The True History

American Citizen, or U.S. citizen?

There appears to be general misunderstanding by people in general as to the difference between a natural person and an artificial person. This document will explain that difference.

John Joseph Smith, is a natural, flesh and blood, person, created by God.

JOHN JOSEPH SMITH, is a U.S. corporate artificial person, U.S. citizen, created by the government.

In basic English grammar, a name spelled in upper and lower case, such as John Joseph Smith, is indicative of a flesh and blood man, a natural person.

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.* Black's Law Dictionary 6th Ed.

On the other hand, a name spelled in all caps, such as JOHN JOSEPH SMITH, is indicative of an artificial person.

Artificial persons. ***Persons created and devised by human laws*** *for the purposes of society and government,* ***as distinguished from natural persons.*** *Corporations are examples of artificial persons.* Black's 6th Ed.

U.S. v. Anthony 24 Fed. 829 (1873) *"The term resident and 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."*

The "United States" is defined in Title 28 USC Sec. 3002(15)(A) as a "Federal corporation".

It is also a municipal corporation.

Municipal. *In narrower, more common, sense, it means pertaining to a local governmental unit, commonly, a city or town or other governmental unit.* ***In its broader sense, it means pertaining to the public or governmental affairs of a state or nation or of a people.*** Black's Law Dictionary 6th Ed.

So the federal corporation United States, that pertains to the public affairs of a people, would be a municipal corporation.The federal government pertains to the affairs of its sovereign people.

Municipal corporation. ***A body corporate consisting of the inhabitants*** *of a designated area* ***created by the legislature*** ***with or without the consent of such inhabitants for governmental purposes . . .***
A municipal corporation has a dual character, the one public and the other private, and exercises corresponding twofold functions and duties -- one class consisting of those acts performed by it in the exercise of delegated sovereign powers for benefit of people generally, as arm of the state, enforcing general laws made in pursuance of general policy of the state, and the other consisting of acts done in exercise of power of the municipal corporation for its own benefit, or for the benefit of its citizens alone, or ***citizens of the municipal corporation and its immediate locality.*** Black's 6th Ed.

A municipal corporation is an artificial person, as shown above, and consists of the general inhabitants called citizens, and these artificial persons (citizens) were created by the legislature, not by God. A corporation can be a citizen itself, and that corporation can have its own citizens. A corporation also has it's own officers. When a corporation is dissolved, then the officers of that corporation no longer exist. A government has it's own citizens and employees. When that government is dissolved, then those citizens also cease to exist, since both officers and citizens of a corporation are both artificial persons.

Corporate citizen. ***Corporate status*** *in the state of incorporation . . .* Black's 6th Ed.

A municipal corporation in its broader sense, such as the United States, consists of the inhabitants (U.S. citizens) of a designated area (federal United States). And a corporation can through its legislative branch create artificial persons, who are termed citizens of the municipal corporation. Can an artificial person create a flesh and blood natural man? Can the creator create a being superior to itself? Or can an artificial person only create (make) another artificial person?

I claim that when the municipal corporation United States, creates a citizen through legislative act, that citizen is then a corporate U.S. citizen. That corporate citizen's name is spelled in all capital letters, to indicate that it is an artificial person, as distinguished from a natural person whose name is spelled in upper and lower case letters. That corporate citizen is subject to its creator, the U.S. government, and is subject to its exclusive jurisdiction.

Constitution of the United States of America
14th Amendment. *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. No State shall make or enforce any law which shall abridge the privileges and immunities of citizens of the United States; nor shall any States 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.*

A citizen of the United States is a corporate citizen, **with corporate status,** created by the corporation called United States, and is acting as their agent for the purpose of collecting revenue. This citizen has only privileges and immunities under the 14th Amendment. A natural person has inalienable rights, secured by the Constitution. A person with corporate status, would have corporate income.

COLLECTIVE ENTITY RULE

Brasswell v. United States 487 U.S. 99 (1988) *This doctrine - known as the **collective entity** rule- has a lengthy and distinguished pedigree.*

What is a "collective entity"? A collective entity is simply a corporate entity. Since the status of U.S. citizen can be created by naturalization let's see what naturalization is, and determine if a U.S. citizen is part of a collective entity.

Naturalization. *The process by which a **person** acquires nationality **after birth** and becomes entitled to the **privileges of U.S. citizenship**. In the United States **collective** naturalization occurs when **designated groups** are **made** citizens by treaty (as Louisiana Purchase), or **by a law of Congress** (as in annexation of Texas and Hawaii).* Black's 6th Ed.

Person. *Scope and delineation of term necessary for determining to whom Fourteenth Amendment of Constitution affords protections since this Amendment expressly applies to "person".*

Let's review the definition of artificial person.

Artificial persons. ***Persons created and devised by human laws for the purposes of society and government, as distinguished from natural persons.*** *Corporations are examples of artificial persons.* Black's 6th Ed.

The 14th Amendment applies to "persons", and person in legal parlance means an artificial person, in distinction from a natural person. *"Collective" "naturalization occurs when designated groups"* (inhabitants) *"are* **made** (created) *citizens by a law of Congress".* These artificial persons were "*created and devised by human laws* (14th Amendment U.S. citizen) *for the* (revenue) *purposes of society and government",* and have their names spelled in all capital letters. These designated groups are "made" or created corporate citizens/employees and are distinguished from natural persons.

A natural person, with his named spelled in upper and lower case letters, has inalienable rights, and is NOT a corporate U.S. citizen. An artificial person, and corporate citizen of the United States, has his name spelled in all capital letters. A natural person cannot be an artificial person at the same time.

The theme of the collective entity rule states:
Brasswell v. **United States 487 U.S. 99 (1988) quoting, United States v. White 322 U.S. 694 (1944)** *But individuals, when acting as representatives of a collective group, cannot be said to be exercising their personal rights and duties, nor be entitled to their purely personal privileges. Rather they assume the rights, duties and privileges of the artificial entity or association of which they are **agents** or officers and they are bound by its obligations.*

Under the collective entity rule, if John Joseph Smith contracted to be a representative or agent of the corporate citizen JOHN JOSEPH SMITH, then he would not be able to exercise his

inalienable rights, which are his personal rights. John Joseph Smith (American Citizen) is contracting to be the agent of JOHN JOSEPH SMITH (U.S. citizen), thereby waiving his inalienable rights.

After the birth of John Joseph Smith, a new artificial person was created (JOHN JOSEPH SMITH), by the 14th Amendment, under the collective entity rule, and was naturalized as a corporate citizen of the United States. This did not destroy the natural person, but simply created a second separate legal entity, a legal fiction, artificial person. This legal fiction was created as an agent (U.S. citizen) of the corporate U.S. government to engage in commerce and collect revenue for the governments, federal, state, and local. You contracted to represent this artificial perosn, thereby waiving your inalienable rights.

A sovereign flesh and blood person is an American Citizen.

A corporate U.S. citizen is an artificial person and is a government agent/employee.

WHICH ONE ARE YOU?

Chapter 1 A LITTLE TRUE HISTORY

In order to understand the income tax, you must understand how it came about and how it was originally meant to be collected.

So let's just start at the founding of America and just work forward from there. The real start of **America** was with the Declaration of Independence on July 4, 1776. The real start of the **United States** was on September 17, 1787, with the ratification of the Constitution. **YES! There is a difference!** It will be explained as we go. That is why it is important to read this book in order.

FROM WHERE DOES THE POWER TO TAX ORIGINATE??

First we have to find out where the taxing powers came from.

Our forefathers designed this country to be a free country, with no king and no subjects. They had just left the oppressive government of England, and did not want to create the same thing all over again. This new country and its new government was to be a concept that was unfamiliar to the common people. It was based on the concept that every man was his own master and a king in his own house. Every individual was to be a SOVEREIGN with 'inalienable' rights. What is a sovereign?

Black's Law Dictionary.
Sovereign. *A person, body, or state in which independent and supreme authority is vested;*
Sovereignty. *The supreme, absolute, and uncontrollable power by which any independent state is governed; supreme political authority; the supreme will; paramount control of the constitution*

and frame of government and its administration; ***the self sufficient source of political power from which all specific political powers are derived;***

Sovereign means *"having supreme rank, power and authority. The greatest in degree."* (from Webster's dictionary) A king is sovereign. There is no one above him except his creator. The American people are the same. There is no government above you except your creator (whatever your concept of God is). NO human government! This country was based upon the concept of individual sovereignty. This country is owned by each and every individual, jointly, with everybody else. Like the song says, "This land is your land, this land is my land." We own it together. But running a jointly owned country is complex, just like running a jointly owned corporation. So the sovereign people joined together and contracted to hire managers to run the country for them. These managers were called governments, local, state and federal. The government is just an employee of the sovereign people! In order to keep the employees in line, the people drew up employment contracts with these government employees. These employment contracts, spelling out the duties and limitations of the managers, are called state constitutions. Each sovereign state has its own constitution. And, like the sovereign individual people, each sovereign individual state also bound together with the other states and hired a manager to take care of the joint interests of the states. This manager was the federal government, and the employment contract between the states and the federal government is called the U.S. Constitution.

First comes the Creator! (Whatever your concept of God is!)

Next comes the individual sovereign people, whom the creator created. These individual sovereign people each had inalienable rights.

Who rules whom here? Are the people over the Creator?

Next the sovereign people created the sovereign states, and their governments.

Next the states created the federal government.

Therefore, do the people tell the government what to do, or does the government tell the people what to do? Are the state governments superior to the federal government? This whole picture has been turned upside down. Now the federal government is all powerful. It rules over the states and over the people. Both the federal government and the state governments rule over the people. And God has been booted out of the picture completely, through separation of church and state. The church is now just a corporation, dictated to by the government. In fact, you cannot even be recognized as a church without getting permission from the government and becoming a corporation. Now your allegiance is first to the government, and then to God! Again, the order is reversed!

A government can also be sovereign, but in the United States of America, the government's sovereignty is delegated to it, by the people. Since all the American people own this country together, (one large ruling family) who is actually going to run it and make the day to day decisions? How were the people going to secure their inalienable rights? This is why

governments were created in this country. To protect our inalienable rights and handle the affairs of the state.

The **Declaration of Independence** tells us the true purpose of the government:
"*That to* **secure** ***these rights, governments are instituted among men, deriving their just power from the consent of the governed..."***

Most state constitutions plainly state this fact. Since I live in Colorado, I will quote the **Colorado Constitution, Article II Section 2:** *"The people of this state have the sole and exclusive right of governing themselves, as a free, sovereign and independent state:"* If this is true, and we are free sovereigns, then why do we pay income taxes to the federal government? Why not to Mexico also? The answer will surprise you!

The people of Colorado, the ruling family, have the right to govern themselves as sovereign individuals, free and independent, as a republic, not a democracy. The U.S. Constitution Art. IV Section 4, *". . . guarantees to every state in this union a republican form of government . . ."* Is your state run as a republic, or as a democracy? What's the difference between a republic and a democracy?

In a republic, (Rule by Law) every individual has inalienable rights from their creator. These inalienable rights of each individual are protected by all the other individuals, even if 5 million others disagree with how you exercise your inalienable rights. They cannot be violated. You can exercise these rights in any way you please, as long as you do not violate the rights of others. They cannot be voted away by a majority vote. Remember in school when you pledged allegiance to the flag, and the 'republic' for which it stands? Are you a Republican?

In a democracy, (Rule by Man) each individual votes to see what rights you have and what rights you don't. The majority vote rules. So if six people, 5 men and 1 woman, vote on a proposed new law that says the woman will provide sexual favors to the five men, and the 5 men vote for the law, and the woman votes against the law, then she loses and it becomes law. That's a democracy. It has been called 'Mob Rule'. The majority can decide anything they want, and it becomes law, even if it violates your rights. Are you a Democrat?

Would you rather live in a republic or a democracy? Remember, in a republic, you have inalienable rights, granted to you by God. In a democracy, you don't, You have 'civil' rights, which are granted to you by the civil government, and can be taken away at will.

Colorado Constitution Article II Section 1: *"All political power is vested in and derived from the people; all government, of right, originates from the people, is founded upon their will only, and is instituted solely for the good of the whole."*

YOU and I are 'the government', with all political power vested in us! As the ruling family, we did not want to be bothered with the day to day affairs of the state, so we delegated part of our sovereignty to government servants, to protect our rights. We put limits on that delegated power though, to prevent abuse. Those limits are called the constitutions. The constitutions, federal and state, are really nothing more than employment contracts between the sovereign people and their

public servants. These constitutions outline the powers that the servants can exercise and more importantly, the powers they do not have. If the power was not delegated, in writing, then the government servants do not have that power! The government has done a very good job of reversing these positions!

A Colorado court case helps clarify this.
"The individual, and not the state, is the source and basis of our social compact and that ***sovereignty now resides in and has always resided in the individual***." Colorado Anti-Discrimination Comm. v. Case 151 Colo 235, 380 p 2d 34 (1962)

This concept was hard for the people coming from oppressive governments to understand, back at the founding of our country, and it is hard for people to understand today. But stop and think about this a second. Can you be a sovereign individual without having inalienable rights? And can you have inalienable rights without being a sovereign individual? No! Sovereignty and inalienable rights are two sides of the same coin. You cannot have one without the other. **In this country, sovereign means the same as American.** But since governments want subjects to rule over, and not sovereign people ruling over it, this concept is not taught in public schools.

But, let's follow this concept from its roots and see what kind of government we grew. It really is very simple once you understand it.

The **Declaration of Independence** states *"We hold these* truths *to be self-evident, that* ***all men are created equal,*** *and 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 power from the consent of the governed..."***

Sounds great, but what does it mean? The government now claims to be the sovereign over the people. Is the government sovereign, or is it the people?

What this means, is that all Americans are created with equal rights. And those rights are unalienable. What does un-a-lien-able (or inalienable) mean? It means "incapable of being surrendered or transferred, or taken away." They cannot be liened or taxed without permission Did you give your permission?.

Inalienable rights. ***Rights which are not capable of being surrendered or transferred without the consent of the one possessing such rights.***

Just WHAT does the inalienable right to life, liberty and the pursuit of happiness include? They would include the following:

Freedom of religion. Freedom of speech and of the press. The right to keep and bear arms. The right to travel freely within the states without restriction. The right to be secure in our persons, houses, papers and effects, against unreasonable searches and seizures. The right to not be a witness against yourself. The right to a trial by jury. The right to marry. The right to own property, real and personal. The right to engage in a profession to earn a livelihood. Plus many

others. These rights were reserved in the first 10 amendments to the U.S. Constitution, which is aptly named The Bill of Rights.

Your inalienable rights cannot be surrendered or transferred without your consent, but they CAN be waived, or contracted away! It is a legal principle that if you don't claim your rights, you automatically waive them. Can you guess who came up with that principle? When you waive (by not claiming) your inalienable rights, you also waive your individual sovereignty. In the U.S. of A., if you are not a sovereign individual, then you are just a subject/slave of the government. And that is exactly how the government, especially the IRS, treats you, as a subject/slave. **You also waive your rights when you contract them away.**

Now where did these inalienable natural rights come from? The government? NO! Notice it says "governments are instituted to secure these rights", **not** to grant these rights. The individual sovereign Americans delegated powers to the government, so that the government could secure these rights for them. The government is just your bodyguard, protecting your rights. The government is your public servant. Not the other way around. Your unalienable rights came from your creator. **The creator is always above the created.** Remember this important distinction. The government grants 'civil rights', and withdraws them as is pleases. More on this later.

Colorado Constitution Article II Section 3. ***"All persons have certain natural, essential and inalienable rights**, among which may be reckoned the right of enjoying and defending their lives and liberties; of acquiring, possessing and protecting property; and of seeking and obtaining their safety and happiness."*

Natural inalienable rights are from your creator. Inalienable rights are really just property rights. No one can take your property from you without your consent. If they take it by force, then your rights are violated!

Colorado Constitution Article II Section 15. ***"Private property shall not be taken or damaged, for public or private use, without just compensation."***

One point to keep in mind here, is that your most fundamental **inalienable** property right is that of labor. (More on this later) So your labor (which is private property), or the income 'acquired' with your labor, cannot be taken without just compensation! When you are taxed on the income (property) exchanged (acquired) for your labor, is that taking your private property without compensation? Is that a violation of your inalienable right to property? You decide. If you decide yes, do you mind waiving your inalienable right to acquire property, and to pay a tax on that right, as a privilege? As you will learn in later chapters, the income tax is a tax on income from privileges.

The big question to ask, is, can an inalienable right be taxed as a privilege? The answer is yes, but ONLY if you first agree, and waive your inalienable rights of property. Have you waived your inalienable rights? Yes you have! I'll show you how later.

Where does the government get its power? From the consent of the governed. You! Every thing the government does, is approved by you, with your vote or non-vote. Think about it. Is the

government protecting your inalienable rights in a republic, or is it granting you civil rights in a democracy? Are you happy with the way your servants are running your country?

If not, only you can change it. YOU are the government!! The government is really only your personal company (the US of A, jointly owned with other Americans) and government employees are only your personal company managers, that you hired to manage the country for you, and to protect your rights. Remember, the Constitution is really just an employment contract with them.

But, the balance of power in this country has shifted, and the servant (the federal government) has become the master. At least that is what the government wants you to think. The power of the government is limited by the Constitution. The Constitution outlined the powers that were delegated to the government. The government only has the powers that were delegated to it by the people, and it's power is not unlimited. Yet. The government is presently trying to change and rewrite the constitution, so it can have unlimited power.

THE CONSTITUTION OF the UNITED STATES of AMERICA

In America, every man's home is his castle, every man is a king and every woman is a queen. Every individual has individual sovereignty. It is like each home is a sovereign country estate of its own. All these little countries, or estates, banded together and created states, with state constitutions to protect their rights. And then these states created a country, America, with a national constitution to protect the states' and the individuals' rights. The governing rights delegated to these governments were not all inclusive. Only certain ones were given and they were spelled out in the constitutions. What about the rights that weren't delegated?

U.S. of A. Constitution
9th Amendment: *The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.*

10th 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.*

All the powers delegated to the federal government are stated in the Constitution, in Article I, Section 8, and are very limited. Some of those limitations are stated in Sections 9 & 10. Notice that the powers not delegated, are retained by the States in their constitutions. And the powers not delegated to the States, are reserved to the individual sovereign Americans, the people.

Another important point to remember. The federal Constitution delegated two categories of power to the government. The first power was only for legislating for the 50 states, as delegated, and the second power was delegated to run the affairs of the federal government itself. This second power was an exclusive, unlimited power, under a democracy, because it did not apply to the 50 state republics, it applied only to property that the federal government owned, within it's geographical jurisdiction.

The federal government has spent the last 150 years trying to expand its jurisdiction to include the 50 states also. They have been successful.

The constitution divided the taxing powers -- for the 50 states only -- into two categories that all taxes must fall within to be legal. They are 'direct' and 'indirect' taxes. **This restriction did NOT apply to federal government jurisdiction over its own property.**

The first category is that of **DIRECT TAXES.** There are two authorities in the constitution delegating this power of direct taxation from the sovereign American people to Congress. The first is:
Article 1, Section 2, Clause 3: *"Representatives and* ***direct taxes*** ***shall be apportioned*** *among the states which may be included within this Union,* ***according to their respective numbers..."***
The second is:
Article 1, Section 9, Clause 4: "No capitation, ***or other direct tax, shall be laid, unless*** *in proportion to the census or enumeration herein before directed to be taken."*

What does 'apportioned among the states' mean? It means *"to distribute or allocate proportionally."* (Webster) It means divided up equally among the states, based on their population. That is one of the reasons a census is taken every ten years. **Also note that the federal government can impose a direct tax on the states, BUT NOT on the people.** This power was not delegated to them!

Notice that the first clause says that direct taxes are to be apportioned among the **states according to their numbers**. It doesn't say among the individual people, but among the states. If the government wants to raise 10 million dollars, it divides that amount proportionally among the states, based on their population. The states then collect it as they want, usually as a property, or other tax that is acceptable to them. Also note, that "no direct tax" shall be laid unless in proportion to the census. And since it is apportioned 'among the states', this restriction does not apply when taxes are laid outside the states.

That is why the government needs to take a census, so it knows how much tax it can raise from the states through direct taxation. This method of taxation was only used four times after the founding of America. The direct tax is levied on each separate state, according to the census, and then each state must collect its share of the national tax from its Citizens. The state Citizens cannot be taxed by the federal government, **with a direct tax,** without apportionment among the states, except when the state does not comply with the direct tax imposed on them. Remember, a direct tax is levied on the individual states, NOT on the citizens of that state. Some people think the 16th amendment removed the apportionment feature of direct taxes. This is not true. Even if direct taxes did NOT have to be apportioned, the tax must STILL be applied to the states, not to the individual people!

An important distinction is to be made here. A direct tax is ALWAYS on property. On your property rights.

It is on something you OWN. Your inalienable rights are either personal or real property. Therefore, **your rights cannot be federally taxed with a direct tax.** This restriction does not

apply to the states and states CAN impose a direct tax on your property, i.e. property tax. **Also note that the inalienable right of property also includes the income from that property.**

The second category is that of **INDIRECT TAXES.** There is one constitutional authority delegating this power of indirect taxation to Congress. It is:

Article 1 Section 8, Clause 1: "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."***

What does uniform mean? It means that all subjects in a taxable category or class, will be taxed at the same rate. If the tax on distilling alcohol is 5% of the net income, then all distilling of alcohol must be taxed at the same rate, 5%. Indirect taxes CAN be levied on **activities** engaged in by individuals.

A tax on duties, imposts and excises is NOT on the person (capitation tax) engaged in an activity, and it is NOT on the income (property) received from an activity, but is on the activity itself. And this taxable activity is a 'privilege' that is granted and regulated by the government How MUCH tax is imposed on that activity is determined by the income produced by that activity. The income is just a guideline for determining the amount of tax. The tax is NOT ON the income!

The important distinction here is that an indirect tax is on an activity, it is on something you DO! You can avoid the tax by not engaging in the activity! The income itself is not taxed. It is the ACTIVITY that produced the income that is taxed. And that activity is always a taxable privileged activity.

For example, a gasoline excise tax in not on the gasoline, it is on the sale of the gasoline. Gasoline is property, not an activity. Property can only be taxed with a direct tax. It is the 'sale' of the gasoline that is taxable, an activity.

These are the only two legal categories for all federal taxes in the 50 states, direct and indirect. All taxes must fall into one or the other, and each class must be collected as directed in the Constitution. All direct taxes must be apportioned among the states, and all indirect taxes must be uniform. Remember, this applies only to the 50 United States of America, and not to D.C. or the U.S. possessions. These constitutional mandates have never been repealed.

Now, of all the things that are taxable in the 50 states, they can be boiled down to 2 main categories:
(1) **Inalienable rights**, which include **property** (real and personal), and the income from that property.
(2) **Privileges,** which are always granted by the government, and are always activities.
The Constitution tells us how each type of tax is to be administered.

Inalienable rights, exercised by the people, can only be taxed directly with a capitation (head) tax, or a direct tax apportioned among the states. A capitation tax is on your body, which is your personal property, and is imposed on the state where the people live, not on the people directly.

Privileges, are taxed through duties, imposts and excises, and they must be taxed uniformly. These **activities** are taxed indirectly. The tax is not on the people or the property, because these can only be taxed directly, through apportionment. Therefore, the tax is called indirect, because it is on a privileged activity (such as the manufacture of alcohol), but the tax is indirectly passed on to the people buying the alcohol. Any tax on a company activity is really passed on to the customers. That makes it an indirect tax. The government is saying that an excise tax is not on you personally, but it really IS, indirectly. If you don't like the tax, don't buy the product.

Another important distinction must be made here. As you will learn, the income tax has been declared by the Supreme Court to be in the category of an excise tax. **An excise tax is not on property, but is on privileges.** Privileges granted by the government. Before you can be liable for an income tax, you must be exercising a government privilege that is producing income. The question to ask here is: When I receive income, am I receiving it in connection with the exercise of an inalienable right, or in connection with the exercise of a government privilege? What is the SOURCE of that income, and is there a tax imposed on that source activity? The Internal Revenue Code (IRC), in section 61, lists items of income **from** taxable 'sources', whatever that source may be. It does not list the sources though!

If the items of income are received 'in connection with' the exercise of an inalienable right (the source), then that income can only be taxed with a direct tax with apportionment among the states,

If the items of income are received 'in connection with' the exercise of a excise taxed activity, a privilege (the source), then that income can be taxed with an indirect excise tax on the privileged activity that produces the income.

Is your income received from the exercise of an inalienable right? Or from the exercise of a privilege? What is the source? To stack the deck in their favor, the federal government ALWAYS presumes that your income was received from an excise taxed activity, unless and until you claim otherwise.

What if you use the inalienable right of property in a privileged taxable activity, then how would the income be taxed? The 16th Amendment was passed for that very situation. It basically says that if you are engaged in a privileged activity, then any income received from anything 'connected' to that privileged activity is taxable with an income tax. (From whatever taxable source) ie: A tax on the income from your personal inalienable right to farm (real property) would have to be a direct tax. But if you used that same farm in a corporate activity, (a privilege) then the income would be taxable as an indirect excise tax on the privilege. Do you see why the government recommends incorporation for any business. It converts your inalienable right to a taxable privilege!

The way the laws are set up in this country, the government automatically presumes that your income is received from a privileged taxable excise activity, and therefore is taxable with an excise income tax. It is up to you to prove otherwise.

You must exercise your inalienable rights and claim those rights, or the government will claim your rights are privileges, and tax them accordingly. If the government calls your inalienable rights privileges and then taxes them as privileges, and you don't object, WHO IS TO BLAME?

SUMMARY

The U.S. Constitution is clear.

The American people, are all individual sovereigns, who collectively created the state and federal governments. They delegated certain powers, via constitutions, to these governments, to protect their rights and run their political affairs for them. They reserved all powers not delegated, to themselves.

Sovereigns have inalienable rights.

Subjects of the government have privileges and immunities, also called civil rights.

The powers delegated to the federal government, to legislate for the 50 republic states, are enumerated in the Constitution. The powers delegated to the federal government, to legislate for its own property and jurisdiction, are unlimited and a democracy.

Taxes on the income from the exercise of inalienable rights (property) are always direct taxes, (directly on you) and must be apportioned, among the states, to be constitutional.

Taxes on privileged activities (excises, duties and imposts) are always indirect taxes and must be uniform. They are not directly on you, but you indirectly pay them anyway.

Direct taxes are on something you OWN. Rights and property, including the income from that property.

Indirect taxes are on something you DO. Privileged activities.

WARNING!

Do NOT use these arguments when confronting the IRS or any branch of state or federal government, IF your are a citizen/subject of the federal government, **also known as a U.S. citizen.** The governments in the United States do not recognize inalienable rights and the court systems do not uphold the constitutions, except when it benefits them.

Chapter 2 The TRUTH About Inalienable Rights!

Just WHAT is an inalienable right? We learned from the first chapter that they include:

Freedom of religion. Freedom of speech and of the press. The right to keep and bear arms. The right to travel freely within the states without restriction. The right to be secure in our persons, houses, papers and effects, against unreasonable searches and seizures. The right to not be a witness against yourself. The right to a trial by jury. The right to marry. The right to own property, real and personal. The right to engage in a profession to earn a livelihood. Plus many others. These rights were reserved in the first 10 amendments to the U.S. Constitution, which is aptly named The Bill of Rights.

Let's look at a few of these.

FREEDOM OF RELIGION. Do you have freedom of religion? What does that mean? To me it means that I have the right to worship, or not worship, any deity I want, without interference. It is the right to assemble with others of like faith and exercise our beliefs. Can you do that today? **Can you form a church without permission from the government? The answer is NO!** Every church that wants to be officially recognized as a church in the United States, must get permission from the government to be classified as such. If you do not get this permission, then you cannot legally be called a church and all the donations made to the church are taxable as income. The federal statutes for this are in the income tax statutes, found in 26 USC (United States Code). You MUST file for a tax exempt status in order for your church not to be tax exempt for income tax. See 26 USC 501(c)(3). And you cannot file for this status unless you are a corporation! Why the government wants your church to be a corporation is revealed in later chapters.

Your inalienable right to worship **and support** a ministry of your choice is taxed to the church as a privilege, unless the church gets an exemption from the government. And that exemption can be denied if your church engages in any number of prohibited transactions.

Now I ask you, if the government can tax the ministry of your choice, for the donations you made to that ministry, does that congregation have freedom of religion, without first getting permission to be exempt from taxation, subject to numerous conditions? **Since the income tax is an excise tax on a privilege, what is the privilege that the church is exercising?**

FREEDOM OF SPEECH. Do we still have this freedom? Does the government censor the news that we are allowed to hear? Are their government conspiracies and coverups? If you exposed these secret operations, would you still have freedom of speech?

RIGHT TO KEEP AND BEAR ARMS. Can you go out and buy a gun without getting permission from the government? Without getting the required background check? Without getting a license for it in many states? Can you carry it under your coat without a special license

from the government? Can you keep one in your car without getting it confiscated by the police during a traffic stop if it is actually loaded, so you can protect yourself? Do you have the right, or the privilege?

RIGHT TO TRAVEL FREELY. Can you drive down to the grocery store, or to your parents home, without permission from the government, in the form of a driver's license? Can you be stopped for all kinds of inane traffic laws and be fined, like for not stopping at a dead stop at a stop sign when there are no other cars present? Or going 5 miles over the speed limit on a deserted highway? Or not getting the permission to drive in the first place? Do you have the inalienable right of liberty, or is it just a privilege from the government? The TRUTH is that driver's licenses only apply to commercial vehicles that are using the roads and highways for profit. Using the highways to make a profit in your business is a privilege and requires a driver's license, registration and insurance. If you are only driving your private property for the pursuit of happiness, then can this right be taxed and licensed? NO!

RIGHT TO BE SECURE IN OUR PERSON, HOMES, PAPERS AND EFFECTS AGAINST UNREASONABLE SEARCHES AND SEIZURES. The last time you went to the airport to meet some friends, or to travel yourself, did you consider it reasonable to have to go through a body search to see if you were a criminal? Are you guilty until proven innocent? Have you ever heard of the IRS raiding a business or home without a search warrant? And did they seize anything while they were there? Did the victims consider this reasonable? Where you ever stopped by the police at a traffic checkpoint, just to make sure you were licensed and registered? Did you consider this reasonable? Do you have this right?

RIGHT TO A TRAIL BY JURY AND TO NOT BE A WITNESS AGAINST YOURSELF. Are you required to sign a tax return and be a witness against yourself? YES! If you didn't file a tax return, can the IRS force you to reveal how much income you had, against your will? YES! If the IRS didn't like your income figures and gave you a notice of deficiency, and you appealed it to tax court, do you have the right to a trial by jury? NO! If the civil trial brought out some serious tax avoidance issues that the court considered evasion, can the government use that information against you in a criminal investigation and/or conviction? YES! Do you have these rights?

RIGHT TO MARRY. If you find the person of your dreams, can you marry them without a license from the state? Can the minister, rabbi, etc., just perform the ceremony, without a license, and you will be legally married? NO! The government will not consider you married without a license. In fact, the original purpose of the marriage license was to allow people of different races to get married, because it was against the law to marry someone from another race. This is legally called miscegenation. Today people of different races CAN get married, but they need a license from the state. Did you marry someone of another race? If not, then why did you get permission from the state first, in the form of a license? Don't you have this right?

RIGHT TO OWN PROPERTY. Do you own any property? A home or a car? If you do, can you do what you want with that property? Can you build an addition on to your house without permission from the county? Do you have building permits or zoning in your county? Can you only do what the government allows you to do with that property? Could you get a pet pig and

let it run around your yard? Or chickens? If you own an inoperable car, or a motor home, can you store it in your yard? Why not? Don't you have the right of property? If you don't pay your property tax or your vehicle license tax, will the government confiscate your property and sell it to someone else? If you own a $200,000 home, free and clear, and you lost your job, and you didn't pay the $2,000 property tax, can the government take it and sell it to someone for the amount of the tax, and kick you out without a dime? Do you have the right of property?

RIGHT TO ENGAGE IN A BUSINESS OR LIVELIHOOD. If you wanted to open a store and sell anything, can you do it without a business license? If you wanted to offer carpentry services to the community can you do it without a business license? If you wanted to offer nursing services to sick people, can you do it without a license? If you gave your neighbor some legal advice, are you practicing law without a license? If you did some herbal healing on your friend, did you practice medicine without a license? If you ant to engage in practically any business or profession, can you do so without a license? Didn't the Supreme Court say that our labor was our most basic property right and that all other rights were based on this right? Do you have this right?

To put all these rights into perspective, we know to know the definition of a license.

Blacks Law Dictionary 6th Edition says:

License. *The permission by competent authority to do an act which, without such permission, would be illegal, a trespass, a tort, or otherwise not allowable.*

A license is permission from the government to do something, that, without the license, **would be illegal.** Therefore it is illegal to get married. It is illegal to drive a car. It is illegal to open a business. It is illegal to build a house. It is illegal to give good advice to someone concerning a legal problem they have. It is illegal for a person to tell another about some health remedy that they should try. In fact, just about everything you do, is illegal! IF YOU DON'T GET A LICENSE FIRST! It is illegal for a store to sell you anything without a sales tax license.

All your inalienable rights are now regulated by statutes, and are now called civil rights. Civil rights can be granted and denied at will by the government.

Now I ask you, do you have inalienable rights? What are they? Which one did you use lately?

SUMMARY

Almost ALL of our inalienable rights have been converted to privileges, WITH our consent. How, you ask? We have contracted them away in exchange for benefits from the government. Most people, when given the choice between freedom and sandwiches (government handouts), will choose sandwiches. And will sign a contract, giving up their rights, to get those sandwiches. People just do not want to be responsible for themselves and their own actions, and have contracted with the government to have them take that responsibility for you, with chains and restrictions of course.

WARNING!!

Use this information ONLY AFTER you have reclaimed your inalienable rights. At present you do not have any! If you attempt to use any of the information in this chapter BEFORE you do that,, the IRS and the courts will call it a frivolous argument and without merit. They WILL rule against you! Use this information at your own risk! More information on this in later chapters on Citizenship.

Chapter 3 The TRUTH About Income Tax!

INCOME TAX Is NOT On INCOME !

An important distinction to remember is the difference between direct and indirect taxes. What's the difference again?

DIRECT TAX. An easy way to remember the difference between direct taxes and indirect taxes is to remember that direct taxes are DIRECTLY on inalienable rights (people or property, real and personal). A direct tax can be thought of as **simply a property tax.** It is on something you own. (your body, your possessions, your rights)

INDIRECT TAX. Indirect taxes are able to be passed on to someone else INDIRECTLY (excise tax, ie; alcohol tax or corporation tax). An indirect tax can be thought of a **simply an activity or privilege tax**. It is on something you do. Exercising a privilege.

Take the alcohol tax for example. The tax is not on the alcohol itself (property), but on the manufacture or sale (activities) of the alcohol. (a government granted privilege requiring a license) Or a corporation tax. The tax is not on the corporation itself (property), or its income (also property), but on the privilege of doing business as a corporation, which privilege (not a right) is also granted by the government. The Supreme Court makes that clear: (Note: 'U.S.' in these court cites indicates a United States Supreme Court decision)

Doyle v. Mitchell Bros. Co. 247 U.S. 179 (1918) This case concerns the Corporation Excise Tax Act of August 5, 1909. The court stated: *An examination of these and other provisions of the act makes it plain that* ***the legislative purpose was not to tax property as such,*** *or the mere conversion of property (into cash),* ***but to tax the conduct of the business of corporations organized for profit by a measure of the gainful returns from their business operations and property from the time the act took effect. As was pointed out in*** *Flint v. Stone Tracy the tax was imposed 'not upon the franchises of the corporation irrespective of their use in business,* ***nor upon the property of the corporation,*** *but upon the doing of corporate or insurance business and with respect to the carrying on thereof'; an exposition that has been consistently adhered to.*

Both the alcohol tax and the corporation tax are on the activity, but are passed on to the consumer, the one buying the alcohol or the one buying the products or services of a corporation. The tax is just indirectly collected from the person buying the end product or service. The

government also catches the end products with a sales tax. Even a sales tax is not on the product itself, but is on the licensed business privilege of selling the product.

The Supreme Court clears up any confusion for us.

Pollock v. Farmers' Loan & Trust Co. (rehearing) 158 U.S. 601 (1895) *"As heretofore stated, the Constitution divided Federal taxation into two great classes, the class of direct taxes, and the class of duties, imposts, and excises; and prescribed two rules which qualified the grant of power as to each class. The power to lay direct taxes apportioned among the states in proportion to their representation in the popular branch of Congress, a representation based on population as ascertained by the census, was plenary and absolute;* ***but to lay direct taxes without apportionment was forbidden."*** *(pg. 617, 618)*

The original *Pollock* case arose because of the Revenue Act of 1894. The decision was so confusing that this rehearing was held.This case has never been overturned!

Now that we understand that there are two main categories of taxation, **what types of things are taxed with each kind of taxation?** You would think that it would be easy to separate what you 'own' from what you 'do', or an inalienable right from a privilege, but apparently that is not the case with the government. Or maybe they just don't want you to KNOW?

Luckily, Supreme Court decisions have legally defined it for us. (Note: The *Pollock* case was before the income tax mentioned in the 16th Amendment.)

In 1894 Congress passed the Revenue Act of 1894. In this act Congress attempted to tax people and property (both taxable only with a direct tax) with an indirect tax, and call it a 'duty', levied without apportionment. The Supreme court found this unconstitutional and ruled:

Pollock v. Farmer's Loan & Trust Co. 158 U.S. 601 (rehearing) (1895) *"It is said that a* ***tax on the whole income of property*** *is not a direct tax in the meaning of the Constitution, but a duty, and, as a duty, leviable without apportionment, whether direct or indirect.* ***We do not think so.*** *Direct taxation was not restricted in one breath, and the restriction blown to the winds in another. (pg 622)*
The power to tax real and personal property (labor) ***and the income from both, there being an apportionment, is conceded: that such a tax is a direct tax in the meaning of the Constitution has not been, and, in our judgment, cannot be successfully denied: . . .*** (pg 634)
We have considered the act only in respect of the tax on income received from real estate, and from invested personal property, and have not commented on so much of it as bears on gains or profits from business, privileges, or employments, in view of the instances in which taxation on business, privileges, or employments has assumed the guise of an excise tax and been sustained as such. (pg. 635)
Our conclusion may, therefore be summed up as follows:
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 (labor), 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, constituting one entire scheme of taxation, are necessarily invalid." (pg 637)*

This case clearly proves that a tax on property (things you own), real or personal, must be a direct tax with apportionment among the states. And that taxes on businesses, privileges, or employments (things you do) have been sustained as indirect excise taxes. Remember, these decisions apply only to the 50 states.

So, then what category does the income tax fall into? Again let's let the Supreme Court decide that for us.

Brushaber v. Union Pacific Railroad Co. 240 U.S. 1, 16-17 (1916) *"The conclusion reached in the Pollock case ...recognized the fact that* ***taxation on income was****, in its nature,* ***an excise****, entitled to be enforced as such."*

The income tax is an EXCISE tax ! It is on something you DO! An activity or privilege tax! The tax was not on income, but on an activity.

The income tax does not neatly fall into any of the four constitutional taxes: direct property tax, imposts, duties, or excises. But to be constitutional the income tax must fall within one of the four classes, so the closest was an excise.

Black's Law Dictionary. 6th Edition.
Excise tax. ***A tax imposed on the performance of an act, the engaging in an occupation, or the enjoyment of a privilege.***

The *Brushaber* case was in 1916. The 16th amendment was passed in 1913. The corporation tax was imposed in 1909. Many people think the 16th Amendment changed the income tax to a direct tax, to be collected without apportionment. The 16th Amendment changed NOTHING! This is the second greatest fraud perpetrated on the American people. This will be examined in a later chapter. But don't jump ahead yet!

So, what do we know so far?

The inalienable right of property, (things you own - real and personal) is only taxable, in the 50 states, with a direct tax, with apportionment. And property is acquired, possessed, and disposed of through inalienable right, secured by your state constitution.

If that is the case, is 'labor', or the 'income from labor' (wages), considered property? Or is the receiving of income a taxable activity? Can you decide yet?

The inalienable right of property can only be taxed with a direct tax in the 50 states, according to the above Supreme Court decisions.

The important point to remember here, is that an inalienable right cannot be taxed as a privilege.

So you see, once before (1894) Congress tried to tax the inalienable right of real and personal property with an indirect tax, and the Supreme Court ruled it unconstitutional **because it was not applied as a direct tax and apportioned.** The law has not changed. To attempt to collect a federal tax on real property, or personal property, or the income from either, as a direct tax, without apportionment, is still unconstitutional.

The income tax itself is NOT unconstitutional, because it is an indirect excise tax on privileges. It all depends on the subject being taxed, (something you own or something you do) and how the IRS attempts to collect it. It also depends on whether the tax is collected in the 50 states or not. The income tax is perfectly legal in the 50 states when it is 'imposed' on a taxable (privileged) activity, measured by the income produced, and is not directly on the income itself, and is collected as an indirect excise tax.

Is converting labor to cash a privileged excise taxable activity, or is it an inalienable right? Are labor and cash both something you own? Or something you do?
The answer coming up!

We have already learned that converting real estate to cash is not an excise activity which is taxable. It is an inalienable right to acquire, possess or dispose of property, under both state and national constitutions.

Eisner v. Macomber 252 U.S. 189 pg 205 (1920), *"Be that as it may, it is concluded **in all these cases**, from that of Hylton to that of Springer, that taxes on land are **direct taxes, and in none of them is it determined that taxes on rents, or income derived from land are not taxes on land."*** also see Hylton vs. U.S. 3 U.S. 171 (1796), Springer vs. U.S. 102 U.S. 586 (1880), Pollock vs. Farmers Loan and Trust 158 U.S. 429, pg 578,579 (1895).

The Supreme Court says all these cases agree. Property, (what you own) and the income from that property, can only be taxed with a direct tax with apportionment. Let's let the Supreme Court clarify it one more time.

Knowlton v. Moore 178 U.S. 41 (1900) *"Direct taxes bear immediately upon **persons,** upon **possessions** and **enjoyment of rights.** Indirect taxes are levied upon t**he happening of an event** or an exchange."*

OK, so now we know that the income tax is an excise tax; and that an excise tax is an indirect tax; and that an indirect tax is levied upon the happening of an event (privileged activity). But, what exactly are excises?

The good ol' Supreme Court tells us.

Flint vs Stone Tracy Co. 220 U.S. 107 (1911) ***"Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon licenses to pursue certain***

(licensed) ***occupations and upon corporate privileges; the requirement to pay such taxes involves the exercise of privilege."*** *"...Conceding the power of Congress to tax the business activities of private corporations ... the tax must be measured by some standard... It is therefore* ***well settled*** *by the decisions of this court that when the sovereign authority has exercised the right to tax a legitimate subject of taxation* ***as an exercise of a franchise or privilege****, it is no objection that* ***the measure of taxation is found in the income..."***

Tyler vs U.S. 281 U.S. 497, at pg 502 (1930) *"A tax laid upon the happening of an event, as distinguished from its tangible fruits, is an indirect tax."*

The happening of an event (something you do) versus its tangible fruits (something you own).

The indirect or excise income tax is NOT **ON the income itself,** but on a privileged (licensed) activity, (manufacture, sale or consumption), or on the exercise of a privilege (corporate franchise or licensed occupation) that produces the income. The income from that activity is used to measure the amount of the tax to charge for this activity or privilege. **But there still must be a tax imposed on that activity or privilege, BEFORE it can be collected!**

But what about a tax on income received from your labor, when your occupation does not require a license? Is labor a privileged taxable activity? Or is labor an inalienable property right that can only be taxed with a direct tax? Again, to the Supreme Court.

Butchers' Union Co. v. Crescent City Co. *111 U.S. 746 (1883) "As in our intercourse with our fellow-men certain principles of morality are assumed to exist, without which society would be impossible, so certain inherent rights lie at the foundation of all action, and upon a recognition of them alone can free institutions be maintained. These inherent rights have never been more happily expressed than in the Declaration of Independence, that new evangel of liberty to the people: "We hold these truths to be self-evident" - that is so plain that their truth is recognized upon their mere statement - "that all men are endowed" - not by edicts of Emperors, or decrees of Parliament, or Acts of Congress, but "by their Creator with certain inalienable rights" -- that is, rights which cannot be bartered away, or given away, or taken away except in punishment of crime -- "and that among these are life, liberty and the pursuit of happiness, and to secure these" -- not grant them but secure them-- "governments are instituted among men, deriving their just powers from the consent of the governed."*
"Among these inalienable rights, as proclaimed in that great document, is the right of men to pursue their happiness, by which is meant the right to pursue any lawful business or vocation, in any manner not inconsistent with the equal rights of others, which may increase their prosperity or develop their faculties, so as to give them their highest enjoyment. ***The common business and callings of life, the ordinary trades and pursuits, which are innocuous in themselves, and 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 or 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.***
It has been well said that, "The property which every man has is his own labor*, as it is the original foundation of all other property, so it is the most sacred and inviolable. The patrimony*

of the poor man lies in the strength and dexterity of his own hands, and to hinder his employing this strength and dexterity in what manner he thinks proper, without injury to his neighbor, is a plain violation of the most sacred property.

Sounds very Libertarian doesn't it? Notice where it says *the right to pursue any* lawful *business or vocation.* 'Lawful' is different than legal, and means that you can engage in that occupation without a license. If it DID require a license, and you didn't get one, that would be illegal. Lawful means engaged in by inalienable right. Legal means engaged in by civil right, a privilege under the statutes.

Coppage v. Kansas 236 U.S. 1, at 14 (1915) *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.***

The Supreme Court has ruled that your labor is your most sacred **property**, and it is the basis of all other inalienable property rights. The Colorado Constitution states that acquiring and possessing property is an inalienable right. Can inalienable rights be taxed as privileges granted by the government? Not legally. Maybe Congress, when they passed the income tax laws, meant labor to be taxed? But, remember, Congress can not legislate away parts of the Constitution. They can only pass laws that are in accordance with the Constitution, because the Constitution is where Congress gets its authority. If Congress could vote out the Constitution, you would have no rights. Let's see what Congress has to say.

CONGRESSIONAL RECORD STATES THAT THE INCOME TAX IS NOT ON INCOME, but is an excise tax, applied only to certain taxable activities and privileges!

From **Congressional Record - House** March 27, 1943. pg 2580
"*So the amendment (16th) made it possible to bring investment income within the scope of the general income-tax law,* ***but did not change the character of the tax. It is still fundamentally an excise or duty with respect to the privilege*** *of carrying on any activity or owning any property which produces income.* ***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 they produce. The* ***income is not the subject of the tax: it is the basis for determining the amount of tax.****"*

Is Congress right? They make the laws, don't they? They said "**Income is not the subject of the tax.** It is the basis for determining the **amount** of tax" on a taxable activity or privilege. They checked it out themselves again and also came up with the following 1979 report, which was updated in 1984.

From a report by The Congressional Research Service**. Report No. 84-168A, 784 / 725 titled "Some Constitutional Questions Regarding the Federal Income Tax Laws", dated May 25, 1979, and updated Sept. 26, 1984**
"The Supreme Court, in a decision written by Chief Justice White, first noted that the Sixteenth Amendment did not authorize any new type of tax, nor did it repeal or revoke the tax clauses of

Article I of the Constitution, quoted above. Direct taxes were, notwithstanding the advent of the Sixteenth Amendment, still subject to the rule of apportionment and indirect taxes were still the subject of the rule of uniformity. Rather, the Court found that the Sixteenth Amendment sought to ***restrain the Court*** *from viewing an income tax as a direct tax because of its close effect on the underlying property."* (pg 5)

Congress writes the laws, and Congressional Record states that the income tax is on taxable privileges. A tax on your labor, or the income from your labor - (personal property) is the same as a tax directly on you, just the same as a tax on rents is legally the same as a tax on the property that produced the rents.

So if the income tax is an excise tax on privileged activities, then why is the income tax mandatory? Surprise! IT ISN'T! According to the Supreme Court.

Flora v. U.S. 362 U.S. 145, at 176 (1960) *Our system of taxation is based upon voluntary compliance and self assessment, and not upon distraint* (force).

The Supreme Court says our system of taxation is voluntary and not based upon force (distraint). Why is that? Because to engage in a privileged (licensed) excise taxable activity is voluntary. The tax only becomes mandatory when you voluntarily engage in the privileged activity. But, do the laws back this up? Let's look at the Code of Federal Regulations (CFR) for income tax, also known as Title 26, or Treasury Regulations.

26 CFR 601.103 *"Summary of general tax procedure.*
(a) Collection authority. The tax system is basically one of self assessment."
26 CFR 601.602 *"Tax forms and instructions.*
(a) Tax return forms and instructions. The tax system is based on voluntary compliance, and the taxpayers complete and return the forms with payment of any tax owed."

If you file a return, you self-assess yourself, and claim, under penalty of perjury, that you are engaged in a privileged taxed activity. If you pay the amount due on the return, you complied voluntarily. Do these 2 regulations imply that everyone is required to file a return? NO. Only IF you are liable for an excise tax. Then you are required to file a return. Will the IRS protest, if you are misinformed, and are not engaged in a licensed activity or occupation, but filed a return anyway claiming that you are? Will they voluntarily return your money after they tricked you into paying it and swearing that you owed it? No! In fact, since you swore, under penalty of perjury, that you had excise taxed income, you then give them the full power of the law to come after you if you don't file or pay!

And why do you self-assess yourself? Because the IRS cannot legally assess a tax or a penalty on you without an assessment if you do not file a return.

Internal Revenue Code (IRC) Sect. 6203. Method of assessment. *The assessment shall be made by recording the liability of the taxpayer in the office of the Secretary* ***in accordance with rules or regulations prescribed by the Secretary.***

Surprise! If you will look up the regulations for income tax, 26 CFR Part 1 - Income Tax, you will find that there are no regulations for the assessment of income tax. If there are no regulations, can the IRS make an assessment for you if you choose not to make a self-assessment? NO! You volunteer!

YOU must decide for yourself, BEFORE you file a return, whether you are receiving income from the exercise of an inalienable right, or if you are receiving income from the exercise of a taxed privilege. The IRS will not decide for you. They will just tell you that if you have taxable income, you are required to file a return. And they are right.

But what if the IRS files a return for you? Can they do that and then do an examination of that fictitious return, and find a large deficiency? They do it every day!

IRC 6201 Assessment authority. *(1) The Secretary shall assess all taxes determined by the taxpayer or by the secretary* ***as to which returns or lists are made*** *under this title.*

A tax can only be assessed if a return was filed! IRC 6061 and 6020(b)(2) both require tax returns to be signed, either by the taxpayer or by the Secretary. The next time the IRS tries to assess a tax on a fictitious return you did not file, demand to see the signed return! There is none! So if you did not file a return and self-assess yourself, then no tax can be assessed against you. There are no regulations for income tax assessment, so without a signed return by you, no assessment can be legally made by the IRS. **If they DO prepare a return for you and you agree with it, because of intimidation, then it becomes legal!**

BUT, DID you have taxable income?

Since the federal government cannot tax your inalienable rights as privileges, can your state government tax a constitutional right?

Murdock v. Pennsylvania 319 U.S. 105, at page 113 (1943) *"A state may <u>not</u>, through a license tax, impose a charge for the enjoyment of a right granted by the Federal Constitution."*

The 'federal' government can tax inalienable rights, (persons and property) when the tax is a direct tax. 'States' cannot license or tax federal constitutional rights. That is reserved for the federal government. But your inalienable rights are secured by the state Constitutions in the first place, since the 9th and 10th Amendments to the U.S. Constitution reserves those rights and powers not delegated. States cannot tax inalienable rights as privileges either. Your property CAN be directly taxed by the state! But the states are lazy. The states just let the federal government determine if your income is taxable or not, and then just take a percentage of that figure. So if you have no federal taxable income, then you also have no state taxable income.

To thoroughly get the term 'excise' straight, let's let some lower federal courts clarify the term excise for us also:

American Airways v. Wallace 57 F.2d 877, 880 *"The terms "excise tax" and "privilege tax" are synonymous. The two are often used interchangeably."*

Manufacturers' Trust Co. v. U.S. 32 F. Supp 289 *"A tax levied upon property, **because of its ownership, is a direct tax, whereas one levied upon property because of its use** is an excise, duty or impost."*

From the legal encyclopedia **American Jurisprudence** Chapter 71 State and Local Taxation, Section 28, we read, ***"The obligation to pay an excise is based upon the voluntary action of the person taxed in performing the act, enjoying the privilege, or engaging in the occupation which is the subject of the excise, and the element of absolute and unavoidable demand is lacking."***

You can avoid an excise tax by avoiding or not participating in the activity or privilege that is the subject of the tax. Since the income tax has been ruled to be an excise tax, then the same principle would apply. If you do not engage in the privileged (licensed) taxable activity or occupation, then you will not be subject to the tax. It is voluntary!

Again, from **American Jurisprudence** (Am. Jur.) Chapter 71 Section 94, we read ***"The* (inalienable) *right to acquire, possess, or own property cannot, according to one doctrine, be made the subject of an excise tax.*** *The theory appears to be that a tax upon the right to acquire, possess, hold or own property is tantamount to a tax upon the property itself, and hence, must be regarded as a property tax and not an excise tax."*

71 Am. Jur. 194 says *"A tax on an essential attribute of a thing is a tax on the thing itself, and no tax can be imposed on the right of ownership, which is not also a tax on property. **An individual,** unlike a corporation, **cannot be taxed for the** mere privilege of existing, nor for the **enjoyment of the right to own property.**"*

Another important distinction between rights and privileges, must be made here.

Rights are from the creator, and are inalienable. They cannot be legally taken away. BUT, you can waive them by not using them, or by contract. . If you don't exercise your rights, you have none. If you agree not to claim them, under a contract, then again you don't have them.

Privileges are from the government in the form of licenses and government contracts. They can be granted and taken away at the whim of the government. The governments, state and federal, would like you to believe that you have no rights, that you only have privileges granted by them. They call these privileges 'rights' also, known as civil rights. A 'civil right' is a right granted by the civil government. It can also be granted and taken away at will. A civil right is really just a privilege from the government.

So a distinction must also be made between an inalienable right and a civil right, especially when dealing with the government. Civil rights are really privileges.

You must know what your inalienable rights are, and you must exercise them! If you don't, the government will call them privileges and tax them!

So, when it comes to the income tax, are the legal authorities of America all wrong? Or can we believe what they plainly say?

SUMMARY

The income tax is NOT on income. It is on a taxed privileged (licensed) activity that produces income. The tax is on the 'source' that produced the income. The amount of income produced (property) by the privileged activity (source) is used to measure how much tax to impose on the privileged activity itself.

Direct taxes only fall on inalienable rights such as persons (capitation tax), and possessions (property). **(On things you own)** At present, there are no federal taxes that are apportioned among the states, as is required of direct taxes. All federal taxes are currently indirect taxes.

Indirect taxes only fall on privileged, taxed activities or events, and the exercise of a government granted franchise or privilege (corporations and licensed occupations) and on agreeing to government contracts. **(On things you do)**

The direct/indirect tax restrictions only apply to the 50 united States.Not to Washington D.C. and other U.S. government possessions.

The income tax is an indirect excise tax upon privileges. If you don't want to pay the tax, don't engage in the privilege or get the license!

It is important to remember, that, the subject of the income tax, is neither the income itself, nor the source of the income, such as labor, wages or property.

It is the privileged activity or occupation you are engaging in, upon which a tax is imposed, which is the lawful subject of an indirect excise income tax. The amount of the income received, in connection with the taxed privilege, is used to figure the amount of the tax on the activity itself.

'Labor' is the exercise of an inalienable personal property right. Income received from your personal property, labor, can only be taxed with a direct tax, with apportionment among the states. Unless you have waived that right in exchange for a privilege. Why do you think the government pushes so hard for every occupation to incorporate, by giving alleged tax breaks? Because then your income becomes taxable. You must demand your inalienable rights! Unless you like paying income taxes.

Whether the income tax is officially called an excise tax, or not, is irrelevant. The important distinction is whether it is a tax on an inalienable right or on a privilege. Is it a tax on property, real or personal (direct tax); or a tax on a privileged activity (indirect tax)?

WARNING!!

Use this information ONLY AFTER you have reclaimed your inalienable rights. At present you do not have any! If you attempt to use any of the information in this chapter BEFORE you do that,, the IRS and the courts will call it a frivolous argument and without merit. They WILL rule against you! Use this information at your own risk! More information on this in later chapters on Citizenship.

Chapter 4 The TRUTH About Income!

In the last chapter we learned the truth about income tax. In this chapter we will learn the truth about the real definition of income itself! Nowhere in the Internal Revenue Code (IRC) is income defined.

So the big question becomes, what IS income? And did you have any that was taxable?

The word "income" is not defined in the Internal Revenue Code, as the court stated in U.S. v. Ballard 535 F.2d 400 at 404, but the Supreme Court has defined it for us in numerous cases.

Stratton's Independence v. Howbert 231 U.S. 399 (1913) "*As has been repeatedly remarked, the corporation tax act of 1909 was not intended to be and is not, in any proper sense, an income tax law. This court has decided in the* Pollock Case *that the income tax 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.* ***The act of 1909 avoided this difficulty by imposing not an income tax, but an excise tax upon the conduct of business in a corporate capacity, measuring, however, the amount of tax by the income of the corporation, . . ." "As to what should be deemed "income" within the meaning of Sec. 38, it of course need not be such an income as would have been taxable as such, for at that time (the 16th amendment not having been as yet ratified) income was not taxable as such by Congress without apportionment according to population,*** *and this tax was not apportioned. Evidently Congress adopted the income as the measure of the* ***tax to be imposed with the respect to the doing of business in corporate form*** *because it desired that the* excise *should be imposed, approximately at least, with regard to the amount of benefit presumably derived by such corporations from the current operations of the government."*

The Supreme Court defines "income tax", as an excise tax *"imposed with respect to the doing of business in corporate form"*. If you are not engaged in any corporate activities then you are not liable for an "excise income tax." **This Supreme Court decision also states that Congress cannot tax an individual's income directly.** All direct taxes must be imposed on the states with apportionment. U.S. Constitution Art. 1 Sect 2. Cl. 3 and Sect 9 Cl. 4.

The above case applies to corporations, so if you are not a corporation, then the Corporation Excise tax does not apply to you. The important thing here is the clarification that the income tax is an excise tax, imposed upon the doing of business in corporate form. An the tax is determined by how much income is received. But WHAT is income? The Supreme Court again tells us:

Eisner vs. Macomber 252 U.S. 189 pg 205 (1920) ***The Sixteenth Amendment must be construed in connection with the taxing clauses of the original Constitution and the effect attributed to them before the Amendment was adopted.*** **In** Pollock v. Farmers' Loan and Trust *it was held that* ***taxes upon rents and profits of real estate and upon*** *returns from investments of personal property were in effect direct taxes upon the property from which the income arose*, ***imposed by reason of ownership; and that Congress could not impose such taxes without apportioning them among the states according to population, as required by Art 1 Sect. 2 Cl. 3 and Sect. 9 Cl. 4 of the original Constitution.***
Afterwards, and evidently ***in recognition of the limitations upon the taxing power of Congress thus determined, the Sixteenth Amendment was adopted: . . .*** *As repeatedly held*, ***this did not extend the taxing power to new subjects, but merely removed the necessity which might otherwise exist for an apportionment among the states of taxes laid on income.*** *. . .* ***it becomes essential to distinguish between what is and what is not "income', as the term is there used; After examining dictionaries in common use we find little to add to the*** *succinct* ***definition adopted*** *in two cases arising under the Corporation* ***(Excise)*** *Tax Act of 1909 (Stratton's Independence v. Howbert 231 US 399, 415; Doyle v. Mitchell Bros. Co. 247 US 179, 185)*
"Income may be defined as 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, to which it was applied in the Doyle case pp. 183, 185.*
*"Derived -- from -- capital"; -- "****the gain -- derived -- from -- capital," etc. 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.***
That Congress has power to tax stockholders upon their property interests in the stock of corporations is beyond question; and that such interests might be valued in view of the condition of the company, including its accumulated and undivided profits, is equally clear. ***But this would be taxation of property because of ownership, and hence would require apportionment*** *under the provisions of the Constitution, is settled beyond peradventure by previous decisions of this court.*

Clearly, the definition of corporate income means a gain or profit received from an excise taxed activity. But does this same definition apply to individual income tax? To the Supreme Court again:

Merchants' Loan & Trust Co. v. Smietanka 255 U.S. 509 (1921) ***"It is obvious that these decisions in principle rule the case at bar if the word "income" has the same meaning in the Income Tax Act of 1913 that it had in the Corporation Excise Tax Act of 1909, and that it has the same scope of meaning was in effect decided*** *in Southern Pacific Co. v. Lowe 247 U.S. 330, 335, where it was assumed for the purposes of decision that* ***there was no difference in its meaning as used in the act of 1909 and in the Income Tax Act of 1913. There can be no doubt that the word must be given the same meaning and content in the Income Tax Acts of 1916 and 1917 that it had in the act of 1913.*** *When to this we add that in Eisner v. Macomber, supra, a case arising under the same Income Tax Act of 1916 which is here involved, the definition of "income" which was applied was adopted from Strattons' Independence v. Howbert, arising*

under the Corporation Excise Tax Act of 1909, with the addition that it should include "profit gained through 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 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."***

The word "income" has the same meaning in ALL the income tax acts of Congress. That meaning has been declared to be **corporate** profits and gains and has been definitely settled by the Supreme Court. So, did you have income that is taxable? Did you have a gain or profit from a corporate activity? Remember that the income tax is an excise tax on the doing of business in a corporate capacity. That is the ONLY way that you can receive taxable income, as legally defined by the Supreme Court.

If you relied on these never overturned Supreme Court rulings in your beliefs, does your reliance on these plain rulings constitute a frivolous position? The IRS says it does!

So, if you had NO corporate income tax liability for this year, **you had zero "income" as legally defined by the U.S. Supreme Court.** A corporation is NOT taxed on ALL its income, from whatever source. It is only taxed on it's profit. If that is the case then why are YOU taxed on ALL your income from whatever source? You are also allowed to deduct SOME expenses. Does that mean that if you work for a corporation and you exchange 40 hours of your labor for $600, that you had $600 of profit, minus deductions? If a corporation exchanges $600 for 40 hours of your labor, did they also have a profit? NO! They can claim ALL your labor as a deductible operating expense. So why is it that why you exchange one property (your labor) for another property ($600) that in that exchange, you had a profit and the corporation had a deduction? Why is it a profit for you but not for the corporation? The answer is that it is not a profit for EITHER of you! And therefore it is not taxable income, as defined by the Supreme Court.

The Supreme Court has ruled:

Eisner vs. Macomber 252 U.S. 189 pg 205 (1920): ***" The Sixteenth Amendment must be construed in connection with the taxing clauses of the original Constitution and the effect attributed to them before the Amendment was adopted. . . .taxes upon rents and profits of real estate and upon returns from investments of personal property*** (labor) ***were in effect direct taxes upon the property from which the income arose, . . . that Congress could not impose such taxes without apportioning them among the states"***

The Supreme Court has plainly stated that an individual's income cannot be taxed directly: But an individual's income CAN be taxed with an excise tax, **IF** it was received in a corporate activity. More on this later.

Stratton's Independence v. Howbert 231 U.S. 399 (1913) "*As has been repeatedly remarked, the corporation tax act of 1909 was not intended to be and is not, in any proper sense, an income tax law.*

Corporate "income" (profits and gains) CAN be taxed with an excise tax, but the income itself is not taxed because it is property. Therefore income tax is not on income, it is on profits. It is not an income tax law, it is a profits tax law. Are you engaged in, or did you receive income in connection with, any corporate activities? Receipts received from labor or private investments are not corporate "income" and therefore do not fall within the legal definition of "income" as defined by the Supreme Court.

SUMMARY

"Income" is **legally** defined as a **corporate gain of profit** in the Internal Revenue Code. Nowhere is there any different definition.

The definition of income used in the Corporate Excise Tax Act of 1909 is the same definition used in ALL the income tax statutes.

"Gross income" would then be the total income of a corporation, from all sources.

"Taxable income" would therefore be corporate gross income, minus allowable deductions. Also known as profit. If a corporation had no profit, then it had no taxable income. If you are an officer of a corporation, then you had individual income that is taxable.

Anytime the Internal Revenue Code mentions the word "income" it is talking about corporate income.

More info on this is in the chapter on the 16th Amendment.

Chapter 5 The TRUTH About the 16TH AMENDMENT

The most misunderstood amendment is the 16th (1913). It says:
"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."

If you talk to any tax attorneys or other so called 'tax professionals' they will tell you that the 16th Amendment allowed the income tax to be collected as a direct tax without apportionment among the 50 states. This is totally false, and this is the major problem with today's tax collection efforts. The IRS believes that the income tax can now be collected as a direct tax without apportionment, and collects it in that fashion. It is totally unconstitutional to collect a direct tax, in the 50 states, without apportionment, as we learned in earlier chapters. We are the victims of mass brainwashing by the government.

What is apportionment?

Black's Law Dictionary says,
*"**Apportion.** To divide and distribute proportionally."*
*"**Apportionment.** The process by which legislative seats are distributed among units entitled to representation. The U.S. Constitution provides for a census every ten years, on the basis of which Congress apportions representatives according to population; but each state must have at least one representative."*

1. **S. of A. CONSTITUTION**
   Article 1, Section 2, Clause 3**: "Representatives and **direct taxes shall be** apportioned **among the states** which may be included within this Union, **according to their respective numbers..."
   ***Article 1, Section 9, Clause 4:** "No capitation, **or other direct tax, shall be laid, unless** in proportion to the census or enumeration herein before directed to be taken."*

Direct taxes must be apportioned among the states, not among the people. The 16th Amendment did not change this! As we learned, the income tax is an excise tax on corporate profit, and always has been, therefore it does not need to be apportioned. Before the 16th Amendment, an individual's income was NOT taxable, either with apportionment or without. Eliminating apportionment, among the states, would still require the tax to be imposed on the states, not on the people. To better understand this concept, let's look at an actual example of taxation by apportionment.

On July 14, 1798, the Fifth Congress, Session II, Chapter 77, laid the first direct tax on the United States of America in the amount of 2 million dollars. It was to be laid upon the United States of America and apportioned to the states respectively, as per the Constitution.

What they did was to take the 2 million dollars and divide it equally among the number of people in the United States of America at that time, based on the census. They figured out how many people were in each individual state.

Then each state was assigned their portion of the tax based on the population of that state. The tax was collected, through the Secretary of the Treasury, by collectors of the internal revenues. (Note: In this case 'internal revenues' applies only to the 50 states, since this is a direct tax on the 50 states of the Union) The states collected the tax by assessing the property of the state Citizens, according to the value of the property. Much the same way that property tax is assessed and collected today. This direct tax was just a national property tax laid upon the states according to their population. The states each paid their share proportionally according to their population.

This is how a direct tax is legally and Constitutionally collected. It is directly on you or something you own (inalienable property rights).

But, doesn't everyone believe that the 16th amendment changed the income tax from an indirect excise tax to a direct tax? How can all the authorities be wrong?

If the authorities were never wrong, the world would still be flat, with the sun circling around it, and we would still be dunking witches.

Most people think that the income tax is on ALL income you receive from whatever source. That is not correct! The confusion arises from the wrong interpretation of the **16th Amendment (1913)**. Let's look at it again. It says:

"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."

This looks like it is making an exemption and is putting income taxes in the category of direct taxes, to be collected without apportionment. But it isn't. Remember, they tried this once before in 1894, and it was found unconstitutional! Notice that this amendment doesn't say whether the tax is to be collected as a direct or indirect tax. It just says that it is collected on 'incomes without apportionment.' Can indirect excise taxes be collected without apportionment? Yes. It has always been that way. As we learned previously, the income tax is an excise tax on corporate profits. The only difference is that before the 16th Amendment, corporations did NOT have to pay tax on their property income. The 16th Amendment was passed so that corporate property income could NOW be taxed with an excise tax, **IF** the property income was connected to a corporate activity.

Change the order of the amendment around a little and it reads; The Congress shall have the power to lay and collect taxes on incomes without apportionment, from whatever source derived, among the several states, and without regard to any census or enumeration. On incomes, without tax apportionment. What incomes can be taxed without apportionment? Income from corporate privilege can be taxed without apportionment because the tax is an excise tax. Or to make it simpler yet, have the amendment read - *power to lay and collect excise taxes on corporate incomes.* That is really what it is saying. The 16th amendment is worded to deceive people into thinking that the Constitution was changed. But the Supreme Court has ruled many times that the 16th amendment changed nothing!

A tax on the income from an inalienable right, can only be taxed with a direct tax, and therefore this income would be taxed WITH apportionment.

The 16th Amendment only applies to a tax on corporate incomes not requiring apportionment! If a tax on your income requires apportionment, then it it not subject to the 16th Amendment tax.

Is this just semantics? Or is that what it really says?

To understand this clearly, we need to go back to the Constitution.

In **Article 1, Section 2, Clause 3** it says:
"Representatives and direct taxes shall be apportioned among the several states which may be included within this Union, according to their respective numbers,..."

And: ***Article 1 Section 8, Clause 1*: *"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."*

Since the income tax is NOT presently collected as a direct tax with apportionment, then it must still be an indirect tax! As we learned earlier, all direct taxes must be apportioned, and all indirect taxes (duties, imposts and excises) must be uniform. These requirements in the Constitution have never been amended, despite the 16th Amendment. These are the constitutional requirements!

Again, let's rely on the Supreme Court to straighten it out for us.

In 1920, the Supreme Court said:
Eisner vs Macomber 252 U.S. 189 at 205 (1920). *"The Sixteenth Amendment **must be construed** in connection with the taxing clauses of the original Constitution and the effect attributed to them **before** the Amendment was adopted."*

But, before this, in 1916, there were two landmark Supreme Court cases that also helped to clear up the confusion. The first was:

Brushaber vs Union Pacific R.R. Co 240 U.S. 1 at 10-11 (1916).
It states *"The various propositions are so intermingled as to cause it to be difficult to classify them. We are of opinion, however, that the confusion is not inherent, but rather arises from the conclusion that the Sixteenth Amendment provides for a hitherto unknown power of taxation, that is, a power to levy an income tax which although direct should not be the subject of apportionment applicable to all other direct taxes. And the far-reaching effect of **this erroneous assumption** will be made clear by generalizing the many contentions advanced in argument to support it, ..."*

Whoa! Read that again. The 'conclusion' that the income tax can be levied as a direct tax, without apportionment, is an erroneous assumption! But, what happens if it is levied as an indirect tax?

Let's continue with this *Brushaber* case at pg 11-12:
"But it clearly results that the propositions and the contentions under it, if acceded to, would cause one provision of the Constitution to destroy another, that is, they would result in bringing the provisions of the Amendment exempting a direct tax from apportionment into irreconcilable conflict with the general requirement that all direct taxes be apportioned. Moreover, the tax authorized by the Amendment, being direct, would not come under the rule of uniformity applicable under the Constitution to other than direct taxes , and thus it would come to pass, that the result of the Amendment would be to authorize a particular direct tax, not subject either to apportionment or to the rule of geographic uniformity, thus giving power to impose a different tax in one State or States, than was levied in another State or States. This result, instead of simplifying the situation, and making clear the limitation on the taxing power, which obviously the Amendment must have been intended to accomplish, would create radical and destructive changes in our constitutional system and multiply confusion."

The 16th Amendment, the Supreme Court says, was suppose to clarify the limitation on the taxing power. It apparently didn't, so the Supreme Court is. Mr. Brushaber was arguing that the income tax was a 'direct' tax, and therefore unconstitutional because not apportioned. The court was correcting his erroneous contentions. We continue with the court clarification in this *Brushaber* case:

The contention that the Amendment treats a tax on income as a direct tax, although it is relieved from apportionment, and is necessarily therefore, not subject to the rule of uniformity, as such rule only applies to taxes which are not direct, thus destroying the two great classifications which have been recognized and enforced from the beginning, is wholly without foundation... " Brushaber at page 18
Continuing: *" The 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..." pg 16-17***

There it is! The 16th Amendment left the income tax as an indirect excise tax and is to be enforced as such. It is a tax on corporate incomes not requiring the tax to be apportioned! On privileges! This is not my opinion, but a Supreme Court ruling. An important point to remember, is that the Supreme Court rulings must be followed by all lesser courts in this country. That is why I rely almost exclusively on Supreme Court decisions. They cannot be overruled by lower courts!

For further confirmation, let's looks at another Supreme Court decision.

Stanton vs Baltic Mining Co. 240 US 103, at 112 (1916) *"By the previous ruling, it was settled that* ***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..."*

So the 16th Amendment did not confer any new power to Congress, but simply reestablished and clarified the fact that income taxes belong in the category of indirect taxes. The income tax was not a new tax, but was a power possessed by Congress from the beginning. It just had to be levied as an indirect excise tax. It is the "without apportionment" wording of the 16th Amendment that keeps the income tax in the class of indirect taxes. It is also these words that create the confusion. The income tax is only entitled to be enforced as an excise; (a tax on privileged taxable activities.)

Congress agrees with this: House Congressional Record 3-27-1943 page 2580
"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 tax."***

Nothing changed up to 1943. Since the tax is not on income, but on a corporate activity, just the fact that you receive income, does NOT necessarily make it taxable. It must be from a taxed activity or taxed privilege. And a tax must first be 'imposed' on that 'privileged activity'. This is what makes it an indirect tax. Then the amount of the tax is determined by the amount of income received in connection with that activity.

A tax on income received from the exercise of an inalienable right, can only be taxed with a direct tax with apportionment.

And again:
From a report by The **Congressional Research Service. Report No. 84-168A,** 784 / 725 titled **"Some Constitutional Questions Regarding the Federal Income Tax Laws"**, dated May 25, 1979 and **updated Sept. 26, 1984**
"The Supreme Court, in a decision written by Chief Justice White, first noted that ***the Sixteenth Amendment did not authorize any new type of tax****, nor did it repeal or revoke the tax clauses of Article I of the Constitution, quoted above. Direct taxes were, notwithstanding the advent of the Sixteenth Amendment, still subject to the rule of apportionment and indirect taxes were still the subject of the rule of uniformity. Rather, the Court found that* ***the Sixteenth Amendment sought to restrain the Court*** *from viewing an income tax as a direct tax because of its close effect on the underlying property." (pg 5)*

Nothing changed up to 1984. Did the law change since then?

Some people believe that the statement in the 16th Amendment about taxing income from whatever source derived, applies to any and all income. This can be disproved by the Internal Revenue Code (IRC) itself. Just look at section 2502, concerning gift tax. It says the the giver of the gift pays the tax. So if someone gave you a million dollars, you would definitely have income, but it would not be taxable to you. If the tax was directly on the income, then it would be a direct tax and subject to apportionment. The government has determined that to give a gift is a government granted privilege. I disagree. I think that since you are acquiring your property as an inalienable right, then you should also have the inalienable right to dispose of it as you like, without a privilege tax.

The IRS and the courts purposely ignore these Supreme Court decisions and collect the tax as a direct tax without apportionment, because they need the money. That makes it OK, doesn't it? Because the IRS, and you, do not know the difference between a direct tax and an indirect tax, or know the legal definition of income, there has been much confusion on this difference. Also, if the IRS admits that they have been collecting income tax directly all these years, without apportionment, if would prove their fraud and their violation of the constitution. Remember, the income tax itself is not unconstitutional. But to collect it as a direct tax, from American citizens, without apportionment, is. So, is the IRS collecting tax illegally? No. It is collecting it legally because you have been tricked into giving up your inalienable rights for a privilege. More on this later.

The major misunderstanding on behalf of the IRS, is when this principle is applied to corporations. When a corporation is engaging in a business activity, it is a privilege granted by

the government, either state or federal. And privileges are taxable with an indirect tax. But not ALL privileges. A tax must first be 'imposed' before the privileged activity becomes taxable. Just the fact of receiving income does not automatically make it taxable. It must be received in connection with the exercise of a privilege upon which a tax has been imposed. **Ask the IRS to show you the statute that describes the excise activity you are engaged in that has a tax imposed on it!**

Corporations had a tax imposed on them with the Corporation Excise Tax of 1909. Do you think the IRS really didn't know the income tax was an excise tax? Supreme Court rulings have stated that the tax is not on the corporation itself, but on the privilege of doing business in a corporate capacity. Again, the tax is not on the corporate income (property), but on the corporate activity (privilege). That is why it is called an excise tax.

Now, if a corporation sells property and receives income, in connection with a business, it is exercising a privilege granted by the government, and that privilege is taxable. If an American individual sold that same property, he would be exercising an inalienable right, not a privilege. Therefore, the sale of the property would only be taxable with a direct tax to the individual, but it would be taxable with a indirect tax to the corporation as a taxable privilege. The 16th Amendment was written for those engaged in privileges.

What if a corporation was created only to manage property and collect rents from that property. It did nothing else. Then does the direct tax requirements on property rents apply? Or does the corporate 'activity' make the income from rents taxable with an indirect tax?

Again, let's let the Supreme Court tell us. In the Supreme Court case of *McCoach v. Minehill & Schuylkill Haven R.R. Co.,* 228 U.S. 295 (1912), the court ruled that if a corporation is engaged in a business AND has investments or rental property on the side, then the income from these investments IS taxable as corporate income. But, if the corporation has income ONLY from its own investments and is not engaged in business of any other type, then the income from the property investments is taxable only with a direct tax, with apportionment. The difference is that the corporation in not engaged in business, but is only managing its own property. The tax is on the corporate business activity, (a privilege) not on the corporation itself! This case was decided 2 months AFTER the ratification of the 16th Amendment, and 3 years after the Corporation Tax Act of 1909.

Receiving rents from property, is sometimes taxable, depending on who you are, and in what capacity you receive it! It is an inalienable 'right' for an American Citizen and a 'privilege' for a corporation, to receive the same income. In what status and capacity you receive the income determines what kind of tax it is subject to, if any. Inalienable right? Or privilege?

The 16th Amendment did not change, or expand, the taxing powers.

Peck & Co. v. Lowe 247 U.S. 165, 172 (1918) *"The Sixteenth Amendment . . .* ***does not extend the taxing power to new or excepted subjects, but merely removes all occasion, which might otherwise exist, for an apportionment among the states of taxes*** **laid on** *income***,** *whether it be derived from one source or another. Brushaber v. Union Pacific R.R. Co 240 US 1."*

We must reject in this case, *as we have rejected in cases arising under the Corporation Excise Tax Act of 1909 (cites omitted)* ***the broad contention*** *submitted in behalf of the government* ***that all receipts - everything that comes in - are income within the proper definition of the term 'gross income', and that the entire proceeds of a conversion of capital assets, in whatever form and under whatever circumstances accomplished, should be treated as gross income. Certainly the term 'income' has no broader meaning in the 1913 act than in that of 1909*** *(see Stratton's Independence* ***v. Howbert 231 U.S. 399, 416)*** *and for the present purpose* ***we assume there is no difference in its meaning as used in the two acts.***

The Supreme Court ruled above that the definition of income, for the purposes of the 16th Amendment, was no different than the definition used in the Corporation Excise Tax Act of 1909, and that the 16th amendment did not extend the taxing power to new subjects (individuals). Therefore, "income" was legally defined as a corporate profit. A corporation is not taxed on its income, it is taxed on its profits. Therefore, however "income" is defined for corporations, it means the same thing for individuals. If a corporation has no "profit", then it pays no income tax, regardless of how much income it had.

Let me ask you this. If you contract to work for a corporation, and you exchanged 40 hours of your labor (private property) for $600 (corporate property), did you have a profit? The IRS says yes.

Now, if the corporation exchanges $600 (property) for 40 hours of your labor (property), did the corporation have a profit? The IRS says no.

Why is it that the government claims you had a $600 profit, while the corporation had a $600 deductible expense? Didn't you both just trade one property for another in an even exchange? If I trade you a $50 phone for a $50 electric saw, how much profit did I have? $50? The IRS says yes. What do you say?

The following Supreme Court case ruled that the income tax is imposed on the conduct of the business of corporations organized for profit.

Stratton's Independence v. Howbert *231 U.S. 399 (1913) "As has been repeatedly remarked, the corporation tax act of 1909 was not intended to be and is not, in any proper sense, an income tax law. This court has decided in the Pollock Case that the income tax 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.* ***The act of 1909 avoided this difficulty by imposing not an income tax, but an excise tax upon the conduct of business in a corporate capacity. Evidently Congress adopted the income as the measure of the tax to be imposed with the respect to the doing of business in corporate form because it desired that the excise should be imposed.***

The 16th amendment only clarified one issue. That issue was; is corporate income, received from property, taxable with an excise tax, or can it only be taxed with a direct tax with apportionment?

Property income, received by a corporation, before the 16th amendment, was only taxable with a direct tax with apportionment, because of the constitutional restriction of direct taxes on property. The 16th amendment clarified that, after the 16th amendment, corporate property "income" could now be taxed with an excise, because it was received in connection with corporate excise activities and was therefore received under privilege and not under the inalienable right of property. This same principle does NOT apply to individuals with property income. Individuals are not exercising any corporate privileges, but are instead exercising inalienable rights of property.

Doyle v. Mitchell Bros. Co. 247 U.S. 179 (1918) This case concerns the Corporation Excise Tax Act of August 5, 1909. The court stated: *An examination of these and other provisions of the act makes it plain that* ***the legislative purpose was not to tax property as such,*** *or the mere conversion of property* (into cash)*,* ***but to tax the conduct of the business of corporations organized for profit by a measure of the gainful returns from their business operations and property from the time the act took effect. As was pointed out in*** *Flint v. Stone Tracy the tax was imposed 'not upon the franchises of the corporation irrespective of their use in business,* ***nor upon the property of the corporation,*** *but upon the doing of corporate or insurance business and with respect to the carrying on thereof'; an exposition that has been consistently adhered to.*

Are you engaged in any corporate or insurance businesses!

In 1909 President Taft, in the Congressional Record - SENATE JUNE 16, 1909, PAGES 3344-3345, also understood that the income tax was declared to be an excise tax. He said:

"The decision of the Supreme Court in the case of Spreckels Sugar Refining Company against McClain *(192 U. S., 397), seems clearly to establish the principle that such a tax as this is an excise tax upon privilege and not a direct tax on property, and is within the federal power without apportionment according to population."*

The Supreme Court and President Taft both established that the 1909 corporate income tax is a corporate excise tax on gains and profits. Therefore the 16th amendment is entirely legal and correct, **when** properly applied to corporate excise taxes, since the taxing powers were not expanded to new subjects (individuals) by the 16th amendment. Therefore, it is not income that is taxable, but corporate profit. This WOULD include real and personal property income, **IF** it was connected with a corporate activity.

NOTE: ALL income is 'presumed' by the government to be from a corporate excise activity, unless and until it is rebutted. Make sure you rebut the government's presumption that your income was received in connection with any corporate activity. This rebuttal of presumption is based on:

Brushaber v. Union Pacific Railroad Co. 240 U.S. 1, 16-17. (1916) ***". . .*** *the 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 unless and until it was concluded that to enforce it, would amount to accomplishing***

the result which the requirement as to apportionment of direct taxation was adopted to prevent, in which case the duty would arise to disregard form and consider substance alone, and hence subject the tax to the regulation as to apportionment which otherwise as an excise tax would not apply to it." also See Pollock v. Farmer's Loan & Trust Co. 158 U.S. 601, 637. (1895)

As this case states, ALL income (profit) is 'presumed' to be from an excise taxed corporate activity and is entitled to be taxed as such, *"unless and until"* shown otherwise, and when shown otherwise, then income from a non-excise activity, must be taxed with a direct tax with apportionment.

The 16th amendment did NOT change the nature of the income tax from an indirect excise tax to a direct tax without apportionment, nor to allow direct taxation without apportionment. This claim is based on:

Brushaber v. Union Pacific Railroad 240 U.S. 1 (1916) Commenting on the 16th Amendment:
It is clear on the face of this text that it does not purport to convey power to levy income taxes in a generic sense, -- an authority already possessed and never questioned, . . .
. . . the Amendment . . . shows that it was *drawn with* ***the object of maintaining the limitations of the Constitution*** *and harmonizing their operation. . . . the Amendment contains nothing repudiating or challenging the ruling in the Pollock Case that the word "direct " had a broader significance, since it embraced also taxes levied directly on personal property because of its ownership, and therefore the Amendment at least impliedly makes such wider significance a part of the Constitution, -- a condition which clearly demonstrates that* ***the purpose was not to change the existing interpretation except to the extent necessary to accomplish the result intended; that is the prevention*** *of the resort to the sources from which a taxed income was derived in order to cause a direct tax on the income to be a tax on the source itself, and thereby to take an income tax out of the class of excises, duties, and imposts, and place it in the class of direct taxes.*
at pgs 10, 11; *"The various propositions are so intermingled as to cause it to be difficult to classify them. We are of opinion, however, that the confusion is not inherent, but rather arises from the (false) conclusion that the Sixteenth Amendment provides for a hitherto unknown power of taxation, that is, a power to levy an income tax which although direct should not be the subject of apportionment applicable to all other direct taxes. And the far-reaching effect of* ***this erroneous assumption will be made clear by generalizing the many contentions advanced in argument to support it, ..."***

Continuing with the *Brushaber* case at pg 11-12:
"But it clearly results that the propositions and the contentions under it, if acceded to, would cause one provision of the Constitution to destroy another, that is, they would result in bringing the provisions of the Amendment exempting a direct tax from apportionment into irreconcilable conflict with the general requirement that all *direct taxes be apportioned. Moreover, the tax authorized by the Amendment, being direct, would not come under the rule of uniformity applicable under the Constitution to other than direct taxes, and thus it would come to pass, that the result of the Amendment would be to authorize a particular direct tax, not subject either to apportionment or to the rule of geographic uniformity, thus giving power to impose a different*

tax in one State or States, than was levied in another State or States. This result, instead of simplifying the situation, and making clear the limitation on the taxing power, which obviously the Amendment must have been intended to accomplish, would create radical and destructive changes *in our constitutional system and multiply confusion."*
pg 16-17; " . . . ***the conclusion reached in the Pollock case*** *. . . recognized the fact that* ***taxation on income was, in its nature,*** *an excise****,*** *entitled to be enforced as such unless and until it was concluded that to enforce it, would amount to accomplishing the result which the requirement as to apportionment of direct taxation was adopted to prevent,* ***in which case the duty would arise to disregard form and*** *consider substance alone, and hence subject the tax to the regulation as to apportionment which otherwise as an excise tax would not apply to it."*
The contention that the Amendment treats a tax on income as a direct tax, although it is relieved from apportionment, and is necessarily therefore, not subject to the rule of uniformity, as such rule only applies to taxes which are not direct, thus destroying the two great classifications which have been recognized and enforced from the beginning, is wholly without foundation*..." Brushaber at page 18*

If you rely on the above Supreme Court rulings, then you can only believe that the term 'income' was legally limited to mean corporate profit, unless and until shown otherwise (rebutted). 'Income' is NOT all receipts within the definition of 'gross income'. And the entire proceeds of the conversion of capital assets into cash are not 'gross income'. Income had the same meaning in both tax acts, the Corporation **Excise** Tax Act and the 16th Amendment. What was that definition again? **Excise** income was defined as a **corporate GAIN** derived from **capital or labor. NOT as "all receipts".** Remember, income tax is presumed to be a corporate excise tax, unless rebutted. Therefore all income (profit), as defined in the internal revenue code, is presumed to be from a corporate excise activity, unless rebutted.

Evans v. Gore 253 U.S. 245 (1920) This case concerned a tax on the salary of judges. *In Brushaber v. Union Pacific R.R, where the purpose and effect of the* (16th) *amendment were first drawn in question , the Chief Justice . . . said 'It is clear on the face of this text that* ***it does not purport to levy income taxes in a generic sense - an authority already possessed and never questioned***
. . . the amendment 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*** *incomes.* (legally defined to mean corporate profit)

Again, the Supreme Court ruled that the 16th amendment did not extend the taxing power to new non-corporate subjects, it merely made a distinction, for corporate income, that the income (profit) was taxable, from whatever corporate source, without apportionment, which included corporate property and corporate rents.

Bowers v. Kerbaugh-Empire Co. 271 U.S. 170 (1926) This was a case concerning a corporation. *It was* ***not the purpose*** *or effect of that amendment* (16th) ***to bring any new subject within the taxing power. Congress already had power to tax all incomes. But taxes on incomes from some sources*** **(corporate property)** ***had been held to be 'direct taxes' within the meaning of the constitutional requirement as to apportionment. The Amendment relieved from that requirement and obliterated the distinction in that respect between*** *taxes on* ***income*** *that are*

direct taxes and those that are not, and so put on the same basis all income 'from whatever source derived.' ***'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.***
In determining what constitutes income, substance rather than form is to be given controlling weight.

The above Supreme Court case clearly states that the whole purpose of the 16th amendment was to make income (profit), from corporate ***property*****,** taxable with the corporate income tax. Before the 16th amendment, a corporation's property income could only be taxed with a direct tax with apportionment. After the 16th amendment, a corporation's property income could now be taxed with an indirect excise tax, as long as that property income was connected to corporate activities. Simply put, when figuring corporate profit, it does not make any difference what the source of that profit was. An individual's property income (from rents or labor), when not connected to corporate activities still cannot be taxed directly without apportionment. To apply the same principle to a private individual would be to violate his inalienable right of property and to tax that right as an excise privilege. I do not believe that the purpose of the 16th Amendment was to abolish my inalienable rights of property, secured by the Colorado Constitution, Art II Sect. 3. Private property could still be taxed federally, but only through a direct tax on the states with apportionment.

Do you farm, or own rental property and receive income from them? Then you can rely on the following Supreme Court case.

Eisner vs. Macomber 252 U.S. 189 pg 205 (1920), *"Be that as it may, it is concluded in* ***all these cases,*** *from that of Hylton to that of Springer, that taxes on land are* ***direct taxes, and in none of them is it determined that taxes on rents, or income derived from land are not taxes on land."*** also see Hylton vs. U.S. 3 U.S. 171 (1796), Springer vs. U.S. 102 U.S. 586 (1880), Pollock vs. Farmers Loan and Trust 158 U.S. 429, pg 578,579 (1895).

The Supreme Court above, in 1920, says ALL these cases agree, taxes on rents, or on income from land, (farming) are legally considered taxes on land, and this tax must be apportioned. **That is why the government recommends that you incorporate, because it cannot legally tax your income otherwise.**

Now the IRS will probably claim that your reliance on these supreme Court decisions is a frivolous argument and has been rejected by the courts. Is your reliance on these Supreme Court decisions and Congressional reports a frivolous position? And WHAT courts have rejected them?

From **American Jurisprudence** (Am. Jur.) Chapter 71 Section 94, we read *"The* (inalienable) *right to acquire, possess, or own property cannot, according to one doctrine, be made the subject of an excise tax. The theory appears to be that a tax upon the* right *to acquire, possess, hold or own property is tantamount to a tax upon the property itself, and hence, must be regarded as a property tax and not an excise tax."*

71 Am. Jur. 194 says *"A tax on an essential attribute of a thing is a tax on the thing itself, and no tax can be imposed on the right of ownership, which is not also a tax on property. An individual, unlike a corporation, cannot be taxed for the mere privilege of existing, nor for the enjoyment of the right to own property."*

You are simply enjoying your inalienable rights of property and the fruit thereof. These rights cannot be directly taxed, federally, without apportionment.

You can also rely on Treasury Decision # 2303 (1916) which states:
"The provisions of the sixteenth amendment conferred no new power of taxation, but simply ***prohibited*** (Congress' original power to tax incomes) *from being taken out of the category of indirect taxation* (excises), *to which it inherently belonged, and being placed in the category of direct taxation subject to apportionment."*

Congress was prohibited from taxing income directly by the Constitution. The income tax is an indirect excise tax.

So the 16th Amendment should have read: *"The Congress shall have power to lay and collect (excise) taxes on (corporate) incomes, from whatever source derived, without apportionment among the several states, and without regard to any census or enumeration."*

Why didn't the government just word the amendment that way in the first place, to eliminate the confusion? The answer is simple. If you remember, Congress tried to implement a direct tax on income with the Revenue Act of 1894, which the Supreme Court found unconstitutional. The government still wanted the tax, and did not want it found unconstitutional again, so they VERY CAREFULLY worded it this time to make it legal, but still make it look like the income tax was changed to a direct tax. Did it work? Yes it did! And since you did not know the law, and the fact that your income was *presumed* to be corporate income, and you did not rebut that presumption, you then became liable for a corporate income tax. Nice trick huh! Remember, ignorance of the law is no excuse! Unless you happen to be a government!

People have been ignorant for so long that now the false belief is so firmly entrenched, that everyone is afraid to look and see that THE EMPEROR WEARS NO CLOTHES! American Citizens have given up their rights for privileges, so they can be accepted by popular opinion, especially the IRS's. It has been recently discovered that the 16th amendment was not even ratified by the states with a majority vote. The government wanted this amendment so bad that they lied and claimed that enough states had voted for it, when they had not! But since the 16th amendment did not grant any new powers of taxation, it really does not make any difference.

This whole book can be narrowed down to this one argument:

Income received from the inalienable rights of property (rents from real estate) or (income from labor or personal investments) can only by taxed with a direct tax with apportionment, according to the Constitution and the Supreme Court. There are no direct taxes imposed by the federal government today. The income tax is an excise tax on corporate profit, from whatever source.

SUMMARY

The 16th Amendment did NOT change the income tax a direct tax to be collected without apportionment. It merely reemphasized the fact that it was an indirect excise tax, which COULD be collected without apportionment. It was a tax on corporate incomes not requiring apportionment.

Corporations are taxed with an indirect tax on ALL income they receive, from whatever source, if they are engaged in any business activities. The corporation business activity (privilege) is the taxable activity. Not the corporate income, (property) or the corporation itself (also property).

Corporations that have ONLY private investment income, (property) and are not engaged in any business activity, (privilege) can have their investment income taxed only with a direct tax. The same as an individual.

Americans are only taxed on corporate activities that they voluntarily engage in. Not all privileged activities are automatically taxable. There must first be a tax 'imposed' on that particular activity or privilege. Are you an American? Or a U.S. citizen? Find out in the next chapter!

Inalienable property rights, or the income received from the exercise of these rights, are not taxable with an indirect tax. Only with a direct tax, with apportionment among the states.

Property, or the income from property, is not taxable with an indirect tax. Income from labor, when received in an individual capacity, is personal property, and can only be taxed directly through apportionment.

You are presumed to have corporate income, unless rebutted.

WARNING!!

The American people have been brainwashed with lies for so long, that they now are convinced that lies are truth. Doublespeak. The government has grown so large and abusive, that the Constitution no longer is valid and you have no rights to uphold. If you use the information in this chapter the IRS and the courts will call it a frivolous argument, without merit, and punish you accordingly. Attempt to enforce Constitutional limitations on the government at your own risk! To do this you must be an American Citizen, not a U.S. citizen. Let's see what the difference is next.

Chapter 6 The TRUTH About the 14TH AMENDMENT or Who Are YOU, REALLY?

This chapter is about the best kept secret in America. The government knows about the information in this chapter, but they will not admit it.

As we learned in chapter 1, every individual **born** in one of the 50 sovereign states was born an individual American sovereign, **with inalienable rights**. Those inalienable rights included life, liberty and the pursuit of happiness. The pursuit of happiness included the right to engage in a common occupation or business without a license, to travel freely from one place to another without permission from the state (driver's license), the inalienable right to acquire and possess property without paying property tax, etc.

Before the Declaration of Independence, there were no Americans Citizens, because there was no America, as a country. The people were subjects of the British Crown. After the Declaration, each state was its own sovereign state, and the citizens were state Citizens. State Citizens had inalienable rights secured by each state's constitution. But I have a problem with the word "citizen". Can you be a citizen and a sovereign at the same time? Is a king a citizen of his own country? Or is he a sovereign and not a citizen? I believe that a 'citizen' is the same as a 'subject', and a subject always has a superior power over him. So, you are either a sovereign, OR a citizen/subject. You cannot be both at the same time.

This is confirmed by an early Supreme Court decision.
Chisholm v. Georgia 2 Dall (U.S.) 419, 456-480 (1793) (p.470) *All the country now possessed by the United States was then a part of the dominions appertaining to the crown of Great Britain. Every acre of land in this country was then held mediately or immediately from that crown. All the people of this country were then, subjects of the King of Great Britain, and owed allegiance to him; . . . From the crown of Great Britain, the sovereignty of their country passed to the people of it; . . . Here we see the people acting as sovereigns of the whole country; . . .*
(p.471) At the Revolution, the sovereignty devolved on the people; and they are truly the sovereigns of the country, but they are sovereigns without subjects and have none to govern but themselves; the citizens of America are equal as fellow citizens, and as joint tenants in the sovereignty.
(p.458) But in the case of the King, the sovereignty had a double operation. While it vested him with jurisdiction over others, it excluded all others from jurisdiction over him. The law, says Sir William Blackstone, ascribes to the King the attribute of sovereignty: he is sovereign and independent within his own dominions; and owes no kind of subjection to any other potentate upon earth. Hence it is, that no suit or action can be brought against the King, even in civil matters; because no court can have jurisdiction over him: ***for all jurisdiction implies superiority of power. The principle is, that all human law must be prescribed by a superior.***
(p.455) As the State has claimed precedence of the people; so in the same inverted course of things, the Government has often claimed precedence of the State; and to this perversion in

the second degree, many of the volumes of confusion concerning sovereignty owe their existence. By a State I mean, a complete body of free persons united together for their common benefit, to enjoy peaceably what is their own, and to do justice to others. It is an artificial person. *It has its affairs and its interests: It has its rules: It has its rights: And it has its obligations.* ***It may acquire property distinct from that of its members: It may incur debts to be discharged out of the public stock, not out the private fortunes of individuals.***
(p. 456) The only reason, I believe, why a free man is bound by human laws, it that he binds himself. *Upon the same principles, upon which he becomes bound by the laws, he becomes amenable to the Courts of Justice, which are formed and authorized by those laws. If one free man, an original sovereign, may do all this, why may not an aggregate of free men, a collection of original sovereigns, do likewise? . . . In one sense, the term sovereignty has for its correlative, subject. In this sense, the term can receive no application; for it has no object in the Constitution of the United States,. Under that Constitution there are citizens, but no subjects.*

"ALL jurisdiction implies superiority of power"! So if you are under the jurisdiction of a government, they have the superior power! You are bound by the laws only because you choose to be! When you pledge allegiance to any country, you become a subject of that country, and you waive your sovereignty. But, if you pledge allegiance only to YOUR creator, then you are the superior power, and no human government is over you. After the ratification of the U.S. Constitution, American sovereigns acquired citizenship status, called Citizen of the united States of America.Also known as American Citizen, with a capital "C".

DeLima v. Bidwell 182 U.S. 179 (1900) *The Constitution is not a physical substance. It is in the nature of a grant or power, or what would be termed in private law a power of attorney.* ***A real constitution is a grant of rights or powers by a sovereign. The sovereign cannot be limited, for he is the source of all law. Yick Wo v. Hopkins 118 U.S. 370***

In another Supreme Court case they ruled:
Graves v. Schmidlapp 315 U.S. 657-665 (1941) *The power to tax is an incident of sovereignty and is coextensive with that to which it is an incident. All* ***subjects over which the sovereign power of a state extends are objects of taxation.***

Are the American people sovereigns OVER the government? Or are they subjects of the government, UNDER the government's jurisdiction and power?

Important points. Sovereign Americans are above the governments they delegated management powers to. Governments are artificial persons, legal fictions. Governments, as artificial persons, can own property and incur debts on their own, separate from the sovereign people. The personal fortunes of the sovereign people are not to be used to discharge the government's debts. Governments have complete power over their OWN property and **subjects.** All jurisdiction implies superiority of power. **All subjects UNDER** the jurisdictional power of a government, are objects of taxation. As the Supreme Court stated above, a free man is subject to human laws only because he binds himself. You, as one of the joint owners of this country, have agreed to abide by certain laws, that you have agreed to. These laws are designated in the Constitution.
Remember these concepts. They are critical to the understanding of freedom from taxation.

The Supreme Court of Colorado has ruled:
Colorado Anti-Discrimination Commission v. Case 380 P.2d 34 (1962) *Natural rights - inherent rights and liberties are not the creatures of constitutional provisions either at the national or state level. The inherent human freedoms with which mankind is endowed are "antecedent to all earthly governments; rights that cannot be repealed or restrained by human laws; rights derived from the Great Legislator of the Universe."*

You become subject to the human laws because you bind yourself to them as an artificial person. You waive your sovereign status, to become a subject. How do you do that? By contracting with the government and accepting benefits. The only way the government will contract with you, is if you waive your inalienable rights and agree to be UNDER their jurisdiction.

Before the 14th Amendment was ratified in 1868, Americans were called Citizens (with a capitlal "C") of the united States of America. (American Citizen, or American, for short) If you were born in America, you were born a sovereign with inalienable rights. It was a common understanding among the people. Up until then, slavery was still accepted in America. Slaves were not Citizens, state or national, but were merely considered the personal 'property' of the slave holders. The 13th Amendment was ratified in 1865, just 3 years before the 14th. The 13th amendment abolished slavery. But that created a new problem. The newly freed slaves were not citizens of any state or country, because they were just property, and property did not have citizenship. **To solve the problem, the 14th amendment was passed. This amendment created a new class of citizenship.** This new class was legally called: 'United States citizen', (with a small "c"). NOT 'United States of America Citizen', but just 'United States citizen'. Notice that the U.S. citizen is spelled with a lower case 'c'. This is to show a lower class of citizenship. This class of citizen (U.S. citizen) is a privilege granted by the federal government, and not a sovereign inalienable right.

From Black's Law Dictionary 6th Edition:

Fourteenth Amendment. *The Fourteenth Amendment of the Constitution of the United States, ratified in 1868, creates or at least recognizes for the first time a citizenship of the United States, as distinct from that of the states;*

The Civil War was fought from 1861-1865. The significance of this will be seen later.

Let's see just what the 14th Amendment really does say.

Constitution of the United States of America
14th Amendment (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 of the State wherein they reside. No State shall make or enforce any law which shall abridge the* ***privileges and immunities*** *of citizens of the United States; nor shall any States 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.*

Notice the wording of this amendment carefully. If they were talking about Citizens of the 50 states, then it would read *"and subject to the jurisdiction(s) thereof".* Jurisdictions would be plural if it applied to more than one entity. But since it applies only to the United States government, singular, is also shows the jurisdiction to be singular. Jurisdiction, not jurisdictions.

Several other things to notice here. This section 1 of the amendment has two parts.

The first part has to do with the citizenship of 'persons', subjects.

The second part has to do with the states being required to protect the privileges and immunities of the United States citizen. We will look at the first part first.

The first part of this amendment says that '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. We just learned that jurisdiction implies superiority of power, so is a United States citizen superior to the government? NO! The roles are reversed. Notice this does not say they are citizens of the United States 'of America'. Just the 'United States'. Is there a difference? Let's check it out.

First, what is a 'person'? There are legally two kinds of 'persons'. First there is the 'natural person' with inalienable rights. This is a flesh and blood human being, the sovereign individual. Second, there is just the term 'person'. When just the term 'person' is used, and not 'natural person', it means an artificial person, such as a corporation, trust, government, etc. A human being can be both a natural person and an artificial person at the same time. How do you tell the difference? It is as simple as whether you spell your name in all capital letters or not. More on this in a bit. The important thing to remember at this point is that artificial persons are property. Property in Latin is *res.* Property located in a certain territory, would be its place of *res*idence. So property (res) belonging to and located in the State of Colorado, would be '*res*ident' of the state. Are you a resident of a state or of the United States?

Important point. Since a government is an artificial person, according to the Supreme Court, does an artificial person have jurisdiction over the sovereign that created the artificial person? No. Does the artificial person (government) have jurisdiction over any new artificial persons, or property, created by the government? Yes. A government has complete power over its subjects and its own property. Remember, the Constitution is just a power of attorney from the sovereign people to the government. That power of attorney extends to anything the government, as an artificial person, creates or owns.

So a 'resident' would be an artificial 'person' (property) located within the jurisdiction of a certain government. Almost all state and federal statutes apply to 'persons' who are citizens and residents, and are subject to the jurisdiction thereof. They rarely apply to 'natural persons'.

Now to the second part of the 14th Amendment. It applies to all persons "born or naturalized in the United States **and** subject to the jurisdiction thereof'." This could only mean the territorial jurisdiction of the federal government. As stated in the Supreme Court case of *Chisholm v. Georgia* quoted earlier, all jurisdiction implies superiority of power. So if you are subject to the

jurisdiction of the federal government, that implies their power is superior to your sovereign power, or the sovereign power of your state. In other words, you are not a sovereign, but a subject, if you are a U.S. citizen, name spelled in all caps.

A 'U.S. citizen' is a subject of the federal government, subject to its jurisdiction. An 'American Citizen' is a sovereign individual, and the government is subject to him, and no court has jurisdiction over him, without his permission. When you present yourself to a court, you give them temporary jurisdiction for a certain issue to be settled. Once it is settled, then that jurisdiction ceases. That is why plaintiffs must prove jurisdiction before courts can hear a case.

An important distinction needs to be understood here. The sovereign technically has inalienable rights, NOT constitutional rights. We all call them constitutional rights, but they are not. They are inalienable rights SECURED by constitutions, state and federal. The basis of any inalienable right is established in the Declaration of Independence. This document very clearly states that *"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."* Look for the mention of God, or inalienable rights, in the Constitution, and you will not find them.

Many patriots are making constitutional arguments, when they should be making inalienable rights arguments. There is no basis for inalienable rights of property under the constitution, but there IS under the Declaration of Independence! We are using the wrong document to claim our rights under!

For example, the way to state a constitutional argument would be to state that you have the inalienable right to bear arms, stated in the Declaration of Independence, and 'secured' by the Bill of Rights, in the 2nd Amendment. You have the inalienable right to not be a witness against yourself, 'secured' by the 5th Amendment. This gives your argument a much stronger legal basis and is much harder to dismiss, if you ever did go to court. The Bill of Rights, means the Bill of Inalienable Rights, based on the Declaration of Independence, and secured by the Constitution!

If you are a citizen of the United States, then JUST WHERE and WHAT IS THE 'UNITED STATES'?

Is there a territorial difference between the United States of America, (the 50 sovereign states) and the United States government (10 miles square, plus possessions)?

What is the legal definition of United States?

Black's Law Dictionary 6th Edition.
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 the family of nations,* (2) *it may designate territory over which 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.* from Hooven & Allison v. Evatt *324 U.S. 652*

The first definition (1) only applies to other countries in their relationship to America. It doesn't apply to us.

The third definition (3) applies only to the 50 states united under the Constitution. That does apply to us.

The second definition (2) is the one we are primarily concerned about. This definition applies to the geographical territory over which the sovereignty and jurisdiction of the **United States** extends, pertaining to the 14th Amendment jurisdiction over citizens. Again, we must go the the Constitution to see where that territory is. The United States has exclusive jurisdiction only over certain areas. Since each of the 50 states were separate sovereign states, the sovereignty of the United States did not extend to these 50 states, unless they incorporated. What's left? The Constitution tells us.

U.S. Constitution Article 1 Section 8 Clause 17: *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 Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the States in which the same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards and other needful buildings;*

According to the Constitution, the territory of the United States of America includes the 50 sovereign states, each of which have their own constitution and jurisdiction. **The geographical territory of sovereign jurisdictions do not overlap.**

The territory of the United States 'of America' is different from the territory of the United States 'government'.

The territorial jurisdiction of the United States government only extends to tens miles square, to places purchased, **and to property owned.** This would include territories and possessions, temporarily acquired through treaties, that are not part of the 50 states. Persons who are under this exclusive jurisdiction, are citizens of the United States 'government', and of the state where they reside. This is a little confusing because Washington, D.C. is considered a state, and the possessions, like Puerto Rico, are considered states. They are political states, but are not part of the 50 sovereign states.

What does the Internal Revenue Code (IRC) say? IRC 7701 is a section devoted to definitions. What is their definition of the United States?

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

The States? ONLY the States? Does that mean the 50 states, or just U.S.possessions, which are also called states? The use of the word "only" would indicate that this is a restrictive definition. Back to the definitions.

IRC 7701(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.*

When definition statutes are issued with the word "includes" it means that only the items or categories listed in the definition are included, everything else is excluded. The District of Columbia is a political state of the United States. It is property of the federal government, just like the U.S. possessions like Guam and the Virgin Islands are. Since the 50 states are not mentioned in the definition of state, they are not included.Why? Because the jurisdiction of the United States government, for income tax purposes, includes only areas under its jurisdiction, as stated in the Constitution. The 50 states are separate sovereign states, according to the state constitutions, and therefore would not come under the geographical jurisdiction of the United States federal government, a corporation. As you saw above, the 14th amendment created citizens who WERE under the jurisdiction of the federal government! The IRC defines United States person for us.

IRC 7701(30) **United States person.** *The term "United States person" means - (A) A citizen or resident of the United States.*

So if you were a U.S. citizen, you would be in that jurisdiction **subject to** the federal income tax. And you would be defined as a "Taxpayer".

IRC 7701(14) **Taxpayer.** *The term "taxpayer" means any person **subject to** any internal revenue tax.*

So if the 50 states were not under the jurisdiction of the United States government, how come they are NOW subject to all the laws handed down by Congress? We know that states can voluntarily give up their sovereignty to the federal government, just the same as we can. They have not done that, have they? Or have they? When the Civil War was fought, all states were not admitted back into the union until their constitutions were approved by Congress. Why was this approval needed? When the southern states seceded from the union, were they then sovereign states, separate from the United States of America, or U.S. territories? When these states, and all future states, were admitted to the new union, were they conquered states, through an act of war? Were they new territory acquired by the federal government, and now under their jurisdiction? Are the 50 states now just political states of the federal government, just like D.C.?

What about territory, or states, acquired through conquest (war)? This territory is not purchased. Is this territory under the exclusive jurisdiction of the United States government? Yes. Temporarily. Any territory acquired by war, or treaty, is acquired for the sovereign people, and this territory is held, in trust, for the people until they decide to make the territory into sovereign states and add them to the Union.

Let's check with the Supreme Court again.
Hooven & Allison Co. v Evatt 324 U.S. 675 (1945) ***That our dependencies,*** (possessions) *acquired as the result of our war with Spain, are territories belonging to, but not a part of the Union of states under the Constitution, was long since established by a series of decisions in this court . . . This status has ever since been maintained in the practical construction of the*

Constitution by all the agencies of our government in dealing with our insular possessions. It is no longer doubted that the United States may acquire territory ***by conquest*** ***or by treaty, and may govern it through the exercise of power of Congress conferred by Sec. 3 of Article IV of the Constitution "to dispose of and make all needful Rules and Regulations respecting the Territory or other property belonging to the United States." In exercising this power, Congress is not subject to the same constitutional limitations as when it is legislating for the United States.*** (the 50 united States)

When Congress passes laws for the territories of the United States they are not limited by the Constitution. When they pass laws for the 50 states they must follow the limitations of the Constitution, because the 50 states only delegated certain powers to Congress. Powers not delegated were reserved to the states or to the people. (10th Amendment) The 50 states are superior to the federal government. So how does the federal government get the power to make laws for the 50 states?

DeLima v. Bidwell 182 U.S. 179 (1900) *If the law or treaty making power enacts* ***that the territory over which the military arm of the government has extended shall come under the permanent absolute sovereign jurisdiction of the United States,*** *a new and different status arises.* ***The former sovereign then loses all right of reverter, and the territorial limits of the United States are in so far enlarged.***

Ponder this thought. If the federal government acquired ALL the states, after the Civil War, through the military arm of the government, OR, even today just through a declared national emergency by the Commander in Chief, and instituted martial law, would the 50 states lose their sovereign status and come under the sovereign jurisdiction of the federal government, by conquest? Yes they would. Then the President, as commander in chief, would rule the country by presidential order. This is exactly our status today. The government pretends that you still have inalienable rights secured by the constitutional, because if they let on what the truth was, there would be a revolution. As we will see in the next chapter, in 1933, the United States declared a national emergency that is still in force today.

This doesn't sound like what they taught us in school, does it? Maybe we should check out another authority. In 1956 -1957, President Eisenhower commissioned a study of this very issue. There were problems with the jurisdictional status of federal lands located within the 50 states. He wanted to clarify the jurisdictional limits of the federal government.

The study was called:

JURISDICTION OVER FEDERAL AREAS WITHIN THE STATES
It was a 2 part report and I will quote from it below:

Part II
Letter of Acknowledgement. *It is my understanding that the report is to be published and distributed, for the purpose of making available to Federal administrators of real property, Federal and States legislators, the legal profession, and others, this text of law of legislative*

jurisdiction in these areas. The Honorable Herbert Brownwell, Jr. *Attorney General, Washington, D.C.*

Letter of Transmittal. *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.* Attorney General.

Pg. 45. *Since Congress has the power to create States out of Territories and to prescribe the boundaries of the new States, the retention of exclusive legislative jurisdiction over a federally owned area within the States at the time the State is admitted into the Union would not appear to pose any serious constitutional difficulties.*

No Federal legislative jurisdiction without consent, cession, or reservation. -- *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 possess no legislative jurisdiction over any area within a State, such jurisdiction being for exercise entirely by the States, subject to non-interference by the State with Federal functions, and subject to the free exercise by the Federal Government of rights with respect to the use, protection, and disposition of its property.***
Necessity of State Assent to Transfer of Jurisdiction to Federal Government: Constitutional consent. -- The Federal Government cannot, by unilateral action on its part, acquire legislative jurisdiction over any area within the exterior boundaries of a State.
Pg. 66 LIMITATIONS ON AREAS OVER WHICH JURISDICTION MAY BE ACQUIRED BY CONSENT OF STATE UNDER CLAUSE 17: ***In general.-- Article I, section 8, clause 17, of the Constitution, provides that Congress shall have the power to exercise exclusive legislation over "Places" which have been "purchased" by the Federal Government, with the consent of the legislature of the States, "for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings." The quoted words serve to limit the scope of clause 17. They exclude from its purview places which were not "purchased" by the Federal Government, . . .***

Chapter VII (pg 169) Relation of States to Federal Enclaves. Exclusive Federal Jurisdiction: States basically without authority. --***When the Federal Government has acquired exclusive legislative jurisdiction over an area****, by any of the three methods of acquiring such jurisdiction, it is clear that the State in which the area is located is without authority to legislate for the area or enforce any of its laws within the area.* ***All the powers of government with respect to the area are vested in the United States.***

That is just a small sampling, but as you can see, the exclusive jurisdiction of the Federal government does NOT extend to the geographical territory of the 50 states, except with their consent, **or by conquest (like declaring a national emergency).** This was a government report done by the Attorney General for the President. But, hey, what does he know? So, for the federal

government to have jurisdiction over you, in one of the 50 states, it must own you as property. That property, or artificial person, is called 'U.S. citizen'.

The distinction that I make here, is, either you are a Citizen of the United States of America (American Citizen), or a United States citizen (federal citizen).

An American citizen lives in one of the 50 states and has inalienable rights secured by the state and national constitutions. He spells his name in upper and lower case letters.

A United States citizen may also live in one of the 50 states, as a resident, but has only privileges and immunities, with no constitutional protections. He spells his name with all capital letters.

Check all your licenses, bills, mortgages, deeds, credit cards, etc and see which one you are claiming to be!

You will notice that the 14th Amendment says that the States shall uphold the 'privileges and immunities' of United States citizens. What about their 'rights'? United States citizens, subject to the government, do not have a constitution, or inalienable rights. You cannot get that FROM a government. Property (artificial persons) can only have civil rights, privileges and immunities granted by the government. They are people that have been slightly upgraded from property (slaves) to having the privilege of being a citizen/subject of the United States government. It sounds much nicer! Remember that the amendment says U.S. citizens are subject to the exclusive jurisdiction of the government. And you just read how far that exclusive jurisdiction extends.

But don't rely on this Attorney General's report, or the Supreme Court decisions in court. The IRS and the courts consider it a frivolous argument!

The 14th Amendment says "and subject to the jurisdiction thereof".

What does "subject to" mean?

Black's Law Dictionary 6th Edition says;
Subject to. ***Liable, subordinate, subservient, inferior, obedient to; governed or affected by; provided that; provided; answerable for."***

Part 2 of the 14th amendment also says that the states: *shall not make or enforce any law which shall abridge the privileges and immunities of citizens of the United States;* . Why does it make that statement? Didn't the first ten amendments to the Constitution (the Bill of Rights) already secure the inalienable rights of the American people? They sure did. Then why a second prohibition?

Legal scholars have argued that the Constitution only limited the powers of the federal government, not the state governments, so this was added in the 14th amendment to restrict the power of the states. Sounds good, doesn't it? But don't the constitutions of the 50 states already protect the inalienable rights of the state Citizens? They sure do! Do they need a national constitutional amendment to make them uphold their own state constitutions? Only if the state

constitutions were no longer valid. Is your state constitution still valid? Yes. But, the truth is, state constitutions do NOT apply to federal 'property' (U.S. citizens).

The governments, state and federal, are not OVER the sovereign people and their sovereign territory. Both governments have been delegated powers to secure the rights of the people, and their jurisdiction in exercising that power, is limited to the property they actually own or control. This property is known as 'persons' or 'residents'.

The United States 'government' has jurisdiction only over areas delegated to it by the states and over property acquired by conquest. The state governments also, only have jurisdiction over the areas delegated to them by the state Citizens. Do the people control the government or does the government control the people? Can the government exercise powers not delegated to them? No. The problem is that you DID give them the power, when you waived your inalienable rights and claimed to be a U.S. citizen, subject to their jurisdiction. They just dangled a few carrots (federal benefits, ie: Social Security) over your nose and you grabbed them and asked to be a subject, so you could get MORE benefits. The states did the same thing, so they could get subsidies also.

There is an old saying: "If you give the average person a choice between freedom and a free lunch, he will choose the free lunch". Which did you choose?

So the only logical conclusion is, that the newly created "United States citizens" (former slaves) were no longer the property of individuals, and they were not American Citizens. And they still didn't have a constitution to protect them since the Constitution 'of the United States of America' did not apply to the federal possessions (property) and territories. The U.S. Constitution only applied to the federal government, and delegated and limited its powers. The federal government was created BY the states. And since U.S. citizens were subject to the jurisdiction of the United States, the state constitutions did not cover them. U.S. citizens are just federal property, artificial 'persons' or 'residents', in one of the 50 states. And this also placed them squarely within the legal definition of U.S. jurisdiction.

The states each had their own constitutions. But the jurisdictional powers delegated in these state constitutions also only applied to 'government' property in the states, not to the sovereign 'territory' of the states. So the 'United States citizens' were also citizens of the corporate state governments, (not of the sovereign states themselves) and were not protected by the state constitutions. They technically became dual 'property'. They were property (persons - residents) of the state government and of the federal government. Today, all state governments are corporations, not sovereign states. They are just sub-corporations of the federal government, and therefore are under the jurisdiction of the federal government. They have traded their sovereignty for federal subsidies, just like you have traded your sovereignty for the privileges and immunities of U.S. citizenship under the 14th Amendment!

For proof: If you claim constitutional rights in court, the judge will tell you that if you mention constitutional rights again, he will find you in contempt of court, and throw you in jail. He could do that ONLY if you were resident (property) of the state. Because then you would not have inalienable rights, secured by the state constitution. To find out if you have rights, look at how

your name is spelled in the heading of the court case. By the way, this principle also applies to local property tax and driver's license and registration, but that is 2 other books.

Inalienable rights are flagrantly violated on a daily basis by all levels of government, because most people have waived these rights and traded them for privileges. The problem is that so few people claim their inalienable rights anymore that they are no longer recognized by the government. The people would rather have privileges from the government. You can't claim to be a sovereign over the government, and at the same time claim benefits handed out by the government for their subjects. Does the King or Queen (you) apply for their own government's benefits, thereby becoming subjects of their own government?

Since both the state and federal governments are now just corporations, can you be the citizen of a corporation? Yes. The corporation is an artificial 'person'. But, artificial persons can ONLY create new artificial persons (property) that they control. Remember, the United States federal government is just a corporation! So if you are a U.S. citizen, you are a corporate citizen.

These new United States citizens, created by the 14th Amendment, had no one to protect their new status and rights. Worse yet, they had no rights to protect, just privileges and immunities (civil rights) granted by the federal government. The privilege was, being 'subject' to the federal government, instead of to a foreign nation, and the immunities were to be added later. And they were.

One by one, the courts gradually added, to U.S. citizens, each of the rights that American citizens had under the first 10 amendments. But they were not inalienable rights, they were only civil rights. Civil rights are rights given to you by the government. Governments cannot give you inalienable rights. You already have those. But civil rights can also be taken away by the government. Since the federal possessions and territories (federal states) had their own governments, just like the 50 states, this amendment prevented both the 50 state governments, and the federal states, from making laws that violated the civil rights of these United States citizen subjects.

And this is where the controversy comes in. The government wants you to believe that a citizen of the United States, is the same as a Citizen of the United States of America. In a court case, if you make this argument, that you are not a resident of the United States, and therefore not a U.S. citizen, because you live in Colorado, the courts will call this a frivolous argument and fine you. And they are right, if you look at how your name is spelled in the heading of that case.

But think about this. If United States citizens are not protected by the U.S. Constitution, then they also lose the Constitutional limitation that all direct taxes be apportioned. That means that they COULD be taxed on their incomes, from whatever source, directly, without apportionment. United States citizens are not protected by the Constitution. Scary, isn't it?

American Sovereign OR United States citizen? Which are YOU?

You have the right to choose your status as a sovereign in America. But, not as a citizen in the United States. The 50 united States of America are republics, guaranteed a republican form of

government. The United States government is a democracy. You must learn the difference! If you choose to be an American Citizen with inalienable rights secured by the constitution, then the constitution says that direct taxes must be apportioned among the states.

On the other hand, if you are a United States citizen, then you have no constitution to protect you, only your civil rights. And those civil rights do not prevent the federal government from taxing your income directly, without apportionment. This is possible because states CAN directly tax their citizens property. So if you are a U.S. citizen, you are in effect the citizen of the state of Washington D.C. And that state can tax its citizen's property directly. Remember the definition of "State" above, from the Internal Revenue Code? A state is the District of Columbia. The IRC applies to this state and not to the 50 states.

If you live in one of the 50 sovereign states, then you cannot also live in one of the federal states. Their jurisdictions do not overlap. But, can you create an artificial entity, (like a corporation or trust is an artificial entity) and call yourself a United States citizen? Yes you can. How? You may not be aware of it, but it has already been done for you. The way to tell is to look at your name. When an artificial person is named (such as a corporation), proper English grammar says that the name will be spelled in all capital letters. So if your name is Joseph John Smith, the spelling indicates that you are a real live flesh and blood natural human (natural person). But if you spell your name in all capitals, JOSEPH JOHN SMITH, then that indicates that you are an artificial entity (person). There are really two entities with your name! The real person (you) and the fictional corporate U.S. citizen. The problem arises when the natural person contracts to be an artificial person. Which one are you claiming to be?

The 14th Amendment essentially opened the door to classify everyone as a corporate citizen/employee. Let me ask you this. Since the United States is a corporation, how many employees can there be in a corporation? Would it be possible for every U.S. citizen to be unofficially classified as an employee of this corporation United States, as one of the privileges of U.S. citizenship? And as an employee of the federal government, you would be liable for federal income tax. That is why their name is "Internal" Revenue. It is only collected internally, from its own employees, who are exercising a taxable privilege, government employment! And as a corporate employee, you would be "presumed" to have corporate income!

Since all United States citizens are creations and subjects of the federal government (a public corporation), they are still property. For property (ie: corporations) to have legal existence, with civil rights, it must be done as an artificial entity, just like a corporation is legally considered a person with civil rights, but not inalienable rights. Since the federal government is also an artificial person (a corporation), it can only have jurisdiction over other artificial persons it has created. It has created the artificial person "U.S. citizen", subject to its jurisdiction. You can contract for this corporate privilege and be protected by their corporate laws as one of your privileges as an employee of the corporation United States. And you will probably get lots of other free lunches (benefits) to boot!

Property cannot have inalienable rights. So all United States citizens are property (artificial 'persons'), with their names spelled in all capital letters. These artificial entities are subject to different laws than you, their sovereign representative, and if they mess up, you do the time, or

pay the fine, for them! Just like you can't put a corporation in jail, but you can put their representatives, the corporate officers, in jail in their place.

Can you claim that you are NOT a sovereign American, so that you can collect some of the benefits of the subjects of the federal government's U.S. citizens? Yes you can. And you already have.

Now let's see which status you claim. First look at the spelling of your name on your driver's license. Is it spelled in all caps, indicating an artificial corporate person? Then look at your social security card. Then look at your check book. Then look at your credit cards. Then look at the deed to your real estate if you own some. Then look at the title to your vehicle. Then look at your name in the heading of any court case you may have been in. Check the sworn statement you signed with your voter registration, or your gun registration. Look at ANY correspondence from the government. Look at your bills. These documents will tell you for sure who you really are. When you applied for Social Security, this artificial person U.S. citizen was created. Unknowingly, you contracted to be an artificial corporate person, not realizing that you created a new government employee. This is known as voluntary slavery. Involuntary slavery was forbidden by the 13th Amendment, but you agreed, by contract, to give up American Citizenship and inalienable rights, for U.S. citizenship with civil rights. Remember, the income tax is a corporate tax, so if you are a U.S. corporate citizen, then you are subject to a corporate excise tax on your income.

Do you get my point?

Now look at the mailing label for your tax return. Are you the artificial entity, United States citizen? If not, prove it. Make believe you are in court. Where is your identification that you are a sovereign American with inalienable rights? Can you show that you are an American, and not a U.S. citizen? What documents would you use? The only possible one is your birth certificate, and you used that to show that you are the representative/agent of the person on the SS card. But even those are now issued with the name spelled in all caps, indicating an artificial person. In that case, who are you?

Pretty scary, huh?

When you are in court, would any judge tell you you that you that you are NOT an 'American' Citizen and that the Constitution is not valid for you? No, they cannot let the truth out. But then they don't have to because you are claiming to be a U.S. citizen. Because the TRUTH is: As a sovereign, you have no legal standing in the corporate courts of this country, so you would not be in court in the first place! Why is that? Because you, as a sovereign, are above the laws issued by the corporate federal government to regulate its own property. ALL courts in this country are statutory non-constitutonal courts. ONLY the corporate employee can claim any corporate privileges in these courts. More on this in the "court" chapter.

So now go back to the last chapter and look again at the 16th Amendment. Did they really need to pass a whole amendment, just to clarify the existing Constitution? Or was it really passed to apply to these new United States citizens? Let's let the Treasury regulations tell us.

26 CFR (Code of Federal Regulations) 1.1-1 ***"Income tax on individuals. (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 . . . The tax imposed is upon taxable income . . ."***

This Treasury Regulation explains who the income tax applies to. Does it apply to Citizens of the United States of America? No. Just to U.S. citizens, who are corporate employees, and their property.

ARE YOU BORN AN AMERICAN, OR A UNITED STATES CITIZEN?

I believe that when you are born, you are born a sovereign American with inalienable rights. A lot of birth certificates have the spelling of your name correct, in upper and lower case, so the birth certificate is NOT the document that creates the U.S. citizen. All the birth certificate does, is provide proof that a real live sovereign was born. A corporation cannot have a live birth. Only a real sovereign can be born live.

So then what does create the U.S. citizen, if it is not the birth certificate? I believe the U.S. citizen is born by commercial contract. And that contract is your Social Security application, among others. You cannot get a social security number without the birth certificate of someone who is contracting, to be this new entity U.S. citizen. The U.S. citizen status is created along with your social security number, and it is this number that identifies the corporate government employee. If the government is the beast that enslaves you, then this truly would be the mark of the beast. You waive your inalienable rights when you contract to have a social security number. When someone asks you for a Social Security number, then are just ,making sure that they are dealing with the U.S. citizen.

The entity you are applying to, for this number, is an artificial person, a government corporation, a fiction. Can a fiction create a real person? No. A fiction can only create another fiction. So when you get your social security number, it is the number of a brand new person, a corporate U.S. citizen. Since a corporation created the number, they can only apply that number to their property. Which they did.

Many birth certificates today have your name in all caps. I believe this is just the government's attempt to usurp your sovereign status, long before you apply for a social security card. Maybe that is why the IRS wants every newborn to be assigned a SS# at birth. So they can attempt to eliminate your presumption of sovereignty right from your birth and start right out as a U.S. citizen.

I have run into attorneys and government officials that say, "It doesn't make any difference if you spell your name in all caps or not. You are not a corporate citizen." Is this true? Is there a difference between an artificial person and a natural person? How can you prove it? For those who need proof, I have compiled some facts that you can use to show the difference. Check it out! American Citizen , or U.S. citizen?

Another interesting observation is that the 14th Amendment was certified on July 28, 1868. The day *BEFORE,* on July 27, Congress passed an Act called the Right of Expatriation. If Congress

was going to create a new corporate citizen, then they also had to create a remedy to get out of it if you didn't want to be a U.S. citizen. This was the way!

SUMMARY

The 14th Amendment created a new class of citizenship, the United States citizen. This citizenship applies only to '**persons** subject to the jurisdiction' of the federal government. All jurisdiction implies superiority of power. A 'person' is always an artificial corporate entity with it's name spelled in all caps.

YOU are "presumed" to be a U.S. citizen, unless and until you can prove otherwise.

A **Sovereign/Citizen** of the United States of America (American Citizen), lives in one of the 50 sovereign states, and has inalienable rights secured by state and national constitutions.

The **artificial person, U.S. citizen,** is a legal fiction that has been created by the federal government, via the social security application, and is a corporate employee of the United States by virtue of being a U.S. citizen. He is subject to the jurisdiction of the federal government and of the state government and subject to the corporate income tax.

The U.S. citizen is created property, created to raise revenue for the government, your employer. You have essentially contracted to be liable for the debts of your master, the federal government.

Chapter 7 The TRUTH About SOCIAL SECURITY (FICA)

Social Security tax or FICA (Federal Insurance Contributions Act) is another tax taken out of your paycheck with withholding, or self-assessed as self-employment tax. Where's the authority for this and who does it apply to?

IRC (Internal Revenue Code) 3101. Rate of tax.
(a) Old-age, survivors, and disability **insurance**. *In addition to other taxes, there is hereby imposed on the income of every individual a tax equal to the following percentages of the* wages *(as defined in section 3121(a)) received by him with respect to employment (as defined in section 3121(b) --*

Again, this is just another excise tax imposed on income, in addition to other taxes, and has nothing to do with any type of insurance. Since an excise tax is a tax on a privilege, then what's the privilege here? The privilege is *wages received with respect to employment.* Is employment a government granted privilege? Yes, since the government property (U.S. citizen) is employed by a business, that makes every employer a government employer. But notice that, again, the tax is a percentage of wages. Do you receive wages?

Well, since 'wages' and 'employment' are words of art here, with statutory references to definitions, let's check them out first, along with a few others. This is Chapter 21 (Federal Insurance Contributions Act) of the IRC (Internal Revenue Code). NOTE: The definitions of 'employer' and employee' and 'wages' we previously examined in Chapter 24, Sect. 3401 withholding, do not apply to this Chapter 21. So we have new definitions to contend with.

Remember, when we go through these definitions, that the word "includes", when used in a definition, means that all the words in the definition will fall into the same *category*, while the word "means" is limited to exactly what is defined. For example: The definition of fruit that says,"Fruit includes apples, pears and oranges", would also include other "fruit" in this category, such as cherries, but would 'exclude' potatoes, which are vegetables and not fruit. But if the definition says, "Fruit means apples and pears", then the definition is limited to what is actually described. It would NOT include oranges or cherries. Be aware of this distinction!

IRC 3121. Definitions.
(a) Wages. ***"For purposes of this chapter, the term "wages" means all remuneration for*** **employment, . . . "**

(b) Employment. ***"For the purposes of this chapter, the term*** *"employment"* ***means*** *any service, of whatever nature, performed (A) by an* ***employee*** *for the person employing him, irrespective of the citizenship or residence of either, (i)* ***within the United States****,, or (ii) on or in connection with an American vessel or aircraft under a* ***contract*** *of service which is entered into within the United States . . ."*

So far, we have seen that 'wages' are pay for 'employment'; and 'employment' is performed by an 'employee'; and it only applies within the 'United States'. Since employment applies to employees, let's see what an 'employee' is in this chapter on Social Security tax.

IRC 3121 (d) Employee. ***For purposes of this chapter, the term "employee" means --***
(1) any officer of a corporation; or
(2) any individual who, *under the usual common law rules applicable in determining the employer-employee relationship,* ***has the status of an employee****; or*
(3) ***any individual*** *(other than an individual who is an employee under paragraph (1) or (2))* ***who performs services for remuneration for any person --***
(A) as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal;
(B) as a full-time life insurance salesman;
(C) as a home worker performing work, according to specifications furnished by the person for whom the service are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him; or
(D) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full time basis in the solicitation on behalf of, and the transmission to, his principal . . . of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

if the contract of service contemplates that substantially all of such services are to be performed personally by such individual; except that an individual shall not be included in the term "employee" under the provisions of this paragraph if such individual has a substantial investment in facilities used in connection with the performance of such services . . . or if the services are in the nature of a single transaction not part of a continuing relationship with the person for whom the services are performed; or
(4) ***any individual*** *who performs services that are included* ***under an agreement*** *entered into* ***pursuant to section 218 of the Social Security Act.***

I'm glad they made this definition simple, aren't you? Notice the definition qualifier word, 'means'. It only applies to what is actually listed. So what is it really saying? With so much fog, they must be trying to hide something. What is it? I think the purpose is to spend so much time figuring out who is an employee, and who is not, that you lose sight of the real question: Who does the tax apply to? Definition #2 pretty wells sums it up. Any employee in the usual common law meaning of employer and employee, has the status of employee. This is a different definition for employee than found in section 3401 - Withholding, because it is for a different kind of tax. This is basically a tax for old age insurance, or retirement. Or, as it is commonly known, a Social Security tax. It is a form of pension benefit or privilege an employer pays to his employee. In this case you help pay your own pension benefit. Do pension benefits ever apply to non-employees? No. **The government considers everyone (every U.S. citizen) THEIR employee.**

Go back to Sect. 3101 - Rate of Tax. It says the tax is on individuals receiving wages from employment. What is 'employment'? The definition says it is services performed by an 'employee' **'within the United States'**. We just read the definition of 'employee' and that applied to pretty much everybody, so let's check the definition of United States.

What is the United States, and where is it? Remember from an earlier chapter, there are several different definitions for the United States, and that the geographical jurisdictions of the 50 United States of America are different from the federal United States government. Which one are we talking about here?

IRC Sec. 3121 (e) State, United States, and citizen.
For purposes of this chapter --
(1) State. *The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and American Samoa.*
(2) United States. ***The term "United States" when used in a geographical sense includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.***
An individual who is a citizen of the Commonwealth of Puerto Rico (but not otherwise a citizen of the United States) shall be considered, for purposes of this section, as a citizen of the United States.

Oh, the fog is clearing a little. The geographical United States, in this definition, 'includes' the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa. The word 'includes' means that it includes only things that are in the category mentioned in the definition, and excludes everything else. Even the definition of 'State" 'includes' only U.S. possessions and territories. Neither definition says anything about the 50 states. So the only logical conclusion

you can make is that the Social Security tax applies only to government employees in U.S. possessions and territories, and not to the 50 states. If you remember, these employees would be 'persons' under the 14th Amendment and therefore subject to the exclusive jurisdiction of the federal government. This is that special class of citizenship that has 'privileges and immunities' that are protected. Employment in the United States possessions is one of those privileges you are being taxed for as a citizen of the United States.

Again, the big question. Can you claim that you are a U.S. citizen, 'employed' in one of the 'United States' possessions and apply for Social Security? When you sign the Social Security application, do you, under penalty of perjury, declare that you are a United States citizen, as legally defined under this section? Yes you do! Is your name spelled in all capital letters on the SS card? Yes it is. The definition says that if you are a citizen of Puerto Rico, then you shall be considered to be a citizen of the United States. Are you a citizen of Puerto Rico? No? Then do you live in the 'United States', as defined?

Remember, that people in U.S. possessions and territories are also subjects of the federal government. And, as subjects, they are under the exclusive jurisdiction of the United States government. Remember from the 14th Amendment, what people under the exclusive jurisdiction of the United States are called? United States citizens. And if you are a citizen of Puerto Rico, you are also considered to be a U.S. citizen.

So this Social Security tax applies to government employees working in the United States. Government 'employee' includes everyone, and the United States is limited to Washington D.C. and 4 possessions. The 50 states are not mentioned.

Apparently this tax is only for U.S. citizens living within the geographical jurisdiction of the United States government. The official definition of United States does not include the 50 states. And this is true. BUT, under martial law, that jurisdiction is extended to the 50 states and now the tax applies to everyone who claims to be a U.S. citizen/subject of the federal government.

A quick review of the 14th Amendment:

U.S. Constitution 14th Amendment. ***Sect. 1 All persons born or naturalized in the United States AND <u>subject to the jurisdiction thereof,</u>*** *are citizens of the United States and of 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; or shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person <u>within its jurisdiction</u> the equal protection of the laws.*

So, again, a U.S. citizen is under the exclusive jurisdiction of the United States, with no mention of 'rights'. What do you call a person who is subject to the government? Subject? Slave? Employee? Property? All four? How about U.S. Citizen. And only these U.S. citizens have SS #'s (slave/subject #). I believe that it is the application for a Social Security number that creates the contract for U.S. citizenship, and waives your American Citizenship. The U.S. citizen was created at birth, but he is not actually confirmed, until he contracted to get a Social Security number. That is why an employer insists that you get a Social Security number before you start

work. The government wants proof that you are now under their jurisdiction, should they ever need it, like if they wanted to assess income tax on you. With so many kids having money these days, the government realizes that they are engaged in commerce at an earlier and earlier age all the time, and they are missing out on some tax revenue. So now when a child is born, the government wants you to contract for a Social Security number right away, so there is no question of jurisdiction. After all, even kids have to pay income tax if they make over a certain amount of money.

THE SOCIAL SECURITY INSURANCE SCAM

Another way to look at this is: What does "Social Security" really mean? Social means 'public'. A security is stock of a corporation. Stock is a publicly traded security regulated by the SEC. So when you get a social security number, you are activating or creating the public stock (security) of the corporation known as the United States, stock created for you to use, which adds to their collateral. By getting a social security number you declare yourself to be public stock of the U.S. government! You ARE a social (public) security, with a security number, you do not GET social security **insurance**! If you will look at the latest issued SS cards, you will see a red number on the back, just like the red registered security numbers on the back of a stock certificate! What's the difference? None! They are both public securities!

What do you call a person who delegates powers to the government via a constitution? A sovereign. Can a sovereign also be a citizen of his own government? Is a king also a subject to himself? Does a sovereign pledge allegiance to any government if He IS the government? Remember the pledge of allegiance you recited in school? *I pledge allegiance to the flag, of the United States **of America**, and to the **republic** for which it stands, . . .* You weren't pledging to the United States government, which is a democracy! You were pledging to the flag representing the 50 sovereign states, AND to the republics (states) for which they stand. Each separate sovereign state. Since the states are no longer republics, but corporations of the federal government, is the pledge of allegiance still valid? Or is it part of the con?

As we learned in chapter 6, the 14th Amendment was originally created for the freed slaves in the south (black and white) because slaves were property and had no citizenship. So the 14th Amendment created a new class of citizen, the U.S. citizen. Up to that point there were no official U.S. citizens. Citizens of the states were called United States of America (American) Citizens, or State Citizens, sovereigns in their state. The 14th Amendment created a new official class of United States citizen. Were they successful in making you think you were a U.S. citizen? Love those words of art! And these U.S. citizens had no inalienable rights secured by a constitution, just privileges and immunities secured by the good faith and credit of the federal government. Are YOU, by presumption, and by SS contract, a United States citizen?

How far, geographically, did the exclusive jurisdiction of the United States originally extend? We already examined this in detail, but let's do a quick review.

U.S. Constitution Article 1 Section 8 Clause 16. ***To exercise exclusive Legislation in all Cases whatsoever, over such District (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 States in which Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards and other needful Buildings;

Well, it looks like the exclusive geographical jurisdiction only extends to the District of Columbia and **purchased** properties (possessions and territories). Well that matches the definition of 'United States' above, doesn't it! Are these possessions and territories part of the federal United States? Yes. Are they part of the 50 United States of America? No. In fact, the federal government owns outright, over 40% of the land in America!

Can you live in the sovereign state of Maryland or Virginia, and work for the federal government in Washington D.C., a federal state? Yes. Then you would be liable for Social Security tax on your 'employment' income. You are employed in the federal United States, as defined. But remember, under martial law, all states are now federal states, under the jurisdiction of the federal government. So technically, we all live in a government possession, and claim U.S. citizenship, just like the people in Puerto Rico do. More on martial law in the U.S. Bankruptcy chapter.

Remember, this is information on Social Security tax, not income tax. But you can volunteer for Social Security tax just like you can volunteer for income tax. It is the SS# contract that makes you taxable for FICA tax. It is claiming the privilege of 'employment', as defined, in one of the federal United States. The income tax still applies only to privileged activities with a tax imposed on them. The Social Security number just verifies that you are a U.S. citizen.

When you tried to rescind your social security number, you cannot. The number belongs to the government and was assigned to a public security. All you can rescind is your original signature on your Social Security application/contract. The number is still valid. And the first time you use the number, the number is automatically activated again, because it reactivates the contract! So keep the number, but reserve all your inalienable rights when you use it. It is mandatory to have for most jobs and for getting a bank account and in many states for a driver's license. Therefore, you are forced to sign the SS contract if you want to operate in the world, and any contract signed under force, or under fraud, is null and void from the beginning. Fraud, because did you think you were REALLY getting an insurance policy for retirement? FICA is just a tax, not an insurance policy. To call it insurance is fraud.

Think about it. If you made your whole living investing in the stock market or in real estate, you would have no self employment tax and no Social Security tax. When you retire, do you then qualify for Social Security if you had no other income over the years? No. Why? Since you were not 'employed' anywhere, and never paid anything in to the program, you do not qualify. Why? Retirement benefits only apply to those employed by an employer.

The TRUTH is that Social Security is just a fringe benefit, for any U.S. citizen who is a subject of the federal government. And the qualifications for Social Security are easy! You just have to be a U.S. citizen/subject and pay in for 10 years! In the Supreme Court case of *Flemming v. Nestor*, 363 U.S. 603 (1960) the Supreme Court ruled that Congress is paying Social Security benefits under the same constitutional authority that it doles out Aid to Families with Dependent

Children and to those receiving food stamps. **The Court said that workers have no legal claim to either their accrued contributions or to their anticipated benefits.** And that Congress can stop these benefits at any time they want. Remember, privileges and immunities for citizen/subjects can be granted and withdrawn by the government at will. You have no 'right' to Social Security benefits, even if you paid in for 50 years, because it is NOT insurance. It is just a tax, to be doled out as willed. You are just on welfare, being paid from the income made by others! It is a giant pyramid scheme that would be illegal if you tried to implement a retirement program like this yourself. And it can be discontinued or changed at any time.

Remember, the social security tax is an excise tax on a privilege. The privilege is; being employed by the government in the jurisdiction of U.S. federal territory. Can you be forced to accept a privilege, so you can be taxed on that privilege? No. To engage in a privilege is still voluntary. But, the government is working on that. They have made it almost mandatory to accept the privilege of Social Security. After all, you can't get 'employment' in the 'United States' without one. And if you go to the doctor, they want your Social Security number. And in some states your can't get the "privilege" of liberty (driver's license) without a social security number. You didn't know that liberty was now a privilege, and not an inalienable right? United States citizens have this 'privilege' of liberty. American sovereigns have the inalienable right of liberty. They can drive to the grocery store without permission (driver's license) from the government. Another whole book subject!

If you will remember, the government, in 1894, tried to tax property income with an excise tax, and this lead to the famous Supreme Court case of Pollock v. Farmers' Loan & Trust (1895), that we previously read of. If you remember, the court ruled that property income, real or personal, could only be taxed with a direct tax with apportionment. So the government went back to the drawing boards. The problem? The court had also ruled in other cases, that even corporate property can only be taxed with a direct tax. The solution? The 16th Amendment (1913). It simply stated that all income, from whatever source, such as property, 'connected' to an excise activity, like a corporation, could be taxed with an excise tax. That took care of corporate income. But what about personal income? Another problem? How can we tax property income with an excise tax? The solution? Create a public corporation for every person in the United States, and have them claim all income received to be connected with that corporation, and thereby subject to an excise tax. But the people would not agree to that if they knew about it, so we must make it look like an old age insurance benefit that they can apply for, since it is practically impossible for an older person to get life insurance. Result? The Social Security Act of 1935, two years after the U.S. bankruptcy.

By creating social security account, what is really happening is that the government has created a legal fiction (name in all caps), a corporation, for you to use, without your knowledge. WHY? Because they can legally tax the property income of a corporation with an excise tax! They cannot tax the sovereign's property income with an excise tax, it can only be done with a direct tax, according to the Constitution. And you voluntarily apply for and use that SS number on everything that you do! It is tied to all income you receive and voluntarily report on tax returns! When you file a tax return, you are declaring that you, the U.S. citizen (corporate property) had income, and corporate property income is taxable with an excise tax!. **HAVE WE BEEN SCAMMED OR WHAT! That is why it is so important to make a legal distinction between**

you, the sovereign American Citizen, and the legal fiction (U.S. corporate citizen, name in all caps) that you have contracted to be!

Your Social Security number cannot be used for identification, by law, any more than you can use a stock certificate as identification. The IRS cannot use your Social Security number for identification purposes, since the number belongs to the Social Security Administration. But they can issue an identical number and just call it a taxpayer ID number instead. It's not any different than you being a United States of America Sovereign and just calling it U.S. citizenship. Or a sovereign claiming to be a slave so he can get a few free handouts. A Social Security number is not required on a tax form, unless you are liable, but you can volunteer to supply it if you want.

If you are not liable for employment tax, then a Social Security number's purpose is to convert your private property income to taxable corporate income. It all revolves around 'corporate employment' in the jurisdiction of the United States government. Banks want the number, so they can report to the IRS any interest they paid to you, as taxable income. But think about it. Is opening a checking account or savings account, or investing in a certificate of deposit, a government granted privilege **that a tax has been imposed on?** Not that I know of. The government is insuring your bank balance from loss with the FDIC, so I suppose they could call that receiving a privilege, but there would still need to be a tax imposed on it first. There is none. So I guess the privilege would be corporate income earning interest on that account.

Should you still have just Social Security tax taken out of your paycheck so you can receive SS benefits when you retire? Are you a corporate U.S. citizen, subject to employment tax? Then you are also subject to income tax and social security tax. The Princeton Economic Institute states that "under today's terms, if you are under 55 you have a greater chance of being abducted by aliens than ever seeing your first Social Security check." With those odds, do you still want the tax withheld?

Remember, studies have shown that if you invest the same amount of money in the stock market, as you pay into your own social security (stock) account, that your return would be much greater than the social security benefits you would receive. The problem is most people don't have the discipline to save money, so they let their master force then to do it instead.

SUMMARY

Social Security tax is on 'employees' employed in the 'United States', as these terms are legally defined in this section of the IRC. Social Security tax is one of the several 'employment' taxes on 'employees' working for the government in the jurisdiction of federal United States.

A SS# makes you liable for a tax on income received, since it is now corporate income. The government also claims that working for them in a federal state is a privilege, taxable with a social security tax. Obtaining the number is a privilege. Privileges cannot be mandatory. But the government can make it so you cannot get along without the privilege!

Ironically, the federal government does not collect social security tax from its own federal employees. It has its own pension plan. It only collects from U.S. citizens not directly employed by the government.

Getting a Social Security number creates the contract that you are, under penalty of perjury, a corporate United States citizen/subject, working for the government in a federal state, even if you live elsewhere. By the way, voting does also. Check your voter registration card and see if you swore you were a U.S. citizen. The same applies to gun purchases. You declared yourself to be a U.S. citizen, thereby waiving your second amendment right to bear arms. Another book subject!

A social security account number is just a public stock account number, (corporate legal fiction whose name is in all caps) created by the federal government for you, as a means to collect revenue through you , the sovereign, legally. It is an end run around the Constitution, where they can impose a legitimate 'excise' tax on the property income of a corporate legal fiction, where only a 'direct' tax could formerly be imposed on the property income of a sovereign.

Remember, it is a Social Security number that makes you liable for the excise income tax. And it IS also government employment in the federal U.S. that makes you liable for a Social Security tax.

Chapter 8 The TRUTH About the UNITED STATES GOVERNMENT BANKRUPTCY! and National Emergencies!

This chapter ties in with the chapter on the 14th Amendment. They go hand in hand. As we learned there, the 14th Amendment applies to artificial persons called U.S. citizens (corporate property), created by the federal government, and subject to it's jurisdiction.

The 14th amendment applies to 'persons born or naturalized'. Can property be born? Were slaves (property) born? In the early days of this country, when you were born, your birth was recorded in the family Bible. This showed you were under the jurisdiction of God, your creator. Starting in the 1930's, when you were born, you were issued a birth certificate from the state, and this certificate was recorded in the state records. After your birth certificate is recorded, it is sent to the Department of Commerce. Why there? Because the government is creating an artificial person and is just recording the birth of their property, that they will control and use for generating tax revenue. This is done to create an employee of the United States corporation to help pay off the national debt, since it is not legal to use private property to pay public debts. When you are bankrupt, you can use all the help you can get, or create!

The U.S. Constitution Art. I Section 8 says that one of the powers of the United States government is: *To* **regulate *commerce with foreign nations, and among the several states*** (50 states)*, and with the Indian Tribes;*

So, if your birth certificate created some corporate property (artificial person) of the federal government, 'resident' in one of the 50 states, 'regulated' in commerce, does the Code of Federal Regulations (CFR) apply to you?

U.S. Constitution Art. IV Section 3. *The Congress shall have the power to dispose of and make all needful Rules and* ***Regulations*** *respecting the Territory* ***or other Property*** *belonging to the United States;*

Are there federal rules and regulations that you are subject to? Are you then property of the U.S. government? Rules and regulations apply to U.S. territory and property. These birth certificates (property) were created so they could be put up for collateral for the bankruptcy of the United States government in 1933, in order for you to help pay off the debt through revenue collection. More on this in just a minute.

What about the sovereign 50 states? Do they **belong** to the United States government? Are they subject to the "Rules and Regulations" of the federal government (i.e. EPA, FAA, DEA, BATF, etc)? Are they sovereign states? Or are they also artificial persons (property) under the jurisdiction of the federal government? When states are created by Constitutions, they are delegated a portion of the people's sovereign powers. But, when states incorporate, they become artificial persons. The federal government has the power to regulate subjects (artificial persons) engaged in commerce. So the federal government WOULD have jurisdiction over the 50 states, because they all have incorporated into the federal government and are now artificial persons engaged in commerce. The states could solve this problem by un-incorporating and reclaiming their sovereign status. But then they would also have to give up federal handouts. What's the chance of that happening?

A **United States citizen** is a subject (property) of the federal government. His name is spelled in all caps. These citizens have only civil rights, (privileges and immunities) secured by the good faith and credit of the United States government. Neither state nor federal constitutions protect them.

An **American Citizen** is really not a citizen but is an individual sovereign. His name is spelled in upper and lower case letters. Some older documents may actually have it right, with upper and lower case. Most government computers are now programmed to only accept all caps. Also, if you use a middle initial, instead of spelling out your middle name, that also creates a fictional person. Your whole name must be spelled out to be a sovereign. It is basic English grammar.

A United States citizen has the status of an 'artificial person'. His name is spelled in all capital letters. When you contract to be a U.S. citizen (property of the U.S. government), via social security, you are basically co-signing for the debts of the federal government. **You are pledging all your income and assets to helping discharge the bankruptcy!**

Rely on your inalienable rights secured by the Constitution to protect you, not on your U.S. citizenship. If you want to get REAL technical, you cannot be a sovereign and a citizen at the same time. You waive your sovereignty when you become a citizen, because a citizen always swears his allegiance to a government. You cannot be a king or queen, and a subject, at the same

time. You are really only one or the other. Sovereigns have inalienable rights. Subjects have privileges. BUT, you can contract to be a corporate identity. Then you would have two legal identities! Sovereign and corporate. And you waive your inalienable rights to be the corporate entity.

Here's an interesting point for you to ponder! In the Attorney General's report to President Eisenhower ***'Jurisdiction Over Federal Areas Within the States'*** **,** there is an interesting statement in *Part II - Chapter VI - Civil Jurisdiction.* (pg 145) It says:

"The exclusive power of legislation necessarily includes the exclusive jurisdiction. *The subject is so fully discussed by Mr. Justice Field, delivering the opinion of the court in* Fort Leavenworth R.R. Co. v. Lowe, *114 U.S. 525, that we need do no more than refer to that case and the cases cited in the opinion."*
After discussing this in depth for a while, the Attorney General then states (pg 155) *"A careful study of the authorities has failed to disclose recognition prior to 1885 of any civil law existing in areas under the exclusive legislative jurisdiction of the United States.*

What happened in 1885?

(pg 156) **International Law Rule:** *Adopted for areas under Federal Legislative Jurisdiction. In 1885 the United States Supreme Court had occasion to consider the case of Chicago, Rock Island & Pacific Ry. v. McGlinn, 114 U.S. 542.* The court ruled: *It is a rule of public law, recognized and acted upon by the United States, that whenever political jurisdiction and* ***legislative power over any territory are transferred from one nation or sovereign to another, the municipal laws of the country, that is, laws which are intended for the protection of private rights, continue in force until abrogated or changed by the new sovereign. . . . Thus, upon a cession of political jurisdiction and legislative power - the latter is involved in the former - to the United States, the laws of the country in support of an established religion, or abridging the freedom of the press, or authorizing cruel or unusual punishments, and the like, would at once cease to be of obligatory force*** *without any declaration to that effect; and the laws of the country on other subjects would necessarily be superseded by existing laws of the new government upon the same matter.*
The Attorney General continued: *"The rule thus defined by the court had been applied previously to foreign territories acquired by the United States, but not until the* McGlinn *case was it extended to areas within the States over which the Federal Government acquired exclusive legislative jurisdiction."*

When a state accepts federal subsidies (free lunches), it also accepts exclusive federal legislation and regulation connected with those subsidies. Does the state at that time waive its sovereign status? It appears so. The state is now federal territory, and the transfer of legislative power from the state to the federal government creates the effect that the laws no longer have an obligatory force, without notice! And any laws of the state are superseded by federal laws. That is why all state laws are almost carbon copies of the federal laws. They ARE federal laws!

Back to the Attorney General in his chapter on Civil jurisdiction.

State and Federal Venue Discussed: ***The civil laws effective in an area of exclusive Federal jurisdiction are Federal Laws, notwithstanding their derivation from State laws, and a cause arising under such laws may be brought in or removed to a Federal district court under sections 24 or 28 of the former Judicial Code (now section 1331 and 1441 of title 28, United States Code), giving jurisdiction to such courts of civil actions arising under the "* * * laws * * * of the United States" where the matter in controversy exceeds the sum or value of $3000, . . .*** (Several case cites omitted) *In each of these it was decided that the laws of the State (Missouri) existing at the time of Federal acquisition of legislative jurisdiction over an area became "laws of the United States" within that area.*

So it appears that when the Federal government acquires legislative jurisdiction over a state, (or a person) that state waives its sovereignty, and the laws of the state technically become federal laws. The District of Columbia was incorporated in 1871, and the federal usurpation started in earnest in 1885. So, in the definition of the United States, are the 50 states NOW federal territories under its exclusive jurisdiction? Are you a U.S. citizen living in one of those 50 federal territories? Were you born in the United States and subject to the jurisdiction thereof? Did you waive your sovereignty?

Remember from the last chapter, when Congress passes laws for the territories of the United States, they are not limited by the Constitution. When they pass laws for the 50 states they must follow the limitations of the Constitution, because the 50 states delegated the power to Congress. The 50 states are superior to the federal government. So how does the federal government get the power to make laws for the 50 states?

DeLima v. Bidwell 182 U.S. 179 (1900) *If the law or treaty making power enacts that the territory over which the military arm of the government has extended shall come under the permanent absolute sovereign jurisdiction of the United States,* ***a new and different status arises. The former sovereign then loses all right of reverter, and the territorial limits of the United States are in so far enlarged.***

Did the United States government (confined to 10 miles square by the constitution) through military usurpation, extend the military arm of the government to include the 50 sovereign states? Yes they did. By this simple act, the 50 sovereign states came under the "*permanent absolute sovereign jurisdiction of the United States"* corporate government, ruled by the Commander In Chief, under martial law. We in reality have a dictatorship, but if the people knew that there would be revolt, so it is kept under wraps and is not taught in the public fool system.

HOW WE GOT INTO THIS MESS

To understand where we are today, we must go back and learn all the history lessons that we were never taught in the government schools. You see, the government doesn't want you to know this information, so they just don't teach it to you in the first place! Why do you think they are so against home schooling, where you can teach your own beliefs, and the truth?

So, let's do this in chronological order, so we can see exactly what happened. Today's mess started over 200 years ago. We started out right, with 2 great documents:

THE DECLARATION OF INDEPENDENCE (1776). If you have not read this document, click on this link and read it slowly. You will find that the conditions that precipitated this document are almost exactly the conditions we live under today!

THE CONSTITUTION OF THE UNITED STATES OF AMERICA (1787). The people who wrote this document were very familiar with government oppression and put many safeguards into it to protect your inalienable rights. This is the document that we need to keep, and uphold. It is being flagrantly violated today at all levels of government. You will find out why in just a second!

Now, if we know anything about governments, it is the fact that they do not like their powers limited or restricted. Just like us! They want maximum freedom to do whatever they jolly well please, just like us! You would almost think that humans created the government! Do you think that the people running the government for you, wanted freedom, AND, power over the people at the same time? Sure, isn't that what we all want? Total freedom, but also the power to make other people do what WE want! Get a bunch of us together and you have a government! But what about those who do not agree with that principle? Won't they cause problems? Won't they need to be controlled? You bet!

THE WHISKEY TAX AND REBELLION (1792-1794) In 1792 the federal government imposed a whiskey excise tax of 25%. This particularly hurt the farmers on the western frontier, since they grew grain and converted it to whiskey, because grain was too expensive to ship. Whiskey was used as a form of cash that was easily transportable. To collect the tax, the forerunner of the IRS was created. The country was divided into 14 districts, with 14 district directors. When the farmers in western Pennsylvania refused to pay the tax, a judge on the Supreme Court certified the existence of a state of insurrection, and President Washington called out the militia for a show of force. Fortunately, no military confrontation ensued. This was the first time that a President had assumed his position as Commander in Chief. This was the first exercise of "emergency powers".

THE ALIEN ACT of 1798. With this Act, Congress delegated to the President virtually unlimited power to "direct the conduct" of **nationals** of hostile countries whenever the United States should be engaged in a declared war or it's territory threatened with invasion. This Act, though somewhat amended is still on the books today. The Alien Act obligated the President to make a declaration of a state of war or of threatened invasion, which entitled him to use these new powers.

Now you know why we have the "War on Drugs", the "War on Poverty", the "War on Crime", the "War on Terrorism", etc. It is so the president can exercise his emergency powers over us hostile nationals.

THE CIVIL WAR 1861-1865. In 1861, due to this war, seven Southern states walked out of Congress on March 27. This left Congress without a quorum to conduct the nation's business, so

the only lawful power left was the President. President Lincoln declared a state of war and exercised his powers as Commander in Chief, to institute martial law under a state of emergency. **Congress was NEVER legally reconvened under the Constitution.** Lincoln ordered Congress to reconvene under his military authority as Commander in Chief (not as President), therefore Congress still sits today under military authority, by order of the President. This was accomplished through the Lieber Laws of 1863.

Lincoln also funded the war entirely by issuing war bonds, T-Bills, etc, which essentially put the United States government into bankruptcy in 1863. One of the funding schemes used was the so called 1040 Bonds. These bonds were to run not less than 10 years nor more than 40 years at 7.13% interest. To collect the interest on these 1040 Bonds, a form 1040 was used by the government. By 1864, the value of these bonds had dropped to 39 cents on the dollar.

In 1861, to collect the interest on those 1040 bonds, Congress created the Bureau of Internal Revenue. Do you think that was just a coincidence? Do you think that maybe the interest was never paid and we are still using the form today to collect?

To handle this bankruptcy, the Comptroller of the Treasury was created in 1863. What does a Comptroller do? He is charged with certain duties in relation to the fiscal affairs of the government, primarily to examine and audit the accounts of collectors of the public money, to keep records and report the financial situation from time to time. But the term we are concerned with is "Comptroller in Bankruptcy".

BOUVIER'S LAW DICTIONARY 1914.
Comptroller in Bankruptcy. ***An officer . . . whose duty it is to receive from the trustee*** *in each bankruptcy his accounts and periodical statements showing the proceedings in the bankruptcy, and also to call the trustee to account for any misfeasance, neglect, or omission in the discharge of his duties.*

So if the government is bankrupt, who is the trustee? This is answered for us by Congressional Record March 17, 1993. P.H1303. The following is from that record:

Mr. TRAFFICANT asked and was given permission to revise and expand his remarks.
Mr. TRAFFICANT. Mr. Speaker, we are here now in chapter 11. Members of Congress are official trustees presiding over the greatest reorganization of any bankrupt entity in world history, the U.S. government.

The United States government is in bankruptcy and Congress are the trustees. It is a legal maxim that a bankrupt is 'civilly dead'. That means that Congress cannot legally make positive law in bankruptcy, because they have no legal standing. The federal government has been in Chapter 11 bankruptcy from 1863 to today, and sits at the pleasure of the Commander in Chief, waiting to do his bidding.

14th Amendment 1868. The 14th Amendment was passed while under military rule, and therefore did not need to be properly ratified by the states, because the states were now under the federal government, under martial law, and the states changed their constitutions to reflect that

change in order to be readmitted to the union. By the way, that is also why the 16th Amendment for income tax did not need to be properly ratified, since it too was passed by a Congress exercising their military powers. The 14th Amendment applied to 'citizens'. *"Every person born or naturalized in the United States and subject to it's jurisdiction is a citizen."*

DISTRICT OF COLUMBIA created 1871. Congress was reconvened under military order in 1861. This status did not change, and in 1871, ten years later, a new federal government was created by incorporation of the District of Columbia. This new corporation was called "United States". The old Congress ceased to exist in 1861 and the new Congress was reconvened under military rule, which created Washington D.C. in 1871. Even today Congress does not sit by Constitutional positive law, but by mere resolution, which is merely advisory, not compulsory. Resolutions only apply to those who make them, like New Year's Resolutions. That is why the House and Senate are continually making resolutions. They merely indicate what public policy may be, but they carry no force of law with them, except on themselves and **their property**. This is the key to military government. Unless government is permanently established by those who have law, there is no state of peace. Therefore we are still under military law.

TRADING WITH THE ENEMY ACT October 6, 1917. This was passed during World War I. Woodrow Wilson submits to Congress and passes this Act. The purpose of this Act was to *"***define,** regulate*, and punish trading with the* ***enemy, and for other purposes."*** With this Act Congress defined WHO the enemy was. It also gave the government total authority over the individuals defined as the "enemy". In the definition of enemy there was an exception in Section 2, Subdivision (c). It was: *"other than citizens of the United States."*
In Section 5(b) of this same Act it states:
"That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange, export or earmarkings of gold or silver coin or bullion or currency, transfers of credit in any form (other that credits relating solely to transactions to be executed wholly within the United States)."

EMERGENCY BANKING ACT March 9, 1933. President Roosevelt called for a special and extraordinary session of Congress in Proclamation 2038. At that session he presented a bill, an Act, to provide for relief in the existing national 'emergency' in banking and for other purposes.

In this Act of March 9, 1933, it states in Title 1 Section 1:
"The actions, regulations, rules, licenses, orders and proclamations heretofore ***or hereafter taken, promulgated, made, or issued*** *by the President of the United States or the Secretary of the Treasury since March the 4th, 1933,* ***pursuant to the authority conferred by subdivision (b) of Section 5 of the Act of October 6, 1917, as amended, are hereby approved and confirmed."***

This says that any actions, orders or proclamations, made by the President hereafter taken, are hereby approved and confirmed. Congress just wrote a blank check to the President. ANYTHING he wants to do is approved, IN ADVANCE! Do you think we are living under a dictatorship! Is that how the President is acting today, as if everything he does is already approved? It seems so.

If you went to a law library today and looked up 12 USC (United States Code) Section 95(b), you will find this Act still on the books today!

But, if you will remember, the Act of 1917 applied to enemies *"other than citizens of the United States."* So in 1917 the war powers did not extend to citizens of the United States, and the government did not have authority over us and the Constitution was still valid and upheld. But Roosevelt made an amendment to the 1917 Act, in 1933. In Section 2 of the Act of March 9, 1933 it states:

"Subdivision (b) of Section 5 of the Act of October 6, 1917 (40 Stat. L. 411), as amended, is hereby amended as follows;
During time of war or during any other time of ***national emergency declared by the President, the President may, through any agency*** *that he may designate, or otherwise, investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange, transfers of credit between or payments by banking institutions as defined by the President and export, hording, melting, or earmarkings of gold or silver coin or bullion or currency,* ***by any person within the United States or anyplace subject to the jurisdiction thereof."***

By simply including in this amendment *"any person within the United States or anyplace subject to the jurisdiction thereof",* citizens of the United States were now included in the definition of 'enemies of the United States'! As far as any commercial, monetary or business transactions were concerned, United States citizens were no longer any different from any other enemy of the United States.

To summarize:

In 1917, due to World War I, Congress passed the Trading With the Enemy Act, and defined the enemy as *"other than citizens of the United States".* This Act allowed the government to take control of any and all commercial, monetary or business transactions conducted by enemies within our continental borders. Section 5(b) of this Act gave the President unlimited powers to control the commercial transactions of the defined enemies.

During the Korean War, there was much publicity over the fact that Congress never declared war and charges were flung back and forth that the war was illegal. The same thing took place in the Viet Nam war and elsewhere. Today the President is still engaging our forces in foreign countries without the consent of Congress. These acts of the President are 100% legal, because as Commander-in-Chief he still has his emergency powers and he does not need the approval of Congress to engage in war. Congress only makes 'public policy' as trustees of the bankruptcy.

In the amendment in 1933, the Act was expanded to include "***any person within the United States or anyplace subject to the jurisdiction thereof."*** Remember a "person" is a corporation! The people of the United States then became subject to the powers of the Trading With the Enemy Act of 1917. Note that the war power acts were also expanded to include 'national emergencies', as defined by the President. And didn't Roosevelt just proclaim a national banking

emergency? Where does that place us? Since this Act is still on the books today, then it is still binding until the national emergency is resolved.

What was the national emergency in 1933? It was a banking crisis. The stock market had crashed in 1929 and a depression was in full swing. All the banks were closed for a 'bank holiday'. The REAL crisis was that until this Act was passed in 1933, your bank deposits were backed by gold in the vaults. The problem was that the gold was no longer there, and people were lining up at the banks and demanding to cash in their gold certificates for the gold they supposedly had on deposit. The banks didn't have the gold to return. A real crisis. What did they do with the gold? Gold was legally limited to $35 an ounce in the United States. But in Europe the value of gold floated and was worth $60 an ounce. The banks sold their gold to the European bankers and made a tidy profit at their customer's expense.

ROOSEVELT TURNS UP THE HEAT

President Roosevelt took office on March 4, 1933. During his term of office he implemented 100's of new national programs under the guise of a national emergency. Most of those programs are still on the books today, because we still have an emergency in those areas. The areas include, agriculture, banking, welfare, farming, etc. These emergency powers have been extended every year by the President, for some reason or other, and are still in full force today.

But you ask, "Are we STILL under a national emergency, and under martial law?" Yes, and have been since 1863, which was greatly expanded in 1933. In fact a special committee was formed to study the termination of the national emergency. This was done with:

Senate Report 93-549, July 24, 1973, which said: *"Since March 9, 1933, the United States has been in a state of declared national emergency." "These proclamations give force to 470 provisions of federal law. These hundreds of statutes delegate to the President extraordinary powers exercised by Congress, which affect the lives of American citizens in a host of all-encompassing manners. This vast range of powers taken together, confer enough authority to rule this country without reference to normal constitutional process."*

This report WAS acted upon and the 94th Congress passed:

Public Law 94-112 - September 14, 1976 ***"To terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies."***
There was one exception to this act though, in Section 502(a):
"The provisions of this Act shall not apply to the following provisions of law, the powers and authorities conferred thereby, and actions taken thereunder: (1) Section 5(b) of the Act of October 6, 1917, ***as amended*** (12 U.S.C. 95a; 50 U.S.C. App. 5(b);"

So, what really happened? Did the national emergency of 1917, amended in 1933, come to an end? NO! We are still governed by 12 U.S.C. 95a & 95b, which originated with the Act of March 9, 1933. We are still living under emergency rule and martial law!

Can the state of emergency and martial law powers be terminated? Yes they can, but there is a problem. The Commander-in-Chief can terminate the martial powers at any time, BUT it would not make any difference, because what lawful government would take over? First a lawfully constituted authority would have to be put into power to replace the military power we are under now. So even if the martial rule was terminated we would still be exactly where we are now. Nothing would be accomplished. We would have to go back to the limitations of the Constitution, and the present government would never go along with that!

Fortunately, reclaiming your inalienable rights does not require any changes in the system! We can work with the present laws and still be free! But before we get to that . . .

Of all the Acts implemented by Roosevelt, the most important, to us, was:

June 5, 1933 - House Joint Resolution 192 (HJR-192)
". . . Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled: That (a) every provision contained in or made with respect to any obligation which purports to give the obligee the right to require payment in gold or a particular kind of coin or currency, or in an amount in money of the United States measured thereby, is declared to be against public policy, and no such provision shall be contained in or made with respect to an obligation hereafter incurred. Every obligation heretofore or hereafter incurred, whether or not any such provision is contained therein or made with respect thereto, shall be <u>discharged</u> upon payment, dollar for dollar, in any such coin or currency, which at the time of payment is legal tender for public or private debts . . ."

Who is making this resolution? Remember, resolutions only apply to those who make them! This resolution basically said that debt can no longer be *paid* because the only way lawful payment can be made is with gold, or silver coin, or currency. And the government just confiscated all the gold in 1933, followed by silver in 1934. The only way you can now pay a debt is with Federal Reserve Notes (FRN's), which are just promissory notes backed by the government. And who is the government? YOU! So you do not "pay" the debt, you just "discharge" it to someone else, by giving him Federal Reserve promissory notes (FRN's). **Any obligation incurred by the makers of the resolution, would not be paid, but would be discharged.** A resolution is really just an opinion of how you would like things to be.

What just happened is that the government said that they were not going to redeem your Federal Reserve Notes. They were not backed by anything of value. This is simply the creation of a permanent loan to the government, from the people, and the loan could never be paid back.

And just WHAT are FRN's? Where do they come from? They are private commercial debt instruments issued by the Federal Reserve, which is a private corporation. So basically, EVERYTHING you do, that involves money, puts you into a private commercial transaction. Under International law, all commercial transactions are regulatable by the government when under martial rule. This commerce is regulated by way of licenses. Can you start a business without a business license? Not according to the government!

FRN's are created by debt. When you take out a loan from anywhere, the money for that loan is created out of thin air. It is new money. That is a very simple explanation, but that is really what happens! But, what backs this new money? A promissory note is not of much value unless there is some collateral backing it.

FRN's are backed by the full faith and credit of United States of America. Who is the United States of America? The federal government? No! It is you and me, because we created the federal government with the Constitution. And where does the credit come from? US! U.S. citizens are the collateral for the Federal Reserve Notes in circulation. When the government declared bankruptcy, all commercial activity, and the U.S. citizens themselves were pledged as collateral to pay off the debt.

So any time you use FRN's, you are dealing with the property of a corporation, a legal fiction in law. And a fiction can only deal with another artificial person. In fact, martial law governments are fictions created to manage civil affairs. Are you an artificial person? Remember what we learned about the spelling of your name? Is everything you do in business done in your name spelled with all caps? Yes it is! You are already an artificial person!

As stated above, all commercial activity was pledged as collateral for the debt. So the government had to find a way to make sure that EVERYTHING you did was in commerce, so it could tax and regulate EVERYTHING you did. Can you think of anything that the government does NOT regulate? There had to be a way to convert your inalienable rights to privileges. There WAS! What the government did was to register every person born, as property of the government, and make an artificial person out of them. This was done with the birth certificate. When you are born, you birth is recorded in the county you were born in. After that it is sent to the Department of Commerce and a new person is created! A U.S. citizen! But, with your name spelled in all caps, to designate you as an corporate person engaged in commerce.

What your birth 'certificate' really is, is just a 'Certificate of Title' to the U.S. citizen, just like you get for your car. Legally, you don't own the fictional U.S. citizen, and legally you don't own your car. The government holds the title to both of them, and issues you a Certificate of Title for your car and a Birth Certificate for the U.S. citizen. They are claiming this property as theirs by presumption. And it is, until you rebut this presumption. In the past you have gone along with this presumption because you didn't know the truth. You are the true owner of this property, your birth certificate. The government is just a holder of this property.

Federal Reserve Notes, prior to March 9, 1933 were backed by gold. After March 9, 1933, they became Federal Reserve 'bank' notes, and were emergency war script. The Federal Reserve bank notes were now backed by the assets of the banks. The assets of the banks are the mortgages held by the people on their property. But the people needed to be mortgaged also. This was done with the birth certificate, as stated above. So when you get a mortgage, it is paid with federal reserve notes, which are backed by your credit! You are loaning money to yourself!

The 'mortgages on property' part was partially accomplished with:

Senate Document No. 43, 73rd Congress, 1st Session, which states: ***"The ownership of all property is in the state; individual so-called 'ownership' is only by virtue of the government, i.e., law, amounting to mere user; and use must be in accordance with law and subordinate to the necessities of the state."***

Congressional Record, March 9, 1933 on HR 1491 p. 83. "Under the new law *the money is issued to the banks in return for government obligations, bills of exchange, drafts, notes, trade acceptances, and bankers acceptances.* ***The money will be worth 100 cents on the dollar, because it is backed by the credit of the nation. It will represent a mortgage on all the homes, and other property of all the people of the nation."***

When your birth certificate was recorded with the Department of Commerce, a U.S. citizen, corporate entity was created, so he could be taxed and regulated in commerce. This was the property of the federal government by usurpation. Therefore all the property of the U.S. citizen was now the property of the government! You are just the mere user of the property, by virtue of the government. The U.S. citizen was created to generate revenue. Your government is usurping your property, so it can generate revenue to pay its bankruptcy debts!

That is why you don't get a 'title' for your vehicle. You get a 'certificate' of title. That just certifies that there is a title held in the government's name, and you have permission to use this government property via the certificate of title. You must also pay a registration fee and get license plates for their property. Don't pay it and they will deny you the use of this property. When you record your real estate in the county, you are recording your turn to use the property in the corporation records. If you don't pay your usage (rental) fees (property taxes) they will take their property back via a tax sale, and sell the privilege to someone else. The value of the property is irrelevant. They are just concerned with the rent (tax) due. Your property has been usurped by the government. The same with zoning laws. If you want to build a garage on your property, you can do so only after you get permission via a building permit (another tax). If you don't get permission, they will make you tear it down.

This usurpation of your property could only be accomplished by the creation of the U.S. citizen, via your birth certificate. And now, all property is recorded in the name of the U.S. citizen, in all caps! Your sovereignty was usurped and converted to a commercial privilege. You became the co-signer for every commercial transaction the federal government became involved in, all to generate revenue. The big question is: How do you get your sovereignty back? You must reclaim your inalienable rights. More on this later.

First, an important point needs to be made clear here. In law, a fictitious entity can only deal with another fictitious entity, because only parties of equal standing can communicate in law. ***"A sovereign*** **(the lawgiver)** ***is exempt from suit,*** *not because of any formal conception or obsolete theory, but on the logical and practical ground that there can be no legal right as against the authority that makes the law on which the right depends." "A suit presupposes that the defendants are subject to the law invoked. Of course it cannot be maintained unless they are so."* ***Kawananakoa v. Polyblank*** ***(1907) 205 U.S. 349***.

This is known as the doctrine of Sovereign Immunity. The government uses this all the time to protect itself against lawsuits. They create the statutes, and they only agree to be bound by certain statutes. As a U.S. citizen, you do not have that right because you are property of the federal government. As a American citizen, you are the creator of the government, so you are immune from suit, unless you agree to waive this right and enter into a suit. Every time you file an legal action in a court, you agree to be bound by the rules of the court and the statutes of the jurisdiction you are acquiescing to. You waive any inalienable rights you may have and agree to be bound by the statutes.

STATE SOVEREIGNTY LOST!

With the above evidence, it appears that the 50 states are no longer sovereign states, but are mere subdivisions of the United States government. If this is true, HOW did it happen? The answer is found in the general principles of the law of nations. This law says that every government which is sovereign within its sphere of action possesses, as an inherent attribute, the power to acquire property, by discovery, **by agreement** or treaty, and by conquest. Were U.S.citizens declared enemies of the federal government? Were the states taken over by conquest, or by agreement, as demonstrated by the military flag in all our courtrooms, (see courts chapter) showing the jurisdiction of the federal corporate military government? This is clarified by Halleck in his treatise on International Law, pages 76, 814:

Chap. 2, 23. ***The sovereignty of a state may be lost in various ways.*** *It may be vanquished by a foreign power, and become incorporated into the conquering state as a province or as one of its component parts;* ***or it may voluntarily unite itself with another is such a way that its independent existence as a state will entirely cease.***

Chap 33,3. *If the hostile nation be subdued and the entire state conquered, a question arises as to the manner in which the conqueror may treat it without transgressing the just bounds established by the rights of conquest. If he simply replaces the former sovereign,* ***and on the submission of the people, governs them according to the laws of the state, they have no cause of complaint. Again, if he incorporates them with his former states, giving to them the rights, privileges, and immunities of his own subjects, he does for them all that is due from a humane and equitable conqueror to his vanquished foes.***

Does this sound like the 14th Amendment? Absolutely! Did the states incorporate? Yes. Each state government is now a corporation called the STATE OF i.e. COLORADO. What did they incorporate into? Into the United States as component parts of the United States government, subject to its jurisdiction. Did they do this voluntarily? Again yes. The states, by accepting federal subsidies and jurisdiction, voluntarily united themselves with the federal government, and this new status, confirmed by the presumption of jurisdiction over the lapse of time, caused the independent existence of the sovereign states to cease to exist. Simply put, the 50 sovereign states no longer exist in fact, only in history books. All 50 states are now just subdivisions of the federal government.

Continuing with Halleck on International Law, page 839:

Complete conquest, by whatever mode it may be perfected, carries with it all the rights of the former government; or in other words, the conqueror, by the completion of his conquest, becomes the absolute owner of the property conquered from the enemy nation or state. His rights are no longer limited to mere occupation of what he has taken into his actual possession, but they extend to all the property and rights of the conquered state, including even debts as well as personal and real property.

When the federal government declared Americans to be enemies of the federal government the conquest was started and completed without a shot being fired. At that point all your property, real or personal, became the property of the federal government. Remember the two quotes from above? Let's look at them again:

Senate Document No. 43, 73rd Congress, 1st Session, which states: *"The ownership of all property is in the state; individual so-called 'ownership' is only by virtue of the government, i.e., law, amounting to mere user; and use must be in accordance with law and subordinate to the necessities of the state."*

Congressional Record, March 9, 1933 on HR 1491 p. 83. "Under the new law** the money is issued to the banks in return for government obligations, bills of exchange, drafts, notes, trade acceptances, and bankers acceptances. **The money will be worth 100 cents on the dollar, because it is backed by the credit of the nation. It will represent a mortgage on all the homes, and other property of all the people of the nation."

SUMMARY

The United States government is a corporation. This corporation has declared bankruptcy. This corporation had limited assets, so it created some assets (fictional persons) U.S. citizens, for collateral for the bankruptcy. The states also incorporated into the United States and pledged their property as collateral also.

The assets of every sovereign American, now U.S. citizens, are pledged as collateral to cover the growing federal government deficit. You own nothing. You just rent it from the government. If you pay a property tax or use tax on anything, then you do not own it, because if you do not pay the tax, they will take it away from you. You no longer have the inalienable right of property.

The United States government is in bankruptcy. The date it started is not really important. The fact of bankruptcy alone is what has created this mess.

As part of the bankruptcy, fictional persons were created, called United States citizens, to help collect revenue to pay the debt. These citizens are corporate employees/subjects of the federal government and have their names spelled in all caps.

This U.S. citizen is created property of the federal government. Therefore, all the property of these U.S. citizens, is really just the property of the federal government.You unknowingly contracted to become this U.S. citizen. You co-signed for all the federal debt.

All the statutes, rules, regulations, taxes, licenses, etc, of the state and federal governments apply only to fictional 'persons', *res*idents, such as U.S. citizens. The governments have no powers over a sovereign individual that the sovereign did not delegate to that government via the constitutions, state and federal.

A sovereign's property is exempt from taxation, except with a direct tax with apportionment, as mandated by the Constitution!

Are you a sovereign American, OR a U.S. citizen?

WARNING!!

If you use any of the information in this chapter, the IRS and the courts will call it a frivolous argument and without merit. They WILL rule against you! Use this information at your own risk!

Chapter 9 The TRUTH About COURT ROOMS! STAY OUT!

In our legal system it is all or nothing. You are either a sovereign or a slave. There is no middle ground.

In previous versions of this book, I went into detail on the statutes concerning liens and levies, and assessments, the United States Code, the Code of Federal Regulations, etc., and documented how they were not being upheld by the courts. But even with these arguments, coupled with the inalienable rights arguments, patriots were still losing in the courts. WHY? When I learned about the federal bankruptcy and the change to martial law, then everything fell into place. We have learned, that as U.S. citizens we have no inalienable rights protected by a constitution. But we were still losing in the courts on statutory issues even though there is no statute that makes you liable for an income tax. I proved this, with the statutes and court decisions, in previous versions. But the courts would not uphold the statutes either. They would not actually disregard the statutes, they would just find any excuse and any loophole they could come up with, or fabricate, to dismiss your case. And the Department of Justice attorneys know this so they can make a half hearted attempt at defense and still win the case. I wanted to know why the courts would not uphold the plain words of the law. Then, recently, I found out.

What first dawned on me, is that American Citizen's have no standing in court. Therefore any time an American Citizen went to court and claimed not to be liable for income tax, because the constitution says direct taxes have to be apportioned, they were ruled against. It IS a frivolous argument, because **only a U.S. citizen has standing in today's courts**, and since you WERE in court making a claim, the presumption was made that it was a U.S. citizen making the claim (a

correct presumption), and since the U.S. citizen does not have inalienable rights secured by the constitution, it was a frivolous argument and against public policy. Only sovereign American's can claim inalienable rights, secured by the constitution, and sovereign's will not be found in court. U.S. citizens can only claim privileges and immunities secured by the statutes, so anytime you enter the court's jurisdiction, your are correctly presumed to be a U.S. citizen, there on a statutory issue.

An Oklahoma Supreme Court justice stated it in a nutshell when he described the first level state courts in Oklahoma as "statutory non-constitutional" courts. The same is true in all states and in the federal court system. When you file a federal case you must submit a cover sheet showing the nature of the suit. Nowhere on the sheet is there a space for "inalienable rights". The only section that is close is labeled "civil rights".

The courts today are **private** corporate courts run by the BAR (British Accreditation Regency) Association. Think about this a minute. Attorneys are considered by statute and by court decisions to be *"officers of the court"*. Their first duty is to the court, not to you! Judges, Prosecutors and private practice attorneys are all attorneys and therefore are all officers of the court. Since all these officers are dealing in the same commodity, statutes, they would be statute "merchants", as "merchants" is defined by the Uniform Commercial Code at (UCC) 2-104(1). All the statutes are written by attorneys. Most business legal decisions are made by attorneys. Prosecutions are made by attorneys. Defenses are made by attorneys. Judgments are made by attorneys. Officers of the court are in fact just government agents. These agents are also U.S. citizens and they main job is to collect revenue to pay the federal debt. Therefore the whole court system and all attorneys have just modified the legal system into a business entity, designed to run as many people through as fast as they can, and collect the most revenue. And what is the one product of this business? Statutes. There are over 3 million law and statute BOOKS, and over 60 million statutes! Do you know them ALL? Remember, ignorance of the law is no excuse.

Again, all definitions quoted in this chapter are from Black's Law Dictionary 6th Edition, unless otherwise noted.

Up until 1933, we operated under Public Law. After 1933 we operated under Public Policy. What is the difference?

Public law. ***That branch or department of*** *law which is concerned with the state in its political or sovereign capacity,* ***including constitutional and administrative*** *law, and with the definition, regulation, and* ***enforcement of rights*** *where the state is regarded as the subject of the right or object of the duty, . . . That portion of* ***law which is concerned with political conditions; that is to say, with the*** *powers, rights, duties, capacities, and incapacities which are peculiar to political superiors, supreme and subordinate.*

Before 1933 we had public law, based on rights, constitutions, statutes, etc., and the state was the subject of the rights and the object of the duty to protect those rights. If you went to court, you went as a sovereign with inalienable rights, and the courts upheld them.

After 1933, when everybody's status changed, we then went under public policy.

Public policy doctrine. ***Doctrine whereby a court may refuse to enforce contracts that violate law or public policy.***

Public policy. *Community common sense and common conscience, extended and applied throughout the state to matters of public morals, health, safety,* ***welfare, and the like; it is that general and well-settled public opinion*** *relating to man's plain, palpable duty to his fellow men,* ***having due regard to all circumstances of each particular relation and situation.***

So, what's the difference?

Under public law, the courts upheld the constitution, the statutes, and enforced your inalienable rights, even to the detriment of the public. This is still applicable to all cases where there is a dispute as to the terms of a contract that does NOT affect the general public or the government. If you have a contract to provide a service for someone, then the courts will enforce that contract. But if you are a corporation and you sign a contract with a supplier that says you will not sell any products to women, then the court will rule that your contract is against public policy and will refuse to enforce the contract.

Under public policy, you have no rights to uphold, or contracts to enforce. It is really just a democracy. If the majority of the public has the same **opinion**, then that becomes public policy, law. If your rights or contract interferes with what the government thinks is best for the welfare of the general public, or is **contrary to public opinion**, they may refuse to uphold your rights, or enforce your contract. That is why most contracts have to be on government approved forms before the courts will uphold them. **The whole court system, at all levels, is just a private business set up to collect revenue for the government.** They mostly handle their own business, collecting revenue for violations of their corporate statutes, but occasionally they will listen to a dispute between two private citizens.

As applied to court cases, if you have a property line dispute with your neighbor, the court **will** enforce the laws as written. If you have a dispute with the IRS because they assessed a tax after the statute of limitations was expired, the court **may** uphold the statute. If you are claiming that the IRS cannot tax your property income directly, due to the inalienable rights of property, the courts will **not** uphold your rights, because the public needs the tax money. If you are claiming your inalienable rights against the government, what are your chances? You are fighting Goliath in Goliath's court! If you make constitutional arguments in court, the judge will tell you that if you persist in making these arguments, he will find you in contempt of court! WHY? Because a U.S. citizen does not have any Constitutional protections. They are property of the corporate government and property does not have rights.

BUT, if you do like I did in my court cases (and older editions of my book), the courts will rule against you, under public policy. In my court cases I provided documented proof that the Internal Revenue Code (IRC) Section 7805 says that the Secretary of the Treasury must prescribe regulations for the 'enforcement' of the tax code. And that without these regulations being promulgated, that the collection and penalty statutes were not enforceable. I even quoted IRC

6202, which says: *"The assessment shall be made by recording the liability of the taxpayer in the office of the Secretary* ***in accordance with rules or regulations prescribed by the Secretary."*** There are NO regulations prescribed for, assessments, liens, levies, frivolous penalties, or ANY other type of collection action, **THAT APPLY TO INCOME TAX.** All these collection regulations only apply to the BATF. If there are no rules or regulations prescribed for assessments, how can the IRS make a valid assessment for income tax when you don't file a return? They can't! Did this argument make any difference when I presented it? NO! I had documented proof! I even provided Supreme Court decisions to back up the argument, along with other statutes that said the same thing. I proved beyond the shadow of a doubt that there were no regulations for ANY collection actions, for income tax, in the Code of Federal Regulations. (26 CFR Part 1 Income Tax.) I provided MANY authorities. But the court ruled against me. They would not address my argument and would only state that my argument was frivolous and without merit. WITHOUT MERIT! I had tons of documentation from their own laws to prove my case! But I lost because I was ignorant! Ignorant of the doctrine of Public Policy. The law and the statutes are NOT valid! Public opinion is the determining factor. And who determines public opinion? The legal system!

If my arguments WERE addressed by the court, then they would have to uphold the law as it was plainly written. But, my win would have exposed the fraud of the income tax collection actions applied against us, and would have had a major impact on the way the government collects taxes. It would result in a great loss of revenue. And a loss of revenue, would be against public policy, because we have to take care of the welfare of the people, and pay off the bankruptcy, and that would put a damper on it. Therefore, due to the doctrine of public policy, my arguments were without merit. What, REALLY, is this doctrine based on? It is based on another doctrine, the **Doctrine of Necessity**!

You have probably heard of patriots who have gone to court with a claim against the government, and the courts dismissed the case for "failure to state a claim upon which relief can be granted", or was dismissed because the argument was "without merit". These patriots thought they had a great case, and they did! That was the problem! They could not be allowed to win, because it would cause a revolution! What does necessity mean?

Necessity. ***Controlling force; irresistible compulsion; a power or impulse so great that it admits no choice of conduct. That which makes the contrary of a thing impossible. The quality or state of being necessary, in its primary sense signifying that which makes an act or event unavoidable.***

When the government takes your property to build a road or make a park, (eminent domain) that is done under the doctrine of necessity. It is in the best interest of the public, therefore you must give up your property right! Suppose you killed someone in self defense. That is under the doctrine of necessity. You HAD to do it to save your life! The government says the same thing for your court arguments. They had to rule against you, because THEIR life was at stake! When it comes down to your life or their life, which way do you think they will rule? What do you think Goliath would have done if David filed a court case against him, in Goliath's court? If it came down to David's life or Goliath's life, how would Goliath rule? He would rule out of the

doctrine of necessity. STAY OUT OF GOLIATH'S COURT! Throw your stones instead! You cannot beat them in their own courts!

Many patriot arguments were based on constitutional claims, as were mine. As we learned in previous chapters, only a U.S. citizen has any standing in any court, and the U.S. citizen does not have any inalienable rights secured by the Constitution or Bill of Rights! He has only privileges granted by his master, the government. That's why 14th Amendment citizens had to be given privileges and immunities that corresponded to all the same rights that sovereigns claimed in the Bill of Rights. Privileges and immunities are pseudo rights that can be granted and taken away at will by the government. So when a U.S. citizen makes a constitutional rights claim, the court cannot grant relief, because he has not made a claim upon which relief can be granted. He has no 'constitutional' rights. He only has privileges and immunities, under the 14th Amendment, as a citizen of the United States.

Since all law is based on contract, the courts and the government agencies automatically 'presume' that you are a U.S. citizen making a statutory claim against the corporate government, Goliath. **And you waived ALL your rights when you signed the contract for U.S. citizen, so what's your beef? You have not stated a claim upon which relief can be granted!**

The Laws of War, International and Municipal Law, and Emergency powers, are not real law. The Supreme Court has ruled in the landmark case of Erie Railroad v. Thompkins 1938, that stare decisis, which means case law, in statutory construction, is a useful rule, not an exorable command. This means that former court cases may or may not be used to set any precedent for the law, because the standard of law previous to 1933 was based on the constitution. After 1933, the constitution no longer applied, so any cases decided before 1933 no longer were required to be upheld. The same is true today. If you are in court, the judge will only acknowledge case cites before 1933 if they are not against current public policy, because they are not valid today under military law. He won't tell you that though! WHY? Because **necessity knows no law!** And necessity is the basis of the emergency powers and martial law.

Before 1933 you still had full constitutional rights and you could argue those rights in a court of law in your real name spelled in upper and lower case letters. Before 1933 you were still under emergency rule, but were not the declared enemy of the United States. After 1933, all enemies of the United States only had standing in the military court as legal fictions, U.S. citizens. The Federal Rules of Civil Procedure were instituted on September 16, 1938.

But the biggest rotten apple in the barrel was another doctrine, called stare decisis.

Stare decisis. ***To abide by, or adhere, to decide cases. Policy of courts to*** *stand by precedent and not to disturb settled point. Doctrine that, when court has once lain down a principle of law as applicable to a certain state of facts, it will adhere to that principle, and* ***apply it to all future cases, where facts are substantially the same; regardless of whether the parties and property are the same.***
Under doctrine a deliberate or solemn decision of court made after argument on question of law fairly arising in the case, and necessary *to its determination, is an authority, or* ***binding***

precedent in the same court, or in other courts of equal or lower rank in subsequent cases where the very point is again in controversy.

The key word here is 'necessary.' The previous case must be followed, except under the doctrine of necessity. These 2 doctrines have lost us more freedoms that any other. How? Let's take an example. Let's say I go to court and make a claim that the IRS has levied my property without following proper procedure. In order to make a levy, they first had to make an assessment. And since I didn't file a return, before they could make the assessment, they had to send a notice of deficiency. They goofed. They didn't send a notice of deficiency, made an assessment anyway, without any regulations, and then levied my property as they pleased. By the way, this is MY true story.

I, not being versed in legal procedure, and not being able to afford an attorney, decided to educate myself in the nuances of law. Boy did I learn a lot! A lot of what is in this book. I already knew that if I hired an attorney, that the attorney works for the courts, not for you. I knew that every attorney and every judge was a member of the American BAR Association, and that the ABA was a private corporation. I knew that an attorney is obligated, by his membership in the bar, to uphold the principle of the court, to the detriment of his client, if need be. Also that he was not going to be made fun of by the judge, by presenting a tax case that they considered frivolous (of which they considered ALL of them frivolous). So I became pro per, or pro se, because that's what all the patriot books said to do. What I did NOT know then was that the terms 'pro per' and 'pro se', both are designations of artificial persons! I had just announced to the court my status!

Any way, I learned all the rules of civil procedure, and learned how to write briefs, and learned, I thought, all I needed to know. Wrong! **What I didn't know was that there were NO RULES! Everything is done by necessity.**

I filed my arguments with federal District Court, that proper procedure was not followed, and that no regulations were prescribed for collection actions for income tax. I also filed my 45 pg Memorandum showing the difference between direct and indirect income taxes. I claimed that; (1) the IRS was collecting income taxes by liens and levies without following proper procedure, (2) no regulations were prescribed for assessment or collection actions for income tax, and (3) that they had no authority to collect direct taxes on property income without apportionment. Three pretty good arguments, huh? And I had all three arguments highly documented. It was an air tight case. Or so I thought.

The Department of Justice filed an answer to my complaint. They said that my arguments were frivolous and without merit, and asked for dismissal of the action. They did NOT present any arguments to counter my arguments. They just said 'frivolous' and 'without merit'. How could they say that? It was easy. They said that MY supposed arguments were, (1) that the IRS had no authority to collect taxes; (2) that regulations were needed for ALL statutes; and (3) that the income tax was an illegal unconstitutional tax; were frivolous and without merit. They were 100% right about those arguments! Why? Because they were NOT MY arguments! They were made up by the Dept. of Just-us attorneys.

The judge ruled that my arguments, **as stated by the Dept. of Just-us,** were frivolous and without merit. Were they? As phrased by the Dept. of Just-us, they were! They did not address MY arguments. They changed my arguments and then ruled against me. Outraged I appealed to the federal Appellate Court.

I showed how they had twisted my arguments, and how they refused to address my arguments. And I restated my arguments, and made clear what my arguments were NOT! The appellate court rubber stamped the district court decision as frivolous and without merit. To add insult to injury, they also fined me $3000, called sanctions, for wasting the court's and the government's time. Then they ruled that the case was not to be published! It was not published, but it has been used against me in subsequent cases, and someone HAS published it on the internet!

Again outraged. I appealed to the Supreme Court. The Supreme Court denied my appeal and would not hear my case. Again, I did not know that the Supreme Court has not heard a case since 1900, that was presented without a lawyer. I had appealed pro per. You no longer have the 'right' to appeal to the Supreme Court. And if you DO, it can only be done through a lawyer!

This was just one of many cases that I filed. They all resulted in the same decision. Dismissed as frivolous and without merit! They were all against public policy I guess. To add insult to injury, in the 6 cases I filed in federal court against the IRS, I not only lost, I was fined (sanctioned) by the court for over $13,000, for filing frivolous claims! And I have been forbidden to file any more claims, until all the sanctions have been paid. And they never once addressed mMY arguments! We now have only kangaroo courts, at all levels. And their only interest is in collecting as much revenue and attorney fees as possible.

Because the federal District courts are now under martial law, they will only hear cases of a statutory nature. They will not hear constitutional claims, because they are not operating under the Constitution, and a U.S. citizen has no rights secured by the constitution. The cases they DO hear, that involve supposed constitutional rights, are really about the privileges and immunities granted to 14th Amendment U.S. citizens. These privileges and immunities are the same as the Bill of Rights, but are really the Bill of Privileges. But rather than admit that, and cause a revolt, they just look for any technicality they can find to dismiss your case, or rule against you, without addressing the constitutional issues.

If you look at the statutes for your state, you will find that the Constitution, state or federal, and the Bill of Rights, are not included in the statutes. The statutes start AFTER these documents with Title I.

The BUCK ACT

In order for the federal government to tax your income directly, without apportionment, and without an excise tax, they have to first create a contract allowing them to do so. If you agreed to the contract, then it was legal. This contract, as we learned earlier, is called "Social Security". When the Social Security Act was passed in 1935, Congress also created 10 Social Security Districts. The districts covered the continental United States and made them federal territories, for the purposes of social security. In 1939, the Public Salary Tax Act of 1939 was passed. This

allowed the taxing of all federal and state employee's incomes, and the income of anyone who resided or worked in any 'federal area'. But what was a federal area? To solve that problem Congress passed the "Buck Act" in 1940. This act allowed any department of the federal government to create a "federal area" for the imposition of the Public Salary Tax Act. So them then created federal states, which occupy the same area as the state republics. To tell the two apart abbreviations were created to designate the difference. So the republic of Arizona became the federal STATE OF ARIZONA, and was abbreviated AZ, instead of Ariz. So, anytime you use the two letter abbreviation AZ, you are designating a federal area and not a sovereign state. What address do you use? Are you declaring yourself to be in a federal area? If you are then you are liable for income tax. This federal area would also extend to any contract you signed in which you used your social security number for identification.

The federal legal system has done the same thing. When you file a federal court case, it is not filed in any state, it is filed in a federal district. The heading on the court documents do not say IN THE STATE OF COLORADO. It says IN THE DISTRICT OF COLORADO. The states are not sovereign states, for court jurisdiction, they are federal districts.

District courts. *Each state is comprised of one or more federal judicial districts, and in each district there is a district court. 28 U.S.C.A. 81. The United States district courts are the trial courts with general Federal jurisdiction over cases involving federal laws of offenses and actions between citizens of different states. Each state has at least one district court, though many have several judicial districts (e.g. northern, southern, middle districts) or divisions. There is also a United States district court in the District of Columbia.*

And all these federal court districts are all under the national emergency declared in 1933 and are now military courts.

The Post Office has also jumped on the band wagon. As we know, the federal government, United States, is considered a foreign country, in relation to the several states of the union. So any mail sent within the jurisdiction of the United States proper, 10 miles square, would be domestic. Any mail sent to another jurisdiction, the 50 states or foreign countries, would be non-domestic. To show the difference, all domestic mail was given a zip code. There are no zip codes for non-domestic mail. So if you use a zip code in your address, you are identifying your location as a federal domestic area.

And the IRS. The federal tax statutes only apply within federal jurisdiction. They do not apply within the boundaries of a state republic, as we have learned. That's why the tax department of the corporate U.S. is called the Department of **Internal** Revenue. It only applies **within** corporate U.S. jurisdiction. That jurisdiction does not extend to the 50 republic states, UNLESS you claim to be a U.S. citizen. Then you are **subject to** the jurisdiction of the corporate U.S. (14th amendment) and the taxes are for **internal** revenue purposes.

THE AMERICAN FLAG

Before we leave this chapter, I would like to present one more proof of the martial rule in existence today. Whenever there is a military occupation, what is the first thing the occupying forces do? They put up their flag to show everyone who is in command of that territory! Who controls all the commercial disputes today? If you have a legal conflict with someone over some property, where do you go? To the courts! So if you want to know the real status of our political situation all you have to do is go into the nearest courtroom and look at the flag. But for that to mean anything to you, you must know a little about flags.

The true American flag is red white and blue. There is no gold fringe around the edge. What does this gold fringe indicate?

The opinion of U.S. Attorney General John G. Sargent:
34 Opinion Attorney General 483, 484, 485, 486 (1925).
From the correspondence attached to the letter of President Harding, above mentioned, it would seem that doubts have been expressed in some quarters as to the propriety of attaching a fringe of yellow silk to the colors and standards used by troops in the field. The use of such a fringe is prescribed in Army Regulations No. 260-10. In a circular dated March 28, 1924, The Adjutant General of the Army thus refers to the matter of the fringe:
"For a number of years there has been prescribed in Army Regulations a knotted fringe of yellow silk on the national standards of mounted regiments and on the national colors of unmounted regiments. The War Department, however, knows of no law which either requires or prohibits the placing of fringe on the flag of the United States. No Act of Congress or Executive order has been found bearing on the question. In flag manufacturing a fringe is not considered to be a part of the flag, and it is without heraldic significance . In common use of the word it is a fringe and not a border. ***Ancient custom sanctions the use of fringe on the regimental colors and standards, but here seems to be no good reason or precedent for its use on other flags."***
The presence, therefore, of a fringe on military colors and standards does not violate any existing Act of Congress. *It's use or disuse is a matter of practical policy,* ***to be determined,*** *in the absence of statute,* ***by the Commander in Chief****. If the fringe is used, its color and size are matters of detail* ***which may be determined by the same authority.***

Well let's look at the regulations for flags that HAVE been issued. The only direct authority for the use of fringe on the American flag is in the Army regulations.

Army Regulation 840-10, 2.3(b) (1979) states:
b. *National flags listed below are for indoor displays and for use in ceremonies and parades. For these purposes* ***the United States flag will be rayon banner cloth,*** *trimmed on three sides with golden yellow fringe, 2 1/2 inches wide.*

Army Regulation 840-10, 2.3(c) states**:**
c. Authorization for indoor display. ***The flag of the United States*** *is* ***authorized for indoor display for*****:**
(1) each office, headquarters, and organization authorized a positional color, distinguishing flag, or organizational color;
(2) each organization of battalion size or larger, temporary or permanent, not otherwise authorized a flag of the United States;

(3) each military installation not otherwise authorized an indoor flag of the United States, for the purpose of administering oaths of office;
(4) ***each military courtroom;***
(5) each US Army element of joint commands, military groups, and missions. One flag is authorized for any one headquarters operating in a dual capacity;
(6) each subordinate element of the US Army Recruiting Command;
(7) each ROTC unit, including those at satellited schools;
(8) each reception station.

Did you see anything there about use in a non-military court of law? So if there is a gold fringe around the flag in your courtroom, you are in a military courtroom! We are under martial law!

This is confirmed by **4 U.S.C. (United States Code) Chap.1, Secs. 1, 2 & 3.**
". . . a military flag is a flag that resembles the regular flag of the United States, except that it has a yellow fringe border on 3 sides."

SUMMARY

STAY OUT OF COURT, if at all possible! You are either a sovereign or a slave. Act the part you choose.

We are operating under Public Policy, not Public Law. There are no laws to uphold! And no Constitutional courts to hear them in!

We are operating under stare decisis. The latest court case is the new law, if they want to use it to their advantage. They will ignore it, if it is to your advantage!

We are operating under necessity. The needs of the government and public opinion take priority over your rights.

Any argument you present in court, that would embarrasses the government, or expose their fraud, will be dismissed as frivolous and without merit. You have failed to state a claim upon which relief can be granted. Which means they will refuse to give you relief, even if you are right! So, you lose, because relief will not be granted!

Federal areas were created to cover the same areas that the states occupy. Claiming to be in one of these federal areas brings you under the jurisdiction of the federal government as U.S. citizens.

All courts today are military courts, set up under martial law, under national emergency. Just look at the flag of the occupying force. We are sovereign American Indians on the reservation, claiming that our treaties are not being honored. And again, we are being told, SHUT UP!

When it gets right down to the bottom line, the law of the old west still prevails. The ones with the biggest and fastest guns wins! Period.

Chapter 10 TAX PROTESTER ARGUMENTS

Don't be mislead by myth information!

A lot of people have gotten into trouble and incurred heavy fines by using, so called, tax protester arguments or frivolous arguments. There are even fines up to $10,000 and 1 year in prison, for filing fraudulent returns. So you want to make sure that you don't use any of those techniques. And you don't need to. **Only those who don't know the law use silly arguments or file false returns.**

I will examine only the most popular arguments, the ones that get you in the most trouble. A lot of these arguments have been rejected by the courts as frivolous, even some that aren't frivolous. These arguments are usually presented as a basis for the reason that someone is not taxable.

(1) Paying income tax is voluntary.

If you are exercising a government privilege, i.e. claiming U.S. citizenship, or using the postal service, then the income tax is mandatory. What IS voluntary is whether or not you engage in the privilege. This is a variation of: ***individuals are not required to file tax returns.*** If you are exercising a corporate privilege, or are a U.S. citizen, then you ARE required to file a return.

(2) The 16th Amendment was not properly ratified and is therefore invalid.

The 16th amendment did not change anything in the first place, so what difference does it make if it was properly ratified or not? If the 16th amendment WAS properly ratified, would you be taxable then? The 16th Amendment did not NEED to be ratified. because it was passed under martial law.

(3) The authority of the United States is confined to the District of Columbia.

This is false, because under a declared national emergency (martial law), their jurisdiction extends to all 50 states, which are incorporated into the United States and are under their jurisdiction. For income tax purposes, this is true. The IRS code applies to D.C. and the U.S. territories and possessions.

(4) I am a nonresident alien and not subject to income tax.

Nonresident to what? If you are a U.S. citizen, then you are a resident of the corporate United States. The Latin word *res* means property. A U.S. citizen is the presumed property of the government. And their property is always within their jurisdiction. This argument IS frivolous when used in an income tax context. In a non-income tax context it doesn't matter. Nonresident is defined as, *"One who does not reside within the jurisdiction in question; not an inhabitant of the state of the forum."* (Black's Law Dictionary 6th Ed.) Even if you WERE a nonresident, you

would still be liable for a tax, IF you were exercising a taxed privilege. IRC section 871 imposes a tax on the taxable income of all nonresident aliens with income connected to a trade or business within the United States.

(5) I am not a *'person'* subject to taxation under the Internal Revenue Code.

The definition of person includes most everyone , so if you are not a person, then what are you? Many people argue that the word 'person' means only artificial entities like corporations and trusts. It does. But, is it the fact of whether or not you are a 'person' that makes you taxable? No. Exercising a corporate privilege is what makes you taxable.

(6) I am a free born, sovereign, state Citizen, not subject to taxation.

You are NOT a free, sovereign, state Citizen, you are a U.S. citizen. You contracted to be a U.S. citizen. You are property of the government. You acquired this status through contracts with the federal government. Until you break those contracts, you are not free, or sovereign. So if you are a U.S. citizen, and you claim to be a state Citizen, that would be a frivolous argument. It would not be frivolous after you have expatriated back to American Citizen.

(7) The income tax is a direct tax which is invalid absent apportionment.

Almost right. Direct taxes DO have to be apportioned, but the income tax is NOT a direct tax. The claim that the tax is a direct tax is what makes the argument frivolous. The income tax applies to corporate income upon which an indirect excise tax has been imposed.

(8) No statutory authority exists for imposing an income tax on individuals.

Totally false! The government definitely has statutory authority to impose an income tax, both direct and indirect. We Americans gave them that power in the constitution. BUT, we also limited that authority with the tax clauses in the constitution. Presently the federal government has imposed a corporation tax on anyone who has corporate status, such as a U.S. citizen.

(9) The Commissioner of Internal Revenue, and his employees, have no power to issue summons, liens and levies because of invalid or nonexistent delegations of authority.

If there are statutes allowing summons, liens and levies, than of course they have the power. The big question here is, against whom can they use this power? This power IS exercisable against U.S. citizens, without regulations, because he is government property. Regulations ARE needed to tax non-government property within their jurisdiction.

(10) Tax forms are not valid because they do not have OMB numbers or have not been published in the Federal Register.

Again, if the forms did have OMB numbers, or were published in the Federal Register, then would you be taxable? Tax forms only apply to those who are liable for taxes. Also, this requirement does not apply to government employees.

(11) The term 'income' as used in the tax statutes is unconstitutionally vague and indefinite.

Many people claim that only gains and profits are taxable. That is true and applies only to corporate income. The Supreme Court has defined income in many cases. But, even if income was defined in great detail, would that make you taxable? Is the tax on income itself, or on a privilege that produces income? You already know. But remember, since all income is 'presumed' to be from a corporate business activity, the legal definition of income only applies to this income and no other. Since the U.S. citizen is a corporate citizen, with corporate status, then his income would be taxable, from whatever source.

(12) I am free born, (or white, or not a U.S. citizen, or not a 14th Amendment citizen) and therefore I am not subject to income tax.

Yes, frivolous arguments, coming from a U.S. citizen! Instead of looking at the reasoning behind these arguments, we must first ask ourselves the question: What makes your income taxable? Is it who he IS, or is it what he DOES? Even if you are a sovereign, that does not make you nontaxable. A sovereign individual can still be taxable because he/she delegated the power to tax income to the government. Income can be taxed 2 ways. First, with an indirect excise tax on profit and gains received from taxed privileges, and second, with a direct tax with apportionment on sovereigns, for income from property and rights. Once you can prove that you are not a 14th amendment citizen (U.S. citizen) then your personal income is not taxable. Details on how to do that coming up!

(13) The Common Law protects my rights.

Many protesters go to court and claim that they cannot be fined or taken to court because the common law protects them. This can be answered with a Supreme Court case:

U.S. v. Cruikshank 92 US 542 (1876) . . .*the common law is not a source of jurisdiction in the circuit courts, nor in any other Federal Court. Circuit courts have no common-law jurisdiction of offenses of any grade or description; and it is equally clear that the appellate jurisdiction of the Supreme Court does not extend to any case or any question, in a case not within the jurisdiction of the subordinate Federal Courts.*

Common law is different from statutory law. And the courts today deal only in statutory law. Statutory law is really just admiralty/military law and is administered today as the civil law under the national emergency/martial law that we have been under since 1933. But remember, there is a way to tell what kind of court you are in. The next time you are in a courtroom, look at the flag. If there is a gold fringe around the edge of the flag, then you are in a military courtroom, under the admiralty jurisdiction of the corporate United States. Common law is the unwritten laws of a society, based on the 10 Commandments. It is just the accepted values of a society. There are no longer any common law courts. They disappeared in 1933. But the principle was replaced with Public Policy!

(14) The filing of an income tax return violates my Fifth Amendment right not to incriminate myself.

The Fifth Amendment provides that no person shall, **in any criminal case**, be a witness against himself. Advocates of this argument claim that if they file a return, the information on that return can be used in a criminal case against them, therefore they cannot be 'required' to file a return. This is a correct argument, if you are a sovereign, or a criminal (but not if you are a U.S. citizen), but it is not what makes you taxable or not. If there was no 5th Amendment, then would you be required to file a return? Again, the filing of a return is not what makes you taxable or not. The 'imposition' of a tax is what makes you taxable. If a tax IS imposed on your income, then you are required to file a return, 5th Amendment or not. But remember, filing a return WILL make you liable for a tax, even if you are not liable statutorily! Also remember, the 5th amendment does not apply to U.S. citizens. The 14th amendment applies to U.S. citizens. The 5th amendment applies only to American Citizens.

(15) The 13th Amendment prohibited slavery.

The 13th amendment prohibited **involuntary** slavery! **You have volunteered to be a slave when you contracted for U.S. citizenship.** The basic claim here is that the requirement for keeping records, filing information returns, and the paying of tax in general is a form of slavery. In my opinion, this is correct. Subjects of the government, receiving privileges from the government, are in my book, putting themselves in *voluntary* slavery. The 13th Amendment prohibits *forced* slavery. Everyone who has a job is a voluntary slave. The government can treat you like a slave, because you are their property! All voluntary slaves are taxable. If you were forced to work, and forced to accept income against your will, then this argument would be valid against slavery, but not against taxes.

(16) The IRS is a private corporation with no authority to tax.

This is an almost correct argument. The IRS is a government agency, under the Department of the Treasury, but it does not have authority to tax. But, they DO have authority to COLLECT tax! Only Congress has authority to impose a tax. If Congress used private companies for the collection of tax, would that eliminate the tax itself? NO. In reality, the IRS is just a collection agency for the Federal Reserve, which is a private corporation, not part of the government. .

(17) Gold and silver are the only true money, and only gold and silver can be constitutionally taxed, so if I receive federal reserve notes I did not receive any taxable income.

A variation of this is that federal reserve notes are only taxable when converted to gold and silver. Again, the basic question: If you were paid in gold or silver, would your income THEN be taxable? Only after a tax was imposed on your income! Gold and silver are property. Using Federal Reserve Notes is a privilege. The income tax is on privileges. When you get paid, you are paid in Federal Reserve Notes, not real money. You are accepting IOU's, which you trade for other IOU's. They are never redeemed for gold and silver. If you were a corporate mining company, and you only received gold and silver as your income, then your income would be taxable, because it is the corporate privilege that is taxed. Taxable income is gross corporate income minus deductions. Also remember, FRN's (Federal Reserve Notes) are the private

property of the corporation called United States. Using these notes to conduct your business is a corporate privilege.

(18) If I file an IRS form W-8 (Certificate of Foreign Status) this creates the status of 'foreign exempt', and then my income is not taxable.

The W-8 form, like the W-4 form, is an IRS form. ALL IRS forms are for 'taxpayers'. This form merely places you in the category of 'exempt' taxpayer. You do not want to be in ANY taxpayer category! Sovereigns do not **file** ANY IRS forms. A W-8 form can be used to show your non-taxable status to an employer or to a bank, but it is not filed with the IRS. This form is for American Citizens, not for U.S. citizens.

(19) If you place your property in a trust, then the IRS cannot touch it.

This is partially true. Most trusts ARE taxable, because they are **statutory** trusts, formed by U.S. citizens under their master's laws. A U.S. citizen CANNOT create a 'Common Law Trust' , 'Pure Trust', or 'Unincorporated Business Organization'. An American Citizen CAN! The tax laws only apply to 'taxable' trusts, and a sovereign "Pure business trust" IS nontaxable, because it does not come under the tax laws. A Pure Trust is a contract and the government cannot impair the obligation of contracts formed by American Citizens. They CAN regulate contracts formed by U.S. citizens.

(20) Filing a 1040 NR (Non Resident Alien) tax return, makes my income non-taxable because it is foreign to the United States.

If you file a 1040 NR return, the IRS will fine you $500 for filing a frivolous return, if you are a U.S. citizen. This argument is also based on the false premise that the United States is only Washington D.C. We now know that Washington D.C.'s jurisdiction, for U.S. citizens, extends to all the 50 states, under martial law. So if you are a U.S. citizen, residing in one of the 50 states, you are not foreign to the U.S. By the way, according to the legal definition of non-resident alien, as an American Citizen, you ARE a non-resident alien in relation to the corporate United States jurisdiction. Are you an American Citizen, or a U.S. citizen?

(21) The income tax is based on the Public Salary Tax Act of 1939 and applies only to government employees.

This is partly true. The Public Salary Tax Act IS part of the Internal Revenue Code, and it DOES apply only to government employees. But ALL U.S. citizens ARE government property, employed for the government's benefit. But this Act is only a part of the code, not the whole code. Remember that the income tax is on corporate income, and as the title implies, the Public Salary Tax Act is authorizing a tax on the privilege of being a corporate public employee. When imposed! None has been imposed! Nothing more.

This is clarified a little in **Title 4 United States Code Section 111 - Income Tax.**
State, and so forth, taxation affecting Federal areas: taxation affecting Federal employees; income tax. The United States consents to the taxation of pay or compensation for personal

services ***as an officer or employee of the United States, a territory or possession or political subdivision thereof, the government of the District of Columbia, or an agency or instrumentality of one or more of the foregoing, by a duly constituted taxing authority*** *having jurisdiction, if the taxation does not discriminate against the officer or employees because of the source of the pay or compensation.*

Since working for the government is a privilege, the government has **consented to** the taxing of this privileged income, if it is ever imposed by a duly constituted taxing authority having jurisdiction! And all U.S. citizens are government employees! The Public Salary Tax Act gives that jurisdiction. But a tax would still have to be 'imposed' first. None has been imposed.

(22) Filing a UCC-1 lien protects you from ALL civil and criminal charges that may be made against you.

False. All this does is makes your straw man's property, and the straw man himself, your property. **A straw man and a U.S. citizen are one and the same.** All the laws still apply when you enter the government's jurisdiction. If you, as the sovereign, go out and rob a bank, you will still be prosecuted and will still go to jail. You entered their jurisdiction. The straw man's (U.S. citizen) whole purpose is for the sovereign American to operate in the government's commerce jurisdiction without incurring taxes on his property or income. If a U.S. citizen files a UCC-1 lien against his alleged straw man, he is in reality filing a lien against himself, which is not valid against a creditor! **The correct procedure is to expatriate from U.S. citizen status and repatriate as your true American Citizen status. Details in the last chapter!**

(23) IRC section 861 states that only foreign earned income is taxable to U.S. citizens.

This is debatable and a confusing issue. Sec 861 lists sources of gross income from within amd without the United States, that are treated as income. A U.S. citizen, who lives in Colorado, and makes his living exclusively in Colorado, has foreign earned income, because Colorado is a foreign jurisdiction to the corporate United States, therefore this income is taxable to a corporate U.S. citizen. Let's look at the basic regulation for income tax.

26 CFR 1.1-1 Income Tax on individuals.

(a) *General rule.* (1) Section 1 of the Code imposes an income tax on the income of every individual whom 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 non-resident alien individual. The tax imposed is upon taxable income . . .

(b) *Citizens or residents of the United States liable to tax.* 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.

I think that pretty much answers the question. Notice that the tax is imposed on the income, NOT on the individual! But the real question is: Did you have 'income', as defined by the Supreme

Court? And was this corporate income received by you as a U.S. citizen or resident? Remember, the corporate U.S. government consists of D.C. and the possessions, not the 50 republic states. If you do not live in one of these corporate jurisdictions, you are not a resident.

That gives you an idea of the most popular tax protester arguments.

Many of these arguments are popular with the patriot movement. Many of the arguments are half true. But when presented as a half truth, they are also half false. If the IRS and the courts are going to nit pick, then you need to have your facts straight or they will eat you alive. **STAY OUT OF THEIR JURISDICTION!**

If you do have dealings with the IRS, or the courts, and use valid tax arguments, they will try to twist your arguments into one of the frivolous arguments above, so they can rule against you. And they will do it blatantly, because they cannot beat you otherwise.

COMMON QUESTION TRAPS USED BY THE IRS.

The IRS may try to contact you by phone to see why you did not file a return. They will ask you a lot of questions to try to get information on your income, employment, bank accounts, etc. DO NOT GIVE ANY INFORMATION! You will merely be reinforcing their presumption that they are talking to a U.S. citizen with corporate income. Any information you give over the phone can be twisted and then used against you. Remember, they are working on 'presumption'! Then it is your word against theirs. Make them put everything in writing and reply in writing. That way the name they are making a claim against is documented. And send anything important or time sensitive, by certified mail with return receipt. Otherwise they may just throw it away and claim they never got it. Most of the correspondence you receive from the IRS is just to see how much you know about the law. If you reply to any inquiry with frivolous arguments, or protests, you shoot yourself in the foot. Instead provide documentation that shows you are an American Citizen, not a U.S. citizen, and had no 'income' as legally defined, and will have no income in the future. Ask for proof of their claim and jurisdiction. If they cannot provide proof, then they are in dishonor, not you. That does not mean they will leave you alone! Their main job is to separate you from your money, any way they can! Yes, they can use guns, and you can not! But they do go after the easy prey first. Make your financial house difficult to break into.

The IRS is looking for tax protester arguments when they talk to you. They look for key words like 'sovereign', 'non-resident alien', 'tax exempt,' 'unconstitutional' etc., to place you in the protester category. Don't argue with them! Just present the facts, ask them for their authority and jurisdiction, and let them be. Don't kick a sleeping dog!

SUMMARY

Most of the tax protester arguments are really half truths. They are just presented poorly because they do not understand the basis of the income tax, and do not know how to claim or exercise their inalienable rights.

The IRS can no longer classify you as a tax protester due to the Tax Reform and Restructuring Act of 1998. But don't use tax protester arguments. You don't need to. Reclaim your inalienable rights as an American Citizen!

Remember, you are NOT protesting any tax. On the contrary, you want the Constitution, the Supreme Court decisions, the UCC, and the tax laws, ALL upheld and enforced according to the limitations placed upon them. The tax laws are being administered by 'presumption' and 'implications' to income that is not taxed. You must demand that your sovereign status and contracts be upheld, AFTER you properly reclaim them!.

If at all possible, do not talk to IRS agents on the phone. They will twist what you say into a tax protester argument, and then it is your word against theirs. Make them contact you in writing, so you know exactly what they want, and so you can determine what entity they are making a claim against. And you can respond in writing with exactly what your position is. Many people have learned this the hard way. After all, government agents never lie, and you always do, according to the IRS. If you DO talk to an agent be very careful.

After you reclaim your inalienable rights,, there is no need to make any arguments or protest at all. Most frivolous arguments are made by those who do not understand the law. And since the laws are so complex, we have all probably made frivolous arguments on the road to the TRUTH.

Arguments are usually made when you are on the defensive. Whenever you receive any correspondence with the IRS, go on the offense, and let them know exactly what your status is. No arguments are needed.

Chapter 11 The TRUTH About W-4 WITHHOLDING

Now let's check out one of the major areas where you provide the evidence against yourself, that you are liable for a tax. But let's get some terms straight first. First, remember this very important point: If you are not 'liable' for a tax, then you are not subject to withholding. And if you had no corporate taxable "income", as legally defined by the Supreme Court,, then there is no liability for a tax.

Withholding is taken out of your wages, but, what does that 'word of art' *"wages"* mean in the IRC (Internal Revenue Code), since 'wages' are subject to withholding?

IRC Section 3401 Definitions
(a) Wages*. For purposes of this chapter,* (Ch. 24 - withholding at the source) *the term "wages" means all remuneration for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash;*
(c) Employee. For purposes of this chapter (Chapter 24 - Collection of Income Tax at Source on wages)*, the term "employee"* ***includes*** *an officer, employee or elected official* ***of the United States****, or of any political subdivision thereof, or of the District of Columbia, or any agency or*

instrumentality of the foregoing. The term "employee" also includes an officer of a corporation.
(d) Employer. For purposes of this chapter, the term "employer" means the person for whom an individual performs or performed any service, of whatever nature, as the employee of such person,

Notice that the only word that was really defined here was "employee" and even then they used 'employee' in the definition of 'employee'. Also. notice that the term 'employer' does NOT mean the company that you work for! The 'employer' is the one has "employees". And an employee is someone who is an officer, employee or elected official of the United States government, or an officer of a corporation.

IRC 3401(c) plainly states that corporation officers and government employees are definitely considered employees. This section is talking about withholding, of any tax imposed, at the source. Withholding is ONLY allowed on 'employees' (officers, employees or elected officials of the U.S.) Why? Because of the Public Salary Tax Act.

Let's examine that term "employee". It only "includes" government employees and corporate officers, therefore it would "exclude" all workers not in this category. Are you an officer, employee or elected official of the federal government? If you are not, then **is the company you work for an "employer", as defined?**

Now look at the definition of "employer". You will see that it means someone who has 'employees'. Remember, an employee, as defined, ONLY works for the government, or is a corporate officer. Therefore an 'employer' could only mean a *government* employer, since no one else could possibly employ 'employees'. The definition of employer says an employer is a "person" with an 'employee' who performs services for him. An 'employee' works for the government. It is the employee that makes the distinction, not the employer! Since an employee can only be a government employee, then the employer can only be a government employer. The employee definition is the controlling definition.

Now look at the definition of 'wages'. Wages are only, as defined, payment for services performed by a employee (government employee or corporate officer) for his employer (government). *'Employees'* receiving *'wages'* are subject to withholding, since the wages are received from a privileged occupation (government employment privilege or corporate privilege).

The Public Salary Tax Act applies to government employees, doesn't it? So I would venture to say that withholding only applies to government employees.

When you contract to be a U.S. citizen, you agree to become a voluntary slave to help collect revenue. Similarly, when you agree to work for the government, a privilege, you also agree to be a voluntary slave/employee. After all, for this privilege, you also get to pay a Public Salary Tax and get to have that tax withheld from your wages in advance. The government can dispose of a part of your labor, the tax withheld, and you cannot do anything about it, because you voluntarily chose to work for the government.

Slave. ***A person*** *who is wholly subject to the will of another; one who has no freedom of action, but whose person and services are wholly under the control of another. One who is under the power of a master, and who belongs to him; so that* ***the master may sell and dispose*** *of his person, of his industry,* ***and of his labor, without his being able to do anything, have anything,*** *or acquire anything, but what must belong to his master.* (Black's Law Dictionary - 6th Edition)

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.*
Scope and delineation of term is necessary for determining to whom Fourteenth Amendment of Constitution affords protection since this Amendment expressly applies to "person".
Aliens. Aliens are "persons" within meaning of Fourteenth Amendment . . .
Corporation. A corporation is a "person" within meaning of Fourteenth Amendment . . ."
(Black's Law Dictionary 6th Edition)

According to these definitions, a slave is a 'person', and a person can be an alien or a corporation. The 13th Amendment abolishes 'involuntary' slavery, but not 'voluntary' slavery. A U.S. citizen is a voluntary slave, with no rights to acquire property or income and must "return" a portion of his 'wages' every April 15.

14th Amendment. ***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.*

Since slaves are persons, could this be read all 'slaves' born or naturalized . . .? A U.S. citizen's name is spelled in all caps. A name spelled in all caps indicates a corporation or a corporate citizen (property).

Does the company you work for claim to be the United States or an agency thereof? Then, if he is NOT the United States, you are not an employee and you did NOT receive wages, as defined. And if you did not receive wages, then you are not subject to withholding. Isn't that simple! Give your employer a copy of this chapter and let him decide if he is the United States, or an agency thereof. If he thinks he is not, then he has no obligation to withhold taxes from your paycheck!

Withholding only applies to government **employers**. Is your employer a government employer?

Where is the statute that authorizes withholding?
IRC Sec. 3402. Income tax collected at source.
(a) Requirement of withholding.
(1) In general. Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon said wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary.

As you can see, withholding only applies to government 'employers' making payments of 'wages'. The IRC defined 'employer' for us: a government employer who has employees (officers, employees and elected officials of the United States).

So if you ARE a government employee, you are required to furnish a W-4 exemption certificate, indicating how much public salary tax you want withheld.

Sec. 3402 (f) (2) Exemption certificates.
(A) On commencement of employment. On or before the date of the commencement of employment with an employer, the employee shall furnish the employer with a signed withholding exemption certificate relating to the number of withholding exemptions which he claims, which shall in no event exceed the number to which he is entitled.

This exemption certificate (W-4) section applies only to 'employees', as defined, working for a government 'employer', as defined in Sec. 3401(d).

If you are not an 'employee', then you qualify to be exempt from withholding on the W-4 withholding certificate.

Remember, these statutes only apply to those who are employees and have wages., as defined.

Think about this. If there is a law that allows the government to tax your income directly, do you need to sign a paper giving them permission to do so? No. Then why would you need to sign a paper, under penalty of perjury, for them to withhold a percentage of your wages up front, if they have a law that says they can do it? You say it is to claim an partial exemption from the withholding of tax.

But what if you did not want to claim an exemption? Do you still need to sign the form? After all, the form only applies to 'taxpayers' that want more or less tax withheld from their paycheck. Are you a 'taxpayer'? Only if you have a tax liability.

Maybe we better check another statute.

IRC Sec. 3401(e) Number of withholding exemptions claimed. ***For purposes of this chapter, the term 'number of withholding exemptions claimed' means the number of withholding exemptions claimed in a withholding exemption certificate in effect under section 3402(f), or in effect under the corresponding section of prior law,*** *except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero.*

Wait a second! I thought your employer told you that you had to file the form before you went to work. Then why the exception, *that if no such certificate is in effect*? If it is required, how could a certificate not be in effect? Because you chose not to sign one! After all, the exemption is a benefit granted by Congress to 'taxpayers'. Are you required to decline a benefit, under penalty of perjury, if you do not want the benefit? What if you do not want welfare or food stamps, do you need to sign a paper declining the benefit, before you don't get it? Why not? Because you cannot be forced to engage in a privileged activity or receive a privileged benefit, just so you can be taxed.

Since the government takes the tax out of your paycheck before you get it, they already have your money. And it is very difficult to get the money back once they have it. The best route is to keep them from taking it out of your paycheck in the first place! There is one situation in which you can stop withholding on your income.

26 CFR (Code of Federal Regulations) 31.3402(n) Employees incurring no tax liability. ***An employer shall not deduct and withhold any tax under chapter 24 upon a payment of*** *wages . . . if there is in effect, with respect to the payment, a withholding exemption certificate furnished by the employee which contains the statements that*
(a) ***the employee incurred no liability for the income tax imposed under subtitle A of the Code for his preceding taxable year;***
(b) *the employee anticipates that he will incur no liability for income tax imposed by subtitle A for his current year.*

What is the withholding exemption certificate? It is just the W-4 form. You can claim exempt if you meet the two conditions listed above.

Now I ask you, if you had no corporate income, or if you were an American Citizen and not a U.S, citizen, then did you have a tax liability for last year? No. But remember, the W-4 form is a withholding authorization form. It merely states that you ARE subject to withholding, but are exempt in this particular situation. The form is for taxpayers.

You should also question your "employer's" status as "withholding agent". Ask him if he is an authorized withholding agent. He will tell you yes. **Only withholding agents are authorized to withhold tax from your paycheck.** What is the definition of withholding agent? The IRC tells us.

IRC 7701(a)(16) Withholding agent. *The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of sections 1441, 1442, 1443, or 1461.*

Oh really? Well, just what do sections 1441 - 1443 pertain to? In the IRC, Chapter 3 Subchapter A, is where these sections are found. What is the title of this Subchapter A? **Nonresident Aliens and Foreign Corporations!**

1441. **Withholding of tax on nonresident aliens.**
1442. **Withholding of tax on foreign corporations.**
1443. **Foreign tax exempt organizations.**
1444. **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 in accordance with the provisions of this chapter.*

Is your employer **required** to withhold tax from your paycheck? Only if you are a nonresident alien or foreign corporation, working for him! Are you either? If you are not, then send an **affidavit** to your employer titled, "Notice of Withdrawal of Authorization to Withhold Tax". Make a copy of the above sections from 26 USC (United States Code - found in your local law

library) and attach them to your letter. You simply state that you are NOT a foreign person earning income in the U.S., and that you want all withholding to cease immediately. Claim that they are not withholding agents, as defined by law, and that there is no legal requirement to withhold tax from your pay. If you employer refuses to honor your request, then you may have to get more aggressive and demand that they prove that you are a foreigner, and that they are withholding agents, as defined by law, OR stop withholding. **Do not fall for filling out the W-4 form as exempt,** since this form is the form that authorizes withholding and provides evidence that you think you are liable for a tax, and want less tax withheld.

If you are not an 'employee', and your 'income' is not legally defined as "wages", and your employer is not the government, then how does your employer get away with having you fill out a W-4 in the first place? The IRC tells us again!

IRC 3402(p) Voluntary withholding agreements.

(3) Authority for other voluntary withholding. *The Secretary is authorized by regulations to provide for withholding -- (A) from remuneration for services performed by an employee for the employee's employer which* ***does not*** *constitute wages, . . .* ***if the employer and employee, . . . agree to such withholding****. Such agreement shall be in such form and manner as the secretary may by regulations prescribe. For purposes of this chapter* ***remuneration*** *or other payments with respect to which such agreement is made* ***shall be treated as if they were wages*** *paid by an employer to an employee . . ."*

So if you both agree to withholding, then you can have the tax withheld and 'treated as' a tax on wages, even if it is not. The W-4 is simply your voluntary agreement! You are signing a contract.

SELF EMPLOYED

1. Now what if you are self-employed as an independent contractor? First we must find out what the meaning of self-employed is. Let's check the IRC. (Internal Revenue Code)

IRC Section 217(f) Self-employed individual. *For purposes of this section* (deduction for moving expenses), *the term "self-employed individual"* means *an individual who performs personal services --*
(1) as the owner of the entire interest in an unincorporated trade or business, or
(2) as a partner in a partnership carrying on a trade or business.

A self-employed individual has his/her own 'trade or business'.

Sec 1401. Rate of tax. (a) Old-age, survivors, and disability insurance. ***In addition to other taxes, there shall be imposed for each*** *taxable year, on the self-employment income of every individual, a tax equal to the following percent of the amount of self-employment income for such taxable year.*
Sec. 1402 Definitions. (b) Self-employment income. ***The term "self-employment income" means the net earnings from self-employment derived by an individual during any*** *taxable year;*

Sec. 1402. Definitions.
(a) Net earnings from self-employment. ***The term "net earnings from self-employment" means the gross income derived by an individual from any trade or business carried on by the individual, less the deductions allowed by this subtitle which are attributable to such trade or business, . . .***

OK, now let's review 'trade or business' to see who it applies to.

Sec. 1402(c) Trade or business. ***The term "trade or business", when used with reference to self-employment income or net earnings from self-employment, shall have the same meaning as when used in section 162 (relating to trade or business expenses) except . . .***

Notice this definition does not use 'includes' or 'means', because it is not a definition. It is a reference. In checking section 162, there is no definition of trade or business listed either. Therefore, by default, the general definition for the whole IRC comes into play.

IRC 7701(26) Trade or business. ***The term 'trade or business'*** *includes* ***the performance of the functions of a public office.***

IRC 7701(10)(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.*

*"*Includes" means that ONLY terms in the same category that the definition applies to the term. It 'includes' ANY function of a public office, but EXCLUDES anything not within the term "performing the functions of a public office". i.e. The definition: "*Fruit includes apples"*, would 'include' oranges, but would exclude corn. Even though only the term 'apples' was in the definition of fruit, it does not exclude other 'types' of fruit.

What is a 'trade or business'? The definition 'includes the performance of the functions of a public office'. That's all! **If you are not performing the functions of a public office, then you are not self-employed!** If you are a CPA, is that performing the function of a public office? Not the last time I checked. What if you were a CPA with a contract with the IRS or the Dept. of Agriculture? Would you then be performing the functions of a public office? Yes. WHY? Because you are technically working for the public office of the IRS, and performing their functions.

You are not an 'employee' working for an 'employer', but you ARE 'self-employed' by the government when you are contracting your services to them. If you don't contract with the government, then you are just a private entrepreneur. Private individuals contracting with other private individuals are never 'self-employed'. BUT, you can volunteer to be in that category if you like paying income tax. Just file a return, and confirm the presumption.

Remember, these are called 'words of art' in the legal profession. They are used to make special definitions for words that apply only to certain statutes. That's partly why they call the

government regulations 'codes'. The words have special meanings that only those within the circle know the meaning to. The words do not mean the same as those found in the dictionary.

SUMMARY

"Employees" are defined as officers, employees, or elected officials of the United States. Only employees have wages.

Only wages, as defined, are subject to withholding of tax at the source.

If you are an "employer", defined as one who has employees, then you employee officers, employees and elected officials of the federal government, and therefore you must be the government. If you are not the government, you cannot have employees, as defined.

W-4's are only for 'taxpayers', who presume they are liable for a tax.

W-4's are voluntary consent forms (contracts) you file agreeing to the withholding of public salary tax.

Withholding agents are only REQUIRED to withhold from foreign persons or corporations.

Withholding only applies to government employers and their employees, and to corporate officers, who are subject to an income tax.

Only (government) employees and corporate officers receive 'wages'.

You are engaged in a 'trade or business' only when contracting with the government.

You are 'self-employed' only when you contract your services to the government as an independent contractor.

The W-4 withholding form is for 'employees', as legally defined, working for 'employers', as legally defined, when such employees are receiving 'wages' as legally defined, **upon which a tax has been imposed**.

The W-4 withholding exemption is a benefit granted by Congress to 'taxpayers'. You are not required to accept a benefit.

There are two conditions to meet to be exempt from withholding. That you had no tax liability last year, and that you expect no liability this year.

Also, if your employer is NOT a government employer, and you ARE a U.S. citizen, then you did NOT receive wages subject to withholding.

Remember, if you don't owe any tax, or did not receive 'wages', or are not a foreign person, then you are not subject to withholding of tax! But you can volunteer!

Chapter 12 TO FILE OR NOT TO FILE. That Is The Question.

Once you decide whether or not you are liable for an income tax, then you can decide if you are going to file a return or not. My recommendation is that if you are liable, then file a return.

But if you are NOT liable, then what do you do? Won't the IRS come after you if you don't file, even if you are not liable? The answer is yes. You claimed, under penalty of perjury, on past returns, that you were a 'taxpayer', subject to the Internal Revenue Code, and the IRS wants to keep you in that category. It is very important to keep yourself out of the category of "taxpayer". If you remember, a taxpayer is a person who is someone who is engaged in a taxable activity, which makes them liable for a tax and subject to the Internal Revenue Code. The IRS automatically presumes that everyone with s Social Security number is a corporate taxpayer until proven otherwise, which is why you have a business designation on your Individual Master File at the IRS. Sort of like guilty until proven innocent. You have to rebut their presumption every year, and notify them of your correct status, preferably BEFORE they contact you with their presumption that you are a taxpayer. You will notice that when they write to you they always address you as "taxpayer". *Dear Taxpayer, we have not received your return for this year.*

If you agree with the 'presumption' of the IRS and do not challenge (rebut) their label of taxpayer, that means that you accept their label and are 'presumed' liable. In the legal system, if the IRS presumes you are liable, then you are, whether you are or not. It's up you to rebut their presumption and prove them wrong. The Tax Reform and Restructuring Act of 1998, made a change in the right direction. Now the burden of proof is on the IRS, IF you rebut (challenge) their presumptions. We'll see if the IRS agrees with that or not. That's why it is important to ALWAYS reply to any correspondence you receive from the IRS. Even when you do, they will claim that you did not, so send everything by either registered or certified mail with a return receipt, so you can show proof of mailing. M**ake sure all correspondence with the IRS is sent by registered or certified mail with return receipt.** Otherwise they may throw your documents away and claim they never got them. Remember, these are your public servants and you know how hard it is to find decent help these days!

What happens when you fill out a W-4 withholding statement with your employer? We learned earlier that withholding statements only apply to 'employees' of the government, and to their 'employers'. If you filled out a W-4 then you have declared, under penalty of perjury, that you are a 'employee' taxpayer. This form can be used against you in court to prove the IRS's presumption that you are a taxpayer, liable for a tax. After all, you swore, under penalty of perjury, that the form was correct. You wouldn't lie under oath would you? Even if you sign the form, and fit the exempt category, then you are still putting yourself in the taxpayer category.

If you file a tax return and sign it, right above your signature you are swearing that everything on the form is true and correct, that you are a taxpayer and are engaged in a taxable activity. You even list what you believe to be the taxable activity, to the right of your name, under occupation. Would you fill out and send in a corporate tax return, signed under penalty of perjury, if you were not liable for a corporate tax? Even if you had no corporate income?

Did you send in a corporation tax return last year? If not, why not? You say because you were not liable for corporation taxes, since you were not a corporation. Did your mother register for selective service last year? No. Why not? Because the law didn't apply to her? The IRS wants everyone to think that the tax laws apply to everyone, regardless, and they DO, through the power of presumption. They want you to believe that ALL income, from whatever source, is taxable with a direct tax without apportionment. We know better now, don't we.

But what if the IRS was convinced that you were a corporation and then wanted to know why you didn't file a corporation tax return? What would you do? Can you prove that you are not a corporation? How would you prove it?

It is not easy to prove a negative, the nonexistence of something. Can you prove you are not liable for an income tax? Can you prove that Santa Claus does not exist? Lots of children believe in him. There is a lot of 'presumption' (unchallenged legal proof) to show that he does exist. I can even produce photographs of him.

The only thing you can do, is place the burden back on the IRS, and make them prove their 'presumption' that you are a taxpayer. How do you do that? The only way you can do that is to make statements that they have to prove or disprove. For example, you claim that you are not liable for an income tax, and therefore not subject to the internal revenue code. One way to state that claim would be to file a return and claim zero taxable income and also file a Form 8275 - Disclosure Statement as part of your return. As part of the disclosure statement you will submit a notarized affidavit quoting all the legal references that you relied on in making your determination. After all you are just relying on Supreme Court decisions as to the definition of income. And you had no income as defined. Now they have documented, recorded proof that they have to prove wrong. How can they claim that you are filing a frivolous return then?? If they ignore or reject your return, then they would have to give you a 'notice of deficiency' claiming how much income they think you had, and then you would have to go to tax court and make your income claims.

The advantage of filing a return is that it starts the 3 year statute of limitations running. If they do not challenge your return in that time then never can.

In the disclosure statement rescind your signature (not the returns themselves) on previously filed tax returns. The reason for this was because you filed all those returns under penalty of perjury, and they can be used against you in court to prove you believed you were liable for a tax. By rescinding your signature on those past returns, they cannot legally be used against you.

The IRS uses presumption to prove their claims. Remember, a fact 'presumed' to be true, IS true, if not rebutted. Presumption is used when you have no other evidence to rely on. If they presume

you are liable first, then you are, until you prove otherwise by rebutting their presumption. Or if the IRS cannot rebut your proofs, then they may just pull out their guns and say, "Sorry buddy, you are right, but hand over your money anyway!" Remember the rule of the old west!

HOW TO DIVORCE THE IRS

So, if you decide you are NOT liable for a tax and are NOT going to file, here is a way to protect yourself. Remember this is not legal advice. These are just biased personal opinions from your buddy, helping you get educated. **Use them at your own risk!**

The second way to protect yourself is to expatriate from the United States, and repatriate to the United States of America. You change your citizenship status from U.S. citizen to American Citizen. After all, you were born an American Citizen and later contracted to be a U.S. citizen. You are just breaking that contract for fraud.

Most of us were brought up in public schools saying the pledge of allegiance. It says, *I pledge allegiance, to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.* You broke this pledge when you unknowingly contracted to be a U.S. citizen, and not you are now just retaking this pledge.

The income tax regulations state:

26 CFR 1.1-1 Income Tax on individuals.

(a) *General rule.* (1) Section 1 of the Code imposes an income tax on the income of every individual whom 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 non-resident alien individual. The tax imposed is upon taxable income . . .

(b) *Citizens or residents of the United States liable to tax.* 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.

Are you a United States citizen with income from anywhere in the world? Remember the Supreme Court definition of income! That alone makes you non-taxable. But are you a resident of the United States? Let's look at the definitions again:

IRC 7701. Definitions.

(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.

You can see that the definition of United States, 'includes only' states and D.C. And the definition of "state" includes D.C., which would exclude anything that was not in the same category. There is no reference to the 50 states. D.C. is federal property, just like the territories and possessions. So, unless you live in one of those you would not be a resident of the U.S. either. Remember, legally, when the word 'includes' is used in a definition, it includes other things within the meaning of the term defined, but excludes everything else. Are the 50 states within the meaning of the District of Columbia? Only if the 50 republics were federal states.

Then are you a non-resident alien? Let's look at that definition:

IRC 7701(b)(1)(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.

But if the IRS refuses to acknowledge Supreme Court decisions, and the statutes and regulations, and rejects those arguments as against public policy, then you would have to prove that you are not a U.S. citizen or resident. Can you do that? If so, how? That can be done by Expatriation/Repatriation, from the U.S. to America. This can be done in 30 days. Once you do that then you are not a citizen or resident of the United States, as defined.

But doesn't the IRC impose a tax on the income of an individual who expatriates to avoid tax for 10 years after the expatriation? Yes it does at IRC 877. But these are exceptions in 877(c) that state:

IRC 877(c) Tax avoidance not presumed in certain cases.

(1) In general. Subsection (a)(2) shall not apply to an individual if--

(A) such individual is described in a subparagraph of paragraph (2) of this subsection,

(2) Individuals described. (A) Dual citizenship. etc. An individual is described in this subparagraph if -

(i) the individual became at birth a citizen of the United States and a citizen of another country and continues to be a citizen of such other country,

Did you ever give up your American Citizenship? When you contracted to be a U.S. citizen, did that nullify your American Citizenship? No! You had dual citizenship all the time. You are just dropping the less desirable one. **Details on the Expatriation/Repatriation process are found in the last chapter.**

AMENDED RETURNS

An important note about amended returns needs to be made. You have a statutory 'right' to amend a return ONLY before April 15 of the year the return is due. After April 15, that right becomes a privilege. The courts have ruled *"that an amended return filed after the due date may be accepted, rejected, or ignored by the IRS at its sole discretion, and in the absence of an abuse*

of discretion, the courts will not grant relief to the taxpayer." In the ordinary case, the amended return will be accepted by the IRS if it is filed within three years from the due date, or within two years from the date the tax is paid, if not paid with the original return, whichever is later. There is no statute that allows an amended return after the due date of the original return.

So what it boils down to is, don't file a return in the first place, if you are not liable for a tax, because the chances of amending it successfully, and getting a refund, are very slim. Do whatever you can to prevent any income from being reported to the IRS on W-2's, 1099's, etc. These information returns provide the IRS's presumption of taxable income.

WHAT ABOUT STATE INCOME TAX?

You may ask, even if I am not liable for a federal income tax, what about state income tax? The Colorado Revised Statutes say:

CRS 39-22-104. Income tax imposed on individual, estates, and trusts. . . . *a tax of 5% is imposed on the federal taxable income as determined pursuant to section 63 of the internal revenue code, of every individual, estate and trust.*

Very simply, if you are not liable for a federal income tax, you are not liable for a state income tax, because the state income tax is a flat percentage of the federal tax. Although the statute quoted is from Colorado, every state has a similar statute on the books. Why is that? Can't the states pass their own tax if they want to? Yes, they can, but they are lazy. It is easier to let the federal government do all the audits, and write all the tax laws, and then just say "Me too! I want a percentage based on the federal tax." Besides, under martial law, the states ARE just a part of the federal government, so why not just use the same statutes?

So not only can you give yourself a tax free federal raise, by not filing a return, you also give yourself another 5% raise on top of the federal by not filing a state return. You don't owe the money anyway. Give yourself a 25-30% tax free raise!

SUMMARY

Many people have decided to drop out of an oppressive tax system. Some have been successful, and many have been severely injured financially, myself included, back when I was ignorant. Losses with the IRS and the courts are mainly due to ignorance of your rights. If you claim them properly and don't use frivolous arguments, your chances of divorcing the IRS are Excellent! **BUT, this information applies ONLY as long as the government upholds the laws as written. If they ignore the laws, then ANYTHING goes! Be prepared!**

Be on the offensive, not the defensive.

When the average person is given the choice between freedom and a free lunch, most will choose the free lunch. Which is it for you?

Learn the TRUTH , and the TRUTH will set you free from the IRS!

Chapter 13 DOES THIS WORK?

We always hear about the people who got burned by the IRS, or who lost in court, and we don't hear too often of the wins. In fact, when you win in court, the court will usually not let it be published, because then it will become case law, and the government can't afford any wins reported against them. And many techniques that work in the beginning cease to work over time. Why is that?

The reason is that as you find new ways to exercise your rights, the government also finds new ways to violate them or simply ignore them.

That is why I have the warning: **IMPLEMENT THESE TECHNIQUES AT YOUR OWN RISK!**

The material presented in this book is for educational purposes. You must know what you are doing and why you are doing it. Hopefully after reading this book you know a lot more than you did before. But still, don't believe me! Check this out for yourself before you use it.

Chapter 14 WELCOME TO FREEDOM!

Well, we have come a long way! And learned a lot along the way! If you mention not paying income taxes to people, they may tell you that people have gotten burned. That is true, but did they do the Expatriation/Repatriation process correctly? And even if they DID do it correctly, where their rights upheld? What arguments did they use and how did they present them? This process is very much like operating a car. If someone does not understand how a car works and he puts honey in the oil, and kerosene in the gas tank, the car will not work properly. And then if you talk about getting a car, he will say, "Oh don't do that. I tried it and my car engine just blew up on me. It's not worth the risk! I lost a lot of money on that deal!" Another person says, "When I took my car in for some warranty work, the garage ripped me off. Warranties are no good, They don't work!" If the repair shop cheats you on your warranty, was the warranty no good? Or were you dealing with a crooked mechanic? If your rights are not upheld, are your rights no good? Or are you dealing with a crooked government?

Take the time to read this book several times and really understand the process. If you do it wrong, because you do not understand it, then don't blame the process. This is true of most things that involve a degree of risk. If you don't know anything about rock climbing, don't try it. It could cost you your life! Get educated first, then your chances of success will be greatly improved! But that doesn't mean that you will never fall either!

For a quick recap of the whole book:

(1) You are either an American Citizen with un-a-lien-able rights, or you are a U.S. citizen with civil rights.

(2) If you have contracted with the federal government for a Social Security number, you are a corporate U.S. citizen.

(3) You have the inalienable right of property, if you are an American Citizen, which property can only be taxed with a direct tax with apportionment among the states.

(4) If you are a citizen of the corporate U.S., then you are corporate property (U.S. citizen), and ALL your income is corporate income, whether received within or without the U.S. jurisdiction.

(5) ALL corporate income is taxed with an indirect excise tax, on the privilege.

(6) To take your income out of the corporate status category, you must change your citizenship status from U.S. citizen, to American Citizen. This is done by expatriation/repatriation. Even if you create a trust, as a U.S. citizen, the trust is taxable, because it is property created by a corporate U.S. citizen, which automatically makes it corporate property with corporate income. Create a pure trust, only after you have expatriated and repatriated. Then it is created by a sovereign American and is not taxable with a corporate tax.

Remember to protect yourself in the proper order.

(1) Educate yourself so that you are VERY familiar with the arguments you are making, and decide if you even want to make them. It is a lot easier being a slave.

(2) Remove yourself from their jurisdiction. Submit the Expatriation/Repatriation paperwork and reclaim your true status.

(3) Protect your property. Educate yourself about trusts, IBC's, etc. You should never have any property in your name that can be confiscated.

(4) Take action! ONLY after you have taken the first three steps should you attempt the fourth, standing up for your rights when confronted by the IRS.

Before you complete the Expatriation/Repatriation process, dealing with the government is like falling into a raging river. When you fall in, the river (government) is all around you, pulling you down. As you struggle to keep your head above water, you are getting dragged along the bottom, getting smashed on rocks, and occasionally going over a small waterfall and getting sucked under in a whirlpool. You think you are going to die! The basket of possessions you had with you, was sucked away from you, and your wallet was pulled out of your pocket, gone forever. You think everything is lost. Sometimes you wonder if it is worth it all. But, at the last minute you pop up out of the whirlpool, get a quick breath of fresh air, and continue getting dragged on down the river. You continue to fight the current and try to get out, but the mighty force of the river just keeps pulling you along against your will. All your splashing and fighting and cursing does not slow down the river at all.

Then all of a sudden, a rubber life raft appears next to you. (Expatriation/Repatriation) IF you grab onto it and pull yourself into the raft, you suddenly find yourself ***above*** the river

(government). You can finally stop struggling and regain your strength. What a relief! Now you can lay back and travel *with* the river. In fact, now the full force of the river is working FOR you, not against you! Now you can relax and enjoy the scenery, not get dragged on the bottom, not get smashed on the rocks, and when you go over that little waterfall into the whirlpool, if you hang on and persist, you will be temporarily spun around in circles, but eventually, you will be on your way again. In fact, look! There is your basket of possessions floating just ahead! You paddle over to in and put it into your life raft. You check to make sure that everything is still in the basket, and guess what? There's your wallet also! It was not lost after all! You think to yourself, this sure turned out all right. It really IS better to go with the river than to fight it!

But to enjoy the trip, you must be on TOP of the water, NOT in it!

To enjoy your life and your possessions, you must also be ABOVE the government, not dragged along against your will, subject to it's mighty power. Learn how the laws work, and then use those laws to pull yourself into the life raft, and enjoy the trip!

To do that you must know how the laws work and how we got into this mess in the first place. Our chances of changing the system without a major revolt is very slim. So until enough people get educated, or mad, the best course of action is to learn the system and make the system work for US. Instead of fighting, learn your rights and exercise them, with the full force of the law behind you! **Remember, we don't need any new laws, we just need to have the ones we already have enforced!**

This principle of Expatriation/Repatriation was first stated two thousand years ago.

Matthew 5: 25-26. ***Settle matters quickly with your adversary who is taking you to court. Do it while while you are still with him on the way, or he may hand you over to the judge, and the judge may hand you over to the officer, and you may be thrown into prison. I tell you the truth, you will not get out until you have paid the last penny.***

That is exactly what we need to do. With thos process, you nullify all your adversary's claims against you, in advance, and you do NOT go to court. You agree with him before it goes that far. If you DID go to court, defending yourself against the government, you could very well end up in jail, just for demanding rights you thought you had, but don't!

Get them to agree ahead of time, as to your legal status! It does wonders for your peace of mind!

Here is a story you may find interesting. It is where we are headed if we don't wake up soon! You can make your own comparisons to today's economic climate.

Genesis 41:33-36 The coming famine in Egypt. Pharaoh's dream of 7 years of plenty followed by 7 years of famine. (New International Version)

33 And now let Pharaoh look for a discerning and wise man and put him in charge of the land of Egypt. 34 Let Pharaoh appoint commissioners over the land to take a fifth of the harvest of Egypt during the seven years of abundance. 35 They should collect all the food of these good years that

are coming and store up the grain under the authority of Pharaoh, to be kept in the cities for food. 36 ***This food should be held in reserve for the country, to be used during the seven years of famine that will come upon Egypt, so that the country may not be ruined by the famine.***

Sounds like a good plan by a beneficent and caring government, doesn't it? But what happens after the famine arrives?

Genesis 47:13-26 Joseph and the famine.

13 There was no food, however, in the whole region because the famine was severe; both Egypt and Canaan wasted away because of the famine. 14 Joseph collected all the money that was to be found in Egypt and Canaan in payment for the grain they were buying, and he brought it to Pharaoh's palace. 15 When the money of the people of Egypt and Canaan was gone, all Egypt came to Joseph and said, "Give us food. Why should we die before your eyes? Our money is used up."

16 "Then bring your livestock," said Joseph. "I will sell you food in exchange for your livestock, since your money is gone." 17 So they brought their livestock to Joseph, and he gave them food in exchange for their horses, their sheep and goats, their cattle and donkeys. And he brought them through that year with food in exchange for all their livestock.

18 When the year was over, they came to him the following year and said, "We cannot hide from our lord the fact that since our money is gone and our livestock belongs to you, there is nothing left for our lord except our bodies and our land. 19 Why should we perish before your eyes - we and our land as well? Buy us and our land in exchange for food, and we with our land will be in bondage to Pharaoh. Give us seed so that we may live and not die, and then the land may not become desolate."

20 So Joseph bought all the land in Egypt for Pharaoh. The Egyptians, one and all, sold their fields, because the famine was too severe for them. The land became Pharaoh's, 21 and Joseph reduced the people to servitude, from one end of Egypt to the other. 22 However, he did not buy the land of the priests, because they received a regular allotment from Pharaoh and had food enough from the allotment Pharaoh gave them. That is why they did not sell their land.

23 Joseph said to the people, "Now that I have bought you and your land today for Pharaoh, here is seed for you so you can plant the ground. 24 But when the crop comes in, give a fifth of it to Pharaoh. The other four-fifths you may keep as seed for the fields and as food for yourselves and your households and your children.

25 "You have saved our lives," they said. "May we find favor in the eyes of our lord; we will be in bondage to Pharaoh."

26 So Joseph established it as a law concerning land in Egypt -still in force today- that a fifth of the produce belongs to Pharaoh. It was only the land of the priests that did not become Pharaoh's.

Does this scenario sound familiar? Remember the depression of 1929? The government instituted the income tax on the people in 1913, along with the Federal Reserve Act, to provide for the general welfare after the war. Then because of the taxes paid during the good times prior to the depression, the government acquired many resources.

In 1913, at the time of the passage of the Federal Reserve Act, Charles A. Lindburg, Sr. said: *This Act establishes the most gigantic trust on earth. When the President signs this Act the invisible government by the Money Power, proven to exist by the Money Trust Investigation, will be legalized.* ***The new law will create inflation whenever the trusts want inflation. From now on depressions will be scientifically created.***

When the depression hit, the government was bankrupted, so it took the land and the people in 1933 and made them indentured slaves for the government, to 'help them out' of their financial difficulties. Then the NEW DEAL by was instituted by FDR and the people were so grateful to the government for saving them, that they willing gave up their rights and became U.S. citizens for the government.

Now we have to fight the terrorists (famine) and we are required to give up more of our freedoms to the government for this protection. Like Pharoah, the government will not stop until we are slaves in our own land!

When you give the people a choice between freedom and a free lunch, they will choose the free lunch, a free lunch that they made possible in the first place!

This process is a lot like owning a computer. If you were a cautious person, thinking about buying a computer, you might say, " My neighbor across the street bought one of those computers. And he says that it crashes about once a week! And not only that, every time he buys some software for it, it is obsolete in 6 months and he has to learn new programs! That's not for me! I'm going to wait until they get all the bugs worked out of the software before I try to use one of those things!"

How long do you think he would wait before he bought a computer?

That's like saying, "My neighbor tried to claim his inalienable rights in a court case against the IRS. He got fined $3000, plus had to pay the tax! I'm going to wait until these guys learn how to claim their rights, and it is completely safe, with no risks. THEN I will exercise my rights!"

How long do you think he will wait before he exercises his rights?

This process, just like computers, will never be perfect. There will always be improvements made as we go along, that will make the old stuff look like child's play. That's life! After all, how can we learn what works if we never try, and find out what doesn't work?

THE TRUTH IS OUT THERE!

LET FREEDOM RING!

You may think that the arguments in this book are out in left field, but many times TRUTH is stranger than fiction. In fact the scenario argued in this book has happened before in 1776! And the first time around it caused a revolution among the people. The political circumstances we are under now are very similar to how it was 225 years ago. After all, we got our legal system from England, so is it surprising that we have reverted back to that mode of operation?

So you can check it out yourself, I have included that document here. It is called:
The Declaration of Independence

Please read it through completely!

Each situation is unique. As is each individual you deal with. Sometimes you will run into government servants who value their own rights and will uphold yours also. But most of the time they are "just doing their job" and don't really care about your rights. I think this is mainly out of ignorance. They don't know what inalienable rights are and therefore cannot uphold them in your behalf. These people need to be educated! Have them read this ebook!

There are many patriots out there, each trying their own arguments and theories, with their own successes and losses. With the power of the internet now behind us, we are fast coming into the knowledge we need to reclaim our rights. Check out other proponents of this information to see how it compares, and then make your own decisions. We are all learning together.

But keep in mind the bottom line. We are Sovereign Americans dealing with our own government. To put this into perspective, let's remember the original Sovereign Americans, the American Indians. They too were confronted with our government and it's lust for power and property. Yes the same government we have now! They made treaty after treaty with this government, and EVERY treaty has been broken or violated. The Indians were made slaves in their own land, imprisoned and disarmed, their land confiscated, and they became wards of the federal government.

Now WE are the Sovereign Americans. Our treaties, the state and federal Constitutions, are also being broken or violated daily by the same government. Will we ever learn? Now WE are being enslaved, imprisoned and disarmed, our property is being confiscated, and we are becoming wards of the federal government through welfare programs, federal subsidies, and Social Security. History repeats itself. I recently read where the federal government owns 40% of all the land in America! 40%! And they are taxing you for the use of the part they let you have, as long as you pay the property tax tribute! If you don't, they will confiscate that too!

Governments throughout history have ALWAYS become more powerful and more oppressive until the people revolted. How many rights do we have to lose and how much property do we have to give up before we get fed up and reclaim out rights? I believe that it is just a matter of time before the government refuses to acknowledge any of our rights and proceeds to put us under a dictatorship. This has happened time after time in the history of governments. Are we next? **Do you care about your inalienable rights?**

The TRUTH is Out There!

Learn it, and it will set you FREE! IF we spread the information fast enough!

Sent this web site address to several of your friends and get the word out!

DECLARATION OF INDEPENDENCE

Action of Second Continental 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 of the Opinions of Mankind requires that they should declare the cause 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 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 whole-some 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 harass 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 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 Offenses:

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 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 and 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 waiting in Attentions to our British 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 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.

John Hancock
Samuel Chase
Wm. Paca
Thos. Stone
Charles Carol of Carrollton
George Wythe
Richard Henry Lee
Thomas Jefferson
Benja Harrison
Thos. Nelson jr.
Francis Lightfoot Lee
Carter Braxton
Robert Morris
Benjamin Rush
Benjamin. Franklin
John Morton
Geo Clymer
Jas Smith
Geo. Taylor
James Wilson
Geo. Ross
Caesar Rodney
Geo Read
Tho McKean
Wm Floyd
Phil. Livingston
Arthur Middleton
Button Gwinnett

Frans. Lewis
Lewis Morris
Richd. Stockton
Jno Witherspoon
Fras. Hopkinson
John Hart
Abra Clark
Josiah Bartlett
Wm. Whipple
Samuel Adams
John Adams
Robert Treat Paine
Elbridge Gerry
Step Hopkins
William Ellery
Roger Sherman
Samuel Huntington
Wm Williams
Oliver Wolcott
Matthew Thornton
Wm Hooper
Joseph Hewes
John Penn
Edward Rutledge
Thos Heyward Junr.
Thomas Lynch Junr.
Lyman Hall
Geo Walton