme Court interpreting federal law are binding on lower courts, both state and federal, until such time as the Supreme Court overrules its decision, or federal statutory provision in question is amended or repealed.

[See generally Cooper vs Aaron, 358 U.S. 1]

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Appendix P: Miscellaneous Letters

MEMO

TO: Trusted Colleagues

FROM: Mitch Modeleski, 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.
>
> [26 U.S.C. 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.
>
> [26 U.S.C. 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 Clearing House. 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).
>
> [26 U.S.C. 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.
>
> [26 U.S.C. 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.

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c/o P. O. Box 6189
San Rafael
California Republic
Postal Code 94903-0189/TDC

February 15, 1993

Dagny Sharon
Attorney-at-Law
c/o 17332 Irvine Boulevard, #230
Tustin, California Republic
Postal Code 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 vs 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 vs 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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

copy: Jerry Collette

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c/o P. O. Box 6189
San Rafael
California Republic
Postal Code 94903-0189/TDC

February 7, 1993

John Voss, Director
N.C.B.A.
c/o P.O. Box 2255
Longmont, Colorado
Postal Code 80502/tdc

Dear John:

Thanks so much for all the materials which you recently sent, with a copy of your letter to Mitch 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. vs 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.
>
> [26 U.S.C. 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.
>
> [26 U.S.C. 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. vs 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 vs 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 vs 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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

copy: Mitchell Beals
(great first name)

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c/o P. O. Box 6189
San Rafael
California Republic
Postal Code 94903-0189/TDC

February 8, 1993

John Voss, Director
N.C.B.A.
c/o P.O. Box 2255
Longmont, Colorado
Postal Code 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 countries13. 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

[continued ...]

Footnotes:

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

> 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]

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 vs 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/ Mitch Modeleski, Founder
Account for Better Citizenship
enclosures: photocopies of evidence

c/o P. O. Box 6189
San Rafael
California Republic
Postal Code 94903-0189/TDC

February 1, 1993

Rich Pralle, CFS
R D P & Associates
100 Brush Creek Road, #105
Santa Rosa, California Republic
Postal Code 95404/tdc

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.
>
> [26 U.S.C. 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.
>
> [26 U.S.C. 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.
>
> [26 U.S.C. 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). This is 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/ Mitch Modeleski, Founder
Account for Better Citizenship

copy: Rleen Joy
Don Fletcher

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c/o P. O. Box 6189
San Rafael, California
Postal Zone 94903-0189/TDC

December 22, 1992

Andrew Melechinsky
Constitutional Revival
P. O. Box 3182
Enfield, Connecticut
Postal Zone 06083/tdc

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 vs 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. vs 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 Cruikshank case 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 held 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 Title 26 and its regulations in the CFR. But, I am confident we have now proven that the graduated income tax provisions of Title 26 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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c/o P. O. Box 6189
San Rafael, California
Postal Zone 94903-0189/TDC
November 4, 1992

Karl Loren, Author
1831 North Bel Aire Drive
Burbank, California Republic
Postal Zone 91504/tdc

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 (26 USC) 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 vs 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 vs 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 Title 26 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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

October 1, 1992

Hi John,

I've continued to think about De Ganay vs 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/ Mitch Modeleski, Founder
Account for Better Citizenship

Conklin Rebuttal (briefly)

by

Mitch Modeleski, 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. vs 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. vs 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 vs 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 would have need to be 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" to each other, just as each is foreign 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 Title 26 were intentional.

MEMO

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

FROM: Mitch Modeleski, Founder
Account for Better Citizenship

DATE: June 9, 1992

SUBJECT: Do the regulations in 26 C.F.R.
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 Title 26 makes nobody liable for federal income taxes.
>
> This argument was defeated by reference to clear sections of Title 26 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 C.F.R. 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.

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 C.F.R. 1.1-1(b)]

MEMO

TO: John Voss, Director
National Commodity and Barter Association

FROM: Mitch Modeleski, Founder
Account for Better Citizenship

DATE: June 7, 1992

SUBJECT: Federal Income Tax Liability

As distinct from the regulations published in 26 C.F.R., 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 Mitch to help him work on this project, and agrees to pay Mitch a flat rate of $60 per hour from the research grant.

Mitch, 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 Mitch the full $60 per hour, the statute requires Bill to withhold 30 percent from Mitch's wages, per Section 1441 of the IRC. Moreover, Bill Conklin is the "person" who is liable for this tax, not Mitch. However, Mitch 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.

[26 U.S.C. 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/ Mitch Modeleski, Founder
Account for Better Citizenship

copies: John Pleasant
Brett Brough
other interested parties

MEMO

TO: John C. Alden, M.D.

FROM: Mitch Modeleski, 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

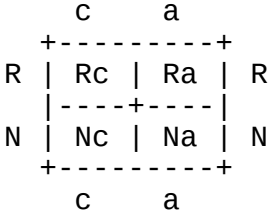
TO: John C. Alden, M.D.

FROM: Mitch Modeleski, 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 USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

May 18, 1992

Charles L. Harrison
Corresponding Secretary
Monetary Realist Society
P. O. Box 31044
St. Louis, Missouri
Postal Code 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 Title 26 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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

Memo

TO: Friends, Neighbors, Colleagues
and all interested people

FROM: Mitch Modeleski, 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 Title 26, 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 Title 26, 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 Title 26. It is now conclusive that the term "United States", as defined in Title 26, 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 USPS Post Office Box 6189
San Rafael, California Republic

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

April 7, 1992

Free State Constitutionists
P. O. Box 3281
Baltimore, Maryland
Postal Code 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 26 U.S.C. 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 Title 26 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 vs 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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 27, 1992

Bill Conklin
N.C.B.A.
8000 E. Girard Avenue, Suite 215
Denver, Colorado
Postal Code 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).
>
> [26 USC 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]

[26 USC 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.

[26 USC 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.

[26 USC 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.

[26 USC 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 USC 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 Title 26 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. vs 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 vs 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 vs Smietanka, 255 U.S. 509.

Finally, the 16th Amendment is not the constitutional authority for Title 26. That authority issues from 1:8:17 and 4:3:2 in the U.S. Constitution. Title 26 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 vs 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 Title 26 is majority rule. If you want to change Title 26, 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 consequences (see Brady vs 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 USC 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 Title 26.

Sincerely yours,

/s/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

copies: John Voss
John Pleasant
Brett Brough

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 29, 1992

The Sovereign Advisor
Common-Law Service Center HQ
3rd Judicial District
564 La Sierra Drive, Suite 187
Sacramento, California Republic

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 26 U.S.C. 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 vs 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.

Title 26, 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 Title 26 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 26 U.S.C. 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 vs Bidwell, 182 U.S. 244 (1901)). The authority for Title 26 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 Title 26, 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 Title 26, 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 17, 1992

Louis Watson
International Tax Technology
16776 Bernardo Center Drive, #203
San Diego, California Republic
Postal Code 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 Title 26. 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.
>
> [26 USC 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 vs 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--
>
> [26 USC 7701]

So, if an expansive definition of "include" results in applying Title 26 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 Title 26, 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 Title 26 to violate the Constitution. Just how do we resolve this apparent conflict? You already know the answer: the territorial scope of Title 26 is the federal zone; the political scope of Title 26 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 Title 26 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 Title 26 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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

copies: Chris Wilder
Michael Thomas
Red Beckman

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

July 24, 1991

Church of Scientology International
6331 Hollywood Boulevard, Suite 1200
Los Angeles, California Republic
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 1, 1991

Mr. David Miscavige, Chairman
Religious Technology Center
c/o Freedom Magazine
6331 Hollywood Blvd., Suite 1200
Los Angeles, California Republic
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

April 10, 1991

Dr. Lois Callahan, President
College of San Mateo
1700 West Hillsdale Boulevard
San Mateo, California Republic
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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

c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 18, 1991

Mr. Peter Gabel, President
New College of California
50 Fell Street
San Francisco, California Republic
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

attachments

copies: selected colleagues

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 25, 1991

Marion McEwen
FIJA California
24828 Canyon View Court
Hayward, California Republic
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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

Gary Giacomini, Member
Marin County Board of Supervisors

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c/o USPS P. O. Box 6189
an Rafael, California
Postal Code 94903-0189/TDC

April 29, 1991

Dianne Bast
Heartland Institute
654 South Wabash, 2nd Floor
Chicago, Illinois
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

copy: Kirby Ferris

enclosures: bibliography
assembled papers

c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

May 29, 1991

Producers
60 Minutes
524 West 57th Street
New York, New York
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

May 29, 1991

Mr. Dennis Bernstein
Radio Station KPFA
2207 Shattuck Avenue
Berkeley, California Republic

Dear Mr. Bernstein:

Do you have any interest in developing a 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.

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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/ Mitch Modeleski, Founder
Account for Better Citizenship

enclosures

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c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

July 21, 1991

Ken Ellis
Maintenance Engineer
KPFA-FM 94.1
2207 Shattuck Avenue
Berkeley, California Republic
Postal Code 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 vs 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/ Mitch Modeleski, Founder
Account for Better Citizenship

copy: Dennis Bernstein
interested colleagues

---

c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

August 23, 1990

Editor
Point Reyes Light
P. O. Box 210
Pt. Reyes Station, California Republic
Postal Code 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/ Mitch Modeleski, Founder
Account for Better Citizenship

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Appendix Q: Apportionment Statute

July 14, 1798

Fifth Congress, Second Session, Chapter 75, 1798

Chapter 75. -- An Act to lay and collect a direct tax within the United States, July 14, 1798

Section 1. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a direct tax of two millions of dollars shall be, and hereby is laid upon the United States, and apportioned to the states respectively, in the manner following: --

To the state of New Hampshire, seventy-seven thousand seven hundred and five dollars, thirty-six cents and two mills.

To the state of Massachusetts, two hundred and sixty thousand four hundred and thirty-five dollars, thirty-one cents and two mills.

To the state of Rhode Island, thirty-seven thousand five hundred and two dollars and eight cents.

To the state of Connecticut, one hundred and twenty-nine thousand seven hundred and sixty-seven dollars, and two mills.

To the state of Vermont, forty-six thousand eight hundred and sixty-four dollars eighteen cents and seven mills.

To the state of New York, one hundred and eighty-one thousand six hundred and eighty dollars, seventy cents and seven mills.

To the state of New Jersey, ninety-eight thousand three hundred and eighty-seven dollars, twenty-five cents, and three mills.

To the state of Pennsylvania, two hundred and thirty-seven thousand one hundred and seventy-seven dollars, seventy-two cents and seven mills.

To the state of Delaware, thirty thousand four hundred and thirty dollars, seventy-nine cents, and two mills.

To the state of Maryland, one hundred and fifty-two thousand five hundred and ninety-nine dollars, ninety-five cents, and four mills.

To the state of Virginia, three hundred and forty-five thousand four hundred and eighty-eight dollars, sixty-six cents, and five mills.

To the state of Kentucky, thirty-seven thousand six hundred and forty-three dollars, ninety-nine cents, and seven mills.

To the state of North Carolina, one hundred and ninety-three

thousand six hundred and ninety-seven dollars, ninety-six cents, and five mills.

To the state of Tennessee, eighteen thousand eight hundred and six dollars, thirty-eight cents, and three mills.

To the state of South Carolina, one hundred and twelve thousand nine hundred and ninety-seven dollars, seventy-three cents and nine mills.

To the state of Georgia, thirty-eight thousand eight hundred and fourteen dollars, eighty-seven cents, and five mills.

Section Two. And be it further enacted, That the said tax shall be collected by the supervisors, inspectors and collectors of the internal revenues of the United States, under the direction of the Secretary of the Treasury, and pursuant to such regulations as he shall establish; and shall be assessed upon dwelling-houses, lands and slaves, according to the valuations and enumerations to be made pursuant to the act, intituled "An act to provide for the valuation of lands and dwelling-houses, and the enumeration of slaves within the United States," and in the following manner: ....

Displayed in tabular format, the States of the Union were assessed as follows:

State	Direct Tax
New Hampshire	77,705.362
Massachusetts	260,435.312
Rhode Island	37,502.080
Connecticut	129,767.002
Vermont	46,864.187
New York	181,680.707
New Jersey	98,387.253
Pennsylvania	237,177.727
Delaware	30,430.792
Maryland	152,599.954
Virginia	345,488.665
Kentucky	37,643.997
North Carolina	193,697.965
Tennessee	18,806.383
South Carolina	112,997.739
Georgia	38,814.875
Total:	2,000,000.000

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Appendix R: Affirmations: Within & Without

TITLE 28 UNITED STATES CODE

Section 1746. Unsworn declarations under penalty of perjury

Wherever, under any law of the United States or under any rule, regulation, order, or requirement made pursuant to law, any matter is required or permitted to be supported, evidenced, established, or proved by the sworn declaration, verification, certificate, statement, oath, or affidavit, in writing of the person making the same (other than a deposition, or an oath of office, or an oath required to be taken before a specified official other than a notary public), such matter may, with like force and effect, be supported, evidenced, established, or proved by the unsworn declaration, certificate, verification, or statement, in writing of such person which is subscribed by him, as true under penalty of perjury, and dated, in substantially the following form:

(1) If executed without the United States: "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date).

(Signature)".

(2) If executed within the United States, its territories, possessions, or commonwealths: "I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date).

(Signature)".

(Added Oct. 18, 1976, P. L. 94-550, Section 1(a), 90 Stat. 2534.)

[emphasis added]

Author’s Note:

Now review the perjury oaths found on IRS Forms 1040NR and W-8 (Appendix K and Appendix L, respectively). Judges who see your signature on these forms are allowed to take "silent judicial notice" of the jurisdiction within which the oaths were taken. And, to make matters worse, these same judges almost alway take the position that ignorance of the law is no excuse! We are presumed to know about 28 USC 1746.

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Appendix S: Affidavit of Foreign Status

Certified Mail Number: _____

Date: _____

John Q. Doe
c/o USPS Post Office Box [##]
Marin County
San Rafael, California Republic
united States of America
zip code exempt (DMM 122.32)

FOREIGN STATUS AFFIDAVIT

CALIFORNIA STATE/REPUBLIC)
) Subscribed, Sworn and Sealed
MARIN COUNTY)

PREAMBLE

The following Affidavit of Foreign Status is a public notice to all interested parties concerning the Affiant's "birthrights" and his "status" as an "AMERICAN INHABITANT", as that status would apply with respect to the American States (the 50 independent States of the Union) and also with respect to the "United States", as follows:

1. The Affiant, John Q. Doe, was natural born a free Sovereign in Massachusetts, which is one of the sovereign States of the Union of several States joined together to comprise the confederation known as the united States of America. He is, therefore, a "nonresident alien" individual with respect to the "United States", which entity obtains its exclusive legislative authority and jurisdiction from Article 1, Section 8, Clause 17 and Article 4, Section 3, Clause 2 of the Constitution for the united States of America. The Affiant's parents were Sovereigns also, born in sovereign States of the Union. As the progeny of Sovereign people, the Affiant was born "... one of the sovereign people .... A constituent member of the sovereignty synonymous with the people." Scott vs Sanford, 19 How. 404. The Affiant is alien to so-called 14th Amendment "United States" citizenship, and also nonresident to so-called 14th Amendment State residency, and therefore he is a "nonresident alien" with respect to both. As a Sovereign whose Citizenship originated in Massachusetts by birth, and who has remained intact in California since the year 1952, the Affiant is also a foreigner (alien) with respect to the other 49 States of the Union and with respect to the "United States". As a consequence of his birth, the Affiant is an "American Inhabitant". And further

2. The Affiant, to the best of his informed knowledge, has

not entered into any valid agreements of "voluntary servitude". And further

3. The Affiant is a "NONRESIDENT ALIEN" with respect to the "United States", as that term is defined and used within the Internal Revenue Code (Title 26, United State Code) and/or Title 27 and the rules and regulations promulgated thereunder as follows:

The Internal Revenue Code (Title 26, United State Code) and associated federal regulations, clearly and thoroughly make provision for Americans born and living within one of the 50 Sovereign States of America, to wit:

Section 1.871-4 Proof of residence of aliens.

(a) Rules of evidence. The following rules of evidence shall govern in determining whether or not an alien within the United States has acquired residence therein for purposes of the income tax.

(b) Nonresidence presumed. An alien by reason of his alienage, is presumed to be a nonresident alien.

[26 CFR 1.871-4]

And further

4. The Affiant was not born or naturalized in the "United States", consequently he is not a "citizen of the "United States" nor a "United States citizen", as those terms are defined and used within the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder; and, therefore, he is not subject to the limited, exclusive territorial or political jurisdiction and authority of the "United States" as defined.

The "United States" is definitive and specific when it defines one of its citizens, as follows:

Section 1.1-1

(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)]

And further

5. The Affiant is not a "citizen of the United States" nor a "United States citizen living abroad", as those phrases are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

6. The Affiant is not a "resident alien residing within the geographical boundaries of the United States", as that phrase

is defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

7. The Affiant is not a "United States person", a "domestic corporation", "estate", "trust", "fiduciary" or "partnership" as those terms are defined and used within the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

8. The Affiant is not an "officer", "employee" or "elected official" of the "United States", of a "State" or of any political subdivision thereof, nor of the District of Columbia, nor of any agency or instrumentality of one or more of the foregoing, nor an "officer" of a "United States corporation", as those terms are defined and used within the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

9. The Affiant receives no "income" or "wages with respect to employment" from any sources within the territorial jurisdiction of the "United States" and does not have an "office or other fixed place of business" within the "United States" from which the Affiant derives any "income" or "wages" as such, as those terms and phrases are used and defined within the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

10. The Affiant has never engaged in the conduct of a "trade or business" within the "United States", nor does the Affiant receive any income or other remuneration effectively connected with the conduct of a "trade or business" within the "United States", as those terms are defined and used within the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

11. The Affiant receives no "income", "wages", "self-employment income" or "other remuneration" from sources within the "United States", as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. All remuneration paid to the Affiant is for services rendered outside (without) the exclusive territorial, political and legislative jurisdiction and authority of the "United States". And further

12. The Affiant has never had an "office" or "place of business" within the "United States", as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

13. The Affiant has never been a "United States employer", nor "employer", nor "employee" which also includes but is not limited to an "employee" and/or "employer" for a "United States" "household", and/or "agricultural" activity, as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

14. The Affiant has never been involved in any "commerce" within the territorial jurisdiction of the "United States" which

also includes but is not limited to "alcohol", "tobacco" and "firearms" and Title 26, Subtitle D and E excises and privileged occupations, as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

15. The Affiant has never been a "United States" "withholding agent" as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

16. The Affiant had no liability for any type, kind or class of Federal Income Tax in past years, and was and is entitled to a full and complete refund of any amounts withheld, because any liability asserted and amounts withheld were premised upon a mutual mistake of fact regarding the Affiant's status. The Affiant has never knowingly, intentionally, and voluntarily changed his Citizenship status nor has he ever knowingly, intentionally, and voluntarily elected to be treated as a "resident" of the "United States". And further

17. The Affiant, to the best of his current knowledge, owes no "tax" of any type, class or kind to the "United States" as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

18. The Affiant anticipates no liability for any type, class or kind of federal income tax in the current year, because the Affiant does not intend to reside in the "United States", he does not intend to be treated as either a "resident" or a "citizen" of the "United States", he is not and does not intend to be involved in the conduct of any "trade or business" within the "United States" or receive any "income" or "wages" from sources within the "United States", as those terms are defined and used in the Internal Revenue Code (26 U.S.C.) and/or Title 27 and the rules and regulations promulgated thereunder. And further

19. The Affiant, by means of knowingly intelligent acts done with sufficient awareness of the relevant circumstances and consequences (Brady vs U.S., 397 U.S. 742, 748 (1970)) never agreed or consented to be given a federal Social Security Number (SSN), same said as to a federal Employee Identification Number (EIN) and, therefore, waives and releases from liability the "United States" and any State of the Union of 50 States, for any present or future benefits that the Affiant may be entitled to claim under the Old-Age Survivors and the Disability Insurance Act, and/or the Federal Unemployment Tax Act. Additionally, your Affiant makes no claim to any present or future benefits under any of the foregoing; and

20. Therefore, I, John Q. Doe, am a natural born free inhabitant and, as such, a Sovereign Citizen/Principal inhabiting the California Republic. Therefore, I am not "within the United States" but lawfully I am "without the United States" (per Title 28, U.S.C., Section 1746, Subsection 1), and therefore I have no standing capacity to sign any tax form which displays the perjury clause pursuant to Title 28, Section 1746, Subsection 2. And further

PLEASE NOTE WELL: At no time will the Affiant construe any of the foregoing terms defined within the Internal Revenue Code, Title 26, United State Code, or within any of the other United State Code, in a metaphorical sense. When terms are not words of art and are explicitly defined within the Code and/or within a Statute, the Affiant relies at all times upon the clear language of the terms as they are defined therein, NO MORE and NO LESS:

> ... When aid to construction of the meaning of words, as used in the statute, is available, there certainly can be no 'rule of law' which forbids its use, however clear the words may appear on 'superficial examination' ....
>
> [United States vs American Trucking Association]
> [310 U.S. 534, 543,544 (1939)]

This unsworn certification is being executed WITHOUT the "United States", pursuant to Section 1746(1) of Title 28, United State Code, Federal Rules of Civil Procedure:

I affirm under penalty of perjury, under the laws of the United States of America, that I executed the foregoing for the purposes and considerations herein expressed, in the capacity stated, and that the statements contained herein are true and correct, to the best of my knowledge.

Executed Anno Domini, on this the _____ day in the month of

_____, 1993.

Subscribed, sealed and affirmed to this _____ day of

_____, 1993.

_____

John Q. Doe, Citizen/Principal, by special Appearance, in Propria Persona, proceeding Sui Juris, with Assistance, Special, with explicit reservation of all of my unalienable rights and without prejudice to any of my unalienable rights.

John Q. Doe
c/o USPS Post Office Box [##]
San Rafael, California Republic
zip code exempt (DMM 122.32)

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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

[Next Appendix | Table of Contents]

Appendix T: Revocation of Birth Certificate

FROM: John Q. Doe
Marin County, California
c/o USPS Post Office Box [##]
San Rafael, California Republic
united States of America
zip code exempt (DMM 122.32)

TO: Registry of Vital Records
Commonwealth of Massachusetts
150 Tremont Street, Room B-3
Boston, Massachusetts
Postal Code 02111/TDC

TO: Social Security Administration
Office of the Commissioner
6301 Security Boulevard
Baltimore, Maryland
Postal Code 21235/TDC

NUNC PRO TUNC REVOCATION OF CONTRACT
AND REVOCATION OF POWER ASSEVERATION

California State/Republic)
) Subscribed, Sworn and Sealed
Marin County)

PREAMBLE

I, John Q. Doe, being natural born in Massachusetts a male human being, now living in Marin County, California Republic, as a Citizen in the California Republic, do hereby make this Special Appearance, by Affidavit, in Propria Persona, proceeding Sui Juris, At Law, in Common Law, with Assistance, Special, neither conferring nor consenting to any foreign jurisdiction, except to the judicial power of California and/or America, and as such I willfully enforce all Constitutional limitations respectively on all government agencies when dealing with them. Wherefore, the undersigned Affiant named herein and above, upon affirmation declares and evidences the following:

I, the undersigned, a natural born free Sovereign Citizen in the California Republic, and thereby in the united States of America, hereby affirm, declare and give notice:

1. That I am competent to testify to the matters herein; and further

2. That I have personal knowledge of my status and of the facts and evidence stated herein; and further

3. That all the facts stated herein are not hearsay but true and correct, and admissible as evidence, if not rebutted; and further

4. That I, John Q. Doe, am of lawful age and competent; I am a natural born free Sovereign Citizen now living in the California Republic, and thereby in the united States of America, in fact, by right of heritage, a Citizen inhabiting the California Republic, protected by the Northwest Ordinance of 1787, the Organic Act of 1849, the original Constitution of California (1849), the Articles of Confederation (1777), the Constitution for the united States of America (1787) including its Preamble, and the Bill of Rights (1791) including its Preamble; and as such I retain all my fundamental, unalienable rights granted by God in positive law, embodied in the Declaration of Independence of 1776 and binding rights upon myself and my parentage, this day and for all time; and further

5. That this document has been prepared, witnessed and filed because the State of Massachusetts holds the position that there are no statutory provisions to rescind a Birth Certificate, nor any trust or contractual obligations derived therefrom, and because there is no other remedy available to me At Law by which I can declare and enforce my right to be free from State enfranchisement and the benefits therefrom; and further

6. That, on my birthday, June 21, 1948, I was born in Worcester, Massachusetts to my parents, James F. Doe and Jane M. (Smith) Doe, who were both under the misconception that they were required to secure a Certificate of Birth on my behalf, and they did obtain the same; and further

7. That my parents were not aware that, at the Common Law, births were to be recorded in the family Bible, and that only deaths were made a matter of public record; and further

8. That my parents were not aware that any certificate required by statute to be made by officers may, as a rule, be introduced into evidence (see Marlowe vs School District, 116 Pac 797) and, therefore, they were acquiescing to State requirements which violate my rights to privacy and the 4th Amendment protections under the Constitution for the united States of America, because the Birth Certificate is the record of the State of Massachusetts, not of the individual, and the State may be compelled to introduce said record without my permission; and further

9. That such statutory practices by the State of Massachusetts are deceitful misrepresentations by the State and society, on the recording of births, and my parents were unaware that a Birth Certificate was not necessary, nor were they aware that they were possibly waiving some of my rights, which rights are unalienable rights guaranteed to me by the Constitution for the united States of America; and further

10. That the doctor who delivered me acted as a licensed agent of the State of Massachusetts without the consent of either my own parents or myself, and offered me into a State trust to be regulated as other State and corporate interests and property as a result of that offer and acceptance, which comprises a fiction of law under statutory law (called contracts of adhesion, contracts implied by law, constructive contracts, quasi contracts, also referred to as implied consent legislation); and further

11. That, from my own spiritual beliefs and training, I have come, and I have determined that the right to be born comes, from God Almighty (who knew me before I existed) -- not the State of Massachusetts and not the State of California -- and therefore original jurisdiction upon my behavior requiring any specific performance comes from my personal relationship with God Almighty, unless said performance causes demonstrable damage or injury to another natural human being; and further

12. That, after studying the Birth Certificate, I have come to the conclusions that the Birth Certificate creates a legal estate in myself, and acts as the nexus to bring actions against this individual as if he were a corporate entity, that the State of Massachusetts, in cooperation with the federal government and its agents and assigns, is maintaining the Birth Certificate so as to assume jurisdiction over many aspects of my life in direct contravention of my unalienable rights and Constitutionally secured rights to be a "Freeman" and to operate at the Common Law; and further

13. That such statutory provisions also cause a loss or diminution (depending upon other statutory provisions) of rights guaranteed by the 1st, 2nd, 4th, 5th, 6th, 7th, and 9th amendments in the Constitution for the united States of America; and further

14. That, as a result of my earnest and diligent studies, my prior ignorance has come to an end, and I have regained my capacity to be an American Freeman; therefore, it is now necessary that I declare any nexus assumed as a result of the Birth Certificate, by the State of Massachusetts or by any of its agents and assigns, including the federal government, and any jurisdictional or other rights that may be waived as a result of said trust/contract with all forms of government, to be null and void from its inception, due to the deceptive duress, fraud, injury, and incapacity perpetrated upon my parents and myself by the State of Massachusetts, the third party to the contract; and further

15. That I was neither born nor naturalized in the "United States" as defined in Title 26, United States Codes and, therefore, I am not subject to its foreign jurisdiction. See 26 CFR 1.1-1(b)-(c); and further

16. That, with this revocation of contract and the revocation of power, I do hereby claim all of my rights, all of my unalienable rights and all rights guaranteed by the Constitution for the united States of America, At Law, and do hereby declare, to one and all, that I am a free and independent Citizen now inhabiting the California Republic, who is not a creation of, nor subject to any State’s civil law of admiralty, maritime, or equity jurisdictions and, as such, I am only attached to the judicial Power of California and/or the united States of America; and further

17. That I affirm, under penalty of perjury, under the Common Law of America, without the "United States" (see 1:8:17 and 4:3:2 in the U.S. Constitution), that the Preamble and Sections 1 thru 16 of this Affidavit, are true and correct and so done in good faith to the best of my knowledge; and further

18. That my use of the phrase "WITH EXPLICIT RESERVATION OF ALL MY RIGHTS AND WITHOUT PREJUDICE UCC 1-207 (UCCA 1207)" 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. And

Further This Affiant Saith Not.

Subscribed and affirmed to, Nunc Pro Tunc, on the date of my majority, which date was June 21, 1969.

Subscribed, sealed and affirmed to this _____ day of

_____, 1993 Anno Domini.

I now affix my signature to all of the affirmations herein WITH EXPLICIT RESERVATION OF ALL MY RIGHTS, AND WITHOUT PREJUDICE UCC 1-207 (UCCA 1207):

_____

John Q. Doe, Citizen/Principal, by Special Appearance, in Propria Persona, proceeding Sui Juris, with Assistance, Special, with explicit reservation of all my unalienable rights and without prejudice to any of my unalienable rights.

John Q. Doe
c/o USPS Post Office Box [##]
San Rafael, California Republic
zip code exempt (DMM 122.32)

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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/o USPS P.O. Box 6189
San Rafael, California
zip code exempt (DMM 122.32)

April 3, 1992

Registrar
Department of Public Health
The Commonwealth of Massachusetts
150 Tremont Street
Boston, Massachusetts

RE: NUNC PRO TUNC REVOCATION OF CONTRACT AND REVOCATION OF POWER ASSEVERATION

Dear Registrar:

Your letter to me dated March 23, 1992 acknowledges receipt of my signed and notarized revocation affidavit, referenced above. I am writing this letter in order to address the two statements contained in your letter, and to rebut any presumptions which could or might be conclusively established by allowing your two statements to remain unchallenged.

Statement #1: "This letter is to inform you that there is no provision under Massachusetts law to rescind a properly filed birth certificate."

Although this statement may, in fact, be technically and generally true, it is irrelevant to the specific issue at hand, for several reasons. First of all, it implies that my original birth certificate, on file in your office, was "properly filed". You have made this statement contrary to numerous facts which are contained in my revocation affidavit. You have now had ample opportunity to rebut any and all of those facts, and you have not done so. Accordingly, your failure to rebut any of those facts now renders them all conclusive, permanently for the record. You are now forever barred and estopped from challenging those facts as stated. Therefore, my original birth certificate was not "properly filed" as you incorrectly attempt to imply.

As a member of the Sovereignty by right of birth and hereditary succession, I belong to that group of people by whose authority the Massachusetts State Constitution was created. The Massachusetts State Legislature was created, in turn, by that Constitution. The "Massachusetts law" to which you refer is, in turn, a creation of that Legislature. Regardless of your status prior to becoming a State employee, your current status as a State employee necessarily subjects you to the letter of that "law". I am not subject either to the letter or to the spirit of that law, however.

Even though you are evidently restricted by law from unilaterally rescinding a birth certificate, I am not subject to any such a restriction. As someone who has explicitly reserved all my unalienable rights without prejudice to any of my unalienable rights, I specifically retain my right to unilaterally revoke and cancel my original birth certificate, for the several reasons stated in my affidavit, and to render it null and void from its inception. The affidavit which I have filed with your office is prima facie evidence that I have, in fact, exercised that right, the exercise of which is entirely within my Sovereign power and authority to do.

Moreover, you are evidently unaware of my prior written correspondence with Governor William F. Weld, in which I documented the fraud to which the Commonwealth of Massachusetts is an "accommodation party" as defined in the Uniform Commercial Code. If you have any need to obtain copies of this correspondence between me and Governor Weld, I recommend that you first contact the Governor’s staff for assistance. Alternatively, Governor Weld’s office has personally informed me that my notice to him, with attachments, has now been forwarded to the offices of Senator Edward M. Kennedy, United States Senate, Washington, District of Columbia. Governor Weld’s office did not challenge or rebut any statement of fact contained in my correspondence to him, except to suggest incorrectly that the issues which I raised were not within his jurisdiction. Senator Kennedy’s office has not responded to me in any way concerning the materials which he received from Governor Weld.

The Commonwealth of Massachusetts is bound by the provisions of the Uniform Commercial Code (see MCLA c 106 Section 1-207). The conclusive facts as stated in my revocation affidavit now constitute material proof that my original birth certificate was an unconscionable contract ab initio because, among other reasons, it was lacking in meaningful choice on my part. You have already been notified, and I hereby notify you

again, that I have explicitly reserved all my unalienable rights, without prejudice to any of my unalienable rights. This means 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.

Furthermore, my explicit reservation of rights has served notice upon all agencies of government, including but not limited to the Commonwealth of Massachusetts, of the "Remedy" which you 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.

My explicit reservation of rights has served notice upon all agencies of government, including but not limited to the Commonwealth of Massachusetts and all of its assignees, 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 (see UCC 3-305(2)(c)). You are under the obligation of good faith imposed at several places in the Uniform Commercial Code (see, e.g., 1-203). 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.

Statement #2: "For this reason, your birth certificate on file in the Commonwealth of Massachusetts remains valid."

This statement is clearly incorrect because it is a non sequitor, in light of my responses in this letter to Statement #1, and particularly in light of the conclusive facts as stated in my revocation affidavit. As an unconscionable contract the primary purpose of which was to offer me into a State trust, to be regulated as other State and corporate interests without my full consent of majority, this birth certificate is null and void from its inception, as are any rights of interest which may, now or in the future, be claimed as a result of any conveyance or reconveyance thereof to undisclosed third parties.

Your attempt to assert its validity in the face of contrary evidence is noted and can be used as prima facie evidence of your willingness to violate and otherwise contravene my unalienable rights and my Constitutionally secured rights as a Sovereign Freeman. These rights include, but are not limited to, those which are enumerated in my revocation affidavit.

You are hereby warned that you can and will be held personally liable for any further attempts to violate my fundamental, unalienable rights by acts on your part which attempt to compel my specific performance to any third-party debt or obligation created through the unlawful conveyance, conversion or other instrumentality of an invalid birth certificate. As an employee of the Commonwealth of Massachusetts, you are under a

legal obligation to recognize that "Constructive fraud as well as actual fraud may be the basis of cancellation of an instrument," El Paso Natural Gas Co. vs Kysar Insurance Co., 605 Pacific 2d 240 (1979). Your ignorance of the law is no excuse in this matter. If you are unsure about your own legal situation in this matter, may I recommend that you contact the State Attorney General's office for advice and assistance.

For your information, I am not subject to any foreign jurisdiction by reason of any contract or commercial agreement resulting in adhesion thereto across America, nor are millions of other Sovereign Citizens, unless they have provided waivers of rights guaranteed by the Constitution by means of knowingly intelligent acts, such as contracts or commercial agreements with such government(s) "with sufficient awareness of the relevant circumstances and likely consequences", as ruled by the U.S. Supreme Court in Brady vs U.S., 397 U.S. 742, 748 (1970). I have given no such waivers, nor is it possible that I could have given such waivers by reason of a birth certificate executed by other parties long before I was even able to speak or write, and long before my age of majority. Therefore, the birth certificate at issue is necessarily null and void, ab initio, notwithstanding any and all unsubstantiated statements by you to the contrary.

If I do not hear from you within ten (10) calendar days of the above date, I will be entitled to the conclusive presumption that this matter is settled. Thank you very much for your consideration.

Sincerely yours,

John Q. Doe, Sui Juris
with explicit reservation of all my unalienable rights
and without prejudice to any of my unalienable rights

copies: Senator Edward M. Kennedy
United States Senate

Social Security Administration
Baltimore, Maryland

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Appendix U: Revocation of Voter Registration

c/o USPS P. O. Box 6189
San Rafael, California
Postal Code 94903-0189/TDC

March 10, 1992

Registrar of Voters
P. O. Box "E"
San Rafael, California
Postal Code 94913/TDC

Dear Registrar:

As instructed by a member of your staff, please accept this letter as formal notice that I hereby revoke my voter registration with your office.

It is with enormous regret that I must take this step, because I consider voting to be among the most important civic duties that we have in America today, particularly during a presidential election year.

Nevertheless, it has come to my attention that your registration forms now explicitly state, in red letters, that they are "For U.S. Citizens Only". Moreover, these same forms exhibit the following affidavit, which must be signed under penalties of perjury:

> "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."

This affidavit is followed by a clear WARNING, also in red letters, that "Perjury is punishable by imprisonment in state prison for two, three or four years. Section 126 Penal Code".

My chief concern with this affidavit has to do with the definition of "United States" that is implied by the form. I have recently authored a well documented book, a major thesis of which relies upon the following ruling by the U.S. Supreme Court:

> 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. vs Evatt, 324 U.S. 652]
> [emphasis added]

From this ruling by the U.S. Supreme Court, it is obvious

that the term "United States" can mean any one of three entirely different things. I draw your attention specifically to the second of these three different meanings of "United States": it may designate the territory over which the sovereignty of the United States extends. This territory includes only the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the federal "enclaves" which have been ceded to Congress by acts of the 50 State Legislatures. The authority to have exclusive legislative jurisdiction over this limited area of land is granted to Congress by Article 1, Section 8, Clause 17 and Article 4, Section 3, Clause 2 of the U.S. Constitution.

It follows, then, that declaring oneself to be a "citizen of the United States" could be construed to mean that one has been either born or naturalized into this jurisdiction and, that one is therefore subject to this jurisdiction (see 26 CFR 1.1-1(c)). This is particularly true if the "c" in "citizen" is lower case, as is the case in the Code of Federal Regulations just cited, and also in the so-called 14th Amendment to the U.S. Constitution. Last but not least, the word "of" is often interpreted by courts to mean "belonging to". Thus, the term "citizen of the United States" can and has been interpreted by the courts to mean a "subject" who "belongs to" the "Congress".

On the contrary, I have recently filed a notarized affidavit with the California Secretary of State, March Fong Eu, in which I declare my status to be that of a "natural born Citizen" as stated in Article 2, Section 1, Clause 5 of the U.S. Constitution. Contrary to widespread public opinion, a "natural born Citizen" is not the same thing as a "citizen of the United States". There are also numerous court authorities for these two different kinds of citizenship. As a natural born Citizen, I am a member of the Sovereignty; I am subject only to my Creator, because my fundamental, unalienable rights are endowed by my Creator (see Declaration of Independence, 1776). Those rights are not granted to me by anyone or anything else. If you request it in writing, a notarized copy of my affidavit can be provided to you.

Accordingly, a shrewd and constructive fraud has been perpetrated upon me, if the presence of my name on your voter registration roster can be presumed by State and federal courts to mean that I am a "citizen of the United States", with all of the legislated privileges, immunities and liabilities attached thereto. I will not allow such a presumption or adhesion to exist, and it is primarily for this reason that I hereby revoke my registration as a voter in the County of Marin, California Republic. This revocation is retroactive to my date of majority, which date was June 21, 1969. I remind you that there is no statute of limitations on fraud.

Please be advised that my use of the phrase "WITH EXPLICIT RESERVATION OF ALL MY RIGHTS AND WITHOUT PREJUDICE UCC 1-207 (UCCA 1207)" 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.

I presume that you will make copies of this letter of revocation available to all interested County departments.

Thank you very much for your consideration.

WITH EXPLICIT RESERVATION OF ALL MY RIGHTS
AND WITHOUT PREJUDICE UCC 1-207 (UCCA 1207)

John Q. Doe
All Rights Reserved

registered as: John Q. Doe
Address
City, State

copies: County Board of Supervisors
Jury Commissioner, County of Marin
California Secretary of State

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Appendix V: Affidavit of Applicable Law

Certified U.S. Mail #P xxx xxx xxx
Dated: mm/dd/yy

John Q. Doe
c/o USPS Post Office Box [##]
San Rafael, California Republic
united States of America
ZIP code exempt (DMM 122.32)

AFFIDAVIT OF APPLICABLE LAW

AND DENIAL OF SPECIFIC LIABILITY

FOR FEDERAL INCOME TAXES

DURING CALENDAR YEARS 199_ AND 199_

CALIFORNIA STATE/REPUBLIC)
)
MARIN COUNTY)

PREAMBLE

The undersigned Affiant, John Q. Doe, is of majority age and of sound mind, and has researched the laws as stated herein, and is competent to testify as to his personal knowledge and belief of the truth of all the following:

1. That, during calendar years 199_ and 199_, the Affiant was a Sovereign Citizen of the California Republic, which was one of the States of the Union of several States; that, as such, his birth and declared political status placed him in the class of natural born Persons who were non-immigrant "nonresident aliens" with respect to the "United States" as those terms were defined by the Internal Revenue Code (hereinafter "IRC"), Sections 865(g)(1)(B), 7701(b)(1)(B), 7701(a)(9) and 7701(a)(10);

2. That Congress, acting in its municipal capacity, enacted IRC Subchapter N of Chapter 1, in order to separate the 50 Union States from the "United States" (i.e. the District of Columbia and its Territories, Possessions and Enclaves);

3. That a cursory examination of said Subchapter N reveals that all "gross income" received from sources within the 50 Union States was defined as "Income From Sources Without the United States" (IRC Section 862); that all income derived from sources within the District of Columbia (i.e. the "United States"), or "effectively connected with a United States trade or business", was income from sources within the "United States";

4. That everyone who inhabited the 50 Union States, who was neither a "citizen of the United States" nor a "resident alien", was by definition a "nonresident alien", as that term was defined at IRC 7701(b)(1)(B) (see Treasury Decision 2313);

5. That the Affiant was not a "resident alien", as that term was defined at IRC 7701(b)(1)(A), because he did not satisfy the substantial presence test, because he was never lawfully admitted for permanent residence, and because he did not elect to be treated as a "resident";

6. That all compensation received by the Affiant for his labor during calendar years 199_ and 199_ was from sources without, and not effectively connected with, the "United States" (i.e. the District of Columbia, its Territories, Possessions and Enclaves);

7. That Black's Law Dictionary, Sixth Edition, defined the term "United States" to mean "... the territory over which sovereignty of United States extends ....";

8. That Citizens of one of the several Union States were those who were born or naturalized within the "freely associated compact states" (i.e. 50 Union States), as that term was utilized by Congress at 28 U.S.C. Section 297, as lawfully amended;

9. That "United States citizens" were those persons who were citizens of the District of Columbia and resident any place in the world, and those people who were residents of any territory which was subject to the exclusive legislative jurisdiction of the "United States", which included the Territories, Possessions, Enclaves and the Federal States (see Title 4 U.S.C., Chapter 4, Section 110(d), for a definition of "Federal States");

10. That, for purposes of the IRC, Subtitle A -- Income Taxes, Congress created a "word of art" definition for the terms "State" and "United States"; said terms were defined at IRC Sections 7701(a)(9) and 7701(a)(10) as follows:

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

11. That Congress imposed a Tax on Petroleum at IRC Section 4611, and used a different "word of art" definition for the term "United States" in that Section; said "word of art" definition was found at IRC 4612(a)(4)(A), to wit:

> (4) United States. --
>
> (A) In General. -- The term "United States" means the 50 States, the District of Columbia, the Commonwealth of

> Puerto Rico, any possession of the United States, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

12. That Congress excluded the 50 Union States from the definition of "United States", for purposes of Subtitle A, and defined all "income" from these 50 States as "Income From Sources Without the United States", at IRC Section 862;

13. That Congress stated at IRC Section 864(c)(4)(A) that:

> ... no income, gain, or loss from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States.

14. That, during calendar years 199_ and 199_, the Affiant was neither a "citizen of the United States" nor was he a "resident" or inhabitant of the "United States", i.e. the District of Columbia, its Territories, Possessions, Enclaves or Federal States, as those terms were defined supra;

15. That all compensation received by the Affiant during calendar years 199_ and 199_ consisted of "compensation for labor or personal services performed without the United States", as that term was utilized by Congress at IRC Section 862(a)(3);

16. That Congress treated "compensation for labor or personal services performed without the United States" as income from sources without the United States, at IRC Section 862(a)(3);

17. That IRC Section 864 "Definitions" stated:

> (b) Trade or Business within the United States. -- For purposes of this part, part II, and chapter 3, the term "trade or business within the United States" includes the performance of personal services within the United States at any time within the taxable year ...
>
> (c)(4) Income from sources without the United States. --
>
> (A) ... no income, gain, or loss from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States.
>
> [emphasis added]

18. That the word "certain" was defined as:

> Certain. Ascertained; precise; identified; settled; exact; definitive; clearly known; unambiguous; or, in law, capable of being identified or made known, without liability to mistake or ambiguity, from data already given. Free from doubt.
>
> [Black's Law Dictionary, Sixth Edition]
> [emphasis in original]

19. That page 46 of the 1991 IRS Instructional Booklet for Form 1040 stated that "certain earned income" was "NONTAXABLE";

20. That, in general, Congress defined the term "earned income" to mean "wages, salaries, or professional fees ..." at

IRC Section 911(d)(2)(A);

21. That Congress excluded from taxation certain "earned income", as that term was defined at IRC Section 911(d)(2)(A);

22. That there were two (2) classes of citizenship within the United States of America, as fully explained by the U.S. Supreme Court in the following cases:

> There is 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, who owe it allegiance, and whose rights, within its jurisdiction, it must protect.
>
> [U.S. vs Cruikshank, 92 U.S. 542, 23 L.Ed. 588 (1875)]
> [emphasis added]

> It is quite clear, then, that there is a citizenship of the United States and a citizenship of a State, which are distinct from each other and which depend upon different characteristics or circumstances in the individual.
>
> [Slaughter House Cases, 83 U.S. 36 (page 408)]
> [16 Wall. 36, 21 L.Ed. 394 (1873)]
> [emphasis added]

23. That the Affiant did not ever knowingly, intentionally, or voluntarily enter into any agreement, or contract, to be made partially liable for the federal debt, nor did he ever "elect" to be treated as a "resident" of the United States under 26 C.F.R. part 5h and IRC Sections 6013(g) & (h), by the signing Forms 1040 or any other related "United States" forms, and therefore none of the Affiant's earnings can be taxed under the provisions of "Debt Management for the Federal Debt" at 7 C.F.R. Part 3;

24. That the Affiant did not voluntarily agree to use the federal obligations of the "United States", as those terms were defined at 18 U.S.C. 8; that, if any such unknown contract was entered into, it was by means of deception and the withholding of pertinent and material facts, which deception and withholding of pertinent and material facts constitute constructive fraud by the federal government and are, therefore, null and void ab initio under all forms of law.

I hereby certify, under penalty of perjury, under the laws of the United States of America, without the "United States", that the foregoing is true and correct in fact and in substance, to the best of my current information, knowledge and belief, per 28 U.S.C. 1746(1).

Further This Affiant saith not.

Subscribed, sealed and affirmed to this _____ day of _____, 199_ Anno Domini.

I now affix my own signature to all of the above affirmations:

John Q. Doe, Citizen/Principal, by special Appearance, in Propria Persona, proceeding Sui Juris, with Assistance, Special.

John Q. Doe
c/o USPS Post Office Box [##]
San Rafael, California Republic
ZIP code exempt (DMM 122.32)

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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

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Appendix W: Memos on Downes vs Bidwell

MEMO

TO: Edward A. Ellison, Jr., J.D.
John William Kurowski

FROM: Mitch Modeleski, Founder
Account for Better Citizenship

DATE: March 24, 1992

SUBJECT: "Direct Taxation and the 1990 Census"
your essay in Reasonable Action newsletter,
Save-A-Patriot Fellowship, July/August 1991

I was very gratified to see such a thorough and authoritative treatment of "direct taxation" in the July/August 1991 issue of the Reasonable Action newsletter. My research continues to convince me of the extreme constitutional importance of the apportionment rule for direct taxes levied by Congress within the 50 States of the Union. I am writing this memo to share with you some of my thoughts on the subject, and to offer my challenge to a few points which are not necessarily beyond dispute. Please understand that I am in general agreement with most, but not all of your essay. Permit me to play "devil's advocate" as I focus on some issues which deserve greater elaboration and substantiation.

The so-called 16th Amendment remains highly relevant to this subject, for a number of important reasons. First of all, since 1913, several federal courts have attempted to isolate the precise effects of a ratified 16th Amendment. Unfortunately for us, when all of these cases are assembled side-by-side, the rulings are not consistent. We are forced to admit the existence of separate groups of court decisions that flatly contradict each other. One group puts income taxes into the class of indirect, excise taxes. Another group puts income taxes into the class of direct taxes. One group argues that a ratified 16th Amendment did not change or repeal any other clause of the Constitution. Another group argues that a ratified 16th Amendment relieved income taxes from the apportionment rule. Even experts disagree. To illustrate the range of disagreement on such fundamental constitutional issues, consider the conclusion of legal scholar Vern Holland:

> ... [T]he Sixteenth Amendment did not amend the Constitution. The United States Supreme Court by unanimous decisions determined that the amendment did not grant any new powers of taxation; that a direct tax cannot be relieved from the constitutional mandate of apportionment; and the only effect of the amendment was to overturn the theory advanced in the Pollock case which held that a tax on income, was in legal effect, a tax on the sources of the income.
>
> [The Law That Always, page 220]

Now consider the opposing view of another competent scholar. After much research and much litigation, autho and attorney Jeffrey A. Dickstein offers the following concise clarification:

> A tax imposed on all of a person's annual gross receipts is a direct tax on personal property that must be apportioned. A tax imposed on the "income" derived from those gross receipts is also a direct tax on property, but as a result of the Sixteenth Amendment, Congress no longer has to enact

> legislation calling for the apportionment of a tax on that income.
>
> [Judicial Income and Your Income Tax, pages 60-61]

The following Appellate ruling is unique among all the relevant federal cases for its clarity and conciseness on this question:

> The constitutional limitation upon direct taxation was modified by the Sixteenth Amendment insofar as taxation of income was concerned, but the amendment was restricted to income, leaving in effect the limitation upon direct taxation of principal.
>
> [Richardson vs United States, 294 F.2d 593 (1961)]
> [emphasis added]

Granted, this is not a decision by the Supreme Court, but the decision is useful because it is so clear and concise, and also because it is very representative of that group of rulings which found that a ratified 16th Amendment relieved income taxes from the apportionment rule. By inference, if income taxes were controlled by the apportionment rule prior to the 16th Amendment, then they must be direct taxes (according to one group of rulings).

Recall now that 17,000 State-certified documents have been assembled to prove that the 16th Amendment was never ratified. Congress has already been served with several official complaints documenting the evidence against the 16th Amendment, pursuant to the First Amendment guarantee for redress of grievances. Congress has now fallen silent. I am the author of one of these complaints (see The Federal Zone, Appendix J). Relying on one group of rulings, the Pollock, Peck, Eisner and Shaffer decisions leave absolutely no doubt about the consequences of the failed ratification: the necessity still exists for an apportionment among the 50 States of all direct taxes, and income taxes are direct taxes.

Federal courts did not hesitate to identify the effects of a ratified 16th Amendment. Now that the evidence against its ratification is so overwhelming and incontrovertible, the federal courts are unwilling to identify the effects of the failed ratification. These courts have opted to call it a "political" question, even though it wasn’t a "political" question in the years immediately after Philander C. Knox declared it ratified. I personally find it hard to believe that the federal courts are incapable of exercising the logic required to isolate the legal effects of the failed ratification. Quite simply, if a ratified 16th Amendment had effect X, then a failed ratification proves that X did not happen. What is X? Their "political" unwillingness to exercise basic logic means that the federal courts have abdicated their main responsibility -- to uphold the constitution -- and that we must now do it for them instead. That is just one of the many reasons why I wrote and published The Federal Zone in the first place. I believe I have succeeded in accurately situating the issue of the 16th Amendment inside a much broader context. What is that much broader context?

Let me begin my answer to that question by first quoting from your essay, in the section entitled "Documenting the Truth":

> The Constitution still grants to the Congress the power of laying an "apportioned" direct tax but notwithstanding the advent of the 16th Amendment all "direct" taxes must be apportioned. There is no exception to this rule.
>
> [emphasis added]

In a strictly normative sense, I would certainly agree that this is the way it should be. But, in a practical and empirical sense, is this really the way it is? I say no. In exercising its exclusive authority over the federal zone, Congress is not subject to the same constitutional limitations that exist inside the 50 States. For this reason, 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 (see The Federal Zone, chapters 12 and 13).

I would never ask you to accept this principle of territorial heterogeneity simply on faith. There is solid case law to substantiate it. You may recall, it is the Hooven case which officially defined the three separate and distinct meanings of the term "United States". This same definition can also be found in Black's Law Dictionary, Sixth Edition. The Supreme Court ruled that this case would be the last time it would address official definitions of the term "United States". Therefore, this ruling must be judicially noticed by the entire American legal (and paralegal) community. In my opinion, the most significant holding in Hooven has to do with territorial heterogeneity, as follows:

> ... [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 guarantees applicable.
>
> [Hooven & Allison Co. vs Evatt, 324 U.S. 652 (1945)]
> [emphasis added]

I have taken the liberty of adding asterisks ("**","***") to the above, in order to identify which meaning of "United States" is being used in each occurrence of the term. Computer users prefer the term "stars" over "asterisks" because it has fewer syllables.

Return now to your statement that "there is no exception to this rule" that all direct taxes must be apportioned. Using the Hooven case and others as our guide, it is more accurate to say that all direct taxes must be apportioned whenever they are levied inside the 50 States of the Union. On the other hand, direct taxes need NOT be apportioned whenever they are levied outside the 50 States of the Union, and inside the areas of land over which Congress has exclusive legislative jurisdiction. The authorities for this exclusive legislative jurisdiction are 1:8:17 and 4:3:2 in the U.S. Constitution. You may disagree with this interpretation of the term "exclusive", and that is your right, but in doing so you are disagreeing with the Supreme Court. Evidently, this was not the first, nor the last time the high Court has differed with the Framers of the Constitution.

As it turns out, the pivotal case law on this question predates Hooven by 44 years, and predates the so-called 16th Amendment by 12 years. In Downes vs Bidwell, 182 U.S. 244 (1901), the issue was a discriminatory tariff which Congress had levied on goods imported from Puerto Rico (or "Porto Rico" as it was spelled then).

Congress had recently obtained exclusive legislative jurisdiction over this territory by virtue of the treaty of peace with Spain. The import duty was obviously not uniform, as required by 1:8:1 in the U.S. Constitution, since it was levied specifically against goods originating in Puerto Rico. In a 5-to-4 decision, the Supreme Court upheld the import duty, even though it was not uniform, on the principle that the uniformity rule applied only to the 48 States and not to the areas of land, i.e., enclaves, territories and possessions, over which Congress has exclusive legislative authority.

The controversy that surrounded Downes vs Bidwell was intense, as evidenced by the flurry of articles that were published in the Harvard Law Review on the subject of "The Insular Cases" as they were called. Perhaps the most lucid criticism of the Downes majority can be found in Justice Harlan's dissent:

> The idea prevails with some -- indeed, it found expression in arguments at the bar -- that we have in this country substantially or practically two national governments; one, to be maintained under the Constitution, with all its restrictions; the other to be maintained by Congress outside and independently of that instrument, by exercising such powers as other nations of the earth are accustomed to exercise.
>
> [Downes vs Bidwell, 182 U.S. 244 (1901)]
> [emphasis added]

To appreciate how alarmed Justice Harlan had become as a result of this new "theory", consider the following from his dissent:

> I take leave to say that if the principles thus announced should ever receive the sanction of a majority of this court, a radical and mischievous change in our system of government will be the result. We will, in that event, pass from the era of constitutional liberty guarded and protected by a written constitution into an era of legislative absolutism. ...
>
> It will be an evil day for American liberty if the theory of a government outside of the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution.
>
> [Downes vs Bidwell, 182 U.S. 244 (1901)]
> [emphasis added]

This theory has been documented by patriot John Knox as follows:

> This theory of a government operating outside the Constitution over its own territory with citizens of the United States belonging thereto under Article 4, Section 3, Clause 2 of the Constitution was further confirmed in 1922 by the Supreme Court in Balzac vs Porto Rico, 258 U.S. 300 (EXHIBIT #4) where that Court affirmed that the Constitution does not apply outside the limits of the 50 States of the Union at page 305 quoting Downes, supra and De Lima, supra. That under Article IV, section 3 the "United States" was

> given exclusive power over the territories and their citizens of the "United States" residing therein.

This quote is from an unpublished brief entitled "Memorandum in Support of Request for the District Court to Consider the T.R.O. and Injunction by the Magistrate" by John Knox, Knox vs U.S., United States District Court for the Western District of Texas, San Antonio, Texas, Case No. SA-89-CA-1308.

People will not fully appreciate a central thesis of The Federal Zone if they believe that I agree with the minimal majority by which Downes was decided. I don't agree with the majority; I agree with Harlan. I have simply tried to describe, in lucid language, how Congress is now able to pass legislation which is not restrained by the U.S. Constitution as we know it. This type of legislation is also known as "municipal" law, because Congress is the municipal authority inside the federal zone. When I visited the District of Columbia during my senior year at UCLA as a summer intern in political science, I asked a Capitol guard where I could find city hall. We were standing on the Capitol lawn when he pointed to the Capitol Building and said, "That is City Hall!"

The Downes decision sent many shock waves through the American legal community, as evidenced by the deep concern that is expressed by author Littlefield in "The Insular Cases", 15 Harvard Law Review 169, 281. He points out how the dissenting minority were of a single mind, while the assenting majority exploited a multiplicity of conflicting and mutually incompatible themes. Just one vote turned the tide. Littlefield's words jump off the page like grease popping off a sizzling griddle.

Accordingly, I now believe that we must go back further than 1913 to isolate the major turn in the tide of American constitutional integrity and continuity. Medina in The Silver Bulletin traces the fork to the tragic American Civil War -- the counter revolution -- when Lincoln was murdered by a Rothschild agent, clearing the stage for resurrecting the federalists' heartthrob -- a central bank. For example, in the context of everything we now know about territorial heterogeneity, to the extent that it was a "municipal" statute for the federal zone, the Federal Reserve Act was constitutional under the rubric of the Downes doctrine.

The consequences of this doctrine have been profound and far-reaching, just as Harlan predicted. One of Lyndon Johnson's first official acts was to rescind JFK's executive order authorizing the circulation of $4.5 billion in interest-free "United States Notes" instead of interest-bearing "Federal Reserve Notes". It is a shame that Oliver Stone did not cover this motive in his movie JFK. All we need to do is connect the dots, and the picture will emerge, clear as day.

Specifically, Title 26 is a municipal statute and, as such, it is not subject to the apportionment rule. The territorial scope of Title 26 is the federal zone; the political scope of Title 26 is the set of "persons" who are either citizens and/or residents of that zone: "U.S.** citizens" and "U.S.** residents". The term "U.S.**" in this context refers to the second of the three Hooven definitions, namely, the territory over which the sovereignty of Congress extends, i.e., the federal zone. Incidentally, the flat tax provisions in Title 26 do conform to the uniformity rule because the tax rate is uniform across the 50 States (see A Ticket To Liberty, by Lori Jacques).

Since involuntary servitude is now forbidden everywhere in this land, it is possible under law to acquire citizenship in the federal zone at will via naturalization, even if one is a natural born Sovereign State Citizen by birth. It is also possible to abandon citizenship in the federal zone at will, via expatriation. In this context, it is revealing that the Internal Revenue Code has provisions for dealing with "U.S.** citizens" who expatriate to avoid the tax. Similarly, Americans are free to reside wherever they want, under the law. If you choose to reside in the federal zone, you are liable for the income tax, by definition (see 26 U.S.C. 7701(b)(1)(A) and 26 C.F.R. 1.1-1(b)). Finally, if you are a "nonresident alien" with respect to the "United States**" as those terms are defined in Title 26 and in Title 42, you are only liable for taxes on income which is effectively connected with a U.S.** trade or business, and on income which derives from U.S.** sources. All other income for nonresident aliens is excluded from the computation of "gross income" as defined (see 26 U.S.C. 872(a)).

I hope this discussion has provided you with some valuable feedback concerning the 16th Amendment, direct taxes, the apportionment rule, Title 26 and The Federal Zone. You have, no doubt, heard several references to the "secret jurisdiction" under which the IRS has been operating. I now believe that this jurisdiction is no longer totally a secret; it issues from 1:8:17 and 4:3:2 in the Constitution. Contrary to the statement quoted above from your essay, there are exceptions to the apportionment rule for direct taxes, and there are exceptions to the uniformity rule for indirect taxes. Inside the federal zone, Congress is free to do pretty much whatever it wants, per the Downes doctrine. Inside the federal zone, it is a legislative democracy, with majority rule. If you want to change the rules, then change the majority. Our best hope for changing those rules rests, therefore, in changing the membership in the House and Senate. As a Sovereign State Citizen, however, I am not subject to those rules, primarily and most importantly because the Constitution created the legislature and We Sovereigns created the Constitution. A Sovereign is never subject to his own creation, unless he volunteers himself into that status, for whatever reason (e.g., the security of socialism a/k/a Social Security).

For your edification, the following is a list of Harvard Law Review articles which discuss the insular cases in some detail:

> Langdell, "The Status of Our New Territories"
> 12 Harvard Law Review, 365, 371
>
> Thayer, "Our New Possessions"
> 12 Harvard Law Review, 464
>
> Thayer, "The Insular Tariff Cases in the Supreme Court"
> 15 Harvard Law Review 164
>
> Littlefield, "The Insular Cases"
> 15 Harvard Law Review, 169, 281

MEMO

TO: Godfrey Lehman

FROM: Mitch Modeleski

DATE: March 2, 1992

SUBJECT: Downes vs Bidwell

Thank you for the materials on 1:8:17. That was then. This is now:

> 1. The issue as to whether there are different meanings to the term "United States," and whether there are three different "United States" operating within the same geographical area, and one "United States" operating outside the Constitution over its own territory, in which it has citizens belonging to said "United States," was settled in 1900 by the Supreme Court in De Lima vs Bidwell, 182 U.S. 1, and in Downes vs Bidwell, 182 U.S. 244. In Downes supra, Justice Harlan dissenting stated as follows:
>
> > The idea prevails with some -- indeed, it found expression in arguments at the bar -- that we have in

> this country substantially or practically two national governments; one, to be maintained under the Constitution, with all its restrictions; the other to be maintained by Congress outside and independently of that instrument, by exercising such powers as other nations of the earth are accustomed to exercise.

He went on to say on page 823:

> It will be an evil day for American liberty if the theory of a government outside of the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution.
>
> [Downes vs Bidwell, 182 U.S. 244, emphasis added]

2. This theory of a government operating outside the Constitution over its own territory with citizens of the United States belonging thereto under Article 4, Section 3, Clause 2 of the Constitution was further confirmed in 1922 by the Supreme Court in Balzac vs Porto Rico, 258 U.S. 300 (EXHIBIT #4) where that Court affirmed that the Constitution does not apply outside the limits of the 50 States of the Union at page 305 quoting Downes, supra and De Lima, supra. That under Article IV, section 3 the "United States" was given exclusive power over the territories and their citizens of the "United States" residing therein.

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People will not understand a central thesis of The Federal Zone if they believe that I agree with the minimal majority by which Downes was decided. I don’t agree. I have simply tried to describe, in simple and lucid language, how Congress is now able to pass legislation which is not restrained by the Constitution as we know it.

The Downes decision sent many shock waves through the American legal community, as evidenced by the deep concern that is expressed by author Littlefield in "The Insular Cases", 15 Harvard Law Review 169, 281. He points out how the dissenting minority were of a single mind, while the assenting majority exploited a multiplicity of conflicting and mutually incompatible themes. Just one vote turned the tide.

Accordingly, I now believe that we must go back further than 1913 to isolate the major turn in the tide of constitutional integrity and continuity. Medina in The Silver Bulletin traces the fork to the Civil War -- the American counter revolution -- when Lincoln was murdered by a Rothschild agent, clearing the stage for resurrecting the federalists’ heartthrob -- a central bank.

The consequences were profound. One of Lyndon Johnson’s first official acts was to rescind JFK’s executive order authorizing the circulation of $4.5 billion in interest-free "United States Notes" instead of interest-bearing "Federal Reserve Notes". All we need to do is connect the dots, and the picture will emerge, clear as day.

For your edification, see the following:

> Langdell, "The Status of Our New Territories"
> 12 Harvard Law Review, 365, 371

Thayer, "Our New Possessions"
12 Harvard Law Review, 464

Thayer, "The Insular Tariff Cases in the Supreme Court"
15 Harvard Law Review 164

Littlefield, "The Insular Cases"
15 Harvard Law Review, 169, 281

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Appendix X: Certificate of Exemption from Withholding

CERTIFICATE OF EXEMPTION FROM WITHHOLDING IN LIEU OF W-4

Consistent and in pari materia with Section 3402(n) of the Internal Revenue Code, shown herewith, I hereby certify to being EXEMPT by law from all federal income tax withholdings because:

A. No liability for income tax has knowingly been incurred by me under Subtitle A in the past year or in previous years.

B. No liability for income tax will knowingly be incurred by me under Subtitle A in the current year or in future years.

Effective immediately, stop all federal tax withholdings.

Thank you for your consideration.

With Explicit Reservation of All My Unalienable Rights
and Without Prejudice to Any of My Unalienable Rights

Signed: _____

Name: _____

Address: _____

County of: _____

State of: _____

California All-Purpose Acknowledgement

CALIFORNIA STATE/REPUBLIC)
)
COUNTY OF MARIN)

On the _____ day of _____, 199_ Anno Domini, before me personally appeared John Q. Doe, 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

Internal Revenue Code, Section 3402(n):

(n) Employees Incurring No Income Tax Liability. --

Notwithstanding any other provision of this section, an employer shall not be required to deduct and withhold any tax under this chapter upon a payment of wages to an employee if there is in effect with respect to such payment a withholding exemption certificate (in such form and containing such other information as the Secretary may prescribe) furnished to the employer by the employee certifying that the employee --

(1) incurred no liability for income tax imposed under Subtitle A for his preceding taxable year, and

(2) anticipates that he will incur no liability for income tax imposed under Subtitle A for his current taxable year.

The Secretary shall by regulations provide for the coordination of the provisions of this subsection with the provisions of subsection (f).

[IRC 3402(n)]

IRS Form 8233:
EXEMPTION FROM WITHHOLDING OF COMPENSATION FOR PERSONAL SERVICES

IRS Form 8233 is an alternative to a CERTIFICATE OF EXEMPTION FROM WITHHOLDING IN LIEU OF W-4. The following is the abstract describing Form 8233 in the IRS Printed Product Catalog:

8233 62292K (Each)

Exemption from Withholding of Compensation for Personal Services

Used by non resident alien individuals to claim exemption from withholding on compensation for personal services because of an income tax treaty or the personal exemption amount. D:R:FP:F Tax Related Public Use

[IRS Printed Product Catalog]
[Document 7130, Rev. 6-89, p. 66]

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Appendix Y: Memoranda of Law

Author's Note:

These Memoranda of Law have been adapted and updated from the files FMEMOLAW and 9THAPPEA on Richard McDonald's electronic bulletin board system (BBS). See references to MEMOLAW and FMEMOLAW in Chapter 11.

Richard McDonald has given his generous permission to publish the following versions of these documents as another Appendix in the third and subsequent editions of The Federal Zone.

Editing, minor additions and grammatical clarifications were done by Mitch Modeleski, also with Richard McDonald's approval.

IN THE DISTRICT COURT OF THE UNITED STATES

FOR THE DISTRICT OF _____

Plaintiff	NOTICE OF LACK OF JURISDICTION
	AND
vs	DEMAND FOR HEARING
	TO ORDER PROOF
Defendant/Citizen	OF JURISDICTION

TO ALL INTERESTED PARTIES:

PLEASE TAKE NOTICE that a hearing has been requested by the Accused Common-Law Citizen [DEFENDANT] to take place on the _____ day of _____, 1993, at _____ hours in Courtroom _____, of the above entitled Court located at _____.

1. This hearing has been called to resolve certain conclusions of law which are in controversy. The demand for this hearing constitutes a direct challenge to the jurisdiction of this Court in the instant matter at bar. The accused Citizen [DEFENDANT] is aware that he has been compelled to participate in this action under threat of arrest and incarceration, should he fail to appear when ordered to do so.

2. The subject matter jurisdiction of this Court is not in question here. Rather, because the matter is criminal in nature and involves a compelled performance to what is essentially derived from Roman Civil (Administrative) Law, the Accused herewith challenges the In Personam jurisdiction of this Court. The Accused does so on the ground that the Plaintiff has failed

to provide an offer of proof that the Accused is subject to the legislative equity jurisdiction in which this Court intends to sit to hear and determine only the facts of this matter, and not the law, arising from a "Bill of Pains and Penalties".

3. It is well known that jurisdiction may be challenged at any time as an issue of law because, absent jurisdiction, all acts undertaken under the color of statute or under the color of ordinance are null and void ab initio (from their inception).

4. Because the Accused was compelled, under threat of further damage and injury, to enter this Court to demand relief, this appearance is SPECIAL, and not general in nature.

5. The argument which follows sets forth the nature of the controversy "At Law". This Court is bound by its oath of office to sit on the Law side of its jurisdiction to hear the controversy in a neutral capacity and to make a fair and impartial determination.

6. This document, and the argument contained herein, is intended to be the basis for further action on appeal, should this Court fail to afford a complete hearing on the law of the matter at the noticed request of the Accused. Furthermore, a failure of this Court to seat on the Law side of its jurisdiction to determine this timely question will give the Accused cause to file for a Writ of Prohibition in a higher Court.

ARGUMENT

1. The Constitution of the United States of America (1787) is the supreme law of the land. The Constitution of State of California must be construed in harmony with the supreme law of the land; otherwise, the State of California has violated its solemn contract with the Union of States known as the United States of America, and the question raised herein becomes one which is a proper original action before the Supreme Court of the United States, sitting in an Article 3 capacity.

2. An employee of the Internal Revenue Service has submitted allegations in what amounts to a "Bill of Pains and Penalties" alleging that I, [DEFENDANT], have somehow failed to perform according to the terms of some agreement for specific performance on my part.

3. By submitting this Bill of Pains and Penalties, the individual in question has accused [DEFENDANT] of failing to perform specifically to some legislative statute which is being presented as evidence of the law. Statutes are not laws; they are administrative regulations which are civil in nature, even when they carry sanctions of a criminal nature, unless there is an injured party who is brought forward as a corpus delicti.

4. Thus, because of this unsupported conclusion of law, and because the Internal Revenue Service has administratively decided that the Accused is subject to the statutes in question, the Accused Citizen holds that a contrary conclusion of law exists to challenge the jurisdiction of this Court. Therefore, this Court must now sit in a neutral position, on the Law side of

its jurisdiction, to hear and resolve the question of controversial positions of law as they affect its jurisdiction or lack of jurisdiction In Personam.

5. This argument is intended to serve as both a defense "At Law" in this Court, and as the basis of future actions, should it become necessary to appeal the question presented to a higher judicial authority.

6. If the Accused Citizen is correct, and if this Court is sitting to hear the violation of a regulatory statute, then it is possible that the judges of this Court, in hearing this matter, are acting in an administrative capacity rather than a judicial capacity. This issue is discussed in detail in the argument which follows.

7. This Court is placed on NOTICE that, if it fails to sit and hear this issue "At Law" upon a timely request, then you may have violated your oath of office to uphold and defend the Constitutions of the United States of America (1787) and the California Republic (1849). Such an act will serve to place you and the other parties to this action outside the realm of judicial immunity and subject to future action by this Accused California Citizen. The Prosecutor in this action is specifically placed on NOTICE that s/he carries no shirttail immunity should s/he continue to prosecute, in the absence of a determination "At Law" of the question presented herein before trial.

JURISDICTION

8. In 1849, California became one of the several States of the Union of States known as the United States of America. California is a "Common Law" State, meaning that the Common Law, as derived from the common law of England, is a recognized form of law in the State of California.

9. Article 3 of the Constitution of the United States of America gives "judicial" power to the various courts, among them the District Courts. What is not generally recognized is that the District Courts may seat in different jurisdictions. Judges may wear different hats, so to speak, depending on the nature of the case brought before them.

10. This Court may sit "At Law" to hear crimes and civil complaints involving a damage or injury which is unlawful under the Common Law of a State; or it may seat in equity to determine specific performance to a contract in equity. Alternatively, as a creation of the foreign Corporate State, this Court may seat administratively in a fiction which may be termed "legislative equity", under authority to regulate activities not of common right, such as commerce for profit and gain, or other privileged activities.

11. The Internal Revenue Code is essentially a "civil, regulatory statute" which was enacted in 1939 to tax and regulate

employees of the Federal Government and "citizens of the United States" (i.e., of the District of Columbia), and to set forth rules and regulations for the production of revenue for the "United States", as defined in the U.S. Constitution.

12. It is an unlawful abuse of procedure to use civil statutes as "evidence of the law" in a criminal matter, particularly when a United States Code has not been enacted into positive law (see, specifically, 26 U.S.C. 7851(a)(6)(A)).

13. Both civil and criminal matters "At Law" require that the complaining party be a victim of some recognizable damage. The "Law" cannot recognize a "crime" unless there is a victim who properly claims to have been damaged or injured.

14. Regulatory statutes, on the other hand, are enacted under the police power of State and Federal Governments to regulate activities not of common right. All statute law is inferior to, and bound by, the restrictions of the Constitution. These "regulatory" statutes operate as "law" on the subjects of those statutes, and violations may carry sanctions of a criminal nature, even in the absence of a victim or injury.

15. A self-evident truth which distinguishes "crimes" under the Law, from "offenses of a criminal nature" under regulatory statutes, is the difference between Rights afforded to a defendant in a criminal proceeding, and "rights" available to a defendant under "due process" in a statutory proceeding.

16. In the case of true crimes "At Law", the Common-Law Citizen [DEFENDANT] enjoys all his fundamental rights as guaranteed by the State and Federal Constitutions, including both "substantive" and "procedural" due process. In contrast, when regulatory offenses "of a criminal nature" are involved, the statutory defendant cannot demand constitutional rights, since only certain "civil rights" have been granted in these actions, and only "procedural due process", consisting of the right to be heard on the facts alone, is allowed. Constitutional rights and substantive due process are noticeably absent. Therefore, the Court must be seated in some jurisdiction other than "At Law", in order to hear an alleged violation of a regulatory statute.

17. The Accused Common-Law Citizen [DEFENDANT], hereby places all parties and the Court on NOTICE, that he is not a "citizen of the United States" under the so-called 14th Amendment, i.e., a juristic person or a franchised person who can be compelled to perform under the regulatory Internal Revenue Code, which is civil in nature. Moreover, the Accused Common-Law Citizen [DEFENDANT] hereby challenges the In Personam jurisdiction of the Court with this contrary conclusion of law. This Court is now mandated to seat on the Law side of its capacity to hear evidence of the status of the Accused Citizen.

18. The Accused Common-Law Citizen [DEFENDANT] contends that the Internal Revenue Service made a false conclusion of law in an administrative capacity when it first brought this action before the Court, and in so doing failed to impart jurisdiction upon this Court to seat and hear this matter in a jurisdiction of legislative equity.

19. The Accused Common-Law Citizen [DEFENDANT] now demands

that the attorney for the Plaintiff in this matter step forward with an offer of proof that the Accused Common-Law Citizen [DEFENDANT], has lost his status as a Common-Law Citizen of the California Republic, and is now a "resident" of this State who can be compelled to perform to the letter of every civil statute because he is either an immigrant alien, a statutory resident (14th Amendment citizen), a juristic person (corporation), or an enfranchised person (i.e., one who has knowingly, willingly and voluntarily entered into an agreement for the exercise of a privilege or the receipt of a benefit and for the attendant considerations carried with the grant of that privilege or benefit).

20. Once jurisdiction is challenged, this Court must sit on the Law side of its jurisdiction as a neutral arbitrator, before the allegations of statutory wrongdoing can proceed. Failure to do so may subject the judge of this Court to charges of perjury for violating the oath of office by refusing to uphold and protect the rights guaranteed and protected by the Constitutions of the California Republic and of the United States of America.

21. The Accused Common-Law Citizen [DEFENDANT] requests that this Court take judicial notice that he has been compelled to enter this Court to answer the allegation, and contends that the allegations are founded upon false conclusions of law. The Memorandum of Law which follows will set forth the position of the Accused Common-Law Citizen [DEFENDANT], and the record will show that no evidence is before this Court which contradicts the position of Citizen [DEFENDANT], except a mere fiction of law. This fiction of law cannot stand in the face of a clear and direct challenge.

Dated , 1993

Respectfully submitted
with explicit reservation of all my unalienable rights
and without prejudice to any of my unalienable rights,

Citizen of the California Republic
In Propria Persona, Sui Juris

MEMORANDUM OF LAW

CLASSES OF CITIZENSHIP

1. The Constitution of the United States of America recognizes several classes of people who exist in this Union of States, as described in Article 1, Section 2, Clause 3 (1:2:3).

2. This Court is herewith mandated to take judicial notice

of the Constitution of the United States of America, the Constitution of the California Republic, the Statutes at Large of the United States of America, and all case law presented herein, pursuant to the Federal Rules of Evidence, Section 201, et seq., and Article 4, Section 1 (4:1) of the Constitution of the United States of America (1787).

3. Excluding "Indians not taxed", since they are not under consideration in this matter, we are left with two other classes of individuals defined in 1:2:3 of the U.S. Constitution, to wit: "free Persons" and "three-fifths of all other Persons".

4. The term "three fifths of all other Persons" referred to the Black slave population and all others of races other than "white" who could not and did not have Common-Law Citizenship of one of the several States, at the time the Constitution was adopted. (For an in-depth analysis of this fact, see the cases of Dred Scott vs Sandford, 19 How. 393; U.S. vs Rhodes, 1 Abbott 39; Slaughter House Cases, 16 Wall. 74; Van Valkenburg vs Brown, 43 Cal. 43; U.S. vs Wong Kim Ark, 169 U.S. 649; and K. Tashiro vs Jordan, 201 Cal. 239; et al.)

5. The Thirteenth Amendment, officially and lawfully ratified in 1865, served only to abolish slavery within the corporate United States. No race other than the white race could claim Common-Law Citizenship of one of the several States, which Citizenship was afforded the protection of the Constitutions. (This is discussed in depth in Dred Scott vs Sandford, supra).

6. Further proof that this argument applies to the State of California is found in Article 2, Section 1 of the Original California Constitution (1849) which states in part: "Every WHITE male Citizen of the United States, and every WHITE male citizen of Mexico ..." [emphasis added]. Obviously, this provision excluded all other races from being Common-Law Citizens of California and from having the full protection of the State and Federal Constitutions. This was the case even before the famous Dred Scott decision. It is most notable that the California Constitution was altered after the so-called 14th Amendment so as to delete all references to "white" male Citizens, and today it refers only to "persons".

7. Following the decision in Dred Scott, supra, Congress allegedly enacted and ratified the so-called 14th Amendment to the Constitution of the United States of America to afford "statutory citizenship" status to those who were deemed excluded from this Common-Law status under the Supreme Court’s interpretations of the Constitution. This event unfolds in detail in the case law surrounding the 13th and 14th Amendments, with a very significant difference which is of great importance to the instant matter.

8. Such cases as the Slaughter House Cases, supra; Twining vs New Jersey, 211 U.S. 78; K. Tashiro vs Jordan, supra; among many others, all declared that under the Law, "there is a clear distinction between a Citizen of a State and a citizen of the United States".

9. A famous French statesman, Fredrick Bastiat, noted in the early 1800’s that if freedom were to be destroyed in America, it would result from the question of slavery and from the failure

to equate all races and all humans as "equals". The Accused is not responsible for the errors of the past and elects not to dwell at length on this subject. However, the so-called 14th Amendment must now be discussed and, as abhorrent as it may sound, it is a matter of fact and law that this is the position (intentional or unintentional) which forms the basis of the law with which we live today.

10. In brief, as a result of the 13th Amendment, the U.S. Supreme Court decided that the Union of States known as the United States of America was founded by "white" people and for "white" people, and only "white" people could enjoy the Rights, Privileges and Immunities afforded and protected by the Federal and State Constitutions. This fact is most eloquently set forth in Dred Scott vs Sandford, supra, in stating that "... if a black nation were to adopt our Constitution verbatim, they would have the absolute right to restrict the right of citizenship only to the black population if they chose to do so ...."

11. To overcome the decision in Dred Scott, supra, the so-called 14th Amendment to the Constitution of the United States of America was allegedly ratified "at the point of a bayonet", and was "declared" to be a part of the Constitution in the year 1868. However, an examination of the ratification by the several States shows that various improper proceedings occurred which, in effect, nullify the Amendment. "I cannot believe that any court, in full possession of its faculties, could honestly hold that the amendment was properly approved and adopted." State vs Phillips, 540 P.2d. 936 (1975); see also Dyett vs Turner, 439 P.2d. 266 (1968).

12. Accused Common-Law Citizen [DEFENDANT] will not digress into an in-depth dissertation of the bogus ratification of the so-called 14th Amendment, because the only necessary point to be made is that the so-called 14th Amendment had a profound effect upon the Union of these United States, and this effect continues to the present time.

13. The Original Constitution of the United States of America (1787) refers to Common-Law Citizens of the several States in the Preamble, in Article 4, Section 2, Clause 1 (4:2:1), and in numerous other sections. Always, the word Citizen is spelled with an upper-case "C" when referring to this class of Common-Law Citizen as a "Citizen of the United States", i.e., as a "Citizen of one of the United States".

14. In contrast, the so-called 14th Amendment utilizes a lower-case "c" to distinguish this class of citizens whose status makes them "subject to the jurisdiction thereof" as a statutory "citizen of the United States".

15. In the law, each word and each use of the word, including its capitalization or the lack of capitalization, has a distinctive legal meaning. In this case, there never was the specific status of a "citizen of the United States" until the advent of the 1866 Civil Rights Act (14 Stat. 27) which was the forerunner of the so-called 14th Amendment. (See Ex Parte Knowles, 5 Cal. 300. The definition of the "United States" is discussed in the next section of this Memorandum.)

16. Before the so-called 14th Amendment was declared to be

a part of the U.S. Constitution, there were a number of State "residents" who could not enjoy "Common-Law Citizenship" in one of the several States under that Constitution, because they were not "white". The effect of the so-called 14th Amendment was to give to all those residents a citizenship in the nation-state that was created by Congress in the year 1801 and named the "United States". (See 2 Stat. 103; see also U.S. vs Eliason, 41 U.S. 291, 16 Peter 291, 10 L.Ed. 968; U.S. vs Simms, 1 Cranch 255, 256 (1803).) The original Civil Rights Act of 1866 was not encompassing enough, so it was expanded in the year 1964; but the legal effect was the same, namely, to grant to "citizens of the United States" the equivalent rights of the Common-Law white Citizens of the several States. In reality, however, those "equivalent rights" are limited by various statutes, codes and regulations and can be changed at the whim of Congress.

17. Under the Federal and State Constitutions, "... We the People" did not surrender our individual sovereignty to either the State or Federal Government. Powers "delegated" do not equate to powers surrendered. This is a Republic, not a democracy, and the majority cannot impose its will upon the minority simply because some "law" is already set forth. Any individual can do anything he or she wishes to do, so long as it does not damage, injure or impair the same Right of another individual. The concept of a corpus delicti is relevant here, in order to prove some "crime" or civil damage.

18. The case law surrounding the 13th and 14th Amendments all rings with the same message: "These amendments did not change the status of Common-Law Citizenship of the white Citizens of one of the several States of the Union" (now 50 in number).

19. This goes to the crux of the controversy because, under the so-called 14th Amendment, citizenship is a privilege and not a "Right". (See American and Ocean Ins. Co. vs Canter, 1 Pet. 511; Cook vs Tait, 265 U.S. 47 (1924).)

20. It was never the intent of the so-called 14th Amendment to change the status of the Common-Law Citizens of the several States. (See People vs Washington, 36 C. 658, 661 (1869); French vs Barber, 181 U.S. 324; MacKenzie vs Hare, 60 L.Ed. 297).

21. However, over the years, the so-called 14th Amendment has been used to create a fiction and to destroy American freedom through administrative regulation. How is this possible? The answer is self-evident to anyone who understands the law, namely, a "privilege" is regulatable to any degree, including the alteration and even the revocation of that privilege.

22. Since the statutory status of "citizen of the United States, subject to the jurisdiction thereof" (1866 Civil Rights Act) is one of privilege and not of Right, and since the so-called 14th Amendment mandates that both Congress and the several States take measures to protect these new "subjects", then both the Federal and State governments are mandated to protect the privileges and immunities of ONLY these "citizens of the United States". (See Hale vs Henkel, 201 U.S. 43).

23. Of course, the amount of protection afforded has a price to pay, but the important fact is that the "privilege" of citizenship under the so-called 14th Amendment can be regulated

or revoked because it is a "privilege" and not a RIGHT. It is here that the basic, fundamental concept of "self-government" turns into a King "governing his subjects".

24. One can be called a "freeman", but that was a title of nobility granted by the King. To be really free encompasses a great deal more than grants of titles and privileges.

25. Over the years since 1787, because our forefathers would have rather fought than bow to involuntary servitude, the "powers that be" have slowly and carefully used the so-called 14th Amendment and the Social Security Act to force primary State Citizenship into relative extinction, in the eyes of the courts. Nevertheless, this class of Common-Law Citizens is not extinct yet; it is simply being ignored, in order to maintain and enlarge a revenue base for Congress.

26. Since the State of California has been mandated by the 14th Amendment to protect the statutory "citizens of the United States", and since the People in general have been falsely led to obtain "Social Security Numbers" as "U.S. citizens", the State of California under prompting by the Federal Government has used the licensing and registration of vehicles and people under the "equal protection" clause for the "Public Welfare" to perpetuate a scheme of revenue enhancement and regulation. This scheme has been implemented, in part, by promoting the fiction that the Common-Law "Citizens of a State of the Union of several States" can be regulated to the same degree as statutory "citizens of the United States".

27. I, [DEFENDANT], contend that both the State of California and the Federal Government (known as the "United States") are committing an act of GENOCIDE upon the Common-Law State Citizens of the several States by perpetrating and perpetuating the "fiction of law" that everyone is a statutory "citizen of the United States".

This allegation is now discussed by proving exactly what the "United States" means and in what capacity it now operates.

WHAT IS THE "UNITED STATES"?

28. As we begin, it must be noted that this Common-Law Citizen alleges "fraud" by the State and Federal Governments in their failure to inform the people that they are all included (through the use of a fiction of law) in that statutory class of persons called "citizens of the United States".

29. The use of this fiction of law is particularly abhorrent in view of the fact that, when arbitrarily applied to everyone, the States lose their sovereignty, the Common-Law Citizens of the State lose their fundamental rights, and the "citizens of the United States" lose the guidelines which established their "civil rights". The net effect is that these actions have lowered everyone’s status to that of a "subject".

30. There is a clear distinction between the meanings of "United States" and "United States of America". The people of America have been fraudulently and purposely misled to believe that these terms are completely synonymous in every context.

31. In fact, in Law the term "United States of America" refers to the several States which are "united by and under the Constitution"; the term "United States" refers to that geographical area defined in Article 1, Section 8, Clause 17 (1:8:17) and in Article 4, Section 3, Clause 2 (4:3:2) of the Federal Constitution.

32. In 1802, the "Congress Assembled" incorporated a geographical area known as the "United States". The "United States" is, therefore, a nation-state which is separate and unique unto itself. Furthermore, even though the "United States" is not a member of the "Union of States united by and under the Constitution", it is bound by that Constitution to restrict its activities in dealing with the several States and with the Common-Law Citizens of those States. Under 1:8:17 and 4:3:2 of the Constitution of the United States of America (1787), Congress has exclusive power to legislate and regulate the inhabitants of its geographical territory and its statutory "citizens" under the so-called 14th Amendment, wherever they are "resident", even if they do inhabit one of the 50 States of the Union.

33. The term "United States" has always referred to the "Congress Assembled", or to those geographical areas defined in 1:8:17 and 4:3:2 in the U.S. Constitution. The proof of this fact is found in the Articles of Confederation.

ARTICLES OF CONFEDERATION

> Whereas the Delegates of the United States of America in Congress Assembled did on the fifteenth day of November in the year of our Lord One Thousand Seven Hundred and Seventy Seven, and in the Second Year of the Independence of America agree to certain Articles of Confederation and perpetual union between the States of ....
>
> ARTICLE I. The title of this confederacy shall be "The United States of America".
>
> ARTICLE II. Each State retains its sovereignty, freedom and independence, and every power, jurisdiction and right, which is not by this confederation expressly delegated to the United States, in Congress Assembled.

NOTE: The term "UNITED STATES" as used therein refers expressly to "Congress Assembled" on behalf of the several States which comprise the Union of States (now 50 in number).

34. As can readily be seen from the quote below, with three separate and distinct definitions for the term "United States", it becomes absolutely necessary to separate and define each use of this term in law. It is equally as necessary to separate and define to whom the law applies when there are two classes of citizenship existing side-by-side, with separate and distinct rights, privileges and immunities for each. Such a separate distinction is not made in the Internal Revenue Code. Citizens of the California Republic are nowhere defined in this Code or in its regulations, but are expressly omitted as such and identified indirectly at best (see 26 U.S.C. 7701(b)(1)(B)).

> 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 a family of nations. It may designate territory over which 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. vs Evatt, 324 U.S. 652 (1945)]
> [65 S.Ct. 870, 880, 89 L.Ed. 1252]
> [emphasis added]

35. The term "United States", when used in its territorial meaning, encompasses the areas of land defined in 1:8:17 and 4:3:2, nothing more. In this respect, the "United States" is a separate Nation which is foreign with respect to the States united by and under the Constitution, because the "United States" as such has never applied for admission to the Union of States known as the "United States of America". Accordingly, statutory "citizens of the United States", who are "subject to the jurisdiction thereof", are defined in the wording of the so-called 14th Amendment and of The Civil Rights Acts. At best, this so-called Amendment is a "private Act", rather than a public act, which designates a class of people who are unique to the territorial jurisdiction of the District of Columbia, the Federal Territories and Possessions, and the land which has been ceded by the Legislatures of the 50 States to the foreign nation-state of the "United States" for forts, magazines, arsenals and "other needful buildings" (see 1:8:17 and 4:3:2). Collectively, this territorial jurisdiction is now termed "The Federal Zone" to distinguish it uniquely from the nation as a whole and from the 50 States of the Union. The "nation" can, therefore, be defined as the mathematical union of the federal zone and the 50 States.

36. The District of Columbia is technically a corporation and is only defined as a "State" in its own codes and under International Law (e.g., see 26 U.S.C. 7701(a)(10)).

37. The several States which are united by and under the Constitution are guaranteed a "Republican" (or "rule of law") form of government by Article 4, Section 4 of the Constitution. However, the foreign nation-state created by Congress and called the "United States", in its territorial sense, is a "legislative democracy" (or "majority rule" democracy) which is governed by International Law rather than the Common Law.

38. The U. S. Supreme Court has ruled that this foreign nation has every right to legislate for its "citizens" and to hold subject matter and in personam jurisdiction, both within (inside) and without (outside) its territorial boundaries, when legislative acts call for such effects (Cook vs Tait, supra).

39. As a foreign nation under International law, which is derived from Roman Civil Law (see Kent’s Commentaries on American Law, Lecture 1), it is perfectly legal for this nation to consider its people as "subjects" rather than as individual Sovereigns. The protections of the State and the Federal Constitutions do not apply to these "subjects" unless there is specific statutory legislation granting specific protections (e.g., The Civil Rights Act). The guarantees of the Constitution

extend to the "United States" (i.e., the federal zone) only as Congress has made those guarantees applicable (Hooven, supra).

40. California is a Republic. How does this International Law come into play in the California Republic? The answer to this question is presented in the following section.

FAILURE TO DISCLOSE

41. Because only "white" people can hold primary Common-Law State Citizenship under the Constitution, Congress created a different class of "citizen" and then legislated rights, privileges and immunities which were intended to be mirror images of the Rights, Privileges and Immunities enjoyed by the Common-Law Citizens of the several States.

42. Unfortunately, the nation-state of the "United States" (District of Columbia) is a democracy and not a Republic. It is governed basically under authority of International Law, rather than the Common Law, and its people hold citizenship by "privilege" rather than by "Right".

43. Certain power-mad individuals, commonly known today as the Directors of the Federal Reserve Board and the twelve (12) major international banking families, have used the so-called 14th Amendment to commit "legal genocide" upon the class of Common-Law Citizens known as the Citizens of the several States. This has been accomplished by the application of Social Security through fraud, deception and non-disclosure of material facts, for the purpose of reducing the Union of States to a people who are once again enslaved by puppet masters, in order to gather revenue for the profit of international banks and their owners.

44. It is a fact so well known and understood that it is indisputable, that "any privilege granted by government is regulatable, taxable and subject to any restrictions imposed by the legislative acts of its governing body", including alteration and even revocation by that governing body.

45. If necessary to do so, the Accused [DEFENDANT] will submit an offer of proof to show that the "Social Security Act" is in fact a private act applying only to the territory of the "United States", acting in its limited capacity, and to its statutory "citizens of the United States", under the so-called 14th Amendment. Yet, this act has been advertised and promoted throughout the several States of the Union as being "mandatory upon the public in general", rather than a "private" act.

46. The effect in law is that, when Common-Law Citizens of the several States apply for and receive Social Security Numbers, they voluntarily surrender their primary Common-Law Citizenship of a State and exchange it for that of a statutory "citizen of the United States". It is most interesting that any State has the power to "naturalize" a non-Citizen, but today everyone is naturalized as "citizens of the United States" under purview of the so-called 14th Amendment. The long-term effect of this procedure is that the Common-Law white State Citizens are an endangered species, on the verge of extinction, and only the "subject class citizens" will survive to be ruled at the whim and passion of a jurisdiction which was not intended by our Founding

Fathers or the Framers of the original U.S. Constitution.

JURISDICTION OF THE COURT

47. Section 1 of the so-called 14th Amendment has had a far-reaching effect upon the several States of this Union, because Congress mandated that it would protect its new statutory "citizens" and that each of the States would also guarantee to protect these special "citizens".

48. This Nation was founded upon the fundamental principles of the Common Law and self-government, with limited actual government. In contrast, the "subjects" of the "United States" are considered to be incapable of self-government and in need of protection and regulation by those in authority.

49. The majority of statute law is civil and regulatory in nature, even when sanctions of a criminal nature are attached for alleged violations.

50. Among the rights secured by the Common Law in the Constitution in "criminal" cases are the right to know the "nature and cause" of an accusation, the right to confront an accuser, and the right to have both substantive and procedural due process.

51. It is a fact that the District Court, in Internal Revenue cases, DOES NOT disclose the nature and cause of the accusation, does not afford "substantive" due process, and rarely produces a "corpus delicti" to prove damage or an injured party.

52. The final proof is that the rights given to an accused in an Internal Revenue case are "civil rights", rather than Constitutional Rights. The District Court can hear a Constitutional question, but it cannot rule upon the merits of the question, because the Constitution does not apply to regulatory statutes. They are set in place to regulate and protect the statutory "citizens of the United States" who cannot exercise, and are not given, the right of individual self-government.

53. The Federal Constitution mandates that "counsel" be present at all phases of the proceedings. In contrast, District Court often conducts arraignment proceedings without either counsel for the defense or counsel for the prosecution being present.

CONCLUSION

54. This Court is proceeding under a jurisdiction which is known to the Constitution, but which is foreign to the intent of the Constitution, unless applied to those individuals who do not

have Common-Law access by "Right" to the protection of the State and Federal Constitutions.

55. Whether this jurisdiction be named International Law, Admiralty/Maritime Law, Legislative Equity, Statutory Law or any other name, it is abusive and destructive of the Common-Law Rights of the Citizens of the several States. The Constitutions of the California Republic and the United States of America mandate that these rights be guaranteed and protected by all agencies of government. This is the Supreme Law of our Land.

56. The limit of police power and legislative authority is reached when a statutory "law" derogates or destroys Rights which are protected by the Constitution and which belong to the Common-Law Citizens of the several States who can claim these Rights.

57. [DEFENDANT] is a white, male Common-Law Citizen of the Sovereign California Republic. This declaration of status is made openly and notoriously on the record of these proceedings.

58. As an individual whose primary Common-Law Citizenship is of the California Republic, [DEFENDANT] claims all the Rights, Privileges and Immunities afforded and protected by the Constitutions of the California Republic (1849) and of the United States of America (1787), as lawfully amended.

59. [DEFENDANT] has never, to the best of his knowledge and belief, knowingly, intentionally and voluntarily surrendered his original status as a Common-Law Citizen of the several States, to become a so-called 14th Amendment Federal citizen who is subject to the jurisdiction of the "United States".

60. This Court is proceeding in a legislative jurisdiction which allows a "civil" statute to be used as evidence of the Law in a "criminal proceeding", and affords only "civil rights", "procedural due process" and the right to be heard on the facts evidenced in the statute, rather than the Law and the facts.

61. It is now incumbent upon the Court to seat on the Law side of its jurisdiction and to order the plaintiff to bring forth an offer of proof that the Accused [DEFENDANT] can be subjected to a jurisdiction which uses civil statutes as evidence of the fundamental Law in criminal cases, which refuses to afford all Rights guaranteed by the Constitution and available to the Accused in criminal matters, and which practices procedural due process to the exclusion of substantive due process, wherein only the "facts" and not the "facts and Law" are at issue.

62. Should the prosecution fail to bring forth proof that the Accused [DEFENDANT] has surrendered his original status as a Common-Law "California State Citizen" for one that is essentially in "legislative/regulatory equity", then this Court has no alternative but to dismiss this matter of its own motion in the interests of justice, for lack of jurisdiction.

Dated , 1993

Respectfully Submitted

Citizen of the California Republic
In Propria Persona, Sui Juris

C E R T I F I C A T E O F S E R V I C E

I, [DEFENDANT], under penalties of perjury, declare that I am a California Citizen, domiciled in the California Republic, and a Citizen of the several States united by and under the Constitution of the United States of America (see 4:2:1). I am not a "citizen of the United States" (District of Columbia) nor a subject of Congress under the 14th Amendment, nor a "resident" in the State of California who seeks or who is otherwise is under the protection of the so-called 14th Amendment.

It is hereby certified that service of this notice has been made on the Plaintiffs and other interested parties by personal service or by mailing one copy each thereof, on this _____ day of _____, 1993, in a sealed envelope, with postage prepaid, properly addressed to them as follows:

The Solicitor General
Department of Justice
Washington, District of Columbia
Postal Zone 20530/tdc

[others as listed here]

Dated , 1993

Respectfully submitted
with explicit reservation of all my unalienable rights
and without prejudice to any of my unalienable rights,

Citizen of the California Republic
In Propria Persona, Sui Juris

[from 9THAPPEA.DIR\APPEAL.DOC]

STATEMENT OF STATUS AND JURISDICTION

The Appellant [DEFENDANT], who enjoys the status of a Caucasian Citizen of the California Republic with Common-Law rights by birth as a member of the sovereign political body (see Dred Scott vs Sandford, 19 How. 393, 404) and who enjoys these unalienable Common-Law rights by virtue of his birth, is not a "citizen of the United States" under the so-called 14th Amendment. Thus, jurisdiction is invoked per the Magna Carta, Chapters 61, 63; the Declaration of Independence, July 4, 1776; the Preamble to the Constitution for the United States of America, 1787; Article 3, Sections 1 and 2, and Article 6, Section 2 of the Constitution for the United States of America, (1787); the California Civil Code, Source of Law, Section 22.2; the California Code of Civil Procedure, Section 1899; and Marbury vs Madison, 5 U.S. 368 (1803).

ARGUMENT

I

THE 14TH AMENDMENT WAS NOT PROPERLY APPROVED AND ADOPTED ACCORDING TO THE MANDATES OF THE CONSTITUTION AND THE MAXIMS OF LAW; IT DID NOT INCLUDE THE WHITE CITIZENS OF THE SEVERAL STATES, AND DID NOT AUTHORIZE CONGRESS TO ABOLISH THE INTENT AND MEANING OF THE ORIGINAL CONSTITUTION (1787) OR TO CREATE A NEW CONSTITUTION UNDER THE 14TH AMENDMENT, THEREBY DEPRIVING THE APPELLANT [DEFENDANT], A WHITE DE JURE STATE CITIZEN, OF HIS UNALIENABLE RIGHTS TO LIFE, LIBERTY AND PROPERTY.

POINT 1

The Appellant [DEFENDANT] was indicted and convicted under the purview of the so-called 14th Amendment. Therefore, the constitutionality and application of this so-called amendment is brought squarely before this Court.

The so-called 14th Amendment is invalid, in that it was NOT properly approved and adopted according to the provisions of Article 5 of the Constitution (see House Congressional Record for June 13, 1967, pages 15641-15646, incorporated fully herein by reference and attached as exhibit "A").

The Fourteenth Amendment was forced upon the people "at the point of a bayonet" and by the coercion that resulted from not seating various senators who would not vote in favor of the so-called amendment, and various other improper proceedings too numerous to mention here (for details, see 28 Tulane Law Review 22; 11 South Carolina Law Quarterly 484). It is apparent that, once a fraud is perpetrated, the fraud enlarges from the effort

to maintain illegitimate power and to conceal its legal effect upon the invalidity of the so-called 14th Amendment.

The so-called 14th "Amendment" cannot and does not terminate the Constitutional intent of de jure State Citizenship of the Appellant [DEFENDANT]. There is ample evidence that no court has ever held that this "Amendment" was properly approved and adopted. See, in particular, State vs Phillips, 540 P.2d 936 (1975); Dyett vs Turner, 439 P.2d 266 (1968).

POINT 2:

THE ACCUSED'S DE JURE CITIZENSHIP CANNOT BE TAKEN AWAY

The presumed 14th Amendment is illegally applied to the Appellant [DEFENDANT], a male Caucasian born in the State of Illinois and now a Citizen of California. The Appellant was not within the intent or meaning of the so-called 14th Amendment.

> It may be stated, as a general principle of law, that it is for the legislature to determine whether the conditions exist which warrant the exercise of power; but the question as to what are the subjects of its exercise, is clearly a judicial question. One may be deprived of his liberty, and his constitutional rights thereto may be violated, without actual imprisonment or restraint of his person.
>
> [In re Aubrey, 36 Wn 308, 314-314, 78 P. 900]
> [emphasis added]

The most important thing to be determined is the intent of Congress. The language of the statute may not be distorted under the guise of construction, so as to be repugnant to the Constitution, or to defeat the manifest intent of Congress. United States vs Alpers, 338 U.S. 680, 94 L.Ed. 457, 460; United States vs Raynor, 302 U.S. 540, 82 L.Ed. 413, 58 S.Ct. 353.

Citizenship is a status or condition, and is the result of both act and intent. 14 C.J.S. Section 1, p. 1130, n. 62.

14th Amendment federal citizenship is a political status which constitutes a privilege which may be defined and limited by Congress, Ex Parte (ng) Fung Sing, D.C. Wash. 6 F.R.D. 670. There is a clear distinction between federal and State citizenship, K. Tashiro vs Jordan, 256 P. 545, 201 Cal. 239, 53 A.L.R. 1279, affirmed 49 S.Ct. 47, 278 U.S. 123, 73 L.Ed. 214, 14 C.J.S. 2, p. 1131, n. 75.

The classification "citizen of the United States" is distinguished from a Citizen of one of the several States, in that the former is a special class of citizen created by Congress, U.S. vs Anthony, 24 Fed 829 (1873). As such, a "citizen of the United States" receives created rights and privileges from Congress, and thus has a "taxable citizenship" as a federal citizen under the protection and jurisdiction of Congress, wherever such citizens are "resident". Cook vs Tait,

265 U.S. 47 (1924), 44 S. Ct. 447; 11 Virginia Law Review 607, "Income Tax Based Upon Citizenship". This right to tax federal citizenship is an inherent right under the rule of the Law of Nations, which is part of the law of the "United States", as described in Article 1, Section 8, Clause 17 (1:8:17) and Article 4, Section 3, Clause 2 (4:3:2). The Lusitania, 251 F. 715, 732. The federal government has absolutely no authority whatsoever to tax the Citizens of the several States for their Citizenship. The latter have natural rights and privileges which are protected by the U.S. Constitution from federal intrusion. These rights are inherent from birth and belong to "US the People" as Citizens of one of the several States as described in Dred Scott vs Sandford, 19 How. 393. Such Citizens are not under the direct protection or jurisdiction of Congress, but they are under the protection of the Constitutions of the States which they inhabit.

The Act of Congress called the Civil Rights Act, 14 U.S. Statutes at Large, p. 27, which was the forerunner of the so-called 14th Amendment, amply shows the intent of Congress, as follows:

> ... [A]ll persons born in the United States and not subject to any foreign power, excluding Indians not taxed, are hereby declared to be citizens of the United States; and such citizens, of every race and color ... shall have the same right, in every State and Territory in the United States ... to full and equal benefit of all laws and proceedings for the security of person and property, as is enjoyed by white citizens ....
>
> [emphasis added]

This was the intent of Congress, namely, not to infringe upon the Constitution or the status of the de jure Citizens of the several States. The term "persons" did not include the white de jure State Citizens. It was never the intent of the 14th Amendment to subvert the authority of the several States of the Union, or that of the Constitution as it relates to the status of de jure State Citizens. See People vs Washington, 36 C. 658, 661 (1869), overruled on other grounds; also French vs Barber, 181 U.S. 324; MacKenzie vs Hare, 60 L. Ed. 297.

The so-called 14th Amendment uses language very similar to the Civil Rights Act of 1866. Harlan J. explained his interpretation of its meaning in a dissenting opinion which quoted from the scorching veto message of President Johnson, Lincoln’s successor: It "comprehends the Chinese of the Pacific States, Indians subject to taxation, the people called Gypsies, as well as the entire race designated as blacks, persons of color, negroes, mulattoes and persons of African blood. Every individual of those races born in the United States is made a citizen thereof." Elk vs Wilkins, 112 U.S. 94, 114, 5 S.Ct. 41, 28 L.Ed. 643; see also In re Gee Hop, 71 Fed. 274.

In light of the statement by Chief Justice Taney in Dred Scott vs Sandford, 19 How. 393, 422, in defining the term persons, the Judge mentioned "... persons who are not recognized as citizens ...." See also American and Ocean Ins. Co. vs Canter, 1 Pet. 511, which also distinguishes "persons" and "citizens". These were the persons who were the object of the 14th Amendment, to give citizenship to this class of native born

"persons" who were "resident" in the several States, and to legislate authority to place races other than the white race within the special category of "citizen of the United States".

It was the intent of the so-called amendment that de jure Citizens in the several States were not included in its terminology because they were, by birthright, Citizens as defined in the Preamble, and could receive nothing from this so-called amendment. See Van Valkenburg vs Brown, 43 Cal. Sup. Ct. 43.

Congress has adopted this definition of "person", as previously described, so that the Internal Revenue Code would be constitutional. See McBrier vs Commissioner of Internal Revenue, 108 F.2d 967, Fn 1 (1939). Thus, Congress has absolute authority to regulate this de facto entity created by an Act of Congress, this juristic person who is not given de jure State Citizenship by birth.

Since the term "citizen of the United States" was used to create and distinguish a different class of citizen in the 14th Amendment, this term has been widely used in various revenue acts, e.g., Tariff Act of August 5, 1909, Section 37, c. 6, 36 Stat. 11; Act of September 8, 1916, 39 Stat. 756; Revenue Act of November 23, 1921, 40 Stat. 227; the Internal Revenue Code of 1939 and 26 C.F.R. 1.1-1(b). These all had a specific meaning, which did not include a Citizen of one of the several States who had no franchise with the federal Government (i.e., the District of Columbia). In fact, the Social Security Act, 49 Stat. 620, Title I, Section 3, (3) states:

> (3) Any citizenship requirement which excludes any citizen of the United States.

This specifically means that the Original Social Security Act, created in 1935, did not change one’s citizenship upon obtaining a SSN. The original Title VIII of the Social Security Act was repealed by P.L. 76-1, Section 4, 53 Stat. 1, effective February 11, 1939. Then the substance was added to the 1939 Income Tax Code at Sections 1400-1425. Currently, the substance of the repealed section can be found in the 1954 Internal Revenue Code at Sections 3101-3126. This repealing, in effect, has voided the original intent and meaning, and replaced it with a new intent and meaning. This new intent is unconstitutionally applied to the Appellant, a de jure State Citizen, who is a member of the posterity as identified in the Preamble to the Constitution for the United States of America. This new intent has never been addressed by any court, as it relates to the deprivation of State Citizenship.

All changes made after the fact, under the Social Security Act as it relates to citizenship, are null and void due to fraud (specifically, non-disclosure). Congress does not now, nor has it ever had, the authority to take Citizenship away from the Appellant, a Citizen of the several States, without his knowledge and informed consent.

The error occurs when, through economic duress and the failure to disclose to Appellant [DEFENDANT] the liabilities associated with a Social Security Number, a de jure State Citizen

is compelled "at the point of a bayonet" to give up a Citizenship that was derived by birth and blood. By obtaining a Social Security Number, such a State Citizen becomes, in effect, a second-class citizen under the so-called 14th Amendment, in order to obtain work to purchase necessities to sustain life.

The so-called 14th Amendment was not intended to impose any new restrictions upon Citizenship, or to prevent anyone from becoming a Citizen by fact of birth within the United States of America, who would thereby acquire Citizenship according to the law existing before its adoption. "An amendatory act does not alter the rights existing before its adoption." Billings vs Hall, 7 Cal. 1. Its main purpose was to establish the citizenship of free negroes and to put it beyond doubt that all blacks as well as whites were citizens. U.S. vs Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456, 42 L.Ed. 890; Slaughter House Cases, 16 Wall. (U.S.) 36, 21 L.Ed. 394; Strauder vs West Virginia, 100 U.S. 303, 25 L.Ed. 664; In re Virginia, 100 U.S. 339; Neal vs Delaware, 103 U.S. 370, 26 L.Ed. 567; Elk vs Wilkins, 112 U.S. 94, 5 S.Ct. 41, 28 L.Ed. 643; Van Valkenburg vs Brown, 43 Cal. 43, 13 Am. Rep. 136; (numerous other cites omitted).

The First Clause of the so-called 14th Amendment of the Federal Constitution made negroes "citizens of the United States" and citizens of the State in which they reside, and thereby created two classes of citizens: one of the United States and the other of the State. 4 Dec. Dig. ’06, page 1197; Cory vs Carter, 48 Ind. 327, 17 Am. Rep. 738; and it distinguishes between federal and state citizenship, Frasher vs State, 3 Tex. App. 263, 30 Am. Rep. 131.

Nothing can be found in the so-called 14th Amendment, or in any reference thereto, that establishes any provision that transforms Citizens of any state into "citizens of the United States". In the year 1868 or now (1993), the so-called amendment created no new status for the white State Citizens. White State Citizens are natural born Citizens, per Article 2, Section 1, Clause 5 (2:1:5) and, as such, they are fully entitled to the "Privileges and Immunities" mentioned in Article 4, Section 2, Clause 1 (4:2:1), as unalienable rights. These unalienable rights cannot be overruled or abolished by any act of congress.

The birthright of the Appellant [DEFENDANT]’s de jure State Citizenship cannot be subordinated merely because Congress desires more power and control over the people, in order to create a larger revenue base for the profit of certain private individuals. Oyama vs California, 332 U.S. 633.

> State citizenship, as defined, regulated and protected by State authority, would disappear altogether, except as Congress might choose to withhold the exercise of powers. The tendency of Congress, especially since the adoption of the recent amendments, has been to overstep its own boundaries and undertake duties not committed to it by the Constitution.
>
> [16 Albany Law Journal 24 (1877), (Exhibit B)]

A citizen may not have his de jure citizenship taken away,

Richards vs Secretary of State, (9th Cir) 752 F.2d 1413, (1985); Afroyim vs Rusk, 387 U.S. 253, 87 S.Ct. 1660, 18 L.Ed.2d 757 (1967); Baker vs Rusk, 296 F. Supp. 1244 (1969); Vance vs Terrazas, 444 U.S. 252, 100 S.Ct. 540, 62 L.Ed.2d 461 (1980); U.S. vs Wong Kim Ark, 169 U.S. 18 S. Ct. 456, 42 L.Ed. 890 (1898).

POINT 3

In the formation of the Constitution for the United States of America, care was taken to confer no power upon the federal government to control and regulate Citizens within the several States, because such control would lead to tyranny.

By the Constitution, Congress was to be a representative of, and an extension of the Several States only for external affairs. Congress was forbidden to pass municipal laws to regulate and control de jure Citizens of a State of the Union of the United States of America. This is, without a doubt, the true construction of the intent of the Constitution.

That Congress has no authority to pass laws and bind the rights of the Citizens in the several States, beyond the powers conferred by the Constitution, is not open to controversy. But, it is insisted that (1) under the so-called 14th Amendment, Congress has power to legislate for, and make a subject of, the Appellant [DEFENDANT] through secret interpretations of the law and (2) by force of power, laws are enacted in order to control, by force and fraud, the Nation and the People within the several States for the purpose of raising revenue for the profit of the Federal Reserve banks and their private owners.

No rational man can hesitate to believe that the deprivations of Citizenship and the abuses of the Constitution are not derived from the Federal Reserve Act. No one can deny that Congress has thereby attempted to abolish the classification of de jure Citizen of a State of the Union of the United States, so that a ever larger revenue base can be maintained.

> ... nor would the government suffer a loss of his withholdings.
>
> [[DEFENDANT]'s Pre-Sentence Report, [DATE], page 10]

This establishes, without a doubt, that the United States government is only concerned about raising revenue under forced extraction by the withholding system, which was prompted by the Federal Reserve banks at the instigation of Beardsley Ruml, former chairman of the Federal Reserve Bank of New York.

Congress, through Social Security and the so-called 14th Amendment, cannot do indirectly what the Constitution prohibits directly. If Congress, by pseudo power, can legislate away [DEFENDANT]'s status as a de jure Citizen of the several States, so might Congress exclude all of [DEFENDANT]'s unalienable rights as protected and guaranteed by the Constitution.

Social Security and the Federal Reserve banks, by creating a

fictitious debt, have re-instituted an insidious form of slavery. All slavery has its origin in power, thus usurping a jurisdiction which does not belong to them and which is against the unalienable rights of the appellant [DEFENDANT].

Our Constitution is a restraint upon government, purposely provided and declared upon consideration of all the consequences which it prohibits and permits, making restraints upon government the rights of the governed. This careful adjustment of power and rights makes the constitution what it was intended to be and is, namely, a real charter of liberty which deserves the praise that has often been given to it as "The most wonderful work ever struck off at any given time by the brain and purpose of man." Block vs Hirsch, 256 U.S. 135.

Thus, this court must uphold the principles upon which the Constitution was founded; it must be held to guarantee not particular forms of procedure, but the very substance of individual rights to life, liberty and property. Basic "State Citizenship" is the absolute bulwark against "National Tyranny" as is fostered and applied through the so-called 14th Amendment. Nowhere in the debates, papers or any court decision written by anyone does it state that the Constitution authorizes Congress to destroy the State Citizenship of the Appellant [DEFENDANT].

Prior to the Federal Reserve Act, no political dreamer was ever wild enough to think of breaking down the lines which separate the States, and of compounding the American People into one common mass of slaves. Yet, this is exactly what has happened under Social Security, by creating a revenue base for the collection of interest on a fictitious national debt owed to the Federal Reserve, in other words, slavery to the national debt under the so-called 14th Amendment.

The status of "de jure State Citizen" is [DEFENDANT]’s property. When the application of Social Security annihilates the value of any property and strips it of its attributes, by which alone it is distinguishable as property, the Appellant [DEFENDANT], a de jure State Citizen, is deprived of it according to the plainest interpretation of the 5th Amendment, and certainly within the Constitutional provisions intended to shield [DEFENDANT]’s personal rights and liberty from the exercise of arbitrary government power.

This is a case of "suspect classification" in that the Appellant [DEFENDANT] is "saddled with such disabilities ... as to command extraordinary protection from the majoritarian process ...." 411 U.S. 2, 28. Thus, the devolution of [DEFENDANT]’s de jure Citizenship into the classification of a de facto juristic person under the so-called 14th Amendment is such a "suspect classification" and must be reviewed in the light of the original intent of our Founding Fathers in establishing the Union of several States in the first place.

Citizenship under the so-called 14th Amendment is a privilege granted by Congress, i.e., a civil status conferring limited rights and privileges, not a birthright that is secured by the Constitution. [DEFENDANT], a white de jure State Citizen, by virtue of his birth in one of the several States, received that which cannot be granted by Congress, nor can Congress make void a Citizenship status which he derived by birth and by blood.

> ... [A]nd no member of the state should be disfranchised, or deprived of any of his rights or privileges under the constitution, unless by the law of the land, or judgment of his peers.
>
> [Kent's Commentaries, Vol. II, p. 11, 1873, 12th ed.]

There can be no law, statute or treaty that can be in conflict with the intent of the original founding constitution. For, if this were permitted to occur, the founding Constitution would be a nullity. The original Constitution of 1787 is perpetual, as is the Citizenship that is recognized by it. See Texas vs White, 7 Wallace 700. If any legislation is repugnant to the Constitution, this Court has the eminent power to declare such enactments null and void ab initio (from their inception). See Marbury vs Madison, 5 U.S. (1 Cranch) 137, 177-180 (1803).

The rule that should be applied is that laws, especially foundational laws such as our Constitution, should be interpreted and applied according to the plain import of the language used, as it would have been the intent and understood by our Founding Fathers. The so-called 14th Amendment has been used to distort and nullify the purposes and intent of the foundational Constitution, for the ulterior motive of giving pseudo power where no such power was granted or intended, and where such pseudo power was specifically denied in the Constitution.

This has resulted in the complete annihilation of the balance of checks, so desired by our Founding Fathers. One of these was the sovereignty of the people. At the present time, the "United States", under Article 1, Section 8, Clause 17, has extended its pseudo authority to abolish the status of de jure State Citizens, and to render [DEFENDANT] a "federal" citizen under the so-called 14th Amendment who is more apply described as a subject of Congress and a "federal" resident within the several States. This has had the unlawful effect of denying [DEFENDANT]'s birthright to be a free born de jure State Citizen, as was the intent of the original Constitution.

The so-called 14th Amendment did not authorize Congress to change either the Citizenship or the status of Citizens of the several States. "They are unaffected by it." U.S. vs Anthony, 24 F. 829. Yet, through deliberate misinterpretation of the Act, Congress has by statute overruled and voided the Constitution. This was done at the prompting of the Federal Reserve banks and their private owners.

In application, Congress and the Federal Reserve banks have utilized the so-called 14th Amendment as a totally new Constitution, solely for the benefit of the Federal Reserve, and to the detriment of Appellant [DEFENDANT], a sovereign Citizen of the California Republic.

This Union of the United States of America was founded upon the principles of the Christianity and the common law. Force and fraud cannot prevail against the will of the people and the Constitution. The legislative intent of the so-called 14th Amendment was only to grant citizenship to a distinct class of people, not to create a new constitution. This court must determine whether the "act" was properly approved and adopted.

State vs Phillips, 540 P.2d 936, 942 (1975). If it was properly approved and adopted, this court must also determine if it is also being unconstitutionally applied against the Appellant [DEFENDANT], a de jure State Citizen of California.

The abuses heaped upon the Appellant, a California State Citizen, only foretell the impending doom and downfall of a centralized government. Our Founding Fathers understood this, and the Constitution was written so that this would not occur. But, to the great shame of the judicial system, they have let the thirst for power prevail over the Constitution. (Exhibit A)

Hitler used National Social Insurance to control and enslave the people of Germany. Likewise, the "United States" (Article 1, Section 8, Clause 17) is doing the same thing here in America. (Perhaps now it should be spelled "Amerika"). When is enough enough? When will the courts quit playing "ostrich", pull their heads out of the sand, see what is happening and correct the situation before it is too late. The camel of tyranny now has its nose and its two front legs under the tent.

Congress has passed the 14th Amendment under force of arms, included the municipal code of the District of Columbia into the United States Codes, and made various secret interpretations of the acts, never inquiring whether they had authority to proceed. But, can this Court also undertake for itself the same sundry constructions? The Executive, Legislative and Judicial Branches have all repeatedly acknowledged that our particular security is in the possession and adherence to the written Constitution. Yet, by various and sundry constructions and the wrongful application of the acts of Congress, the House and Senate are attempting to turn the Constitution into a blank piece of paper, with complete judicial approval.

[DEFENDANT], a de jure natural State Citizen, is in full possession of personal and political rights, which the "United States" (Article 1, Section 8, Clause 17) did not give and cannot take away. Dred Scott vs Sandford, 19 How. 393, 513; Afroyim vs Rusk, 387 U.S. 253; U.S. vs Miller, 463 F.2d 600. Nor is the Appellant a de jure State Citizen restrained by any enumeration or definition of his rights or liberties. The so-called 14th Amendment did not impair or change the status of the de jure Citizens of the several States of the Union of the United States of America. To imply that an act of Congress supersedes and makes null and void the Constitution for the United States of America, is blatantly and demonstrably absurd. This construction cannot be enforced or adopted by any legal authority whatsoever.

The municipal jurisdiction of Congress does not extend to the Appellant or to his property. This is the case because he is a de jure State Citizen of the several States. The municipal jurisdiction of Congress only extends to the limits as defined in the Constitution itself (see 1:8:17 and 4:3:2).

> Where rights are secured by the Constitution there can be no legislation or rule making which would abrogate them.
>
> [Miranda vs Arizona, 384 U.S. 436]

Thus, the Citizenship of the Appellant as a Citizen of California must be upheld by the preceding positive statement and decree by the U.S. Supreme Court. This court must uphold this principle of law.

II

THE PREAMBLE AND THE UNITED STATES CONSTITUTION ARE IN FULL FORCE AND EFFECT. THEREFORE, CONGRESS CANNOT DEPRIVE A WHITE STATE CITIZEN OF HIS DE JURE STATE CITIZENSHIP AS A MEMBER OF THE POSTERITY, AS WAS THE INTENT DEFINED IN THE PREAMBLE.

POINT 1

The Preamble to the Constitution of the United State declares the intent and purpose of the covenant:

> We the People of the United States, in Order to form a more perfect Union, establish justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.
>
> [Preamble]

Justice Story, in his Commentaries on the Constitution, expounded on the importance of this Preamble:

> The importance of examining the preamble, for the purpose of expounding the language of a statute, has been long felt, and universally conceded in all judicial discussions. It is an admitted maxim in the ordinary course of the administration of justice, that the preamble of a statute is a key to open the mind of the makers, as to the mischiefs, which are to be remedied, and the objects, which are to be accomplished by the provisions of the statute. We find it laid down in some of our earliest authorities in the common law; and civilians are accustomed to a similar expression, cessante ratione legis, cessat et ipsa lex. Probably it has a foundation in the exposition of every code of written law, from the universal principle of interpretation, that the will and intention of the legislature is to be regarded and followed. It is properly resorted to, where doubts or ambiguities arise upon the words of the enacting part; for if they are clear and unambiguous, there seems little room for interpretation, except in cases leading to an obvious absurdity, or to a direct overthrow of the intention expressed in the Preamble.
>
> [Commentaries on the Constitution of the United States]
> [Joseph Story, Vol. 1, De Capo Press Reprints (1970)]
> [at pages 443, 444]

With the authority of Justice Story, then, we examine the wording of the Preamble as to the term "Union". The term "Union" as used in the Preamble is evidently the one declared in the Declaration of Independence (1776) and organized in accordance with "certain articles of Confederation and Perpetual Union between the States" which declared that "the Union shall be perpetual." See Texas vs White, 7 Wallace 700.

> The Union of the States never was a purely artificial and arbitrary relation. It began among Colonies, and grew out of common origin, mutual sympathies, kindred principles, similar interest, and geographical relations. It was confirmed strengthened by the necessities of war, and received definite form, and character, and sanction from the Articles of Confederation. By these the Union was solemnly declared to "be perpetual." And when these Articles were found to be inadequate to the exigencies of the country, the Constitution was ordained "to form a more perfect union." It is difficult to convey the idea of indissoluble unity more clearly than these words. What can be indissoluble if a perpetual Union, made more perfect, is not?
>
> But the perpetuity and indissolubility of the Union, by no means implies the loss of distinct and individual existence, or of the right of self-government by the States. Under the Articles of Confederation each State retained its sovereignty, freedom, and independence, and every power, jurisdiction, and right not expressly delegated to the United States. Under the Constitution, though, the powers of the States were much restricted, still, all powers not delegated to the United States, nor prohibited to the States, are reserved to the States respectively or to the people. And we have already had occasion to remark at this term, that "the people of each State compose a State, having its own government, and endowed with all the functions essential to separate and independent existence," and that "without the States in union, there could be no such political body as the United States." Not only, therefore, can there be no loss of separate and independent autonomy to the States, through their union under the Constitution, but it may be not unreasonably said that the preservation of the States, and the maintenance of their governments, are as much within the design and care of the maintenance of the National government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States.
>
> When, therefore, Texas became one of the United States, she entered into a indissoluble relation. All the obligations of perpetual union, and all the guarantees of republican government in the Union, attached at once to the State. The act which consummated her admission into the Union was something more than a compact; it was the incorporation of a new member into the political body. And it was final. The union between Texas and the other States was as complete, as perpetual, and as indissoluble as the union between the original States. There was no place for reconsideration, or revocation, except through revolution, or through consent of the States.
>
> [Texas vs White, 7 Wallace, at pages 723 to 726 (1886)]

Similarly, the term "establish", as used in the Preamble, means to fix perpetually:

> STAB'LISH ...
>
> 1. To set and fix firmly or unalterable; to settle permanently.
>
> I will establish my covenant with him for an everlasting covenant. Gen. xvii
>
> 2. To found permanently; to erect and fix or settle; as, to establish a colony or empire.
>
> 3. To enact or decree by authority and for permanence
>
> 4. To settle or fix; to confirm.
>
> 5. To make firm; to confirm; to ratify what has been previously set or made.
>
> Do we then make void the law through faith? God forbid: yea, we establish the law. Rom. iii.
>
> [An American Dictionary of the English Language]
> [Noah Webster (1828), reprinted by]
> [Foundation for American Christian Education (1967)]
>
> ESTABLISH. This word occurs frequently in the Constitution of the United States, and it is there used in different meanings:
>
> 1. to settle firmly, to fix unalterable; as to establish justice, which is the avowed object of the Constitution ...
>
> 2. To settle or fix firmly; place on a permanent footing; found; create; put beyond doubt or dispute; prove; convince ...
>
> [Black's Law Dictionary, supra, at page 642]

Thus, if the Union is perpetual, then so too is the founding law upon which that Union was predicated in the first place, and so too is the unalienable Citizenship recognized therein.

POINT 2

THE ORGANIC LAW AND THE UNION FOUNDED THEREON ARE PERPETUAL

The founding law of the nation is the perpetual authority upon which the continued existence of the nation itself is predicated. As such, the founding law carries universal authority and cannot be overthrown or subverted without repudiating the very existence of the nation established thereby.

ORGANIC LAW. The fundamental law, or constitution, of a state or nation, written or unwritten; that law or system of laws or principles which defines and establishes the organization of its government. St. Louis vs Dorr, 145 Mo. 466, 46 S.W. 976, 42 LRA 686, 68 Am St Rep 575

[Black's Law Dictionary, 4th Ed., West Pub. (1968), p. 1251]

The authority of the organic law is universally acknowledged; it speaks the sovereign will of the people; its injunction regarding the process of legislation is as authoritative as are those touching the substance of it. Suth. Statutory Construction, 44, note 1. "This Constitution ... shall be the supreme law of the land ...." Article 6, Constitution of the United States (1787).

That the people have an original right to establish, for their future government, such principles as, in their opinion, shall be most conducive to their own happiness, is the basis on which the whole American fabric has been erected. The exercise of the original right is a very great exertion, nor can it, nor ought it to be frequently repeated. The principles, therefore, so established, are deemed fundamental. And as the authority, from which they proceed, is supreme, and can seldom act, they are designed to be permanent.

The original and supreme will organizes the government, and assigns, to different departments, their respective powers. It may either stop here; or establish certain limits not to be transcended by those departments.

The government of the United States is of the latter description. The powers of the legislature are defined, and limited; and those limits may not be mistaken, or forgotten, the constitution is written. To what purpose are the powers limited, and to what purpose is that limitation committed to writing, if the limits may, at any time be passed by those intended to be restrained? The distinction, between a government with limited and unlimited powers, is abolished, if those limits do not confine the persons on whom they are imposed, and if acts prohibited and acts allowed, are of equal obligation. It is a proposition too plain to be contested, that the constitution controls any legislative act repugnant to it; or, that the legislature may alter the constitution by an ordinary act.

Between these alternatives there is no middle ground. The constitution is either a superior, paramount law, unchangeable by ordinary means, or it is on a level with ordinary legislative acts, and like other acts, is alterable when the legislature shall please to alter it.

If the former part of the alternative be true, then a

> legislative act contrary to the constitution is not law: if the latter be true, then written constitutions are absurd attempts, on the part of the people, to limit a power, in its own nature illimitable. Certainly all those who have framed written constitutions contemplate them as forming the fundamental and paramount law of the nation, and consequently the theory of every such government must be, that an act of the legislature, repugnant to the constitution, is void ....
>
> If then the courts are to regard the constitution; and the constitution is superior to any ordinary act of the legislature; the constitution, and not such ordinary act, must govern the case to which they both apply.
>
> Those then who controvert the principle that the constitution is to be considered, in court, as a paramount law, are reduced to the necessity of maintaining that the courts must close their eyes on the constitution, and see only the law.
>
> [Marbury vs Madison, 1 Cranch 137, at pages 176 to 178]

III

AN INDICTMENT IS INSUFFICIENT TO SUSTAIN A CONVICTION,
IF IT USES WORDS OF NUMEROUS MEANINGS,
SO AS TO BE VAGUE AND AMBIGUOUS,
SO THE DEFENDANT IS UNCERTAIN OF
SECRET AND SPECIFIC MEANINGS,
THEREBY BEING DENIED A DEFENSE.

1. The indictment utilizes the term "resident" as its jurisdictional statement, without any further clarification.

"The jurisdiction of a federal court must affirmatively and distinctly appear and cannot be helped by presumptions or by argumentive inferences drawn from the pleadings." Norton vs Larney, 266 U.S. 511, 515, 45 S. Ct. 145, 69 L.Ed. 413 (1925). Accord, Bender vs Williamsport Area Schools District, 475 U.S. 534, 106 S.Ct. 1326, 1334, 89 L.Ed.2d 501, rehearing denied, 106 S.Ct. 2003 (1986); Nor can a contester's allegations of jurisdiction be read in isolation from the complaint's factual allegations, Schilling vs Rogers, 363 U.S. 666, 676, 80 S.Ct. 1288, 4 L.Ed.2d 1478 (1960), nor can jurisdiction be effectively established by omitting facts which would establish that it does not exist. Lambert Run Coal Co. vs Baltimore & Ohio R. Co., 258 U.S. 377, 382, 42 S.Ct. 349, 66 L.Ed. 671 (1922). Nor can jurisdiction be "gleaned from the briefs and arguments" of the Plaintiff. Bender, supra, 106 S.Ct. at 1334. The burden fully to demonstrate jurisdiction clearly falls on the Plaintiff, and a failure fully to define the conditions creating some nexus under the ambiguous term "resident" is an error.

The requirement to prove jurisdiction is particularly important when the government of a foreign state (the "United

States") brings criminal charges against a Citizen of another State.

Where jurisdiction is denied and squarely challenged, jurisdiction cannot be assumed to exist "sub silentio" but must be proven. Hagans vs Lavine, 415 U.S. 528, 533, n. 5; Monell vs N.Y., 436 U.S. 633. Mere "good faith" assertions of power and authority (jurisdiction) have been abolished. Owen vs Indiana, 445 U.S. 622; Butz vs Economou, 438 U.S. 478; Bivens vs 6 unknown agents, 403 U.S. 388.

An indictment is "vague" if it does not allege each of the essential elements of the crime with sufficient clarity to enable the defendant to prepare his defense. U.S. vs BI-CO Pavers, 741 F.2d 730 (1984). Where the defendant must guess at its meaning, it is vague and violates the first essential element of due process. See Connolly vs General Construction Co., 269 U.S. 385, 391, 46 S.Ct. 126, 127, 70 L.Ed. 322 (1926).

> It is an elementary principle of criminal pleading, that where the definition of an offense, whether it be at common law or by statute, "includes generic terms, it is not sufficient that the indictment shall charge the offense in the same generic terms as in the definition; but it must state the species; it must descend to the particulars. 1 Arch. Cr. Pr. and Pl. 291.
>
> [U.S. vs Cruikshank, La. 92 U.S. 542, 558 (1872)]
> [emphasis added]

IV

26 U.S.C. SECTION 7203, IN AND OF ITSELF, IS INSUFFICIENT TO SUSTAIN AN INDICTMENT AND CONVICTION, WHEN NO OTHER STATUTE IS ALLEGED TO HAVE BEEN VIOLATED.

26 U.S.C. 7203, in and of itself, does not describe a triable offense, nor does it state any basis for any crimes or public offenses, so as to confer jurisdiction for any issue that is triable as a "misdemeanor". On the contrary, as will be shown, jurisdiction is absent.

> Sec. 7203. Willful Failure to File Return, Supply Information, or Pay Tax.
>
> Any person required under this title to pay any estimated tax or tax, or required by this title or by regulations made under authority thereof to make a return, keep any records, or supply any information, who willfully fails to pay such estimated tax or tax, make such return, keep such records, or supply such information at the time or times required by law and regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $25,000 ($100,000 in the case of a corporation), or imprisoned not more than 1 year, or both, together with the costs of the prosecution. In the case of any person with respect to whom there is a failure to pay any estimated tax, this section

> shall not apply to such person with respect to such failure if there is no addition to tax under section 6654 or 6655 with respect to such failure.
>
> [26 U.S.C. 7203]

IRC 7203 fails to provide any definition of any offense by failing to charge any statutory crime in any language of any statute.

The language of 26 U.S.C. 7203, in and of itself, and any alleged violation as propounded in Appellee's indictment, fails to be fully descriptive of any offense or crime. It is, therefore, fundamentally impossible to violate Section 7203 since this Section, in and of itself, does not include or refer to any specific statute that could provide a nexus for prosecution, as is clearly shown in U.S. vs Menk, 260 F. Supp. 784:

> But, rather, all three sections referred to in the information, sections 4461, 4901, and 7203, must be considered together before a complete definition of the offense is found. Section 4461 imposes a tax on persons engaged in a certain activity; section 4901 provides the payment of the tax shall be a condition precedent to engaging in the activity subject to the tax and Section 7203 makes it a misdemeanor to engage in the activity without first having paid the tax, and provides the penalty. It is impossible to determine the meaning or intended effect of any one of these three sections without reference to the others.
>
> [U.S. vs Menk, supra, emphasis added]

Contrary to the accusatory pleadings, 26 U.S.C. 7203, in and of itself, is not a statute subject to violation since it is nothing more than a penalty clause for some undefined franchise obligation. Section 7203, upon which the Appellee's indictment is based, fails to provide a complete definition of any offense, and therefore, in and of itself, it fails to state properly a claim upon which probable cause could predicate. As the Court stated in U.S. vs Menk, supra:

> The Court of Appeals for the Seventh Circuit has repeatedly held that an indictment or information is sufficient which defines a statutory crime substantially in the language of the statute if such language is fully descriptive of the offense.
>
> [U.S. vs Menk, supra at 786]

Section 7203 contains no such descriptive language, nor does it identify any other statutes.

It cannot be said that Section 7203 imposes a tax on persons engaged in a certain activity, nor can it be said that 7203 provides that the payment of the tax shall be a condition precedent to engaging in the activity subject to the tax. However, 7203 makes it a misdemeanor to engage in the activity without having first paid the tax, and provides the penalty. In

addition, 7203 makes it a misdemeanor not to file a return, keep records or supply information that may be required by several other statutes and regulations, which specifically determine that activity and crime.

Because the activity in the Appellees' indictment is undefined, Section 7203 is not, in and of itself, a basis for prosecution, and there is no probable cause of action against the Appellant. Similarly, it is impossible to determine the meaning or intended effect of Section 7203 without having reference to other possibly applicable and as yet undefined sections of Title 26, U.S.C.

Plainly and simply, Section 7203 is only a penalty statute, and by itself cannot stand without reference to other statutes and or regulations. An IRS agent stated on the record that no other statutes were violated or identified as such before the grand jury (CR June 28, 1988, p. 13, lines 5-12).

Thus the indictment is vague and the court is in error in sustaining the indictment and conviction.

V

THE DEFINITION OF THE WORD "PERSON" USED IN SECTION 7203, AS DEFINED IN 7343 FOR CHAPTER 75, WHICH INCLUDES 7203, CANNOT BE EXTENDED TO INCLUDE SOMEONE OTHER THAN THE INDIVIDUALS DESCRIBED IN SECTION 7343.

The words used in a statute cannot be extended beyond the clear meaning and intent of the legislative body which created the statute.

The courts, in construing the words of any statute, cannot include someone other than the ones described in that statute; to do so would be like extending the law that controls the speed of an airplane propeller to include a pedestrian walking along a path in a forest.

Chapter 75, which contains Section 7343, carries the heading "Crimes, Other Offenses, and Forfeitures". Section 7343 states:

> Section 7343. Definition of term "person."
>
> The term "person" as used in this chapter includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee or member is under a duty to perform the act in respect of which the violation occurs.
>
> [26 U.S.C. 7343]

This section was previously found in Section 150, which referred only to corporation tax returns. This was the original intent of Congress. Thus, Section 7806 is brought to bear upon the application of this section. Section 7806 States:

Sec. 7806. Construction of title.

(b) Arrangement and Classification.

No inference, implication, or presumption of legislative construction shall be drawn or made by reason of the location or grouping of any particular section or provision or portion of this title, nor shall any table of contents, table of cross references, or similar outline, analysis, or descriptive matter relating to the contents of this title be given any legal effect. The preceding sentence also applies to the sidenotes and ancillary tables contained in the various prints of this Act before its enactment into law.

[26 U.S.C. 7806(b)]

Thus, 26 U.S.C. 7203 does not apply to the Appellant, a California State Citizen, because such individual Citizens are not within the purview of Chapter 75. Therefore, the indictment must fail.

CONCLUSION

For the forgoing reasons, the Accused's conviction must be reversed, with an affirmative declaration that the Accused is a de jure California State Citizen, and a member of the Posterity, as defined in the Preamble to the Constitution for the United States of America.

Respectfully submitted
with explicit reservation of all my unalienable rights
and without prejudice to any of my unalienable rights,

[DEFENDANT]

[Next Appendix | Table of Contents]

Appendix Z: The Nature and Cause: Case Law

MEMO

TO: Federal Zone Readers

FROM: Mitch Modeleski

DATE: March 1, 1992

SUBJECT: More on the 6th and 16th Amendments

I have recently found an unusually clear and concise quote on the effect of a ratified 16th Amendment among some Appellate decisions I have been reviewing. This quote will be incorporated into chapter 5 of the second edition of The Federal Zone. After reading either edition, you will know the logic: if a ratified 16th Amendment had effect X, then a failed ratification proves that X did not happen. What is X? Answer:

> The constitutional limitation upon direct taxation was modified by the Sixteenth Amendment insofar as taxation of income was concerned, but the amendment was restricted to income, leaving in effect the limitation upon direct taxation of principal.
>
> [Richardson vs United States, 294 F.2d 593 (1961)]

This ultra-clear ruling dovetails perfectly with the work of author Jeffrey A. Dickstein but, unfortunately, this case is not discussed in his book Judicial Tyranny (see the Bibliography).

My 6th Amendment research has also merged perfectly with a parallel thesis of the book, namely, that the IRC should be declared null and void for vagueness. It turns out that there is a ton of legal precedent on the "nature and cause of the accusation". Our fundamental right to ignore vague and arbitrary laws is deeply rooted in our fundamental right to due process. Here's the tentative new paragraph for chapter 5:

> 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.

With this mountain of court precedent, we can now attack U.S. vs Hicks as well as U.S. vs Bentson (see Appendix H). The 9th Circuit kept referring to the importance of "explicit statutory requirements".

Well, are those statutory requirements explicit if they utilize the key word "income" but don't even define it (because they can't without violating the Eisner prohibition)?

Are they explicit if they define "State" in such a way as to create confusion about the precise limits of sovereign jurisdiction?

Are they explicit if they qualify definitions by stating "where not otherwise manifestly incompatible with the intent thereof", but never define the intent thereof?

Can we ever know the real intent of Congress, when Title 26 was never enacted into positive law?

How can we know which of the 3 official definitions of "United States" to apply to the terms "United States citizen" and "United States resident" when the IRC doesn't tell us, precisely and unambiguously, which definition it is using?

How can we ever expect to quiet the debate about "includes" and "including", when the Treasury Department's own decision, published in 1927, frankly admits that these terms have a long history of semantic confusion?

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"This word  has received considerable discussion in opinions
of the courts.  It has been productive of much controversy."
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Their own published Treasury Decision proves that Title 26 contains terms that have a documented history of controversy and confusion.

[following quotes from Modern Constitutional Law, by Antineau]:

5:116. Historical Considerations

The United States Supreme Court has often recognized the relevance of the lessons of history in determining the particular demands of due process of law. Due process of law, says the Court, is "a historical product."

Justice Frankfurter has aptly pointed out that the Sixth and Seventh Amendment guarantees of criminal and civil jury trials are almost entirely defined by historical materials. "The gloss may be the deposit of history," l observes, "whereby a term gains technical content. Thus the requirements of the Sixth and Seventh Amendments for trial by jury in the federal courts have a rigid meaning."

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[Modern Constitutional Law, by Chester J. Antineau]
      [The Lawyers Co-operative Publishing Company]
        [Rochester, New York, 1969, emphasis added]
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Footnotes cite the following cases:

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Rochin vs California, 342 U.S. 165 (1952)
Jackman vs Rosenbaum Co., 260 U.S. 22 (1922)
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5:118. The moral basis of the norm

Due process of law is defined in procedural cases by the Supreme Court with full consideration to what society considers wrong and unfair.

Justice Frankfurter, who contributed greatly to the definition and expansion of procedural due process, stated in

1950: "the Due Process Clause embodies a system of rights based on moral principles so deeply embedded in the traditions and feelings of our people as to be deemed fundamental to a civilized society as conceived by our whole history." On many another occasion, the Court has stressed the role of "conscience" in defining due process of law.

[Modern Constitutional Law, by Chester J. Antineau]
[The Lawyers Co-operative Publishing Company]
[Rochester, New York, 1969, emphasis added]

Footnotes cite the following cases:

Solesbee vs Balkcom, 339 U.S. 9 (1950)
Leland vs Oregon, 343 U.S. 790 (1952)
Snyder vs Massachusetts, 291 U.S. 97 (1934)

[following quotes are from Rochin vs People of California]:

Words being symbols do not speak without a gloss. On the one hand the gloss may be the deposit of history, whereby a term gains technical content. Thus the requirements of the Sixth and Seventh Amendments for trial by jury in the federal courts have a rigid meaning. No changes or chances can alter the content of the verbal symbo of "jury" -- a body of twelve men who must reach a unanimous conclusion if the verdict is to go against the defendant.3 On the other hand, the gloss of some of the verbal symbols of the Constitution does not give them a fixed technical content. It exacts a continuing process of application.

_____

3. This is the federal jury requirement constitutionally although England and at least half of the States have in some civil cases juries which are composed of less than 12 or whose verdict may be less than unanimous. ...

[Rochin vs People of California, 342 U.S. 165, 169]
[emphasis added]

[Comment: Accordingly, does not the "nature and cause of the accusation" also have a rigid meaning, founded on the lessons of history, so deeply embedded in the traditions and feelings of our people as to be deemed fundamental to a civilized society?]

[following quotes from Modern Constitutional Law, by Antineau]:

5:5. Notice of the Accusation

The Sixth Amendment to the United States Constitution requires that every person accused shall "be informed of the nature and cause of the accusation," and the same rule is binding upon persons brought to trial in the state courts under the Fourteenth Amendment. Additionally, state constitutional clauses customarily provide that "In all criminal prosecutions, the accused shall be informed of the nature and cause of the accusation against him."

A person charged with a crime has the constitutional right to receive from the government a written statement indicating with particularity the offense to which he must plead and prepare a defense. The necessity of such a statement has been recognized by the Oklahoma appellate court which observes:

"Every person accused of an offense, under the Constitution

> and statutes of this State, has a right to be informed of the nature and cause of the accusation against him. ... It is difficult to see how this can be safely and orderly accomplished without a definite written accusation or complaint."
>
> [Cole vs Arkansas, 333 U.S. 196 (1948)]

Charging a person in the language of an unconstitutionally vague statute or ordinance is violative of his constitutional rights.

An information, indictment, complaint or summons used to commence a criminal prosecution must contain sufficient facts and specific details to reasonably apprise the defendant of the exact charge placed against him. The time, place and manner of the alleged offense must customarily be set out.

The Supreme Court has ruled that it violates due process for a state high court to affirm convictions under a criminal statute for the violation of which the defendants had not been charged. The Court stated:

> No principle of procedural due process is more clearly established than that notice of the specific charge, and a chance to be heard in a trial of the issues raised by that charge, if desired, are among the constitutional rights of every accused in a criminal proceeding in all courts, state or federal. ... It is as much a violation of due process to send an accused to prison following conviction of a charge on which he was never tried as it would be to convict him upon a charge that was never made.
>
> [Cole vs Arkansas, 333 U.S. 196 (1948)]
>
> [Modern Constitutional Law, by Chester J. Antineau]
> [The Lawyers Co-operative Publishing Company]
> [Rochester, New York, 1969]
> [emphasis added]

Footnotes cite the following cases:

> Cole vs Arkansas, 333 U.S. 196 (1948)
> Ex parte Bochman, 201 P 537, 541 (1921)
> Shreveport vs Brewer, 72 So 2d 308 (1954)
> Telheard vs Bay St. Louis, 40 So 326 (1905)
> Scott vs Denver, 241 P2d 857 (1952)
> Bellville vs Kiernan, 121 A2d 411 (1956)

[Comment: A core issue raised by the charge of violating 7203 is the definition of "any person required." To assume that DEFENDANT was in the class of persons required, is to make a conclusion of law, not to state a fact. What section of the IRC defines which persons are required? Are Canadian persons required? Are Australian Aborigines required? The presiding judge merely instructed the jury that "THE LAW REQUIRES EVERY CITIZEN OF THIS COUNTRY TO FILE AN INCOME TAX RETURN." That is not what the statute says; that is not what the regulations say. The presiding judge misquoted the law in his instructions to the trial jury.]

[following quotes from Cole vs Arkansas]:

2. Constitutional law

Notice of specific charge and a chance to be heard in a trial of the issues raised by that charge, if desired, ar among the constitutional rights of every accused in a criminal proceeding. U.S.C.A. Const. Amend. 14

3. Constitutional law

It is as much a violation of due process to send an accused to prison following conviction of a charge on which he was never tried as it would be to convict him upon a charge that was never made. U.S.C.A. Const. Amend. 14

[2, 3] No principle of procedural due process is more clearly established than that notice of the specific charge, and a chance to be heard in a trial of the issues raised by that charge, if desired, are among the constitutional rights of every accused in a criminal proceeding in all courts, state or federal. In re Oliver, 333 U.S. 257, 68 S.Ct. 499, and cases there cited. If, as the State Supreme Court held, petitioners were charged with a violation of Section 1, it is doubtful both that the information fairly informed them of that charge and that they sought to defend themselves against such a charge; it is certain that they were not tried for or found guilty of it. It is as much a violation of due process to send an accused to prison following conviction of a charge on which he was never tried as it would be to convict him upon a charge that was never made. De Jonge vs State of Oregon, 299 U.S. 353, 362, 57 S.Ct. 255, 259, 81 L.Ed. 278.

We are constrained to hold that the petitioners have been denied safeguards guaranteed by due process of law -- safeguards essential to liberty in a government dedicated to justice under law.

[Cole vs Arkansas, 333 U.S. 196, 201 (1948)]
[emphasis added]

[following quotes from In re Oliver]:

11. Constitutional law

A person’s right to reasonable notice of a charge against him and an opportunity to be heard in his defense are basic, and such rights include, as a minimum, a right to examine witnesses against him, to offer testimony, and to be represented by counsel.

16. Constitutional law

No man’s life, liberty or property may be forfeited as punishment until there has been a charge fairly made a fairly tried in a public tribunal. U.S.C.A. Const. Amend. 14

[10, 11] We further hold that failure to afford the petitioner a reasonable opportunity to defend himself against the charge of false and evasive swearing was a denial of due process of law. A person’s right to reasonable notice of a charge against him, and an opportunity to be heard in his defense -- a right to his day in court -- are basic in our system of jurisprudence; and these rights include, as a minimum, a right to examine witnesses against him, to offer testimony, and to be represented by counsel.

[13, 14] Except for a narrowly limited category of contempts, due process of law as explained in the Cooke case requires that one charged with contempt of court be advised of the charges against him, have a reasonable opportunity to meet them by way of defense or explanation, have the right to be represented by counsel, and have a chance to testify and call other witnesses in his behalf, either by way of defense or explanation.

[16] It is "the law of the land" that no man’s life, liberty or property be forfeited as a punishment until there has been a charge fairly made and fairly tried in a public tribunal. See Chambers vs Florida, 309 U.S. 227, 236, 237,

60 S.Ct. 472, 477, 84 L.Ed. 716. The petitioner was convicted without that kind of trial.

Michigan's one-man grand jury, as exemplified by this record, combines in a single official the historically separate powers of grand jury, committing magistrate, prosecutor, trial judge and petit jury. This aggregated authority denies to the accused not only the right to a public trial, but also those other basic protections secured by the Sixth Amendment, namely, the rights "to be informed of the nature and cause of the accusation;1 to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the Assistance of Counsel for his defence."

_____

1. The requirement, of course, contemplates that the accused be so informed sufficiently in advance of trial or sentence to enable him to determine the nature of the plea to be entered and to prepare his defense if one is to be made.

[Comment: Since the indictment contained a conclusion of law that DEFENDANT was a "person required," he was therefore not informed sufficiently in advance of trial to determine the nature of his plea and to prepare his defense.]

I do not conceive that the Bill of Rights, apart from the due process clause of the Fifth Amendment, incorporates all such ideas. But as far as its provisions go, I know of no better substitutes. A few may be inconvenient. But restrictions upon authority for securing personal liberty, as well as fairness in trial to deprive one of it, are always inconvenient -- to the authority so restricted. And in times like these I do not think substitutions imported from other systems, including continental ones, offer promise on the whole of more improvement than harm, either for the cause of perfecting the administration of justice or for that of securing and perpetuating individual freedom, which is the main end of our society as it is of our Constitution. ... [I]t is both wiser and safer to put up with whatever inconveniences that charter creates than to run the risk of losing its hard-won guaranties by dubious, if also more convenient substitutions imported from alien traditions.9

_____

9. ... Whatever inconveniences these or any of them may be thought to involve are far outweighed by the aggregate of security to the individual afforded by the Bill of Rights. That aggregate cannot be secured, indeed it may be largely defeated, so long as the states are left free to make broadly selective application of its protections.

[In re Oliver, 333 U.S. 257]
[emphasis added]

[following quotes from United States vs Cruikshank]:

In criminal cases, prosecuted under the laws of the United States, the accused has the constitutional right "to be informed of the nature and cause of the accusation." Amend. VI. In U.S. v. Mills, 7 Pet., 142, this was construed to mean that the indictment must set forth the offense "with clearness and all necessary certainty, to apprise the accused of the crime with which he stands charged;" and in U.S. v. Cook, 17 Wall., 174 [84 U.S., XXI., 539], that "Every ingredient of which the offense is composed must be accurately and clearly alleged." It is an elementary principle of criminal pleading, that where the definition of an offense, whether it be at common law or by statute, "includes generic terms, it is not sufficient that the indictment shall charge the offense in the same generic terms as in the definition; but it must state the species; it must descend to particulars." 1 Arch. Cr. Pr.

and Pl., 291. The object of the indictment is, first, to furnish the accused with such a description of the charge against him as will enable him to make his defense, and avail himself of his conviction or acquittal for protection against a further prosecution for the same cause; and, second, to inform the court of the facts alleged, so that it may decide whether they are sufficient in law to support a conviction, if one should be had. For this, facts are to be stated, not conclusions of law alone. A crime is made up of acts and intent; and these must be set forth in the indictment, with reasonable particularity of time, place and circumstances.

[Comment: The indictment contained a conclusion of law that DEFENDANT was a "person required"; it did not establish that he was a "person required" as a matter of fact. The indictment also failed to specify every ingredient of the offense, because it failed to specify which IRC section made DEFENDANT a "person required."]

The accused has, therefore, the right to have a specification of the charge against him in this respect, in order that he may decide whether he should present his defense by motion to quash, demurrer or plea; and the court, that it may determine whether the facts will sustain the indictment. ... Therefore, the indictment should state the particulars, to inform the court as well as the accused. It must be made to appear -- that is to say, appear from the indictment, without going further -- that the acts charged will, if proved, support a conviction for the offense alleged.

[Comment: If the indictment did not cite the statute which made DEFENDANT a "person required," then the act charged, i.e., failing to file, did not support a conviction for the alleged offense, even if DEFENDANT admitted, under oath, that he did not file.]

Vague and indefinite allegations of the kind are not sufficient to inform the accused in a criminal prosecution of the nature and cause of the accusation against him, within the meaning of the Sixth Amendment of the Constitution.

Judge Story says the indictment must charge the time and place and nature and circumstances of the offense with clearness and certainty, so that the party may have full notice of the charge, and be able to make his defense with all reasonable knowledge and ability. 2 Story, Const., sec. 1785.

[Comment: An indictment with conclusions of law is necessarily vague, indefinite, and insufficient to inform the accused of the nature and cause of the accusation. An indictment with conclusions of law does not exhibit clearness and certainty, so that DEFENDANT did not have full notice of the charge, nor was he able to make his defense with all reasonable knowledge and ability.]

Reasonable certainty, all will agree, is required in criminal pleading .... Accused persons, as matter of common justice, ought to have the charge against them set forth in such terms that they may readily understand the nature and character of the accusation, in order that they, when arraigned, may know what answer to make to it, and that they may not be embarrassed in conducting their defense; and the charge ought also to be laid in such terms that, if the party accused is put to trial, the verdict and judgment may be pleaded in bar of a second accusation for the same offense.

[Comment: If the indictment did not state the statute which made DEFENDANT a "person required," then it failed to provide DEFENDANT with reasonable certainty that he was in the class of persons who were required to file in the years in question. He did not know what answer to make to the indictment and, in fact, refused to enter a plea. The mention of 6012 by an IRS witness embarrassed DEFENDANT.]

Descriptive allegations in criminal pleading are required to be reasonably definite and certain, as a necessary safeguard to the accused against surprise, misconception and error in conducting his defense, and in order that the judgment in the case may be a bar to a second accusation for the same charge. Considerations of the kind are entitled to respect; but it is obvious, that, if such a description of the ingredient of an offense created and defined

by an Act of Congress is held to be sufficient, the indictment must become a snare to the accused; as it is scarcely possible that an allegation can be framed which would be less certain, or more at variance with the universal rule that every ingredient of the offense must be clearly and accurately described so as to bring the defendant within the true intent and meaning of the provision defining the offense. Such a vague and indefinite description of a material ingredient of the defense [sic] is not a compliance with the rules of pleading in framing an indictment. On the contrary, such an indictment is insufficient, and must be held bad on demurrer or in arrest of judgment.

[United States vs Cruikshank, 92 U.S. 542, 557]

[Comment: Similarly, the mention of 6012 by an IRS witness came as a surprise to DEFENDANT (and to a gallery witness also, who almost jumped out of his seat when the IRS witness first mentioned it). The Court itsel never mentioned 6012, nor did the Court read this IRC section into the record. The indictment must state every ingredient or element of the offense charged. The first element of "failing to file" is that the defendant was a "person required." But, required by what? The indictment failed to state which IRC section established the filing requirement.]

[Notes from Words and Phrases, Permanent Edition, West Publishing Company, St. Paul, Minnesota, Volume 28]:

Under Const. art. 1, section 13, entitling defendant to demand "nature and cause of accusation" against him and to have copy thereof, defendant is entitled to have gist of offense charged in direct and unmistakable terms. Large v. State, 164 N.E. 263, 264, 200 Ind. 430.

The words "nature and cause of the accusation" in Const. Bill of Rights, art. 1, section 13, providing that an accused shall have the right to demand the nature and cause of the accusation against him, mean that the gist of an offense shall be charged in direct and unmistakable terms. Hinshaw v. State, 122 N.E. 418, 420, 188 Ind. 147.

[Comment: The terms of a penalty statute are indirect and mistakable terms. They are indirect because they necessarily involve another statute which specifies "persons required." They are mistakable because it is quite possible for grand juries to make mistakes in their conclusions of law. If the statute is vague, then it is probable that grand juries will make mistakes.]

A constitutional requirement that a person accused of crime shall enjoy the right to be "informed of the nature and cause of the accusation" against him means, by a long line of precedents, resting on principle, that in a prosecution for the commission of a statutory offense the words of the statute, or others of fully equivalent import, should be employed. State v. Judge of Criminal Dist. Ct. for Parish of Orleans, 21 So. 690, 691, 49 La.Ann. 231.

[Comment: The words of the statute which made DEFENDANT a "person required" were not expressed either by the indictment, nor by the Court when challenged to express them.]

Constitutional provision requiring indictment to inform accused of "nature and cause of accusation" means that indictment to be valid must at least fully and plainly identify the offense, so that defendant may defend properly and later plead a conviction or acquittal in bar of a subsequent charge for the same offense, and so that court may pronounce sentence on conviction according to the right of the case. Const. art. 1, section 10, State v. Domanski, R.I., 190 A. 854, 857.

[Comment: Indictment did not fully identify the offense. DEFENDANT could not defend properly. DEFENDANT was unable to enter a plea; the presiding judge entered it for him and later instructed the jury that the DEFENDANT had entered a plea of "not guilty."]

[following quotations from Large vs State]:

1. Indictment and Information: 71 -- Defendant is entitled to have offense charged in direct and unmistakable terms; "nature and cause of accusation" (Const. art. 1, section 13).

Under Const. art. 1, section 13, entitling defendant to demand "nature and cause of accusation," against him and to have copy thereof, defendant is entitled to have gist of offense charged in direct and unmistakable terms.

It is the constitutional right of the defendant to demand the nature and cause of the accusation against him and to have a copy thereof. Article 1, section 13, Constitution of Indiana, McLaughlin v. State, 45 Ind. 388.

[1] In Hinshaw v. State, 188 Ind. 147, 122 N.E. 418, it is said the words "nature and cause of the accusation" have a well- defined meaning and had such a meaning at the time of the adoption of the Constitution. That meaning is that the gist of an offense shall be charged in direct and mistakable terms. In passing upon the same provision of the Federal Constitution in United States v. Cruikshank (1875) 92 U.S. 542, 557 (23 L.Ed. 588), the court said: "In criminal cases, prosecuted under the laws of the United States, the accused has the constitutional right 'to be informed of the nature and cause of the accusation.' Amend. VI. In United States v. Mills, 7 Pet. 142 [8 L.Ed. 636], this was construed to mean that the indictment must set forth the offense 'with clearness and all necessary certainty, to apprise the accused of the crime with which he stands charged.' And in United States v. Cook, 17 Wall 174 [21 L.Ed. 538], that 'every ingredient of which the offense is composed must be accurately and clearly alleged.' It is an elementary principle of criminal pleading, that where the definition of an offense, whether it be at common law or by Statute, 'includes generic terms, it is not sufficient that the indictment shall charge the offense in the same generic terms as in the definition; but it must state the species; it must descend to the particulars.'"

In Mayhew v. State, 189 Ind. 545, 128 N.E. 599, it is said: "The particular crime with which the accused is charged must be preferred [sic] with such reasonable certainty by the essential averments in the pleading as will enable the court and jury to distinctly understand what is to be tried and determined, and fully inform the defendant of the particular charge he is to meet. The averments must be so clear and distinct that there may be no difficulty in determining what evidence is admissible thereunder." [numerous citations follow]

Section 2225, Burns' 1926 (section 2063, Burns' 1914) clause 10, provides that no indictment or affidavit shall be deemed invalid, nor shall the same be set aside or quashed, nor shall the crime charged or other proceedings be stayed or arrested or in any manner affected for any of the following: "* * * For any * * * defect or imperfection which does not tend to the prejudice of the substantial rights of the defendant upon the merits."

[Large vs State, 164 N.E. 263, 264]

[Comment: DEFENDANT's indictment tended to prejudice his substantial 6th Amendment right to know the "nature and cause of the accusation." It did not descend to the particulars; the presiding judge denied his motion for a Bill of Particulars.]

[following quotations from Hinshaw vs State]:

7. Indictment and Information: 56 -- Constitutional Law -- Pleading

Acts 1915, c. 62, relating to the sufficiency of criminal or civil pleading, is void so far as it applies to indictments, because Const. Bill of Rights, art. 1, section 13, provides that an accused shall have the right to demand the nature and cause of the accusation against him.

8. Indictment and Information: 70 -- "Nature and Cause of Accusation."

The words "nature and cause of the accusation" in Const. Bill of Rights, art. 1, section 13, providing that an accused shall have the right to demand the nature and cause of the accusation against him, mean that the gist of an offense shall be charged in direct and unmistakable terms.

This act (chapter 62 of the Acts of 1915, p. 123) is void, so far as it applies to indictments, because section 13 of article 1 of the Bill of Rights of the state Constitution provides that "the accused shall have the right to demand the nature and cause of the accusation against him and to have a copy thereof." The words "nature and cause of the accusation" have a well-defined meaning, and had such meaning at the time of the adoption of the Constitution. That meaning is, that the gist of an offense shall be charged in direct and unmistakable terms. In passing upon the same provision of the federal Constitution in United States v. Cruikshank, 92 U.S. 542, 557 (23 L.Ed. 588), the court says: "In criminal cases, prosecuted under the laws of the United States, the accused has the constitutional right 'to be informed of the nature and cause of the accusation.' Amend. VI. In United States v. Mills, 7 Pet. 142 [8 L.Ed. 636], this was construed to mean that the indictment must set forth the offense 'with clearness and all necessary certainty, to apprise the accused of the crime with which he stands charged'; and in United States v. Cook, 17 Wall. 174 [21 L.Ed. 538], that 'every ingredient of which the offense is composed must be accurately and clearly alleged.' It is an elementary principle of criminal pleading, that where the definition of an offense, whether it be at common law or by statute, 'includes generic terms, it is not sufficient that the indictment shall charge the offense in the same generic terms as in the definition; but it must state the species -- it must descend to the particulars.'"

[Hinshaw vs State, 122 N.E. 418, 420, emphasis added]

[following quotations from State vs Judge of Criminal Dist. Ct. for Parish of Orleans]:

1. Every party charged with crime has the constitutional right to have subjected to judicial investigation and testing the fact whether or not any particular charge made against him has come up to the standard of legal requirement or not ....

That to the best of his knowledge and belief the criminal district court is absolutely without jurisdiction to try said cause by reason of there being no legal information pending against him in said court. That he verily believes (1) that, if the judge of said court be not prohibited from proceeding further in this cause, he will force relator to trial, and impose a sentence upon him (if convicted) in a case wherein there is no appeal, and will forever deprive relator of his constitutional right to be informed of the nature and cause of the accusation against him before trial, and will thereby cause relator irreparable injury. ...

[Comment: Going to jail when you're innocent, as proven by a conviction that is overturned for violating the 6th Amendment, is an irreparable injury.]

We should have to be convinced that the objections to the information were such as in point of fact would leave an accused in ignorance of the nature and cause of the accusation against him. The objections should not be such as the party making them could only hope to succeed upon by the application of the most stringent technical rules as to form and as to pleading -- such defects as, in our opinion, would really work no injury.

[State vs Judge of Criminal Dist. Ct. for Parish of Orleans]
[21 So. 690, 691, 49 La.Ann. 231]

[Comment: The IRC section which made DEFENDANT a "person required" is not a stringent technical rule as to form and as to pleading. DEFENDANT remained in ignorance of this IRC section throughout the trial and throughout all pre-trial hearings.]

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The Declaration of Independence

A Transcription

IN CONGRESS, July 4, 1776.

The unanimous Declaration of the thirteen united States of America,

When in the Course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, --That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.--Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world.

> He has refused his Assent to Laws, the most wholesome and necessary for the public good.
>
> He has forbidden his Governors to pass Laws of immediate and pressing importance, unless suspended in their operation till his Assent should be obtained; and when so suspended, he has utterly neglected to attend to them.
>
> He has refused to pass other Laws for the accommodation of large districts of people, unless those people would relinquish the right of Representation in the Legislature, a right inestimable to them and formidable to tyrants only.

He has called together legislative bodies at places unusual, uncomfortable, and distant from the depository of their public Records, for the sole purpose of fatiguing them into compliance with his measures.

He has dissolved Representative Houses repeatedly, for opposing with manly firmness his invasions on the rights of the people.

He has refused for a long time, after such dissolutions, to cause others to be elected; whereby the Legislative powers, incapable of Annihilation, have returned to the People at large for their exercise; the State remaining in the mean time exposed to all the dangers of invasion from without, and convulsions within.

He has endeavoured to prevent the population of these States; for that purpose obstructing the Laws for Naturalization of Foreigners; refusing to pass others to encourage their migrations hither, and raising the conditions of new Appropriations of Lands.

He has obstructed the Administration of Justice, by refusing his Assent to Laws for establishing Judiciary powers.

He has made Judges dependent on his Will alone, for the tenure of their offices, and the amount and payment of their salaries.

He has erected a multitude of New Offices, and sent hither swarms of Officers to harrass our people, and eat out their substance.

He has kept among us, in times of peace, Standing Armies without the Consent of our legislatures.

He has affected to render the Military independent of and superior to the Civil power.

He has combined with others to subject us to a jurisdiction foreign to our constitution, and unacknowledged by our laws; giving his Assent to their Acts of pretended Legislation:

For Quartering large bodies of armed troops among us:

For protecting them, by a mock Trial, from punishment for any Murders which they should commit on the Inhabitants of these States:

For cutting off our Trade with all parts of the world:

For imposing Taxes on us without our Consent:

For depriving us in many cases, of the benefits of Trial by Jury:

For transporting us beyond Seas to be tried for pretended offences

For abolishing the free System of English Laws in a neighbouring Province, establishing therein an Arbitrary government, and enlarging its Boundaries so as to render it at once an example and fit instrument for introducing the same absolute rule into these Colonies:

For taking away our Charters, abolishing our most valuable Laws, and altering fundamentally the Forms of our Governments:

For suspending our own Legislatures, and declaring themselves invested with power to legislate for us in all cases whatsoever.

He has abdicated Government here, by declaring us out of his Protection and waging War against us.

He has plundered our seas, ravaged our Coasts, burnt our towns, and destroyed the lives of our people.

He is at this time transporting large Armies of foreign Mercenaries to compleat the works of death, desolation and tyranny, already begun with circumstances of Cruelty & perfidy scarcely paralleled in the most barbarous ages, and totally unworthy the Head of a civilized nation.

He has constrained our fellow Citizens taken Captive on the high Seas to bear Arms against their Country, to become the executioners of their friends and Brethren, or to fall themselves by their Hands.

He has excited domestic insurrections amongst us, and has endeavoured to bring on the inhabitants of our frontiers, the merciless Indian Savages, whose known rule of warfare, is an undistinguished destruction of all ages, sexes and conditions.

In every stage of these Oppressions We have Petitioned for Redress in the most humble terms: Our repeated Petitions have been answered only by repeated injury. A Prince whose character is thus marked by every act which may define a Tyrant, is unfit to be the ruler of a free people.

Nor have We been wanting in attentions to our Brittish brethren. We have warned them from time to time of attempts by their legislature to extend an unwarrantable jurisdiction over us. We have reminded them of the circumstances of our emigration and settlement here. We have appealed to their native justice and magnanimity, and we have conjured them by the ties of our common kindred to disavow these usurpations, which, would inevitably interrupt our connections and correspondence. They too have been deaf to the voice of justice and of consanguinity. We must, therefore, acquiesce in the necessity, which denounces our Separation, and hold them, as we hold the rest of mankind, Enemies in War, in Peace Friends.

We, therefore, the Representatives of the united States of America, in General Congress, Assembled, appealing to the Supreme Judge of the world for the rectitude of our intentions, do, in the Name, and by Authority of the good People of these Colonies, solemnly publish and declare, That these United Colonies are, and of Right ought to be Free and Independent States; that they are Absolved from all Allegiance to the British Crown, and that all political connection between them and the State of Great Britain, is and ought to be totally dissolved; and that as Free and Independent States, they have full Power to levy War, conclude Peace, contract Alliances, establish Commerce, and to do all other Acts and Things which Independent States may of right do. And for the support of this Declaration, with a firm reliance on the protection of divine Providence, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor.

The 56 signatures on the Declaration appear in the positions indicated:

[Column 1]
Georgia:
Button Gwinnett
Lyman Hall

George Walton

[Column 2]

North Carolina:
William Hooper
Joseph Hewes
John Penn

South Carolina:
Edward Rutledge
Thomas Heyward, Jr.
Thomas Lynch, Jr.
Arthur Middleton

[Column 3]

Massachusetts:
John Hancock

Maryland:
Samuel Chase
William Paca
Thomas Stone
Charles Carroll of Carrollton

Virginia:
George Wythe
Richard Henry Lee
Thomas Jefferson
Benjamin Harrison
Thomas Nelson, Jr.
Francis Lightfoot Lee
Carter Braxton

[Column 4]

Pennsylvania:
Robert Morris
Benjamin Rush
Benjamin Franklin
John Morton
George Clymer
James Smith
George Taylor
James Wilson
George Ross

Delaware:
Caesar Rodney
George Read
Thomas McKean

[Column 5]

New York:
William Floyd
Philip Livingston
Francis Lewis
Lewis Morris

New Jersey:
Richard Stockton
John Witherspoon
Francis Hopkinson
John Hart
Abraham Clark

[Column 6]

New Hampshire:
Josiah Bartlett
William Whipple
Massachusetts:
Samuel Adams
John Adams
Robert Treat Paine
Elbridge Gerry
Rhode Island:
Stephen Hopkins
William Ellery
Connecticut:
Roger Sherman
Samuel Huntington
William Williams
Oliver Wolcott
New Hampshire:
Matthew Thornton

[Declaration Page| Exhibit Hall]

The Constitution of the United States

Preamble WE THE PEOPLE* of the United States, in order to form a more perfect union, ESTABLISH JUSTICE, insure domestic tranquility, provide for the common defence, promote the general welfare, and SECURE THE BLESSINGS OF LIBERTY TO OURSELVES AND OUR POSTERITY, do ORDAIN and ESTABLISH this Constitution for the United States of America.

* Originally, the Constitution had no title but simply began 'We the People...'

ARTICLE 1.

SECTION 1. ALL LEGISLATIVE POWERS HEREIN GRANTED SHALL BE VESTED IN A CONGRESS of the United States, which shall consist of a Senate and a House of Representatives.

SECTION 2. The house of Representatives shall be composed of Members chosen every second Year by the people of the several states, and the electors in each state shall have the Qualifications requisite for Electors of the most numerous branch of the State Legislature.

No Person shall be a Representative who shall not have attained to the Age of twenty-five Years, and been seven Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State in which he shall be chosen.

Representatives and DIRECT TAXES SHALL BE APPORTIONED AMONG THE SEVERAL STATES which may be included within this Union, according to their respective Numbers, which shall be determined by adding to the whole Number of FREE PERSONS, including those bound to Service for a term of Years, and excluding Indians not taxed, three fifths of all other Persons. The actual Enumeration shall be made within three Years after the first Meeting of the Congress of the United States, and within every subsequent Term of ten Years, in such Manner as they shall by Law direct. The Number of Representatives shall not exceed one for every thirty thousand, but each state shall have at Least one Representative; and until such enumeration shall be made, the State of New Hampshire shall be entitled to chuse three, Rhode Island and Providence Plantations one, Connecticut five, New-York six, New Jersey four, Pennsylvania eight, Delaware one, Maryland six, Virginia ten, North Carolina five, South Carolina five, and Georgia three.

When vacancies happen in the Representation from any State, the Executive Authority thereof shall issue Writs of Election to fill such Vacancies.

The House of Representatives shall chuse their Speaker and other Officers; and shall have the sole Power of Impeachment.

SECTION 3. The Senate of the United States shall be composed of two Senators from each State, [chosen by the legislature thereof] 3 for six years; and each Senator shall have one Vote.

Immediately after they shall be assembled in Consequence of the first Election, they shall be divided as equally as may be into three Classes. The seats of the Senators of the first Class shall be vacated at the Expiration of the second Year, of the second class at the Expiration of the fourth Year, and of the third Class at the Expiration of the sixth Year, so that one-third may be chosen every second Year; [and if Vacancies happen by Resignation, or otherwise, during the Recess of the Legislature of any State, the Executive thereof may make temporary Appointments until the next Meeting of the Legislature, which shall then fill such Vacancies.

No Person shall be a Senator who shall not have attained to the Age of thirty Years, and been nine Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State for which he shall be

chosen.

The Vice President of the United States shall be President of the Senate, but shall have no vote, unless they be equally divided.

The Senate shall choose their other Officers, and also a President pro tempore, in the absence of the Vice President, or when he shall exercise the Office of President of the United States.

The Senate shall have the sole power to try all impeachments. When sitting for that purpose, they shall be on oath or affirmation. When the President of the United States is tried, the Chief Justice shall preside: And no person shall be convicted without the concurrence of two-thirds of the members present.

Judgement in case of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust or profit under the United States; but the party convicted shall nevertheless be liable and subject to indictment, trial, judgement and punishment, according to law.

SECTION 4. The times, places and manner of holding elections for senators and representatives, shall be prescribed in each state by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of chusing Senators.

The Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in December, unless they shall by law appoint a different day.

SECTION 5. Each house shall be the judge of the elections, returns and qualifications of its own members, and a majority of each shall constitute a quorum to do business, but a smaller number may adjourn from day to day, and may be authorized to compel the attendance of absent members, in such manner, and under such penalties as each house shall provide.

Each house may determine the rules of its proceedings, punish its members for disorderly behavior, and with the concurrence of two-thirds, expel a member.

Each house shall keep a journal of its proceedings, and from time to time publish the same, excepting such parts as may in their judgement require secrecy; and the yeas and nays of the members of either house on any question shall, at the desire of one-fifth of those present, be entered on the journal.

Neither house, during the sessions of Congress, shall without the consent of the other, adjourn for more thar three days, nor to any other place than that in which the two houses shall be sitting.

SECTION 6. The senators and representatives shall receive a compensation for their services, to be ascertained by law, and paid out of the treasury of the United States. They shall in all cases, except treason, felony and breach of the peace, be privileged from arrest during their attendance at the session of their respective houses, and in going to and returning from the same; and for any speech or debate in either house, they shall not be questioned in any other place.

No senator or representative shall, during the time for which he was elected, be appointed to any civil offic under the authority of the United States, which shall have been created, or the emoluments whereof shall have been encreased during such time; and no person holding any office under the United States, shall be a member of either house during his continuance in office.

SECTION 7. All bills for raising revenue shall originate in the house of representatives; but the senate may propose or concur with amendments as on other bills.

Every bill which shall have passed the house of representatives and the senate, shall before it become law, be presented to the president of the United States; if he approve he shall sign it, but if not he shall return it, with his objections to that house it which it shall have originated, who shall enter the objections at large on their journal, and proceed to reconsider it. If after such reconsideration two-thirds of that house shall agree to pass the bill, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of that house, it shall become a law. But in all such cases the votes of both houses shall be determined by yeas and nays, and the names of the persons voting for and against the bill shall be entered on the journal of each house respectively. If any bill shall not be returned by the President within ten days (Sundays excepted) after it shall have been presented to him, the same shall be a law, in like manner as if he had signed it, unless the Congress by their adjournment prevent its return, in which case it shall not be a law.

Every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or, being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill.

SECTION 8. The Congress shall have power:

To lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States;

To borrow money on the credit of the United States;

To regulate commerce with foreign nations, and among the several states, and with the Indian tribes;

To establish an uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States;

To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures;

To provide for the punishment of counterfeiting the securities and current coin of the United States;

To establish post offices and post roads;

To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries;

To constitute tribunals inferior to the supreme court;

To define and punish piracies and felonies committed on the high seas, and offences against the law of nations;

To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water;

To raise and support armies, but no appropriation of money to that use shall be for a longer term than two years;

To provide and maintain a navy;

To make rules for the government and regulation of the land and naval forces;

To provide for calling forth the militia to execute the laws of the union, suppress insurrections and repel

invasions;

To provide for organizing, arming, and disciplining, the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States respectively, the appointment of the officers, and the authority of training the militia according to the discipline prescribed by Congress;

To exercise exclusive legislation in all cases whatsoever, over such distric (not exceeding ten square miles) as may, by cession of particular States, and the acceptance of Congress, become the seat of government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the state in which the same shall be, for the erection of forts, magazines, arsenals, dock yards, and other needful buildings; - And

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this constitution in the government of the United States, or in any department or officer thereof.

SECTION 9. The migration or importation of such persons as any of the states now existing shall think proper to admit, shall not be prohibited by the Congress prior to the year one thousand eight hundred and eight, but a tax or duty may be imposed on such importation, not exceeding ten dollars for each person.

The privilege of the writ of habeas corpus shall not be suspended, unless when in cases of rebellion or invasion the public safety may require it.

No bill of attainder or ex post facto law shall be passed.

No capitation, or other direct, tax shall be laid, unless in proportion to the census or enumeration herein before directed to be taken.

No tax or duty shall be laid on articles exported from any state. No preference shall be given for any regulatio of commerce or revenue to the ports of one state over those of another: nor shall vessels bound to, or from, one state, be obliged to enter, clear, or pay duties in another.

No money shall be drawn from the treasury, but in consequence of appropriations made by law; and a regula statement and account of the receipts and expenditures of all public money shall be published from time to time.

No title of nobility shall be granted by the United States: And no person holding any office of profit or trus under them, shall, without the consent of the Congress, accept of any present, emolument, office, or title, of any kind whatever, from any king, prince, or foreign state.

SECTION 10. No state shall enter into any treaty, alliance, or confederation; grant letters of marque and reprisal; coin money; emit bills of credit; make any thing but gold and silver coin a tender in payment of debts; pass any bill of attainder, ex post facto law, or law impairing the obligation of contracts, or grant any title of nobility.

No state shall, without the consent of Congress, lay any imposts or duties on imports or exports, except what may be absolutely necessary for executing its inspection laws; and the net produce of all duties and imposts, laid by any state on imports or exports, shall be for the use of the Treasury of the United States; and all such laws shall be subject to the revision and control of the Congress. No state shall, without the consent of Congress, lay any duty of tonnage, keep troops, or ships of war in time of peace, enter into any agreement or compact with another state, or with a foreign power, or engage in war, unless actually invaded, or in such imminent danger as will not admit of delay.

ARTICLE 2.

SECTION 1. The executive power shall be vested in a president of the United States of America. He shall hold his office during the term of four years, and, together with the vice-president, chosen for the same term, be elected as follows.

Each state shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of senators and representatives to which the state may be entitled in the Congress: but no senator or representative, or person holding an office of trust or profit under the United States, shall be appointed an elector.

The electors shall meet in their respective states, and vote by ballot for two persons, of whom one at least shall not be an inhabitant of the same state with themselves. And they shall make a list of all the persons voted for, and of the number of votes for each; which list they shall sign and certify, and transmit sealed to the seat of the government of the United States, directed to the president of the senate. The president of the senate shall, in the presence of the senate and house of representatives, open all the certificates, and the votes shall then be counted. The person having the greatest number of votes shall be the president, if such number be a majority of the whole number of electors appointed; and if there be more than one who have such majority, and have an equal number of votes, the house of representatives shall immediately chuse by ballot one of them for president; and if no person have a majority, then from the five highest on the list the said house shall in like manner chuse the president. But in chusing the president, the vote shall be taken by states, the representation from each state having one vote; a quorum for this purpose shall consist of a member or members from two-thirds of the states, and a majority of all the states shall be necessary to a choice. In every case, after the choice of the president, the person having the greatest number of votes of the electors shall be the vice-president. But if there should remain two or more who have equal votes, the senator shall chuse from them by ballot the vice-president.

The Congress may determine the time of chusing the electors, and the day on which they shall give their votes; which day shall be the same throughout the United States.

No person except a natural born Citizen, or a Citizen of the United States, at the time of the adoption of this constitution, shall be eligible to the office of president; neither shall any person be eligible to that office who shall not have attained to the age of thirty-five years, and been fourteen years a resident within the United States.

In case of the removal of the president from office, or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on the vice-president, and the Congress may by law provide for the case of removal, death, resignation or inability, both of the president and vice-president, declaring what officer shall then act as president, and such officer shall act accordingly, until the disability be removed, or a president shall be elected.

The president shall, at stated times, receive for his services, a compensation, which shall neither be encreased nor diminished during the period for which he shall have been elected, and he shall not receive within that period any other emolument from the United States, or any of them.

Before he enter on the execution of his office, he shall take the following oath or affirmation:

> ’I DO SOLEMNLY SWEAR (OR AFFIRM).THAT I WILL FAITHFULLY EXECUTE THE OFFICE OF PRESIDENT OF THE UNITED STATES, AND WILL TO THE BEST OF MY ABILITY, PRESERVE, PROTECT AND DEFEND THE CONSTITUTION OF THE UNITED STATES.’

SECTION 2. The president shall be commander in chief of the army and navy of the United States, and of the militia of the several States, when called into the actual service of the United States; he may require the opinion,

in writing, of the principal officer in each of the executive departments, upon any subject relating to the duties of their respective offices, and he shall have power to grant reprieves and pardons for offences against the United States, except in cases of impeachment.

He shall have power, by and with the advice and consent of the senate, to make treaties, provided two-thirds of the senators present concur; and he shall nominate, and by and with the advice and consent of the senate, shall appoint ambassadors, other public ministers and consuls, judges of the supreme court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law. But the Congress may by law vest the appointment of such inferior officers, as they think proper, in the president alone, in the courts of law, or in the heads of departments.

The president shall have power to fill up all vacancies that may happen during the recess of the senate, by granting commissions which shall expire at the end of their next session.

SECTION 3. He shall from time to time give to the Congress information of the state of the union, and recommend to their consideration such measures as he shall judge necessary and expedient; he may, on extraordinary occasions, convene both houses, or either of them, and in case of disagreement between them, with respect to the time of adjournment, he may adjourn them to such time as he shall think proper; he shall receive ambassadors and other public ministers; he shall take care that the laws be faithfully executed, and shall commission all the officers of the United States.

SECTION 4. The president, vice-president and all civil officers of the United States, shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors.

ARTICLE 3.

SECTION 1. The judicial power of the United States, shall be vested in one supreme court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services, a compensation, which shall not be diminished during their continuance in office.

SECTION 2. The judicial power shall extend to all cases, in law and equity, arising under this constitution, the laws of the United States, and treaties made, or which shall be made, under their authority; to all cases affecting ambassadors, other public ministers and consuls; to all cases of admiralty and maritime jurisdiction; to controversies to which the United States shall be a party; to controversies between two or more states, between a state and Citizens of another state, between Citizens of different states, between Citizens of the same state claiming lands under grants of different States, and between a state, or the Citizens thereof and foreign States, Citizens or subjects.

In all cases affecting ambassadors, other public ministers and consuls, and those in which a state shall be a party, the supreme court shall have original jurisdiction. In all the other cases before mentioned, the supreme court shall have appellate jurisdiction, both as to law and fact, with such exceptions, and under such regulations as the Congress shall make.

The trial of all crimes, except in cases of impeachment, shall be by jury; and such trial shall be held in the state where the said crimes shall have been committed; but when not committed within any state, the trial shall be at such place or places as the Congress may by law have directed.

SECTION 3. Treason against the United States, shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on open confession in open court.

The Congress shall have power to declare the punishment of treason, but no attainder of treason shall work corruption of blood, or forfeiture except during the life of the person attainted.

ARTICLE 4.

SECTION 1. Full faith and credit shall be given in each state to the public acts, records, and judicial proceedings of every other state. And the Congress may by general laws prescribe the manner in which such acts, records and proceedings shall be proved, and the effect thereof.

SECTION 2. The Citizens of each state shall be entitled to all privileges and immunities of Citizens in the several states.

A person charged in any state with treason, felony, or other crime, who shall flee from justice, and be found in another state, shall, on demand of the executive authority of the state from which he fled, be delivered up, to be removed to the state having jurisdiction of the crime.

No person held to service or labour in one state, under the laws thereof, escaping into another, shall, in consequence of any law or regulation therein, be discharged from such service or labour, but shall be delivered up on claim of the party to whom such service or labour may be due.

SECTION 3. New states may be admitted by the Congress into this union; but no new state shall be formed or erected within the jurisdiction of any other state; nor any state be formed by the junction of two or more states, or parts of states, without the consent of the legislatures of the states concerned as well as of the Congress.

The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or of any particular state.

SECTION 4. The United States shall guarantee to every state in this union a Republican form of government, and shall protect each of them against invasion; and on application of the legislature, or of the executive (when the legislature cannot be convened) against domestic violence.

ARTICLE 5.

The Congress, whenever two-thirds of both houses shall deem it necessary, shall propose amendments to this constitution, or, on the application of two-thirds of the several states, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this constitution, when ratified by the legislatures of three-fourths of the several states, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress; Provided, that no amendment which may be made prior to the year one thousand eight hundred and eight shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no state, without its consent, shall be deprived of its equal suffrage in the senate.

ARTICLE 6.

All debts contracted and engagements entered into, before the adoption of this Constitution, shall be as valid against the United States under this Constitution, as under the confederation.

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.

The senators and representatives beforementioned, and the members of the several state legislatures, and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation, to support this constitution; but no religious test shall ever be required as a qualification to any office or public trust under the United States.

ARTICLE 7.

The ratification of the conventions of nine States, shall be sufficient for the establishment of this constitution between the States so ratifying the same.

Done in Convention, by the unanimous consent of the states present, the seventeenth day of September, in the year of our Lord one thousand seven hundred and eighty-seven, and of the independence of the United States the twelfth. In witness whereof we have hereunto subscribed our Names.

GEORGE WASHINGTON, president, And Deputy from Virginia.

In CONVENTION, Monday, September 17th, 1787.
PRESENT

The States of New-Hampshire, Massachusetts, Connecticut, Mr. Hamilton from New-York, New-Jersey, Pennsylvania, Delaware, Maryland, Virginia, North-Carolina, South-Carolina and Georgia:

RESOLVED,

That the preceding Constitution be laid before the United States in Congress assembled, and that it is the opinion of this Convention, that it should afterwards be submitted to a Convention of Delegates, chosen in each State by the People thereof, under the Recommendation of its legislature, for their Assent and Ratification; and that each Convention assenting to, and ratifying the Same, should give Notice thereof to the United States in Congress assembled.

Resolved, That it is the Opinion of this Convention, that as soon as the Conventions of nine States shall have ratified this Constitution, the United States in Congress assembled should fix a Day on which Electors should be appointed by the States which shall have ratified the same, and a Day on which the Electors should assemble to vote for the President, and the TIme and Place for commencing Proceedings under this Constitution. THat after such Publication the Electors should be appointed, and the Senators and Representatives elected: That the Electors should meet on the Day fixed for the Election of the President, and should transmit their Votes certified, signed, sealed and directed, as the Constitution requires, to the Secretary of the United States in Congress assembled, that the Senators and Representatives should convene at the Time and Place assigned; that the Senators should appoint a President of the Senate, for the sole Purpose of receiving, opening and counting the Votes for President; and, that after he shall be chosen, the Congress, together with the President, should, without Delay, proceed to execute this Constitution.

By the Unanimous Order of the Convention,

GEORGE WASHINGTON, President
WILLIAM JACKSON, Secretary

New-Hampshire	John Langdon, Nicholas Gilman
Massachusetts	Nathaniel Gorham, Rufus King
Connecticut	William Samuel Johnson, Roger Sherman
New-York	Alexander Hamilton
New-Jersey	William Livingston, David Brearley, William Paterson,

	Jonathan Dayton,
Pennsylvania	Benjamin Franklin, Thomas Miffin, Robert Morris, George Clymer, Thomas Fitzsimons, Jared Ingersoll, James Wilson, Gouverneur Morris,
Delaware	George Read, Gunning Bedford, Junior, John Dickinson, Richard Bassett, Jacob Broom.
Maryland	James M'Henry, Daniel of St. Tho. Jenifer, Daniel Carrol
Virginia	John Blair, James Madison, Junior
North-Carolina	William Blount, Richard Dobbs Spaight, Hugh Williamson.
South-Carolina	John Rutledge, Charles Cotesworth Pinckney, Charles Pinckney, Pierce Butler.
Georgia	William Few, Abraham Baldwin.

attest, William Jackson, Secretary

The BILL OF RIGHTS

As provided in the FIRST TEN AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES

Effective December 15, 1791

Preamble to the bill of rights of the Constitution of the United States of America

Conventions of a number of States, having at the time of their adopting the Constitution, expressed a desire, in order to prevent misconstruction or abuse of its powers, that further declaratory and restrictive clauses should be added: And as extending the ground of public confidence in the Government, will but ensure the beneficent ends of its institution

RESOLVED...the following articles be ... part of the said Constitution;

NOTE: THIS PREAMBLE IS NOT OFFICIALLY A PART OF THE CONSTITUTION

ARTICLES IN ADDITION TO, AND AMENDMENT OF, THE CONSTITUTION OF THE UNITED STATES OF AMERICA, PROPOSED BY CONGRESS, AND RATIFIED BY THE LEGISLATURES OF THE SEVERAL STATES, PURSUANT TO THE FIFTH ARTICLE OF THE ORIGINAL CONSTITUTION

AMENDMENT 1 (1791)

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

AMENDMENT 2 (1791)

A well regulated militia, being necessary to the security of a free State,the right of the people to keep and bear Arms, shall not be infringed.

AMENDMENT 3 (1791)

No soldier shall, in time of peace be quartered in any house, without the consent of the Owner, nor in time of war, but in a manner to be prescribed by law.

AMENDMENT 4 (1791)

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

AMENDMENT 5 (1791)

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment o indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

AMENDMENT 6 (1791)

In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the Assistance of Counsel for his defense.

AMENDMENT 7 (1791)

In suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

AMENDMENT 8 (1791)

Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted.

AMENDMENT 9 (1791)

The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

AMENDMENT 10 (1791)

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

AMENDMENT 11 (1795)

The judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State.

AMENDMENT 12 (1804)

The Electors shall meet in their respective states and vote by ballot for President and Vice-President, one of whom, at least, shall not be an inhabitant of the same state with themselves; they shall name in their ballots the

person voted for as President, and in distinct ballots the person voted for as Vice-President, and they shall make distinct lists of all persons voted for as President, and of all persons voted for as Vice-President, and of the number of votes for each, which lists they shall sign and certify, and transmit sealed to the seat of the government of the United States, directed to the President of the Senate; - The President of the Senate shall, in presence of the Senate and House of Representatives, open all the certificates and the votes shall then be counted; - The person having the greatest number of votes for President, shall be the President, if such number be a majority of the whole number of the Electors appointed; and if no person have such a majority, then from the persons having the highest numbers not exceeding three on the list of those voted for as President, the House of Representatives shall choose immediately, by ballot, the President. But in choosing the President, the votes shall be taken by states, the representation from each state having one vote; a quorum for this purpose shall consist of a member or members from two- thirds of the states, and a majority of all the states shall be necessary to a choice. [And if the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them, before the fourth day of March next following, then the Vice-President shall act as President, as in the case of the death or other constitutional disability of the President. -] The person having the greatest number of votes as Vice-President, shall be the Vice-President, if such number be a majority of the whole number of Electors appointed, and if no person have a majority, then from the two highest numbers on the list, the Senate shall choose the Vice-President; a quorum for the purpose shall consist of two-thirds of the whole number of Senators, and a majority of the whole number shall be necessary to a choice. But no person constitutionally ineligible to the office of President shall be eligible to that of Vice-President of the United States.

AMENDMENT 13 (1865)

SECTION 1. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

SECTION 2. Congress shall have power to enforce this article by appropriate legislation.

AMENDMENT 14 (1868)

SECTION 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

SECTION 2. Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice-President of the United States, Representatives in Congress, the Executive and Judicial officers of a State or the members of the Legislature thereof, is denied to any of the male inhabitants of such State, being twenty-one years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens twenty-one years of age in such State.

SECTION 3. No person shall be a Senator or Representative in Congress, or elector of President and Vice-President, or hold any office, civil or military, under the United States, or under any State, who, having previously taken an oath, as a member of Congress, or as an officer of the United States, or as a member of any State legislature, or as an executive or Judicial officer of any State, to support the Constitution of the United States, shall have engaged in insurrection or rebellion against the same, or given aid or comfort to the enemies thereof. But Congress may by a vote of two-thirds of each House, remove such disability

SECTION 4. 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. But neither the United States nor any State shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; but all such debts, obligations and claims shall be held illegal and void.

SECTION 5. The Congress shall have power to enforce, by appropriate legislation, the provisions of this article.

AMENDMENT 15 (1870)

SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

SECTION 2. The Congress shall have power to enforce this article by appropriate legislation.

AMENDMENT 16 (1913)

The Congress shall have power to lay and collect taxes on income, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

AMENDMENT 17 (1913)

The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each state shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: Provide, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as part of the Constitution.

AMENDMENT 18 (1919)

SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

SECTION 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

SECTION 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.

AMENDMENT 19 (1920)

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

Congress shall have power to enforce this article by appropriate legislation.

AMENDMENT 20 (1933)

SECTION 1. The terms of the President and Vice-President shall end at noon on the 20th day of January, and the terms of senators and Representatives at noon on the 3rd day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

SECTION 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3rd day of January, unless they shall by law appoint a different day.

SECTION 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice-President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice-President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice-President elect shall have qualified, declaring who then shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice-President shall have qualified.

SECTION 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice-President whenever the right of choice shall have devolved upon them.

SECTION 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

SECTION 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission.

AMENDMENT 21 (1933)

SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

SECTION 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

SECTION 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.

AMENDMENT 22 (1951)

SECTION 1. No person shall be elected to the office of the President more than twice, and no person who has held the office of President, or acted as President, for more than two years of a term to which some other person was elected President shall be elected to the office of President more than once. But this article shall not apply to any person holding the office of President when this article was proposed by the Congress, and shall not prevent any person who may be holding the office of President, or acting as President, during the term within which this Article becomes operative from holding the office of President or acting as President during the remainder of such term.

SECTION 2. This article shall be inoperative unless it shall have been ratified as an amendment to the

Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress.

AMENDMENT 23 (1961)

SECTION 1. The District constituting the seat of government of the United States shall appoint in such manner as the Congress may direct:

A number of electors of President and Vice-President equal to the whole number of Senators and Representatives in Congress to which the District would be entitled if it were a State, but in no event more than the least populous State; they shall be in addition to those appointed by the States, but they shall be considered, for the purposes of the election of President and Vice-President, to be electors appointed by a State; and they shall meet in the District and perform such duties as provided by the twelfth article of amendment.

SECTION 2. The Congress shall have power to enforce this amendment by appropriate legislation.

AMENDMENT 24 (1964)

SECTION 1. The right of citizens of the United States to vote in any primary or other election for President or Vice-President, or for Senator or Representative in Congress, shall not be denied or abridged by the United States or any State by reason of failure to pay any poll tax or other tax.

SECTION 2. The Congress shall have power to enforce this amendment by appropriate legislation.

AMENDMENT 25 (1967)

SECTION 1. In case of the removal of the President from office or of his death or resignation, the Vice-President shall become President.

SECTION 2. Whenever there is a vacancy in the office of the Vice- President, the President shall nominate a Vice-President who shall take office upon confirmation by a majority vote of both Houses of Congress.

SECTION 3. Whenever the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that he is unable to discharge the powers and duties of his office, and until he transmits to them a written declaration to the contrary, such powers and duties shall be discharged by the Vice-President as acting President.

SECTION 4. Whenever the Vice-President and a majority of either the principal officers of the executive departments or of such other body as Congress may by law provide, transmit to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice-President shall immediately assume the powers and duties of the office as Acting President.

Thereafter, when the President transmits to the President pro tempore of the senate and the Speaker of the House of Representatives his written declaration that no inability exists, he shall resume the powers and duties of his office unless the Vice-President and a majority of either the principal officers of the executive department or of such other body as Congress may by law provide, transmit within four days to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office. Thereupon, Congress shall decide the issue, assembling within forty-eight hours for that purpose if not in session. If the Congress, within twenty-one days after the receipt of the latter written declaration, or, if Congress is not in session, within twenty-one days after Congress is required to assemble, determines by two-thirds vote of both Houses that the President is unable to discharge the powers

and duties of his office, the Vice-President shall continue to discharge the same as Acting President; otherwise, the President shall resume the powers and duties of his office.

AMENDMENT 26 (1971)

SECTION 1. The right of citizens of the United States, who are (18) eighteen years of age or older, to vote shall not be denied or abridged by the United States or by any State on account of age.

SECTION 2. The Congress shall have power to enforce this article by appropriate legislation.

The Ten Commandments

1. "You shall have no other gods before me.
2. "You shall not make for yourself a graven image, or any likeness of anything that is in heaven above, or that is in the earth beneath, or that is in the water under the earth; you shall not bow down to them or serve them; for I the LORD your God am a jealous God, visiting the iniquity of the fathers upon the children to the third and the fourth generation of those who hate me, but showing steadfast love to thousands of those who love me and keep my commandments.
3. "You shall not take the name of the LORD your God in vain; for the LORD will not hold him guiltless who takes his name in vain.
4. "Remember the sabbath day, to keep it holy. Six days you shall labor, and do all your work; but the seventh day is a sabbath to the LORD your God; in it you shall not do any work, you, or your son, or your daughter, your manservant, or your maidservant, or your cattle, or the sojourner who is within your gates; for in six days the LORD made heaven and earth, the sea, and all that is in them, and rested the seventh day; therefore the LORD blessed the sabbath day and hallowed it.
5. "Honor your father and your mother, that your days may be long in the land which the LORD your God gives you.
6. "You shall not kill.
7. "You shall not commit adultery.
8. "You shall not steal.
9. "You shall not bear false witness against your neighbor.
10. "You shall not covet your neighbor's house; you shall not covet your neighbor's wife, or his manservant, or his maidservant, or his ox, or his ass, or anything that is your neighbor's."

Exodus 20:3-17 (English-RSV)

1994 IRS Form 1040 Perjury Oath

The oath on the 1994 IRS Form 1040 reads:

> Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

The Two United States and the Law

by Howard Freeman

The information is this article is not intended in any manner to replace qualified legal advice.

Our forefathers, weary of the oppressive measures that King George III's government forced upon them, in common declared their independence from England in 1776. They were not expected to be successful in that resistance. The moneyed people had backed England for two major reasons. First, our forefathers wanted a rigid, written Constitution "set in concrete." They were familiar with the so-called Constitution of England which consisted largely of customs, precedents, traditions, and understandings, often vague and always flexible. They wanted the principle of English common law, that an act done by any official person or lawmaking body beyond his or its legal competence was simply void. Second, the thirteen little colonies desired to base their union on substance (gold and silver) -- real money. They well knew how the despotic governments of Europe were mortgaged to the hilt -- lock, stock, and barrel, the land, the people, everything -- to certain wealthy men who controlled the banks, the currency, and all credit, who lent credit but did not loan gold and silver!

The United States of America was made up of a union of what is now fifty sovereign States, a three-branch (legislative, executive, and judicial) Republic known as The United States of America, or as termed in this article, the Continental United States. Its citizenry live in one of the fifty States, and its laws are based on the Constitution, which is based on Common Law. It has become an administrative (bureaucratic) legislative democracy via the obligation of contract being extended by duplicity and deception.

Less than one hundred years after we became a nation, a loophole was discovered in the Constitution by cunning lawyers in league with the international bankers. They realized that a separate nation existed, by the same name, that Congress had created in Article I, Section 8, Clause 17. This "United States" is a Legislative Democracy within the Constitutional Republic, and is known as the Federal United States. It has exclusive, unlimited rule over its Citizenry, the residents of the District of Colombia, the territories and enclaves (Guam, Midway Islands, Wake Island, Puerto Rico, etc.), and anyone who is a Citizen by way of the 14th Amendment (naturalized Citizens).

Both United States have the same Congress that rules in both nations. One "United States," the Republic of fifty States, has the "stars and stripes" as its flag, but without any fringe on it. The Federal United States' flag is the stars and stripes with a yellow fringe, seen in all the courts. The abbreviations of the States of the Continental United States are, with or without the zip codes, Ala., Alas., Ariz., Ark., Cal., etc. The abbreviations of the States under the jurisdiction of the Federal United States, the Legislative Democracy, are AL, AK, AZ, AR, CA, etc. (without any periods).

Under the Constitution, based on Common Law, the Republic of the Continental United States provides for legal cases

1. at Law,
2. in Equity, and
3. in Admiralty:

(l) Law is the collective organization of the individual right to lawful defense. It is the will of the majority, the organization of the natural right of lawful defense. It is the

substitution of a common force for individual forces, to do only what the individual forces have a natural and lawful right to do: to protect persons, liberties, and properties; to maintain the right of each, and to cause justice to reign over us all. Since an individual cannot lawfully use force against the person, liberty, or property of another individual, then the common force -- for the same reason -- cannot lawfully be used to destroy the person, liberty, or property of individuals or groups. Law allows you to do anything you want to, as long as you don't infringe upon the life, liberty or property of anyone else. Law does not compel performance. Today's so-called laws (ordinances, statutes, acts, regulations, orders, precepts, etc.) are often erroneously perceived as law, but just because something is called a "law" does not necessarily make it a law. [There is a difference between "legal" and "lawful." Anything the government does is legal, but it may not be lawful.]

(2) Equity is the jurisdiction of compelled performance (for any contract you are a party to) and is based on what is fair in a particular situation. The term "equity" denotes the spirit and habit of fairness, justness, and right dealing which would regulate the intercourse of men with men. You have no rights other than what is specified in your contract. Equity has no criminal aspects to it.

(3) Admiralty is compelled performance plus a criminal penalty, a civil contract with a criminal penalty.

By 1938 the gradual merger procedurally between law and equity actions (i.e., the same court has jurisdiction over legal, equitable, and admiralty matters) was recognized. The nation was bankrupt and was owned by its creditors (the international bankers) who now owned everything -- the Congress, the Executive, the courts, all the States and their legislatures and executives, all the land, and all the people. Everything was mortgaged inthe national debt. We had gone from being sovereigns over government to subjects under government, through the use of negotiable instruments to discharge our debts with limited liability, instead of paying our debts at common law with gold or silver coin.

The remainder of this article explains how this happened, where we are today, and what remedy we have to protect ourselves from this system.

Our Present Commercial System of "Law" and the REMEDY Provided for Our Protection

The present commercial system of "law" has replaced the old and familiar Common Law upon which our nation was founded. The following is the legal thread which brought us from sovereigns over government to subjects under government, through the use of negotiable instruments (Federal Reserve Notes) to discharge our debts with limited liability instead of paying our debts at common law with gold or silver coin.

The change in our system of law from public law to private commercial law was recognized by the Supreme Court of the United States in the Erie Railroad vs. Thompkins case of 1938, after which case, in the same year, the procedures of Law were officially blended with the procedures of Equity. Prior to 1938, all U.S. Supreme Court decisions were based upon public law -- or that system of law that was controlled by Constitutional limitation. Since 1938, all U.S. Supreme Court decisions are based upon what is termed public policy.

Public policy concerns commercial transactions made under the Negotiable Instrument's Law, which

is a branch of the international Law Merchant. This has been codified into what is now known as the Uniform Commercial Code, which system of law was made uniform throughout the fifty States through the cunning of the Congress of the United States (which "United States" has its origin in Article I, Section 8, Clause 17 of the Constitution, as distinguished from the "United States," which is the Union of the fifty States).

In offering grants of negotiable paper (Federal Reserve Notes) which the Congress gave to the fifty States of the Union for education, highways, health, and other purposes, Congress bound all the States of the Union into a commercial agreement with the Federal United States (as distinguished from the Continental United States). The fifty States accepted the "benefits" offered by the Federal United States as the consideration of a commercial agreement between the Federal United States and each of the corporate States. The corporate States were then obligated to obey the Congress of the Federal United States and also to assume their portion of the equitable debts of the Federal United States to the international banking houses, for the credit loaned. The credit which each State received, in the form of federal grants, was predicated upon equitable paper.

This system of negotiable paper binds all corporate entities of government together in a vast system of commercial agreements and is what has altered our court system from one under the Common Law to a Legislative Article I Court, or Tribunal, system of commercial law. Those persons brought before this court are held to the letter of every statute of government on the federal, state, county, or municipal levels unless they have exercised the REMEDY provided for them within that system of Commercial Law whereby, when forced to use a so-called "benefit" offered, or available, to them, from government, they may reserve their former right, under the Common Law guarantee of same, not to be bound by any contract, or commercial agreement, that they did not enter knowingly, voluntarily, and intentionally.

This is exactly how the corporate entities of state, county, and municipal governments got entangled with the Legislative Democracy, created by Article I, Section 8, Clause 17 of the Constitution, and called here The Federal United States, to distinguish it from the Continental United States, whose origin was in the Union of the Sovereign States.

The same national Congress rules the Continental United States pursuant to Constitutional limits upon its authority, while it enjoys exclusive rule, with no Constitutional limitations, as it legislates for the Federal United States.

With the above information, we may ask: "How did we, the free Preamble citizenry of the Sovereign States, lose our guaranteed unalienable rights and be forced into acceptance of the equitable debt obligations of the Federal United States, and also become subject to that entity of government, and divorced from our Sovereign States in the Republic, which we call here the Continental United States?" We do not reside, work, or have income from any territory subject to the direct jurisdiction of the Federal United States. These are questions that have troubled sincere, patriotic Americans for many years. Our lack of knowledge concerning the cunning of the legal profession is the cause of that divorce, but a knowledge of the truth concerning the legal thread, which caught us in its net, will restore our former status as a free Preamble citizen of the Republic.

The answer follows:

Our national Congress works for two nations foreign to each other, and by legal cunning both are called The United States. One is the Union of Sovereign States, under the Constitution, termed in this article the Continental United States. The other is a Legislative Democracy which has its origin in Article I, Section 8, Clause 17 of the Constitution, here termed the Federal United States. Very few people, when they see some "law" passed by Congress, ask themselves, "Which nation was

Congress working for when it passed this or that so-called law?" Or, few ask, "Does this particular law apply to the Continental citizenry of the Republic, or does this particular law apply only to residents of the District of Columbia and other named enclaves, or territories, of the Democracy called the Federal United States?"

Since these questions are seldom asked by the uninformed citizenry of the Republic, it was an open invitation for "cunning" political leadership to seek more power and authority over the entire citizenry of the Republic through the medium of "legalese." Congress deliberately failed in its duty to provide a medium of exchange for the citizenry of the Republic, in harmony with its Constitutional mandate. Instead, it created an abundance of commercial credit money for the Legislative Democracy, where it was not bound by Constitutional limitations. Then, after having created an emergency situation, and a tremendous depression in the Republic, Congress used its emergency authority to remove the remaining substance (gold and silver) from the medium of exchange belonging to the Republic, and made the negotiable instrument paper of the Legislative Democracy (Federal United States) a legal tender for Continental United States citizenry to use in the discharge of debts.

At the same time, Congress granted the entire citizenry of the two nations the "benefit" of limited liability in the discharge of all debts by telling the citizenry that the gold and silver coins of the Republic were out of date and cumbersome. The citizens were told that gold and silver (substance) was no longer needed to pay their debts, that they were now "privileged" to discharge debt with this more "convenient" currency, issued by the Federal United States. Consequently, everyone was forced to "go modern," and to turn in their gold as a patriotic gesture. The entire news media complex went along with the scam and declared it to be a forward step for our democracy, no longer referring to America as a Republic.

From that time on, it was a falling light for the Republic of 1776, and a rising light for Franklin Roosevelt’s New Deal Democracy, which overcame the depression, which was caused by a created shortage of real money. There was created an abundance of debt paper money, so-called, in the form of interest-bearing negotiable instrument paper called Federal Reserve Notes, and other forms of paperwork credit instruments.

Since all contracts since Roosevelt’s time have the colorable consideration of Federal Reserve Notes, instead of a genuine consideration of silver and gold coin, all contracts are colorable contracts, and not genuine contracts. [According to Black’s Law Dictionary (1990), colorable means "That which is in appearance only, and not in reality, what it purports to be, hence counterfeit, feigned, having the appearance of truth."]

Consequently, a new colorable jurisdiction, called a statutory jurisdiction, had to be created to enforce the contracts. Soon the term colorable contract was changed to the term commercial agreement to fit circumstances of the new statutory jurisdiction, which is legislative, rather than judicial, in nature. This jurisdiction enforces commercial agreements upon implied consent, rather than full knowledge, as it is with the enforcement of contracts under the Common Law.

All of our courts today sit as legislative Tribunals, and the so-called "statutes" of legislative bodies being enforced in these Legislative Tribunals are not "statutes" passed by the legislative branch of our three-branch Republic, but as "commercial obligations" to the Federal United States for anyone in the Federal United States or in the Continental United States who has used the equitable currency of the Federal United States and who has accepted the "benefit," or "privilege," of discharging his debts with the limited liability "benefit" offered to him by the Federal United States ... EXCEPT those who availed themselves of the remedy within this commercial system of law, which remedy is today found in Book 1 of the Uniform Commercial Code at Section 207.

When used in conjunction with one's signature, a stamp stating "Without Prejudice U.C.C. 1-207" is sufficient to indicate to the magistrate of any of our present Legislative Tribunals (called "courts") that the signer of the document has reserved his Common Law right. He is not to be bound to the statute, or commercial obligation, of any commercial agreement that he did not enter knowingly, voluntarily, and intentionally, as would be the case in any Common Law contract.

Furthermore, pursuant to U.C.C. 1-103, the statute, being enforced as a commercial obligation of a commercial agreement, must now be construed in harmony with the old Common Law of America, where the tribunal/court must rule that the statute does not apply to the individual who is wise enough and informed enough to exercise the remedy provided in this new system of law. He retains his former status in the Republic and fully enjoys his unalienable rights, guaranteed to him by the Constitution of the Republic, while those about him "curse the darkness" of Commercial Law government, lacking the truth needed to free themselves from a slave status under the Federal United States, even while inhabiting territory foreign to its territorial venue.

Editor's note: the following excerpts are from letters in which Mr. Freeman further clarifies the REMEDY, as given to us in UCC 1-207, and the distinctions between Public Policy and Public Law:

Dear:

"There is an important "right" available to you. The name of the right is "Allocution". It is presumed to have been waived if it is not requested! The purpose in demanding it is to preserve the "legal issues" brought up in the case, and overruled by the trial court. Otherwise, one's appeal from a criminal conviction to a higher Court will only be a review of the "Fact Issues" decided in the lower Court, the Law Issues of the case are presumed to have been waived by the accused, unless those issues have been preserved though the right of "allocution."

There is more that can follow one's exercise of that right, and I will cover that, but first, let me explain what allocution is.

Once the Court, or a Jury, has found you guilty of disobedience to a commercial statute demanding, or prohibiting, performance in a specified manner, you, the accused, have the right of "Allocution", which right, consists of having the Court (Judge) ask you on the record of the case (be sure that the Court Reporter is including this in the case transcript) "Is there any reason why this Court should not sentence you at this time?"

Being asked that question by the Court, in the Court Record is all there is to your right of Allocution, but a proper response upon the Court Record by the accused shows that same has not waived dispute upon the legal issues of the case, which were overruled by the trial Court, and now those issues may be brought up on appeal. The proper response of the accused upon being confronted with this question from the Judge, which allocution requires of him, is "Your Honor, the accused, in this criminal case, coming as it does from a colorable jurisdiction over his person and property, does object to being sentenced by this court at this time, because conviction in this case has been base upon The Facts of the case, while the Law Issues are still in dispute - namely - the Courts' Colorable Jurisdiction in this Criminal charge, which lacks the essence of a substantial claim by a damaged party."

At this point, your right of Allocution has preserved for you your right to bring Law Issues into your Appeal. Now, I will bring to your attention an additional benefit of exercising your right of Allocution, which I alluded to earlier in this letter: After you have placed the above response to the

Judge's question in the record, I would suggest that you continue on in the following manner: "Your Honor, the accused in this case would like to put this Court ON NOTICE, that if it DOES pronounce sentence at this time, over the OBJECTIONS of the accused, that the accused will formulate his objection, before a higher Court, IN THE NATURE OF A WRIT OF ERROR (see Supervisory Control in Black's 5th Law Dictionary)."

The reason for the remark above is that the Court will tell you that WRITS OF ERROR have been done away with in modern Courts. In that situation, point out to the Judge that you do NOT intend to file a GENUINE WRIT OF ERROR, which is not recognized in colorable Jurisdictions, but that you stated on the record of the court that your OBJECTION to being sentenced at this time on FACT ISSUES while the LAW ISSUES of the case are still in dispute would be: IN THE NATURE OF A WRIT OF ERROR which is a Colorable Objection recognized under the name of Supervisory Control in Black's 5th.

The advantage of an objection in the nature of a writ of error is that the Judge (not you) must bring forth the Transcript, or Record, of the case to the higher panel of Judges, and, the burden of proof is upon that Judge to show that the Jurisdiction that he exercised over your person and property existed AS A FACT OF LAW, and further, he must show the legal basis for EACH RULING ON ISSUES OF LAW that the Transcript shows that an objection thereto was made by the accused.

Now you know the benefit of stating your objection in the nature of a Writ of Error, over making an appeal, wherein the expense of bringing forth the transcript is on you, as well as, the burden of proof on all the law issues in dispute."

Sincerely, Howard Freeman

Dear:

"What has public policy to do with Commercial Law? To grasp that you must understand that the US Constitution being based upon the Common Law and the Common Law being based upon substance (silver & gold) made it impossible for Congress when working for the 3-branch government created by the Union of States to borrow anything but silver or gold for what I will call the Continental United States , but Article I, Section 8, Clause 17 of the Constitution gave the same Congress exclusive rule of the District of Columbia and other territories and enclaves mentioned in Clause 17. This entity I will call for our purposes here Federal United States. With that exclusive rule of that legislative democracy, called here Federal United States, Congress was able to borrow non-substance (bank credit) from International Banking Houses in the name of Federal United States which loans began in Civil War times and continues today to the point that the paper debt exceeds 3 Trillion in loans of bank credit. Federal United States was long ago a bankrupt nation so it no longer legislated "public law" pursuant to the interests of the people it served, but since 1938 it legislates "public policy" in the interests of the nation's creditors. It is not in the interest of the people for Congress to give billions to Russia or Israel so that becomes "public policy" in the interest of the nation's creditors. Now the Commercial Code comes into play when the Congress of the bankrupt Federal United States, in its duty to pass public policy statutes in the interest of the creditors of Federal United States, failed in its duty to coin gold or silver as a medium of exchange for Continental United States creating a depression therein, through a shortage of real money (genuine dollars). Then Franklin Roosevelt declared gold a barbaric metal, and with emergency powers given to him, brought America "up to date" by making colorable Federal Reserve Notes legal tender throughout Continental United States. Since colorable dollars, based upon the debt obligations of Federal United States, are now employed as a medium of exchange for Continental United States through the neglect of Congress in its duty to Continental United States, and the so called "blessings" of executive orders of FDR under his emergency powers, Continental United

> States is in a contract relationship with Federal United States and the debts of Federal United States are now equally, the debts of Continental United States and all of the inhabitants thereof UNLESS the inhabitants thereof in doing business in colorable dollars (commercial paper) reserve their Common Law Rights under the REMEDY provided for them in that system of Commercial Law called: The Uniform Commercial Code. I hope this brief summary of events answers your questions.

Most cordially yours,

Howard Freeman.

ADDENDUM

U.C.C. 1-207:4 Sufficiency of reservation.

Any expression indicating any intention to preserve rights is sufficient, such as "without prejudice," "under protest," "under reservation," or "with reservation of all our rights."

The Code states an "explicit" reservation must be made. "Explicit" undoubtedly is used in place of "express" to indicate that the reservation must not only be "express" but it must also be "clear" that such a reservation was intended.

The term "explicit" as used in U.C.C. 1-207 means "that which is so clearly stated or distinctively set forth that there is no doubt as to its meaning." ....

U.C.C. 1-207:7 Effect of reservation of rights.
The making of a valid reservation of rights preserves whatever rights the person then possesses and prevents the loss of such right by application of concepts of waiver or estoppel ....

U.C.C. 1-207:9 Failure to make reservation.
When a waivable right or claim is involved, the failure to make a reservation thereof causes a loss of the right and bars its assertion at a later date ....

U.C.C. 1-103:6 Common law.
The Code is "Complementary" to the common law which remains in force except where displaced by the Code ....

A statute should be construed in harmony with the common law unless there is a clear legislative intent to abrogate the common law.... "The Code cannot be read to preclude a common law action."

EXAMPLE

> Your Honor, my use of "Without Prejudice UCC 1-207" above my signature on this document indicates that I have exercised the "Remedy" provided for me in the Uniform Commercial Code in Book 1 at Section 207, whereby I may reserve my Common Law right not to be compelled to perform under any contract, or agreement, that I have not entered into knowingly, voluntarily, and intentionally. And, that reservation serves notice upon all administrative agencies of government -- national, state and local -- that I do not, and will not, accept the liability associated with the "compelled" benefit of any unrevealed commercial agreement.
