# *FEDERAL JURISDICTION*

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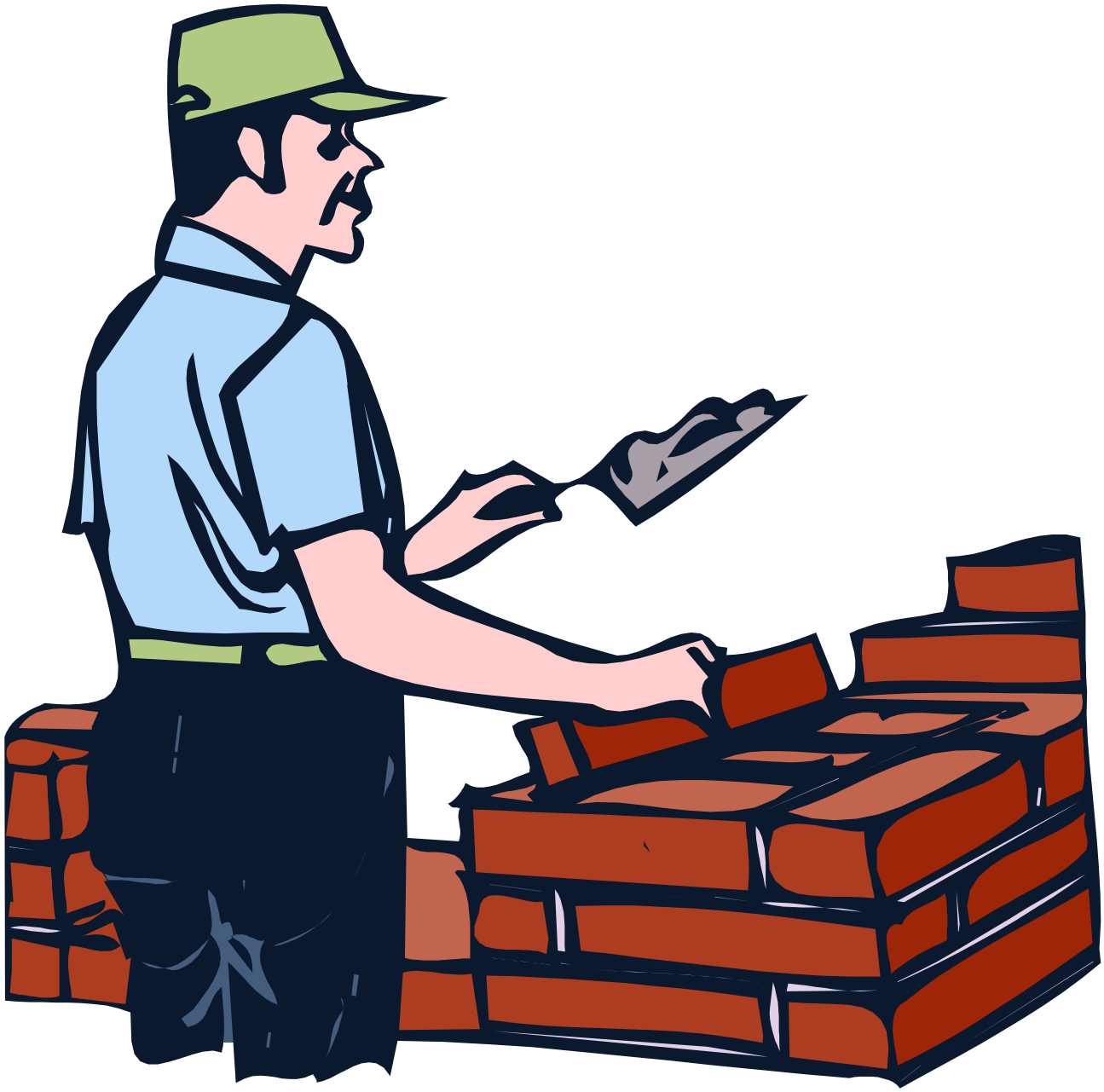

*"In questions of power...let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."*
*[Thomas Jefferson: Kentucky Resolutions, 1798]*

*"Whenever the General Government assumes undelegated powers, its acts are unauthoritative, void, and of no force."*
*[Thomas Jefferson: Kentucky Resolutions, 1798]*

*"It [is] inconsistent with the principles of civil liberty, and contrary to the natural rights of the other members of the society, that any body of men therein [INCLUDING judges] should have authority to enlarge their own powers... without restraint."*
*[Thomas Jefferson: Virginia Allowance Bill, 1778]*

# TABLE OF CONTENTS

Last revised: 1/6/2010


**TABLE OF CONTENTS** ..... **2**
**LIST OF TABLES** ..... **3**
**TABLE OF AUTHORITIES** ..... **3**
**1 Introduction** ..... **16**
**2 Basic principles of jurisdiction** ..... **16**
**3 Choice of Law Rules** ..... **21**
3.1 Itemized list of choice of law rules ..... 21
3.2 Summary of choice of law rules ..... 26
3.3 How choice of law rules are illegally circumvented by corrupted government officials to STEAL from You ..... 27
**4 How statutory franchises and "public rights" effect your standing in federal court** ..... **30**
4.1 Background ..... 30
4.2 Franchises are the main tool that judges and governments use to plunder and enslave you ..... 34
4.3 Effect of franchises on choice of forum ..... 43
4.4 How to determine whether you are engaged in a "franchise" or "public right" ..... 44
4.5 Summary of Choice of Law Rules Involving Federal Franchises ..... 50
4.6 Effects of Participating in Federal Franchises ..... 54
4.7 How to avoid franchises and public rights ..... 58
**5 Federal law is limited to federal territory and property and those domiciled on federal territory** ..... **60**
5.1 General constraints ..... 60
5.2 Extraterritorial Tax Jurisdiction of the National Government ..... 62
5.3 International Terrorism and legislating from the bench by Ex President Taft and the U.S. Supreme Court in Cook v. Tait, 265 U.S. 47 (1924) ..... 65
5.4 Supporting evidence for doubters ..... 75
5.5 Tactics that prevent federal extraterritorial jurisdiction ..... 76
**6 Jurisdiction of Federal Courts** ..... **78**
**7 What can be cited as legal authority against a person domiciled in a state of the Union who is not a federal agent, employee, contractor, or franchisee?** ..... **80**
**8 Jurisdiction to Tax** ..... **85**
8.1 Choice of Law in Tax Litigation ..... 85
8.2 Why federal income taxation is not a "federal question" for those who are "nontaxpayers" ..... 90
8.3 Why it is UNLAWFUL for the I.R.S. to enforce Internal Revenue Code, Subtitle A within states of the Union ..... 95
**9 How to tell when the government is exceeding its jurisdiction during litigation** ..... **100**
**10 Strategy for Effectively Challenging Federal Jurisdiction** ..... **103**
**11 How the Government Maliciously Conceals and Avoids the Content of this Pamphlet** ..... **106**
**12 Rebutted Arguments of U.S. Attorneys against the Conclusions of this Pamphlet** ..... **108**
**13 Conclusions** ..... **110**
13.1 Main techniques for exceeding jurisdiction ..... 110
13.2 Methods of preventing courts from exceeding their jurisdiction ..... 111
**14 Resources for further study and rebuttal** ..... **114**
**15 Questions that Readers, Grand Jurors, and Petit Jurors Should be Asking the Government** ..... **114**
15.1 Admissions ..... 114
15.2 Interrogatories ..... 120

## LIST OF TABLES

Table 1: "National" v. "Federal" ..... 28
Table 2: Sources of belief ..... 82
Table 3: Legitimate sources of belief ..... 84
Table 4: Choice of law in tax trials ..... 88
Table 5: Meaning of geographical terms within various contexts ..... 111

## TABLE OF AUTHORITIES

### Constitutional Provisions

Art. 1, Sec. 8 ..... 22
Art. 4, Sect. 3, Clause 2 ..... 29
Art. I, 8 ..... 19
Article 1, Section 10 ..... 52
Article 1, Section 8, Clause 17 ..... 78, 96
Article 1, Section 8, Clause 3 ..... 23, 95
Article 1, Section 8, Clause 6 ..... 22
Article 1, Section 8, Clause 7 ..... 22
Article 3 ..... 24
Article 4 ..... 24
Article 4, Section 2, Clause 3 ..... 23
Article 4, Section 3, Clause 2 ..... 22, 23, 24, 26, 62, 95, 99
Article 4, Section 3, Clause 3 ..... 22
Article I ..... 43, 53
Article III ..... 20, 25, 44, 53, 59, 62
Article III, Section 2 ..... 24, 50
Article IV ..... 25, 53, 78
Bill of Rights ..... 68, 81
Constitution ..... 84
Constitution of the United States of America ..... 124
Fifth and Fourteenth Amendments ..... 115
Sixteenth Amendment ..... 49, 69
The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961) ..... 19
Thirteenth Amendment ..... 23, 51, 91, 104
United States Constitution, Article 4, Section 3, Clause 2 ..... 102
United States Constitution, Article III, Section 2 ..... 93

### Statutes

1 U.S.C. §204 ..... 80, 81, 83, 89, 116, 118
18 U.S.C. §1581 ..... 23
18 U.S.C. §1589 ..... 51, 91
18 U.S.C. §1589(3) ..... 23
18 U.S.C. §1951 ..... 86
18 U.S.C. §201 ..... 46

18 U.S.C. §208 ..... 27, 52, 78, 79, 93
18 U.S.C. §2381 ..... 27
18 U.S.C. §241 ..... 100
18 U.S.C. §641 ..... 45
18 U.S.C. §911 ..... 64, 65
1939 Internal Revenue Code, 53 Stat. 1 ..... 81
1939 Internal Revenue Code, 53 Stat. 1, Section 4 ..... 81
26 U.S.C. §§6901 to 6903 ..... 88
26 U.S.C. §1313(b) ..... 49
26 U.S.C. §1461 ..... 88
26 U.S.C. §162 ..... 49, 89
26 U.S.C. §3121(d) ..... 74
26 U.S.C. §3121(e) ..... 29
26 U.S.C. §32 ..... 49, 89
26 U.S.C. §3401(c ) ..... 46
26 U.S.C. §6041 ..... 59
26 U.S.C. §6331(a) ..... 46
26 U.S.C. §6671(b) ..... 64, 65, 87, 89, 101
26 U.S.C. §6901 ..... 89
26 U.S.C. §6903 ..... 89, 103
26 U.S.C. §7343 ..... 64, 65, 87, 89, 102
26 U.S.C. §7408(d) ..... 33, 54, 87, 94, 99
26 U.S.C. §7491 ..... 92
26 U.S.C. §7601 ..... 99, 102, 123
26 U.S.C. §7621 ..... 99, 109, 110
26 U.S.C. §7701 ..... 118
26 U.S.C. §7701(a) ..... 106
26 U.S.C. §7701(a)(10) ..... 109
26 U.S.C. §7701(a)(12)(B) ..... 99
26 U.S.C. §7701(a)(14) ..... 49, 64, 65
26 U.S.C. §7701(a)(26) ..... 18, 49, 68, 89, 94, 96, 122, 124
26 U.S.C. §7701(a)(30) ..... 26, 91, 95
26 U.S.C. §7701(a)(31) ..... 50, 52
26 U.S.C. §7701(a)(39) ..... 33, 54, 87, 94, 99
26 U.S.C. §7701(a)(9) and (a)(10) ..... 25, 85, 89, 91, 98, 99, 123
26 U.S.C. §7701(b)(1)(A) ..... 25, 103, 105
26 U.S.C. §7701(b)(1)(B) ..... 75
26 U.S.C. §7701(b)(4)(B) ..... 61
26 U.S.C. §7805 ..... 109
26 U.S.C. §7805(a) ..... 83
26 U.S.C. §871 ..... 50
26 U.S.C. §911 ..... 22, 99
26 U.S.C. Chapter 75 ..... 109
28 U.S.C. § 1332(a)(3) ..... 75
28 U.S.C. §§ 754 and 959(a) ..... 37
28 U.S.C. §§754 and 959(a) ..... 25, 85, 117
28 U.S.C. §1332(a)(2) ..... 93
28 U.S.C. §1332(a)(3) ..... 61
28 U.S.C. §144 ..... 25, 27, 79
28 U.S.C. §1603(b)(3) ..... 55
28 U.S.C. §1605(a)(2) ..... 55, 95
28 U.S.C. §1653 ..... 62
28 U.S.C. §2679(d)(3) ..... 25
28 U.S.C. §297(b) ..... 109
28 U.S.C. §3002(15)(A) ..... 25, 54, 78, 87, 102
28 U.S.C. §455 ..... 25, 27, 52, 79, 93
28 U.S.C.A. §§1332, 1332(c) ..... 100, 101

28 U.S.C.A. §1332 ..... 100, 101
4 U.S.C. §72 ..... 104, 108, 109, 110, 118, 120, 121, 122, 124
40 U.S.C. §3111 and 3112 ..... 22
40 U.S.C. §3112 ..... 96
42 U.S.C. §1981 ..... 22
42 U.S.C. §1983 ..... 53, 83, 100
42 U.S.C. §1994 ..... 23, 51, 91
42 U.S.C. §408 ..... 56
42 U.S.C. Chapter 7 ..... 23, 50
44 U.S.C. §1505 ..... 108
44 U.S.C. §1505(a) ..... 88, 98, 102
44 U.S.C. §1505(a)(1) ..... 89, 98
44 U.S.C. §1508 ..... 98
48 U.S.C. §1397 ..... 120, 122
48 U.S.C. §1421i ..... 97, 120, 122
48 U.S.C. §1612 ..... 97
48 U.S.C. §1801 ..... 97, 121, 122
5 U.S.C. §2105 ..... 26
5 U.S.C. §552 ..... 98
5 U.S.C. §552(a)(1) ..... 88
5 U.S.C. §552a(a)(13) ..... 46, 48
5 U.S.C. §553 ..... 83, 108
5 U.S.C. §553(a) ..... 98, 102
5 U.S.C. §553(a)(1) ..... 98
5 U.S.C. §553(a)(2) ..... 88, 89, 98
53 Stat. 1, Section 4 ..... 89
8 U.S.C. §1101(a)(21) ..... 76
8 U.S.C. §1101(a)(3) ..... 26
8 U.S.C. §1401 ..... 25, 26, 29, 54, 61, 65, 67, 74, 76, 103, 105, 113
8 U.S.C. §1452 ..... 76
Act Aug. 13, 1888, c. 868, 25 Stat. 437 ..... 58
Act Jan. 9, 1883, c. 15, 22 Stat. 401 ..... 58
Act of June 22, *332 1874, c. 395, 18 Stat. 193 (Comp. St. §§ 6391, 6392) ..... 58
Administrative Procedures Act, 5 U.S.C. §553 ..... 83
Administrative Procedures Act, 5 U.S.C. §553(a) ..... 98
Administrative Procedures Act, 5 U.S.C. §556(d) ..... 92
Cal.Civ.Code, §1589 ..... 64
California Civil Code, Section 1589 ..... 31
Declaratory Judgments Act, 28 U.S.C. §2201(a) ..... 79
Federal Register Act, 44 U.S.C. §1505(a) ..... 98
Federal Reserve Act in 1913 ..... 69
Foreign Sovereign Immunities Act, 28 U.S.C. §1605 ..... 17
Foreign Sovereign Immunities Act, 28 U.S.C. §1605(a)(2) ..... 65
Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97 ..... 66
I.R.C. §5011 ..... 49
I.R.C. Subtitle A ..... 23, 47, 59, 87, 88, 101
I.R.C. Subtitles A and C ..... 45
I.R.C., Subtitle A ..... 86
Internal Revenue Code ..... 64, 81, 83, 84, 85, 88, 97, 112, 116, 121
Internal Revenue Code (I.R.C.) ..... 54
Internal Revenue Code of 1939 ..... 119
Internal Revenue Code of 1939, Section 9, 53 Stat. 2 ..... 119
Internal Revenue Code, Subtitle A ..... 50, 86, 90, 96, 123
Model Penal Code. Q 223.0 ..... 32
P.L. 86-624, § 18(j) ..... 109
P.L. 86-70, § 22(a) ..... 109
Revised Statutes, Section 3482 ..... 58

Rules of Decision Act ..... 26
Rules of Decision Act, 28 U.S.C. §1652 ..... 24, 88
Section 1-201(11) ..... 17
Social Security Act ..... 47, 50, 59
Statutes At Large ..... 81, 119
Statutes at Large AFTER January 2, 1939 ..... 84
Subtitles A throuth C of the Internal Revenue Code ..... 29
Title 26, Section 6322 ..... 107
Title 26, Section 7621 ..... 107
Title 26, Section 7701(a) ..... 106
Title 26, Subtitle A ..... 54
Title 5 ..... 23
U.C.C. § 9-307 ..... 96
U.C.C. §2-106(a) ..... 17
Writ of Certiorari Act of 1925 ..... 69

## Regulations

19 CFR Part 101 ..... 110
20 CFR §422.103(d) ..... 21, 56
20 CFR §422.104 ..... 21, 45
26 CFR §§301.7701-9, 301.7701-10, 301.6301-1 ..... 108
26 CFR §§601.101, 301.6301, 301.6331 ..... 107
26 CFR §1.1-1(c ) ..... 29, 113
26 CFR §1.1441-1(c )(3) ..... 47
26 CFR §1.469-9 ..... 48
26 CFR §1.872-2(f) ..... 102
26 CFR §301.6109-1(b) ..... 91
26 CFR §301.6201 (2000-2009) ..... 107
26 CFR §301.6203-1 ..... 107
26 CFR §301.6301(2000-2009) ..... 107
26 CFR §301.6301-1 ..... 106
26 CFR §301.6331-1 ..... 107, 108
26 CFR §301.7621 ..... 107
26 CFR §301.7621-1 ..... 110
26 CFR §301.7701-5 ..... 48, 87
26 CFR §301.7701-9 ..... 106
26 CFR §301.7701-9(2009) ..... 107
26 CFR §31.3401(c )-1 ..... 46, 89
26 CFR §31.3402(p)-1 ..... 87
26 CFR §601.101(2009) ..... 107
26 CFR §601.104(c )(2000-2009) ..... 108
26 CFR §601.107(2000-2009) ..... 107
26 CFR §601.702 ..... 98
26 CFR §601.702(a)(1) ..... 88
26 CFR Part 1 ..... 83
26 CFR Part 301 ..... 83
26 CFR Part 31 ..... 83
26 CFR Part 601 ..... 83
31 CFR §1.3(a)(4) ..... 88
31 CFR §103.34(a)(3)(x) ..... 102
31 CFR §202.2 ..... 46
Code of Federal Regulations (CFR) ..... 83
Federal Register ..... 83, 89, 109

## Rules

F.R.Civ.P. 17(b) ..... 33
Fed. Rule Civ. Proc. 12(h)(3) ..... 101
Fed.Rul.Civ.P. 8(b)(6) ..... 105
Fed.Rul.Civ.Proc. 17 ..... 85, 86
Fed.Rul.Civ.Proc. 17(b) ..... 54
Fed.Rule Civ.Proc. 19(b) ..... 62
Federal Rule of Civil Procedure 17(b) ..... 17, 25, 37, 38, 64, 70, 85, 86, 87, 94, 117, 118
Federal Rule of Civil Procedure 8(b)(6) ..... 75, 113, 114
Federal Rule of Criminal Procedure 12 ..... 79
Hearsay Rule, Fed.Rul.Ev. 802 ..... 101
Rule 21 of the Federal Rules of Civil Procedure ..... 62

## Cases

Adderley v. State of Florida, 385 U.S. 39, 49 (1967) ..... 26, 111
Alden v. Maine, 527 U.S. 706 (1999) ..... 44, 50, 88
Andrews v. O'Grady, 44 Misc.2d. 28, 252 N.Y.S.2d. 814, 817 ..... 86
Arnson v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920 ..... 40, 58
Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936) ..... 22, 96
Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936) ..... 91
Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 56 S.Ct. 466 (1936) ..... 56
Atlas Roofing Co. v. Occupational Safety and Health Review Comm'n, 430 U.S. 442, 450, n. 7, 97 S.Ct. 1261, 1266, n. 7, 51 L.Ed.2d. 464 (1977) ..... 44
Baker v. Grice, 169 U.S. 284, 290, 42 S.L.Ed. 748, 750, 18 Sup.Ct.Rep. 323 ..... 98
Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio.St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905) ..... 17
Barnet v. National Bank, 98 U. S. 555, 558, 25 L.Ed. 212 ..... 40
Basso v. Utah Power and Light Company, 495 F.2d. 906 (1974) ..... 101
Bell v. Burson, 402 U.S. 535 (1971) ..... 115
Bishop v. U.S., D.C.Tex., 334 F.Supp. 415, 418 ..... 24
Bolles v. Toledo Trust Co., 144 Ohio.St. 195, 58 N.E.2d. 381, 396 ..... 97, 120
Botta v. Scanlon, 288 F.2d. 504, 508 (1961) ..... 51, 79, 90
Bouvier's Maxims of Law, 1856 ..... 65
Bridgeport v. New York & N.H.R. Co., 36 Conn. 255, 4 Arn.Rep. 63 ..... 30
Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973) ..... 38, 47, 81, 90, 91, 117
Brown v. Keene, 8 Pet. 112, 115 (1834) ..... 75
Buckley v. Valeo, 424 U.S., at 122, 96 S.Ct., at 683 ..... 43
Budd v. People of State of New York, 143 U.S. 517 (1892) ..... 45, 54, 88
Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325 ..... 97, 123
Burton v. Wilmington Parking Authority, 365 U.S. 715 (1961) ..... 34
Caha v. U.S., 152 U.S. 211 (1894) ..... 60
Camden v. Allen, 2 Dutch., 398 ..... 44
Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936) ..... 80, 96, 99, 123
Cereghino v. State By and Through State Highway Commission, 230 Or. 439. 370 P.2d. 694. 697 ..... 32
Chicago &c. R. Co. v. Chicago, 166 U.S. 226 ..... 66
Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452 ..... 47
Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181 ..... 47
City of Boerne v. Florez, Archbishop of San Antonio, 521 U.S. 507 (1997) ..... 80, 103
Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973) ..... 38, 47, 81, 90, 91, 117
Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) ..... 19
Cleveland Bed. of Ed. v. LaFleur (1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215 ..... 113, 124
Coffin v. United States, 156 U.S. 432, 453 (1895) ..... 92
Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265, 5 L.Ed. 257 (1821) ..... 28
Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ..... 123
College Savings Bank v. Florida Prepaid Postsecondary Education Expense, 527 U.S. 666 (1999) ..... 19
Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108 ..... 40, 58
Cook v. Hart, 146 U.S. 183, 194 , 36 S.L.Ed. 934, 939, 13 Sup.Ct.Rep. 40 ..... 98
Cook v. Tait, 265 U.S. 47 (1924) ..... 61, 62, 63, 65, 75, 76

Cook v. Tait, 265 U.S. 47, 44 S.Ct. 447, 11 Virginia Law Review, 607 (1924) ..... 22
Cooke v. United States, 91 U.S. 389, 398 (1875) ..... 19
Court of Appeals of New York, 58 N.Y. 1. ..... 57
Crowell v. Benson, supra, 285 U.S., at 50-51, 52 S.Ct., at 292. ..... 44
D. M. Ferry & Co. v. United States, 85 Fed. 550, 557, 29 C.C.A. 345 ..... 58
Davidson v. New Orleans, 96 U.S. 97, 102 ..... 66
Davis v. Davis. TexCiv-App., 495 S.W.2d. 607. 611 ..... 32
De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700 ..... 40, 58
Delaware &c. R. Co. v. Pennsylvania, 198 U.S. 341, 358 ..... 66
Delo v. Lashely, 507 U.S. 272 (1993) ..... 92
Dollar Savings Bank v. United States, 19 Wall. 227 ..... 86
Downes v. Bidwell, 182 U.S. 244 (1901) ..... 20, 81, 113
Dred Scott v. John F.A. Sanford, 60 U.S. 393 (1856) ..... 16
Dred Scott v. Sandford, 60 U.S. 393, 509-510 (1856) ..... 32, 62
Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972) ..... 51
Edmonson v. Leesville Concrete Company, 500 U.S. 614 (1991) ..... 34
Einhorn v. Dewitt, 618 F.2d. 347 (5th Cir. 06/04/1980) ..... 83
Electric Co. v. Dow, 166 U.S. 489, 17 S.Ct. 645, 41 L.Ed. 1088 ..... 56
Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360 ..... 30
Erie R. Co. v. Tompkins, 304 U.S. 64 (1938) ..... 79
Erie Railroad v. Tompkins, 304 U.S. 64 (1938) ..... 24, 88
Everson v. Bd. of Ed., 330 U.S. 1, 15 (1947) ..... 119
Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696. ..... 40, 58
Ex parte Bakelite Corp., supra, at 451, 49 S.Ct., at 413. ..... 44
Ex parte Fonda, 117 U.S. 516, 518 , 29 S.L.Ed. 994, 6 Sup.Ct.Rep. 848 ..... 98
Ex parte Royall, 117 U.S. 241, 250 , 29 S.L.Ed. 868, 871, 6 Sup.Ct.Rep. 734 ..... 98
Farmers' & Mechanics' National Bank v. Dearing, 91 U. S. 29, 35, 23 L.Ed. 196 ..... 40
Federal Crop Insurance vs. Merrill, 33 U.S. 380 at 384 (1947) ..... 122
Federal Trade Commission v. Raladam Co., 283 U.S. 643, 51 S.Ct. 587 (1931) ..... 97, 110
Fink v. Goodson-Todman Enterprises, Limited, 9 C.A.3d. 996, 88 Cal.Rptr. 679, 690 ..... 86
Fitts v. McGhee, 172 U.S. 516, 533 , 43 S.L.Ed. 535, 543, 19 Sup.Ct.Rep. 269 ..... 98
Flemming v. Nestor, 363 U.S. 603 (1960) ..... 18, 43
Flint v. Stone Tracy Co., 220 U.S. 107 (1911) ..... 49
Foley Brothers, Inc. v. Filardo, 336 U.S. 281 (1949) ..... 60
Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) ..... 123
Fulton Light, Heat & Power Co. v. State, 65 Misc.Rep. 263, 121 N.Y.S. 536 ..... 31
Gardner v. Broderick, 392 U.S. 273, 277 -278 (1968) ..... 38, 47, 81, 90
Georgia Dep't of Human Resources v. Sistrunk, 249 Ga. 543, 291 SE2d 524 ..... 47
Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 SE 263 ..... 18, 32
Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35 ..... 40, 58
Gould v. Gould, 245 U.S. 151, at 153 (1917) ..... 92
Government of Canal Zone v. Burjan, 596 F.2d. 690 ..... 80
Government of Canal Zone v. Burjan, 596 F.2d. 690, 694 (5th Cir. 1979) ..... 79
Government of Canal Zone v. Burjan, 596 F.2d. at 694 ..... 80
Government of Canal Zone v. Burjan, 596 F.2d. at 694-95 ..... 79
Government of the Canal Zone v. Burjan, 596 F.2d. at 693 ..... 79
Graves v. People of State of New York, 306 U.S. 466 (1939) ..... 22
Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581 ..... 91
Great Falls Mfg. Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527 ..... 56
Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) ..... 19
Griffis v. United States, 52 Ct.Cl. 1, 170 ..... 58
Gulf Refining Co. v. Cleveland Trust Co., 166 Miss. 759, 108 So. 158, 160 ..... 30
Haight v. Railroad Company, 6 Wall. 15 ..... 71, 74
Hale v. Henkel, 201 U.S. 43 (1906) ..... 89
Hale v. Henkel, 201 U.S. 43, 74 (1906) ..... 46, 90
Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724 ..... 96, 123
Hanson v. Vernon, 27 Ia., 47 ..... 44

Harris v. Harris, 83 N.M. 441,493 P.2d. 407, 408 ..... 32
Hassett v. Welch., 303 U.S. 303, pp. 314 - 315, 82 L.Ed. 858. (1938) ..... 94
Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964) ..... 80, 103
Heiner v. Donnan, 285 U.S. 312 (1932) ..... 115, 123
Heiner v. Donnan, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed. 772 (1932) ..... 124
Hoeper v. Tax Comm'n, 284 U.S. 206 (1931) ..... 115
Hooven & Allison Co. v. Evatt, 324 U.S. 652 (1945) ..... 113
Howell v. Bowden, TexCiv. App.. 368 S.W.2d. 842, &18 ..... 32
Iasigi v. Van De Carr, 166 U.S. 391, 395 , 41 S.L.Ed. 1045, 1049, 17 Sup.Ct.Rep. 595 ..... 98
In re Meador, 1 Abb.U.S. 317, 16 F.Cas. 1294, D.C.Ga. (1869) ..... 55
In re Riggle's Will, 11 A.D.2d 51 205 N.Y.S.2d. 19, 21, 22 ..... 33
In re Turner, 94 Kan. 115, 145 P. 871, 872, Ann.Cas.1916E, 1022 ..... 58
Indiana State Ethics Comm'n v. Nelson (Ind App), 656 N.E.2d. 1172 ..... 47
International Shoe Co. v. Washington, 326 U.S. 310 (1945) ..... 17, 52
James v. Bowman, 190 U.S. 127, 139 (1903) ..... 80, 103
Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8 ..... 47
Kelley v. Johnson, 425 U.S. 238, 247 (1976) ..... 38, 46, 81, 90, 117
Labberton v. General Cas. Co. of America, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254 ..... 31
Lake v. Lake, 817 F.2d. 1416, 1421 (9th Cir. 1987) ..... 52
Lamoureaux v. Burrillville Racing Ass'n, 91 R.I. 94, 161 A.2d. 213, 215 ..... 17
Leary v. United States, 395 U.S. 6, 29 -53 (1969) ..... 115
Leonard v. Vicksburg, etc., R. Co., 198 U.S. 416, 422, 25 S.Ct. 750, 49 L.Ed. 1108 ..... 56
License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ..... 22, 25, 55, 97, 122
Lippencott v. Allander, 27 Iowa 460 ..... 18, 32
Loan Association v. Topeka, 20 Wall. 655 (1874) ..... 44
Long v. Rasmussen, 281 F. 236 (1922) ..... 50, 90
Long v. Rasmussen, 281 F. 236, 238 (1922) ..... 79
Lord v. Equitable Life Assur. Soc., 194 N.Y. 212, 81 N. E. 443, 22 L.R.A.,N.S., 420 ..... 30
Luhring v. Glotzbach, 304 F.2d. 560 (4th Cir. 05/28/1962) ..... 83
MacLeod v. United States, 229 U.S. 416, 33 S.Ct. 955, 57 L.Ed. 1260 ..... 20
Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697 ..... 47
Madrazo v. Willes, 3 Barn. & Ald. 353 ..... 72
Manley v. Georgia, 279 U.S. 1, 5-6, 49 S. Ct. 215 ..... 124
Markuson v. Boucher, 175 U.S. 184, 44 L.Ed. 124, 20 Sup.Ct.Rep. 76 ..... 98
Marsh v. Alabama, 326 U.S. 501 (1946) ..... 34
Matter of Mayor of N.Y., 11 Johns., 77 ..... 44
McCulloch v. Maryland, 4 Wheat. 316, 428 ..... 67, 71, 74
McElvaine v. Brush, 142 U.S. 155, 160 , 35 S.L.Ed. 971, 973, 12 Sup.Ct.Rep. 156 ..... 98
McIntosh v. Dill, 86 Okl. 1, 205 P. 917, 925 ..... 58
McLean v. United States, 226 U. S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260 ..... 41, 58
M'Culloch v. State, 17 U.S. 316, 1819 WL 2135 (U.S.,1819) ..... 32
Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779 ..... 40, 58
Meese v. Keene, 481 U.S. 465, 484-485 (1987) ..... 123
Meredith v. United States, 13 Pet. 486, 493 ..... 86
Meyer, 311 U.S. 457, 463 (1940) ..... 52
Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954) ..... 63
Milwaukee v. White, 296 U.S. 268 (1935) ..... 86
Minor v. Happersett, 88 U.S. (21 Wall.) 162, 166-168 (1874) ..... 36
Missouri Pacific Railway v. Nebraska, 164 U.S. 403, 417 ..... 66
Morton v. Ruiz, 415 U.S. 199, 94 S.Ct. 1055, 39 L.Ed.2d. 270 (1974) ..... 83
Mt. Hope Cemetery v. Boston, 158 Mass. 509, 519 ..... 66
New York Times v. Sullivan, 376 U.S. 254 (1964) ..... 68, 78
New York v. Eno, 155 U.S. 89, 96, 39 S.L.Ed. 80, 83, 15 Sup.Ct.Rep. 30 ..... 98
Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100 ..... 97, 123
Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989) ..... 62, 67, 75, 76
Newman-Green. 590 F.Supp. 1083 (ND Ill.1984) ..... 75
Northern Liberties v. St. John's Church, 13 Pa. St., 104 ..... 44

Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983) ..... 25, 44, 53
Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 83-84, 102 S.Ct. 2858 (1983) ..... 44
Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983) ..... 44
O'Neill v. United States, 231 Ct.Cl. 823, 826 (1982) ..... 19
Osborn v. Bank of U.S., 22 U.S. 738 (1824) ..... 64, 89
Parish v. MacVeagh, 214 U. S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936 ..... 41, 58
Pennoyer v. Neff, 96 U.S. 733, 24 L.Ed. 565 ..... 114
People v. Rehman, 253 C.A.2d. 119, 61 Cal.Rptr. 65, 85 ..... 24
People v. Utica Ins. Co.. 15 Johns., N.Y., 387, 8 Am.Dec. 243 ..... 30
Pepke v. Cronan, 155 U.S. 100, 39 L.Ed. 84, 15 Sup.Ct.Rep. 34 ..... 98
Perry v. United States, 294 U.S. 330 (1935) ..... 19
Pierce v. Emery, 32 N.H. 484 ..... 30
Pierce v. Somerset Ry., 171 U.S. 641, 648, 19 S.Ct. 64, 43 L.Ed. 316 ..... 56
Piqua Branch Bank v. Knoup, 6 Ohio.St. 393 ..... 28
Poindexter v. Greenhow, 114 U.S. 270, 5 S.Ct. 903 (1885) ..... 54
Pray v. Northern Liberties, 31 Pa.St., 69 ..... 44
Price v. United States, 269 U.S. 492 , 46 S.Ct. 180 ..... 86
Public Workers v. Mitchell, 330 U.S. 75, 101 (1947) ..... 38, 47, 81, 90, 91, 117
Railroad Company v. Jackson, 7 Wall. 262 ..... 66
Railroad Company v. Jackson, 7 Wall. 262, 269 ..... 71, 74
Railroad Company v. Peniston (18 Wall. 5) ..... 57
Rapa v. Haines, Ohio Comm.Pl., 101 N.E.2d. 733, 735 ..... 49
Re Chapman, 156 U.S. 211, 216, 39 S.L.Ed. 401, 402, 15 Sup.Ct.Rep. 331 ..... 98
Re Duncan, 139 U.S. 449 , 454, sub nom. Duncan v. McCall, 35 L.Ed. 219, 222, 11 Sup.Ct.Rep. 573 ..... 98
Re Frederich, 149 U.S. 70, 75 , 37 S.L.Ed. 653, 656, 13 Sup.Ct.Rep. 793 ..... 98
Robertson v. Cease, 97 U.S. 646, 648-649 (1878) ..... 61, 75
Rowan Co., Inc. v. U.S., 452 U.S. 247, 101 S.Ct. 2288, 68 L.Ed.2d. 814 (1981) ..... 83
Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990) ..... 38, 47, 81, 90, 91, 117
San Francisco Arts & Athletics, Inc. v. United States Olympic Committee, 483 U.S. 522, 544 -545 (1987) ..... 34
Schlesinger v. Wisconsin, 270 U.S. 230 (1926) ..... 115
Schwarzenegger v. Fred Martin Motor Co., 374 F.3d. 797, 802 (9th Cir. 2004) ..... 52
Schwarzenegger, 374 F.3d. at 802 ..... 52
See Jones, 1 Cl.Ct. at 85 ..... 19
Service v. Dulles, 354 U.S. 363, 388 (1957) ..... 83
Shelley v. Kraemer, 334 U.S. 1 (1948) ..... 34
Sinking Fund Cases, 99 U.S. 700 (1878) ..... 52
Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394 (1872) ..... 93
Smith v. Smith, 206 Pa.Super. 310, 213 A.2d. 94 ..... 36, 62
Spreckels Sugar Refining Co. v. McClain, 192 U.S. 297 (1904) ..... 92
St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469 ..... 91
St. Louis Malleable Casting Co. v. Prendergast Construction Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351 ..... 56
St. Louis Union Trust Co. v. Hill, 336 Mo. 17, 76 S.W.2d. 685, 689 ..... 97, 120
Stanley v. Illinois, 405 U.S. 645 (1972) ..... 115
Stanton v. Baltic Mining (240 U.S. 103), 1916 ..... 49
State ex rel. Herbert v. Whims, 68 Ohio App. 39, 28 N.E.2d. 596, 599, 22 O.O. 110 ..... 80, 116
State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665 ..... 18, 32
State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321 ..... 47
State of Minnesota v. Brundage, 180 U.S. 499 (1901) ..... 98
State Tax on Foreign-Held Bonds, 15 Wall. 300 ..... 66
State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.l918E, 352 ..... 30
State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240 ..... 30
State v. Ross, 23 N.J.L. 517, 521 ..... 67, 71, 73
State v. Topeka Water Co., 61 Kan. 547, 60 P. 337 ..... 30
Stenberg v. Carhart, 530 U.S. 914 (2000) ..... 123
Stockwell v. United States, 13 Wall. 531, 542 ..... 86
Strawbridge v. Curtiss, 3 Cranch 267 (1806) ..... 62
Talbot v. Janson, 3 U.S. 133 (1795) ..... 42

Tappan v. Merchants' National Bank, 19 Wall. 490, 499 ..... 66
Terry v. Adams, 345 U.S. 461 (1953) ..... 34
The Antelope, 23 U.S. 66, 10 Wheat. 66, 6 L.Ed. 268 (1825) ..... 45
The Le Louis, 2 Dod. 210, 239 ..... 72
Tinsley v. Anderson, 171 U.S. 101, 105, 43 S.L.Ed. 91, 96, 18 Sup.Ct.Rep. 805 ..... 98
Tot v. United States, 319 U.S. 463, 468 -469 (1943) ..... 115
Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691 ..... 18, 32
Tulsa Professional Collection Services, Inc. v. Pope, 485 U.S. 478 (1988) ..... 34
Turner v. United States, 396 U.S. 398, 418 -419 (1970) ..... 115
U.S. ex. rel. Brookfield Const. Co. v. Stewart, 284 F.Supp. 94 (1964) ..... 53
U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919) ..... 41, 58
U.S. v. Butler, 297 U.S. 1 (1936) ..... 44
U.S. v. Lee, 106 U.S. 196 (1882) ..... 50
U.S. v. Spelar, 338 U.S. 217 at 222. ..... 60
U.S. v. Union Pac. R. Co., 98 U.S. 569 (1878) ..... 58
U.S. v. Will, 671 F.2d. 963 (1982) ..... 83
U.S. v. William M. Butler, 297 U.S. 1 (1936) ..... 24
Union Refrigerator Transit Company v. Kentucky, 199 U.S. 194 (1905) ..... 66
United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354 ..... 40, 58
United States Railroad Retirement Board v. Fritz, 449 U.S. 166 (1980) ..... 18, 43
United States Supreme Court, Vlandis v. Kline, 412 U.S. 441 (1973) ..... 124
United States v. Bennett, 232 U.S. 299 ..... 61
United States v. Black Cloud, 590 F.2d. 270 (8th Cir. 1979) ..... 79
United States v. Bostwick, 94 U.S. 53, 66 (1877) ..... 19
United States v. Bowers, 660 F.2d. 527, 531 (5th Cir. 1981) ..... 79
United States v. Bowers, 660 F.2d. at 530-31 ..... 80
United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223 ..... 47
United States v. Chamberlin, 219 U.S. 250, 31 S.Ct. 155 ..... 86
United States v. Cruikshank, 92 U.S. 542 (1875) ..... 23, 36
United States v. Erie R. Co., 106 U.S. 327 (1882) ..... 67, 68, 73
United States v. Guest, 383 U.S. 745 (1966) ..... 80, 103
United States v. Harmon, 147 U. S. 268, 13 Sup.Ct. 327, 37 L.Ed. 164 ..... 58
United States v. Harris, 106 U.S. 629, 639 (1883) ..... 80, 103
United States v. Holzer (CA7 Ill), 816 F.2d. 304 ..... 47
United States v. Jones, 480 F.2d. 1135 ..... 80
United States v. Jones, 480 F.2d. 1135, 1138 (2d Cir. 1973) ..... 79
United States v. Jones, 480 F.2d. at 1138 ..... 79
United States v. Laughlin (No. 200), 249 U. S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696 ..... 41, 58
United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926) ..... 19
United States v. Parker, 622 F.2d. 298 (8th Cir. 1980) ..... 79
United States v. Powell, 498 F.2d. 890, 891 (9th Cir. 1974) ..... 79
United States v. Reese, 92 U.S. 214, 218 (1876) ..... 80, 103
United States v. Winstar Corp. 518 U.S. 839 (1996) ..... 19
Virginia Canon Toll Road Co. v. People, 22 Colo. 429, 45 P. 398 37 L.R.A. 711 ..... 30
Vitarelli v. Seaton, 359 U.S. 535, 539 -540 (1959) ..... 83
Vlandis v. Kline (1973) 412 U.S. 441, 449, 93 S.Ct. 2230, 2235 ..... 113, 124
Wall v. Parrot Silver & Copper Co., 244 U.S. 407 ..... 91
Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 411, 412, 37 S.Ct. 609, 61 L.Ed. 1229 ..... 56
Wallace v. Jaffree, 472 U.S. 69 (1985) ..... 119
Weeks v. United States, 232 U.S. 383 (1914) ..... 99
Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945) ..... 123
Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020 ..... 30
Whitten v. Tomlinson, 160 U.S. 231, 242 , 40 S.L.Ed. 406, 412, 16 Sup.Ct.Rep. 297 ..... 98
Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann. Cas. 1916A, 118 ..... 40, 58
Wisconsin v. Pelican Insurance Co., 127 U.S. 265 , 292, et seq. 8 S.Ct. 1370 ..... 86
Wood v. Bursh, 35 L.Ed. 505, 509, 11 Sup.Ct.Rep. 738 ..... 98

Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d. 1199 (9th Cir. 01/12/2006) ..... 52, 103

## Other Authorities

"Taxpayer" v. "Nontaxpayer"- Which One are You? ..... 95, 101
19 Corpus Juris Secundum, Corporations, §883 ..... 55
19 Corpus Juris Secundum, Corporations, §886 ..... 55
63C Am.Jur.2d, Public Officers and Employees, §247 ..... 47
86 Corpus Juris Secundum (C.J.S.), Territories, §1 ..... 60, 99
About IRS Form W-8BEN, Form #04.202 ..... 59, 95
About SSNs and TINs on Government Forms and Correspondence, Form #05.012 ..... 29
Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001 ..... 77, 78, 105, 106
Am.Jur.2d, Franchises, §4: Generally ..... 18, 32
American Jurisprudence, 2d, United States, Section 42: Interest on Claim ..... 86
Authorities on Jurisdiction of Federal Courts ..... 24
Biography of William Howard Taft, SEDM Exhibit 11.003 ..... 69
Black's Law Dictionary ..... 87
Black's Law Dictionary, Fifth Edition, p. 1095 ..... 32
Black's Law Dictionary, Fourth Edition, p. 1693 ..... 20, 104
Black's Law Dictionary, Fourth Edition, pp. 786-787 ..... 30, 31
Black's Law Dictionary, Revised Fourth Edition, 1968, p. 1176 ..... 28
Black's Law Dictionary, Revised Fourth Edition, 1968, p. 740 ..... 28
Black's Law Dictionary, Sixth Edition, p. 1189 ..... 80, 116
Black's Law Dictionary, Sixth Edition, p. 1196 ..... 31
Black's Law Dictionary, Sixth Edition, p. 1245 ..... 86
Black's Law Dictionary, Sixth Edition, p. 1269 ..... 58
Black's Law Dictionary, Sixth Edition, p. 1498 ..... 36
Black's Law Dictionary, Sixth Edition, p. 269 ..... 65
Black's Law Dictionary, Sixth Edition, p. 276 ..... 24
Black's Law Dictionary, Sixth Edition, p. 322 ..... 17
Black's Law Dictionary, Sixth Edition, p. 416 ..... 20
Black's Law Dictionary, Sixth Edition, p. 485 ..... 36, 63
Black's Law Dictionary, Sixth Edition, p. 500 ..... 115, 124
Black's Law Dictionary, Sixth Edition, p. 563 ..... 49
Black's Law Dictionary, Sixth Edition, p. 581 ..... 97, 120, 123
Black's Law Dictionary, Sixth Edition, pp. 1304-1306 ..... 33
Bouvier's Maxims of Law, 1856 ..... 17, 61, 73
Citizenship, Domicile, and Tax Status Options, Form #10.003 ..... 77, 106
Conflicts in a Nutshell, David D. Seigel, West Publishing, 1994; ISBN 0-314-02952-4 ..... 21
Conflicts in a Nutshell, David D. Seigel, West Publishing, 1994; ISBN 0-314-02952-4, p. 317 ..... 26, 93
Confucius ..... 39
Confucius, 500 B.C. ..... 111, 112
Congressional Record, June 16, 1909, pp. 3344-3345, SEDM Exhibit #02.001 ..... 69
Cooley, Const. Lim., 479 ..... 44
Correcting Erroneous Information Returns, Form #04.001 ..... 59, 104, 112
Correcting Erroneous IRS Form 1042s, Form #04.003 ..... 59
Correcting Erroneous IRS Form 1098, Form #04.004 ..... 59
Correcting Erroneous IRS Form 1099, Form #04.005 ..... 59
Correcting Erroneous IRS Form W-2's, Form #04.006 ..... 59
De Facto Government Scam, Form #05.043 ..... 29
Delegation of Authority Order from God to Christians, Form #13.007 ..... 35
Dept. of Justice ..... 25
DS-11 Passport Application ..... 77
Executive Order #10289 ..... 99, 110
Family Guardian Forums: Federal Jurisdiction Topic ..... 114
Federal and State Tax Withholding Options for Private Employers, Form #04.101 ..... 59
Federal and State Tax Withholding Options for Private Employers, Form #04.101, Section 20.2 ..... 78

Federal Courts and IRS' Own Internal Revenue Manual Say the IRS is NOT RESPONSIBLE for Its Actions or its Words or for Following its Own Written Procedures ..... 84
Federal Enforcement Authority within States of the Union, Form #05.032 ..... 51, 114
Federal Jurisdiction Page ..... 114
Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001 ..... 94
Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002 ..... 77, 105, 106
Flawed Tax Arguments to Avoid, Form #08.004, Section 6.1 ..... 106
Founding Fathers ..... 40
Geographical Definitions and Conventions ..... 26, 111
George Washington, (letter to Patrick Henry, 9 October 1775) ..... 40
Government Burden of Proof, Form #05.025 ..... 59
Government Conspiracy to Destroy the Separation of Powers, Form #05.023 ..... 27, 100, 112
Government Conspiracy to Destroy the Separation of Powers, Form #05.023, Section 10.2 ..... 105
Government Instituted Slavery Using Franchises, Form #05.030 ..... 23, 30, 33
Great IRS Hoax, Form #11.302, Section 5.2.4 ..... 64
Great IRS Hoax, Form #11.302, Sections 5.6.11 and 5.6.16 ..... 88
Hoffmann v. Kinealy, Mo., 389 S.W.2d. 745, 752 ..... 32
I.R.M. 4.10.7.2.9.8 (05-14-1999) ..... 78
Internal Revenue Bulletin 2007-36 ..... 108
Internal Revenue Bulletin 2007-36, p. 536 ..... 108
Internal Revenue Bulletin 2007-36, p. 537-2 ..... 108
Internal Revenue Manual ..... 78
Internal Revenue Manual (IRM) ..... 83
Internal Revenue Manual (IRM), Section 4.10.7.2.9.8 ..... 82, 83
Internal Revenue Manual, Section 4.10.7.2.8 ..... 83, 84
IRS Due Process Meeting Handout, Form #03.008 ..... 46, 98, 103
IRS Form 1040 ..... 59, 77, 89
IRS Form 1042's ..... 94
IRS Form 1098's ..... 94
IRS Form 1099's ..... 94
IRS Form 668A(c ) ..... 46
IRS Form 8300, Currency Transaction Report ..... 94
IRS Form W-4 ..... 46, 59, 87, 89, 94
IRS Forms W-2, 1042-s, 1098, 1099, and 8300 ..... 101
IRS Forms W-2, 1042-s, 1098, and 1099 ..... 104, 112
IRS Forms W-4 or 1040 ..... 47
Jurisdiction over Federal Areas within the States: U.S. government report, 1954, Form #11.203 ..... 114
Legal Authorities which prove the Income Tax is Voluntary for "Nontaxpayers" ..... 101
Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001 ..... 106
Liberty University, Section 4 entitled: "Avoiding Government Franchises and Licenses" ..... 60
Mark Twain ..... 68
Meaning of the Words "includes" and "including", Form #05.014 ..... 26, 27, 68, 102, 111, 113, 123
Minimum Contacts Doctrine ..... 17, 103
New Bible Dictionary. Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962; InterVarsity Press: Downers Grove ..... 43
Ninth Circuit ..... 79
Nonresident Alien Position, Form #05.020 ..... 94
Officers of the United States Within the Meaning of the Appointments Clause, U.S. Attorney Memorandum Opinion ..... 121
Our government has become idolatry and a false religion ..... 114
Political Jurisdiction, Form #05.004 ..... 26, 51, 53, 78, 114
Precedence of Laws and Regulations ..... 82
President Taft ..... 69
President William Howard Taft ..... 69
Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017 .... 26, 51, 59, 81, 91, 103, 111, 113, 114, 123
Reasonable Belief About Income Tax Liability, Form #05.007 ..... 27, 100, 114

Requirement for Consent, Form #05.003 ..... 54, 86, 102
Requirement for Reasonable Notice, Form #05.022 ..... 123
Resignation of Compelled Social Security Trustee, Form #06.002 ..... 29, 54, 56, 59, 87, 88, 89, 94, 103
Restatement, Second, Contracts §3 ..... 17
Rev Procd. 55-1 (1955-2 CB 897) ..... 109
Revenue Ruling 2 (1953-1 CB 484) ..... 109
Rules of Presumption and Statutory Interpretation, Litigation Tool #01.006 ..... 77, 105
Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34 ..... 124
SEDM Jurisdictions Database, Litigation Tool #09.008 ..... 17
Senator Sam Ervin, during Watergate hearing ..... 111, 112
Silence as a Weapon and a Defense in Legal Discovery, Form #05.021 ..... 51
Social Security Form SS-5 ..... 89
Social Security Program Operations Manual System (POMS), Section RS 02640.040 ..... 36, 37
Sovereignty Forms and Instructions Online, Form #10.004: Cites by Topic ..... 105
Sovereignty Forms and Instructions Online, Form #10.004: Cites by Topic: Terrorism ..... 69
SSA Form 521 ..... 56
SSA Form SS-5 ..... 47
Sutherland on Statutes and Statutory Construction § 47.07, p. 152, and n. 10 (5th ed. 1992) ..... 123
T.D. 8813 ..... 48
Tax Deposition Questions, Form #03.016 ..... 114
Tax Form Attachment, Form #04.201 ..... 29, 77
Tax Fraud Prevention Manual, Form #06.008 ..... 22
Tax Fraud Prevention Manual, Form #06.008, Chapter 4 ..... 85
Taxpayer v. Nontaxpayer: Which One Are You? ..... 52
TDO 150-10 ..... 108, 109
The "Trade or Business" Scam, Form #05.001 ..... 25, 54, 59, 91, 96, 101, 103
The "Trade or Business" Scam, Form #05.001, Section 12: Legal Requirements for Occupying a Public Office ..... 104
The Government "Benefits" Scam, Form #05.040 ..... 18, 43
The Money Scam, Form #05.041 ..... 43
Thomas Jefferson, First Inaugural Address, March 4, 1801 ..... 40
Thomas Jefferson: 1st Inaugural, 1801 ..... 104
Thomas Paine, "Common Sense" Feb 1776 ..... 66
Treasury Decisions and Orders ..... 83
Treasury Directive 21-01 ..... 106
Treasury Order 150-02 ..... 99, 106, 123
Treatise on Government, Joel Tiffany, p. 49, Section 78 ..... 99
Two Political Jurisdictions: "National" government v. "Federal" government ..... 29
U.S. Attorney Manual, Section ..... 79
U.S. Circuit Court ..... 20
U.S. District Court ..... 20
U.S. Supreme Court ..... 38, 44
U.S. Tax Court ..... 20
USA Passport Application Attachment, Form #06.007 ..... 77
What Happened to Justice?, Form #06.012 ..... 20, 53, 59, 62, 102
What Happened to Justice?, Litigation Tool #08.001 ..... 24
Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?, Form #05.013 ..... 59, 88
Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002 ..... 27, 28, 63, 85, 99, 101, 114, 120
Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205 ..... 29, 104
Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037 ..... 34
Why the Federal Courts Can't Properly Address These Questions ..... 79
Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006 ..... 27, 76, 94, 103, 105, 106, 113
Why you are not a "citizen" under the Internal Revenue Code ..... 95
Why you are not a "resident" under the Internal Revenue Code ..... 95
Why You Aren't Eligible for Social Security, Form #06.001 ..... 112
Why You Shouldn't Cite Federal Statutes for Protecting Your Rights ..... 51

Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes, Form #05.00849, 68, 90, 91
Wikipedia, Topic: William Howard Taft ..... 70
Wrong Party Notice, Form #07.105 ..... 56, 59
Your Rights as a "Nontaxpayer" ..... 95

## Scriptures

1 Peter 2:13-17 ..... 35
1 Tim. 6:17 ..... 42
1 Tim. 6:9-10 ..... 39
Deut. 1:17 ..... 41
Deut. 10:17 ..... 41
Deut. 10:20 ..... 35
Deut. 16:19 ..... 41
Deut. 6:13, 24 ..... 35
Deuteronomy 10:14 ..... 35
Exodus 30:15 ..... 41
Exodus 34:10-16 ..... 40
Gal. 3:28 ..... 41
Heb. 11:1 ..... 119
Isaiah 30:1-3, 8-14 ..... 40
Isaiah 33:22 ..... 36
Isaiah 42:21-25 ..... 39
Isaiah 42:22-25 ..... 100
Isaiah 45:12 ..... 35
Isaiah 52:3 ..... 43
Job 13:10 ..... 41
Job. 34:18-19 ..... 41
Luke 16:13 ..... 36
Mark 10:42–45 ..... 41
Matt. 19:24 ..... 42
Matt. 20:25-28 ..... 41
Matt. 23:8-12 ..... 41
Nehemiah 8-9 ..... 34
Prov. 1:20-33 ..... 39
Prov. 14:20-21 ..... 41
Prov. 2:21-22 ..... 33, 34, 38
Prov. 22:2 ..... 41
Prov. 8:13 ..... 36
Proverbs 1:10-19 ..... 39
Psalm 47:7 ..... 36
Psalm 89:11-13 ..... 34
Rev. 19:19 ..... 35, 65
Rom. 10:12 ..... 42
Romans 13 ..... 35

# 1 Introduction

There is much controversy in the courts and in state and federal agencies over the jurisdiction of the federal government to enforce franchises upon those domiciled within states of the Union, which are foreign but not alien in respect to federal jurisdiction. This includes enforcement authority for all the following franchises:

1. Income taxes.
2. State motor vehicle code.
3. Professional licenses.
4. Marriage licenses.
5. Social Security.
6. Medicare.
7. Unemployment insurance.

Most of this controversy appears daily in the correspondence sent out by state and federal agencies. Much of this correspondence results from false presumptions about the subject matter. It is the goal of this memorandum of law to rebut these false presumptions by providing authorities documenting the origins of federal jurisdiction.

# 2 Basic principles of jurisdiction

The basic concepts underlying jurisdiction depend on the following simple rules:

1. All courts exercise three types of jurisdiction:
   - 1.1. Territorial: Jurisdiction over an event that happened on the territory protected by the sovereign. For the federal government, this would be federal territory subject to the exclusive jurisdiction of Congress and which is no part of any state of the Union.
   - 1.2. Subject matter: Jurisdiction over the activity but not the territory the activity occurred on. Franchises fall in this category because they are a matter of contract and all contracts are chattel property of the grantor of the franchise.
   - 1.3. In personam: Jurisdiction over the "person". This jurisdiction is conferred either by:
     - 1.3.1. Service of process upon the "person" AND.
     - 1.3.2. An "appearance" in an action following the service of process or a domicile or residence in the forum at the time of the event contested.
2. Civil and criminal jurisdiction attaches to the territory under the exclusive jurisdiction of the sovereign to whom it belongs. This includes:
   - 2.1. Acts committed on the territory.
   - 2.2. Real and chattel property situated within the territory.
   - 2.3. Human beings and "persons" domiciled on the territory.
3. A sovereign may not reach outside its physical territory to enforce its civil or criminal laws without comity, which is a fancy word for the consent of those it is enforcing against. This is called "extraterritorial jurisdiction" by the courts. Extraterritorial jurisdiction is also called "subject matter jurisdiction".

> *"Every State or nation possesses an exclusive sovereignty and jurisdiction within her own territory, and her laws affect and bind all property and persons residing within it. It may regulate the manner and circumstances under which property is held, and the condition, capacity, and state of all persons therein, and also the remedy and modes of administering justice.* ***And it is equally true that no State or nation can affect or bind property out of its territory, or persons not residing [domiciled] within it. No State therefore can enact laws to operate beyond its own dominions, and if it attempts to do so, it may be lawfully refused obedience. Such laws can have no inherent authority extraterritorially. This is the necessary result of the independence of distinct and separate sovereignties.*** *"*
>
> *"Now it follows from these principles that* ***whatever force or effect the laws of one State or nation may have in the territories of another must depend solely upon the laws and municipal regulations of the latter, upon its own jurisprudence and polity, and upon its own express or tacit consent.*** *"*
> *[Dred Scott v. John F.A. Sanford, 60 U.S. 393 (1856)]*

> *"Judge Story, in his treatise on the Conflicts of Laws, lays down, as the basis upon which all reasonings on the law of comity must necessarily rest, the following maxims: First 'that* ***every nation possesses an exclusive sovereignty and jurisdiction within its own territory****'; secondly, '****that no state or nation can by its laws directly affect or bind property out of its own territory, or bind persons not resident therein, whether they are natural born subjects or others.****' The learned judge then adds: 'From these two maxims or propositions there follows a third, and that is that whatever force and obligation the laws of one country have in another depend solely upon the laws and municipal regulation of the latter; that is to say, upon its own proper jurisdiction and polity, and upon its own express or tacit consent." Story on Conflict of Laws §23."*
> *[Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio.St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905)]*

4. It is a maxim of law that debt and contract are not dependent upon place. The ordinary way of procuring debt is to contract for it, in which case the only way that any government can reach outside its own physical territory is to contract with those it seeks to enforce against:

> *Debitum et contractus non sunt nullius loci.*
> *Debt and contract [franchise agreement, in this case] are of no particular place.*
>
> *Locus contractus regit actum.*
> *The place of the contract [franchise agreement, in this case] governs the act.*
>
> *[Bouvier's Maxims of Law, 1856;*
> *SOURCE: http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm]*

5. Civil in personam jurisdiction originates from the following three sources:
   5.1. Choosing domicile within a specific jurisdiction.
   5.2. Representing an entity that has a domicile within a specific jurisdiction even though not domiciled oneself in said jurisdiction. For instance, representing a federal corporation as a public officer of said corporation, even though domiciled outside the federal zone. The authority for this type of jurisdiction is, for instance, Federal Rule of Civil Procedure 17(b).
   5.3. Engaging in commerce within the civil legislative jurisdiction of a specific government and thereby waiving sovereign immunity under:
      5.3.1. The Foreign Sovereign Immunities Act, 28 U.S.C. §1605.
      5.3.2. The Minimum Contacts Doctrine, which implements the Fourteenth Amendment. See International Shoe Co. v. Washington, 326 U.S. 310 (1945) .
      5.3.3. The Longarm Statutes of the state jurisdiction where you are physically situated at the time. For a list of such state statutes, see:

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| *SEDM Jurisdictions Database, Litigation Tool #09.008*<br>http://sedm.org/Litigation/LitIndex.htm |

6. The most prevalent means to exercise extraterritorial jurisdiction by most governments is through government franchises such as Social Security, marriage licenses, and driver's licenses. The application to participate in the program constitutes contractual consent to abide by the terms of the franchise agreement.
7. All franchises are contracts, and therefore must satisfy all the elements of a contract to be valid or enforceable. This means there must be MUTUAL consideration and MUTUAL obligation on both sides of the transaction.

> ***Contract****. An agreement between two or more [sovereign] persons which creates an obligation to do or not to do a particular thing. As defined in Restatement, Second, Contracts §3: "A contract is a promise or a set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty." A legal relationships consisting of the rights and duties of the contracting parties; a promise or set of promises constituting an agreement between the parties that gives each a legal duty to the other and also the right to seek a remedy for the breach of those duties.* ***Its essentials are competent parties, subject matter, a legal consideration, mutuality of agreement, and mutuality of consideration. Lamoureaux v. Burrillville Racing Ass'n, 91 R.I. 94, 161 A.2d. 213, 215.***
>
> *Under U.C.C., term refers to total legal obligation which results from parties' agreement as affected by the Code. Section 1-201(11). As to sales, "contract" and "agreement" are limited to those relating to present or future sales of goods, and "contract for sale" includes both a present sale of goods and a contract to sell goods at a future time. U.C.C. §2-106(a).*
>
> *The writing which contains the agreement of parties with the terms and conditions, and which serves as a proof of the obligation*
> *[Black's Law Dictionary, Sixth Edition, p. 322]*

_____

> *As a rule, **franchises spring from contracts between the sovereign power and private citizens**, made upon valuable considerations, for purposes of individual advantage as well as public benefit,* [1] *and thus a franchise partakes of a double nature and character. **So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty.** But **when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.*** [2]
> *[Am.Jur.2d, Franchises, §4: Generally]*

8. It is up to each party to define whether something provided by the contract or franchise constitutes a "benefit" or "consideration" in a legal sense. The opposite party cannot determine what constitutes consideration for YOU without instituting duress upon YOU. What the government calls "benefits" do not, in fact, constitute "consideration" from a legal perspective because they obligate the government to do NOTHING. Therefore, the franchise is not a contract and therefore is not enforceable as a right in equity in a true constitutional court.

> *"… railroad benefits, like social security benefits, are not contractual and may be altered or even eliminated at any time."*
> *[United States Railroad Retirement Board v. Fritz, 449 U.S. 166 (1980)]*

> *"We must conclude that **a person covered by the Act has not such a right in benefit payments**… This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint."*
> *[Flemming v. Nestor, 363 U.S. 603 (1960)]*

For details on the above, see:

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| *The Government "Benefits" Scam*, Form #05.040<br>http://sedm.org/Forms/FormIndex.htm |

9. The federal government may NOT lawfully establish a franchise within a state of the Union or license any activity within the exclusive jurisdiction of a state of the Union.
   9.1. All franchises presuppose that those who participate occupy a public officers, as you will see later. That supposition is FALSE in the case of those not lawfully occupying such office BEFORE they sign up.
   9.2. An example of a de facto license is a Social Security Number, which acts effectively as a license to act as a "public officer" within the government. Note the phrase "trade or business" in the U.S. Supreme Court holding below, which is defined as "the functions of a public office" in 26 U.S.C. §7701(a)(26):

> *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*
>
> ***But very different considerations apply to the internal commerce or domestic trade of the States. Over this commerce and trade Congress has no power of regulation nor any direct control. This power belongs exclusively to the States. No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject.*** *It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. **Congress cannot authorize [e.g. "license"] a trade or business within a State in order to tax it.**"*
> *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]*

   9.3. All franchises are contracts and constitute property of the U.S. government. Another way of saying the above is that Congress cannot establish public offices within a state and cannot have franchises as property within any United States Judicial District that encompasses an area under the exclusive jurisdiction of a state of the Union.

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[1] Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 SE 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

[2] Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 SE 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

9.4. Any deviation from the above constraints is a violation of the separation of powers doctrine which is the foundation of the United States Constitution and the main protection for our constitutional rights. Any attempt to break down this separation is a direct conspiracy to deprive you of Constitutionally protected rights.

> *"We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S. Const., Art. I, 8. As James Madison wrote, "[t]he powers delegated by the proposed Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and indefinite." The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961).* ***This constitutionally mandated division of authority "was adopted by the Framers to ensure protection of our fundamental liberties****." Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). "Just as the separation and independence of the coordinate branches of the Federal Government serves to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front." Ibid. "*
> *[U.S. v. Lopez, 514 U.S. 549 (1995)]*

10. Governments operate in two capacities:
    10.1. As a de jure government. When acting in this capacity, all franchises are implemented using civil law and require all those who participate to have a domicile within their jurisdiction to enforce against them. This means that only "citizens", "residents", and "inhabitants", all of whom have a domicile on the territory of the sovereign, may lawfully participate in the franchise.
    10.2. As a private business or de facto government. When acting in this capacity, domicile or residence or physical presence are NOT a prerequisite or are acquired by contract. Therefore, the government acts as a private corporation in equity and waives sovereign immunity for all actions undertaken in this capacity.

> ***"When a State engages in ordinary commercial ventures, it acts like a private person, outside the area of its "core" responsibilities, and in a way unlikely to prove essential to the fulfillment of a basic governmental obligation."***
> *[College Savings Bank v. Florida Prepaid Postsecondary Education Expense, 527 U.S. 666 (1999)]*
>
> ---
>
> *Moreover, if the dissent were correct that the sovereign acts doctrine permits the Government to abrogate its contractual commitments in "regulatory" cases even where it simply sought to avoid contracts it had come to regret, then the Government's sovereign contracting power would be of very little use in this broad sphere of public activity. We rejected a virtually identical argument in Perry v. United States, 294 U.S. 330 (1935), in which Congress had passed a resolution regulating the payment of obligations in gold.* ***We held that the law could not be applied to the Government's own obligations, noting that "the right to make binding obligations is a competence attaching to sovereignty."*** *Id. at 353.*
>
> *See also Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) ("`**The United States does business on business terms**'") (quoting United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926)); Perry v. United States, supra at 352 (1935) ("**When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent**") (citation omitted); United States v. Bostwick, 94 U.S. 53, 66 (1877) ("**The United States, when they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf**"); Cooke v. United States, 91 U.S. 389, 398 (1875) (**explaining that when the United States "comes down from its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern individuals there**").*
>
> *See Jones, 1 Cl.Ct. at 85 ("**Wherever the public and private acts of the government seem to commingle, a citizen or corporate body must by supposition be substituted in its place, and then the question be determined whether the action will lie against the supposed defendant**"); O'Neill v. United States, 231 Ct.Cl. 823, 826 (1982) (sovereign acts doctrine applies where, "[w]ere [the] contracts exclusively between private parties, the party hurt by such governing action could not claim compensation from the other party for the governing action"). The dissent ignores these statements (including the statement from Jones, from which case Horowitz drew its reasoning literally verbatim), when it says, post at 931, that the sovereign acts cases do not emphasize the need to treat the government-as-contractor the same as a private party.*
> *[United States v. Winstar Corp. 518 U.S. 839 (1996)]*

11. The Declaration of Independence says that our Constitutional rights are "unalienable" in relation to the government, which means that they cannot lawfully be sold, bargained away through any process, including a franchise. The goal of franchises is to give away rights in exchange for privileges.

> *"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, -"*
> *[Declaration of Independence]*

The word "unalienable" is defined as follows:

> *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*
> *[Black's Law Dictionary, Fourth Edition, p. 1693]*

Consequently, franchises may not lawfully be offered to those domiciled on land protected by the Constitution. The only place not protected by the Constitution is federal territory. Therefore, franchises may not lawfully be offered to those domiciled within states of the Union, which are land protected by the Constitution, and may only be offered to those domiciled where rights do not exist, which is federal territory.

> ***"Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America**, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not until they had attained a certain population that power was given them to organize a legislature by vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of habeas corpus, as well as other privileges of the bill of rights."*
> *[Downes v. Bidwell, 182 U.S. 244 (1901)]*

12. Anyone who claims to represent the government and yet tries to entice those protected by the Constitution and domiciled in a state of the Union to contract away their rights therefore is:
    12.1. Violating the legislative intent of the Declaration of Independence by engaging in a conspiracy to take away your rights.
    12.2. A usurper and not a de jure government indent of making a business called a "franchise" out of destroying, regulating, and STEALING your rights.
    12.3. Operating as a de facto government that is actually a private, for profit corporation.

> ***de facto**: In fact, in deed, actually. This phrase is used to characterize an officer, a government, a past action or a state of affairs which must be accepted for all practical purposes, but is illegal or illegitimate. **Thus, an office, a position or status existing under a claim or color of right such as a de facto corporation.** In this sense it is the contrary of de jure, which means rightful, legitimate, just, or constitutional. Thus, an officer, king, or government de facto is one who is in actual possession of the office or supreme power, but by usurpation, or without lawful title; while an officer, king, or governor de jure is one who has just claim and rightful title to the office or power, but has never had plenary possession of it, or is not in actual possession. MacLeod v. United States, 229 U.S. 416, 33 S.Ct. 955, 57 L.Ed. 1260. A wife de facto is one whose marriage is voidable by decree, as distinguished from a wife de jure, or lawful wife. But the term is also frequently used independently of any distinction from de jure; thus a blockade de facto is a blockade which is actually maintained, as distinguished from a mere paper blockade. Compare De jure.*
> *[Black's Law Dictionary, Sixth Edition, p. 416]*

    12.4. Operating in equity as against you and cannot lawfully assert sovereign immunity to protect its activities. Only DE JURE governments and not private corporations can assert sovereign immunity.
13. The way to determine whether the government is acting in a private capacity in equity where it has waived sovereign immunity is to answer the following questions:
    13.1. May the dispute be resolved in a true, Article III Constitutional court in the Judicial Branch rather than ONLY a legislative franchise court in the Legislative Branch? If the answer is no or if there are no NON-franchise courts, then the government is operating in a private capacity as a de facto private corporation and not a government. For instance, U.S. Tax Court, Traffic Court, Family Court, U.S. District Court, and U.S. Circuit Court are ALL legislative franchise courts that may not hear constitutional issues. Franchise courts are not courts of equity, but courts of privilege available only to franchisees called "taxpayers", "motorists", "spouses", statutory "U.S. citizens", government "employees", etc. See the following for proof:

| |
|---|
| *What Happened to Justice?*, Form #06.012<br>http://sedm.org/Forms/FormIndex.htm |

13.2. Do you have to be a statutory rather than constitutional "citizen" or a "resident" to participate in the program? If the answer is yes, then it is a de facto government function.

13.3. Are forms and procedures available that recognize the right to terminate participation in the franchise and do banks and financial institutions recognize the right not to participate for all? If the answer is no to either, then it is a de facto government function designed to destroy rather than protect private rights and unlawfully and unconstitutionally convert ALL rights to "public rights".

13.4. Do those administering the franchise waive or ignore the statutory requirements for citizenship and residency and accept those who are not statutory "citizens" or "residents"? If they do, then they are operating a private business and not a de jure government function. In effect, signing up for the program makes you into a de facto "citizen" or "resident". An example is Social Security. 20 CFR §422.104 says that only "citizens" and "permanent residents" can participate, meaning those with a domicile on federal territory that is no part of any state of the Union. However, in practice, this is requirement is waived or ignored and they let anyone sign up, including those who are domiciled in a state of the Union, none of whom are "citizens" or "residents" under federal statutory law. Then after you join, they use this as an excuse to PRESUME you are a statutory "U.S. citizen" or "U.S. resident". That presumption is even found in the regulations. If you use THEIR number (20 CFR §422.103(d) says it is THEIRS not yours), then you are presumed to be that which you aren't if you are domiciled in a state of the Union.

> *26 CFR §301.6109-1(g)*
>
> *(g) Special rules for taxpayer identifying numbers issued to foreign persons—*
>
> *(1) General rule—*
>
> *(i) Social security number.*
>
> ***A social security number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. citizen or resident alien individual.*** *A person may establish a different status for the number by providing proof of foreign status with the Internal Revenue Service under such procedures as the Internal Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify. Upon accepting an individual as a nonresident alien individual, the Internal Revenue Service will assign this status to the individual's social security number.*

Consequently, Social Security is private business activity that cannot be protected by sovereign immunity and must be litigated in equity because the status of statutory "U.S. citizen" and "permanent resident status" is effectively acquired by exercising your right to contract and without ever having physically been present on federal territory. A de jure government, on the other hand, would insist on a physical presence on its territory and evidence of said presence before they could lawfully grant participation and would have to revoke it if you changed your domicile to be outside their jurisdiction.

# 3 Choice of Law Rules

The term "choice of law" describes the process that judges and attorneys must use in deciding which laws to apply to a particular case or controversy before them. In our country, there are 52 unique and distinct state and federal sovereignties that are "foreign" with respect to each other, each with their own laws, courts, and penal systems. When legal disputes arise, the task of deciding which laws from which of these sovereignties may be applied to decide a case is the very first step in resolving the crime or controversy. These "choice of law" rules are described in the following additional valuable resource:

| *Conflicts in a Nutshell*, David D. Seigel, West Publishing, 1994; ISBN 0-314-02952-4 |
|---|

## 3.1 Itemized list of choice of law rules

The following list summarizes the "choice of law" rules applying to litigation in federal court:

1. Federal district and circuit courts are administrative franchise courts created under the authority of Article 4, Section 3, Clause 2 of the Constitution and which have jurisdiction only over the following:
   1.1. Plenary/General jurisdiction over federal territory: Implemented primarily through "public law" and applies generally to all persons and things. This is a requirement of "equal protection" found in 42 U.S.C. §1981. Operates upon:
      1.1.1. The District of Columbia under Article 1, Section 8, Clause 17 of the U.S. Constitution.
      1.1.2. Federal territories and possessions under Article 4, Section 3, Clause 3 of the U.S. Constitution.
      1.1.3. Special maritime jurisdiction (admiralty) in territorial waters under the exclusive jurisdiction of the general/federal government.
      1.1.4. Federal areas within states of the Union ceded to the federal government. Federal judicial districts consist entirely of the federal territory within the exterior boundaries of the district, and do not encompass land not ceded to the federal government as required by 40 U.S.C. §255 and its successors, 40 U.S.C. §3111 and 3112. See section 6.4 of the Tax Fraud Prevention Manual, Form #06.008 et seq for further details.
      1.1.5. Domiciliaries of the federal United States** temporarily abroad. See 26 U.S.C. §911 and Cook v. Tait, 265 U.S. 47, 44 S.Ct. 447, 11 Virginia Law Review, 607 (1924).
   1.2. Subject matter jurisdiction:
      1.2.1. "Public laws" which operate throughout the states of the Union upon the following subjects:
         1.2.1.1. Excise taxes upon imports from foreign countries. See Article 1, Section 8, Clause 1 of the U.S. Constitution. Congress may NOT, however, tax any article exported from a state pursuant to Article 1, Section 9, Clause 5 of the Constitution. Other than these subject matters, NO national taxes are authorized:

> *"**The States, after they formed the Union, continued to have the same range of taxing power which they had before, barring only duties affecting exports, imports, and on tonnage**. 2 Congress, on the other hand, to lay taxes in order 'to pay the Debts and provide for the common Defence and general Welfare of the United States', Art. 1, Sec. 8, U.S.C.A.Const., can reach every person and every dollar in the land with due regard to Constitutional limitations as to the method of laying taxes."*
> *[Graves v. People of State of New York, 306 U.S. 466 (1939)]*

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> *"The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; **but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions**. The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."*
> *[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513; 56 S.Ct. 892 (1936)]*

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> *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*
>
> *But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. Congress cannot authorize a trade or business within a State in order to tax it."*
> *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]*

         1.2.1.2. Postal fraud. See Article 1, Section 8, Clause 7 of the U.S. Constitution..
         1.2.1.3. Counterfeiting under Article 1, Section 8, Clause 6 of the U.S. Constitution.

1.2.1.4. Treason under Article 4, Section 2, Clause 3 of the U.S. Constitution.
1.2.1.5. Interstate commercial crimes under Article 1, Section 8, Clause 3 of the U.S. Constitution.
1.2.1.6. Jurisdiction over naturalization and exportation of Constitutional aliens.
1.2.1.7. Slavery, involuntary servitude, or peonage under the Thirteenth Amendment, 42 U.S.C. §1994, 18 U.S.C. §1581. and 18 U.S.C. §1589(3).

> *"Other authorities to the same effect might be cited. It is not open to doubt that Congress may enforce the Thirteenth Amendment by direct legislation, punishing the holding of a person in slavery or in involuntary servitude except as a punishment for a crime. In the exercise of that power Congress has enacted these sections denouncing peonage, and punishing one who holds another in that condition of involuntary servitude.* ***This legislation is not limited to the territories or other parts of the strictly national domain, but is operative in the states and wherever the sovereignty of the United States extends.*** *We entertain no doubt of the validity of this legislation, or of its applicability to the case of any person holding another in a state of peonage, and this whether there be municipal ordinance or state law sanctioning such holding.* ***It operates directly on every citizen of the Republic, wherever his residence may be.****"*
> *[Clyatt v. U.S., 197 U.S. 207 (1905)]*

1.2.2. "Private law" or "special law" pursuant to Article 4, Section 3, Clause 2 of the U.S. Constitution. Applies only to persons and things who individually consent through private agreement or contract. Note that this jurisdiction also includes contracts with states of the Union and private individuals in those states. Includes, but is not limited exclusively to the following:
1.2.2.1. Federal franchises, such as Social Security, Medicare, etc. See:

| |
|---|
| *Government Instituted Slavery Using Franchises*, Form #05.030<br>http://sedm.org/Forms/FormIndex.htm |

1.2.2.2. Federal employees, as described in Title 5 of the U.S. Code.
1.2.2.3. Federal contracts and "public offices".
1.2.2.4. Federal chattel property.
1.2.2.5. Internal Revenue Code, Subtitle A.
1.2.2.6. Social Security, found in 42 U.S.C. Chapter 7.

2. Internal Revenue Manual, Section 4.10.7.2.9.8 says that the IRS cannot cite rulings below the Supreme Court to apply to more than the specific person who litigated:

> *Internal Revenue Manual*
> *4.10.7.2.9.8 (05-14-1999)*
> *Importance of Court Decisions*
>
> *1. Decisions made at various levels of the court system are considered to be interpretations of tax laws and may be used by either examiners or taxpayers to support a position.*
>
> *2. Certain court cases lend more weight to a position than others. A case decided by the U.S. Supreme Court becomes the law of the land and takes precedence over decisions of lower courts. The Internal Revenue Service must follow Supreme Court decisions. For examiners, Supreme Court decisions have the same weight as the Code.*
>
> *3. Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, are binding on the Service only for the particular taxpayer and the years litigated. Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers.*

Federal courts have repeatedly stated that the general government is one of finite, enumerated, delegated powers. The implication of that concept is that whatever the government can do, the people can do also because the authority to do it came from the People. Consequently, if the IRS can refuse to be bound by rulings below the U.S. Supreme Court, the same constraints apply to us as the source of all their power:

> *"Sovereignty itself is, of course, not subject to law, for it is the author and source of law…While sovereign powers are delegated to…the government, sovereignty itself remains with the people."*
> *[Yick Wo v. Hopkins, 118 U.S. 356 (1886)]*
>
> *"The Government of the United States is one of delegated powers alone. Its authority is defined and limited by the Constitution. All powers not granted to it by that instrument are reserved to the States or the people."*
> *[United States v. Cruikshank, 92 U.S. 542 (1875)]*
>
> *"The question is not what power the federal government ought to have, but what powers, in fact, have been given by the people... The federal union is a government of delegated powers. It has only such as are expressly*

*conferred upon it, and such as are reasonably to be implied from those granted. In this respect, we differ radically from nations where all legislative power, without restriction or limitation, is vested in a parliament or other legislative body subject to no restriction except the discretion of its members." (Congress)*
*[U.S. v. William M. Butler, 297 U.S. 1 (1936)]*

3. There is no federal common law within states of the Union, according to the Supreme Court in Erie Railroad v. Tompkins, 304 U.S. 64 (1938). Consequently, the rulings of federal district and circuit courts have no relevancy to state citizens domiciled in states of the union who do not declare themselves to be "U.S. citizens" under 8 U.S.C. §1401 and who would litigate under diversity of citizenship, as described in Article III, Section 2 of the U.S. Constitution but NOT 28 U.S.C. §1332.

*"There is no Federal Common Law, and Congress has no power to declare substantive rules of Common Law applicable in a state. Whether they be local or general in their nature, be they commercial law or a part of the Law of Torts"*
*[Erie Railroad v. Tompkins, 304 U.S. 64 (1938)]*

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***"Common law**. As distinguished from statutory law created by the enactment of legislatures, the common law comprises the body of those principles and rules of action, relating to the government and security of persons and property, which derive their authority solely from usages and customs of immemorial antiquity, or from the judgments and decrees of the courts recognizing, affirming, and enforcing such usages and customs and, in this sense, particularly the ancient unwritten law of England. In general, it is a body of law that develops and derives through judicial decisions, as distinguished from legislative enactments. The "common law" is all the statutory and case law background of England and the American colonies before the American revolution. People v. Rehman, 253 C.A.2d. 119, 61 Cal.Rptr. 65, 85. It consists of those principles, usage and rules of action applicable to government and security of persons and property which do not rest for their authority upon any express and positive declaration of the will of the legislature. Bishop v. U.S., D.C.Tex., 334 F.Supp. 415, 418.*

*"Calif. Civil Code, Section 22.2, provides that the "common law of England, so far as it is not repugnant to or inconsistent with the Constitution of the United States, or the Constitution or laws of this State, is the rule of decision in all the courts of this State."*

*"In a broad sense, "common law" may designate all that part of the positive law, juristic theory, and ancient custom of any state or nation which is of general and universal application, thus marking off special or local rules or customs.*

*"For federal common law, see that title.*

*"As a compound adjective "common-law" is understood as contrasted with or opposed to "statutory," and sometimes also to "equitable" or to "criminal."*
*[Black's Law Dictionary, Sixth Edition, p. 276]*

4. The Rules of Decision Act, 28 U.S.C. §1652, requires that the laws of the states of the Union are the only rules of decision in federal courts. This means that federal courts MUST cite state law and not federal law in all tax cases and MAY NOT cite federal case law in the case of persons not domiciled on federal territory and who are therefore not statutory "U.S. citizens" or "U.S. residents".

*TITLE 28 > PART V > CHAPTER 111 > § 1652*
*§ 1652. State laws as rules of decision*

*The laws of the several states, except where the Constitution or treaties of the United States or Acts of Congress otherwise require or provide, shall be regarded as rules of decision in civil actions in the courts of the United States, in cases where they apply.*

The thing they deliberately and self-servingly don't tell you in this act is specifically when federal law applies extraterritorially in a state of the Union, which is ONLY in the case of federal contracts, franchises, and domiciliaries and NO OTHERS. What all these conditions have in common is that they relate to federal territory and property and come under Article 4, Section 3, Clause 2 of the United States Constitution and may only be officiated in an Article 4 legislative franchise court, which includes all federal District and Circuit Courts. See the following for proof that all federal District and Circuit courts are Article 4 legislative franchise courts and not Article 3 constitutional courts:

4.1. *What Happened to Justice?*, Litigation Tool #08.001
http://sedm.org/ItemInfo/Ebooks/WhatHappJustice/WhatHappJustice.htm

4.2. *Authorities on Jurisdiction of Federal Courts*

http://famguardian.org/Subjects/LawAndGovt/ChallJurisdiction/AuthoritiesArticle/AuthOnJurisdiction.htm

5. Federal Rule of Civil Procedure 17(b) says that the capacity to sue or be sued is determined by the law of the individual's domicile. It quotes two and only two exceptions to this rule, which are:
   5.1. A person acting in a representative capacity as an officer of a federal entity.
   5.2. A corporation that was created and is domiciled within federal territory.

   This means that if a person is domiciled within the exclusive jurisdiction of a state of the Union and not within a federal enclave, then state law are the rules of decision rather than federal law. Since state income tax liability in nearly every state is dependent on a federal liability first, this makes an income tax liability impossible for those domiciled outside the federal zone or inside the exclusive jurisdiction of a state, because such persons cannot be statutory "U.S. citizens" as defined in 8 U.S.C. §1401 nor "residents" as defined in 26 U.S.C. §7701(b)(1)(A).

> *IV. PARTIES > Rule 17.*
> *Rule 17. Parties Plaintiff and Defendant; Capacity*
>
> *(b) Capacity to Sue or be Sued.*
>
> ***Capacity to sue or be sued is determined as follows:***
>
> ***(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;***
> ***(2) for a corporation, by the law under which it was organized; and***
> *(3) for all other parties, by the law of the state where the court is located, except that:*
> *(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and*
> *(B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.*
> *[SOURCE: http://www.law.cornell.edu/rules/frcp/Rule17.htm]*

A person engaged in a "trade or business" occupies a "public office" within the U.S. government, which is a federal corporation (28 U.S.C. §3002(15)(A)) created and domiciled on federal territory. They are also acting in a representative capacity as an officer of said corporation. Therefore, such "persons" are the ONLY real taxpayers against whom federal law may be cited outside of federal territory. Anyone in the government who therefore wishes to enforce federal law against a person domiciled outside of federal territory (the "United States" as defined in 26 U.S.C. §7701(a)(9) and (a)(10)) and who is therefore not a statutory "U.S. citizen" or "resident" (alien) therefore must satisfy the burden of proof *with evidence* to demonstrate that the defendant lawfully occupied a public office within the U.S. government in the context of all transactions that they claim are subject to tax. See:

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|---|
| *The "Trade or Business" Scam*, Form #05.001<br>http://sedm.org/Forms/FormIndex.htm |

6. 28 U.S.C. §2679(d)(3) indicates that any action against an officer or employee of the United States, if he was not acting within his lawful delegated authority or in accordance with law, may be removed to State court and prosecuted exclusively under state law because not a federal question.
7. For a person domiciled in a state of the Union, federal law may only be applied against them if they are either suing the United States or are involved in a franchise or "public right". Franchises and public rights deal exclusively with "public rights" created by Congress between private individuals and the government. Litigation involving franchises generally is done only in Article IV legislative courts and not Article III constitutional courts. Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983).
8. Any government representative, and especially who is from the Dept. of Justice or the IRS, who does any of the following against anyone domiciled outside of federal territory and within a state of the Union is trying to maliciously destroy the separation of powers, destroy or undermine your Constitutional rights, and unconstitutionally and unlawfully enlarge their jurisdiction and importance.
   8.1. Cites a case below the Supreme Court or from a territorial or franchise court such as the District of Circuit Courts or Tax Court. This is an abuse of case law for political rather than lawful purposes and it is intended to deceive and injure the hearer. Federal courts, incidentally, are NOT allowed to involve themselves in such "political questions", and therefore should not allow this type of abuse of case law, but judges who are fond of increasing their retirement benefits often will acquiesce if you don't call them on it as an informed American. This kind of bias on the part of federal judges, incidentally, is highly illegal under 28 U.S.C. §144 and 28 U.S.C. §455.
   8.2. Enforces federal franchises such as the "trade or business" franchise (income tax, I.R.C. Subtitle A) against persons not domiciled on federal territory. The U.S. Supreme Court said in the License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) that they could not enforce federal franchises outside of federal territory.

8.3. Presumes or infers that "United States" as used in the Constitution is the same thing as "United States" as defined in federal statutory law. They are mutually exclusive, in fact.

9. Every occasion in which courts exceed their jurisdiction that we are aware of originates from the following important and often deliberate and malicious abuses by government employees, judges, and prosecutors. We must prevent and overcome these abuses in order to keep the government within the bounds of the Constitution:
   9.1. Misunderstanding or misapplication of the above choice of law rules.
   9.2. Failure or refusal to adjust the meaning of "words of art" based on their context and the legal definitions that apply in that context. See:

| |
|---|
| *Geographical Definitions and Conventions*<br>http://sedm.org/SampleLetters/DefinitionsAndConventions.htm |

   9.3. A violation of or disregard for the rules of statutory construction, usually by abusing the word "includes". See:

| |
|---|
| *Meaning of the Words "includes" and "including"*, Form #05.014<br>http://sedm.org/Forms/FormIndex.htm |

   9.4. Presumptions, usually about the meanings of words. See:

| |
|---|
| *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017<br>http://sedm.org/Forms/FormIndex.htm |

   The U.S. Supreme Court identified the enemies of republican freedom originating from the above causes, when it held:

> *"The chief enemies of republican freedom are mental sloth, conformity, bigotry, superstition, credulity, monopoly in the market of ideas, and utter, benighted ignorance."*
> *[Adderley v. State of Florida, 385 U.S. 39, 49 (1967)]*

The book Conflicts in a Nutshell confirms some of the above conclusions by saying the following:

> *"After some 96 years of this, the Supreme Court acknowledged the unfair choice of forum this gave the plaintiff in a case governed by decisional rather than statutory law merely because the plaintiff and defendant happened to come from different states. Reconstruing the Rules of Decision Act, the Supreme Court in Erie overruled Swift and held that state law governs in the common law as well as in the statutory situation. Subsequent cases clarified that this means forum law; the law of the state in which the federal court is sitting.*

> *"The result is that the federal court in a diversity case sits in effect as just another state court, seeking out forum state law for all substantive issues. The Rules of Decision Act does not apply to procedural matters, however; for matters of procedure a federal court, sitting in a diversity or any other kind of case, applies its own rules. This has been so since 1938, when , coincidentally (Erie was also decided in 1938), the Federal Rules of Civil Procedure arrived on the scene."*
> *[Conflicts in a Nutshell, David D. Seigel, West Publishing, 1994; ISBN 0-314-02952-4, p. 317]*

See section 5.1.4 of the *Tax Fraud Prevention Manual*, Form #06.008 for further details on how the DOJ, IRS, and the Federal Judiciary abuse case law for political rather than legitimate or Constitutional legal purposes. See also the memorandum of law entitled "Political Jurisdiction" to show how they abuse due process to injure your Constitutional rights by politicizing the courtroom:

| |
|---|
| *Political Jurisdiction*, Form #05.004<br>http://sedm.org/Forms/FormIndex.htm |

## 3.2 Summary of choice of law rules

The above choice of law rules for federal district and circuit courts can be further summarized below:

1. Civil Jurisdiction originates from one or more of the following. Note that jurisdiction over all the items below originates from Article 4, Section 3, Clause 2 of the United States Constitution and relates to community "property" of the states under the stewardship of the federal government.
   1.1. Persons domiciled on federal territory wherever physically located. These persons include:
      1.1.1. Statutory "U.S. citizens" pursuant to 8 U.S.C. §1401.
      1.1.2. Statutory "residents" (aliens) lawfully admitted pursuant to 8 U.S.C. §1101(a)(3).
      1.1.3. "U.S. persons" defined in 26 U.S.C. §7701(a)(30).
   1.2. Engaging in franchises offered by the national government to persons domiciled only on federal territory, wherever physically situated. This includes jurisdiction over:
      1.2.1. Public officers, who are called "employees" in 5 U.S.C. §2105.

1.2.2. Federal agencies and instrumentalities.
1.2.3. Federal corporations
1.2.4. Social Security, which is also called Old Age Survivor's Disability Insurance (OASDI).
1.2.5. Medicare.
1.2.6. Unemployment insurance, which is also called FICA.
1.3. Management of federal territory and contracts.

2. Criminal jurisdiction originates from crimes committed only on federal territory.

## 3.3 How choice of law rules are illegally circumvented by corrupted government officials to STEAL from You

In cases against the government, corrupt judges and prosecutors employ several important tactics that you should be very aware of in order to:

1. Circumvent choice of law rules documented in the previous sections and thereby to illegally and unconstitutionally enforce federal law outside of federal territory within a foreign state called a state of the Union.
2. STEAL private property from you and use it for their own benefit, in what amounts to a criminal and financial conflict of interest per 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455.
3. Unlawfully enlarge their jurisdiction and importance in what amounts to treason in violation of 18 U.S.C. §2381.
4. Break down the constitutional separation between the states and the federal government that is the foundation of the Constitution and the MAIN protection for your PRIVATE rights. See:

> *Government Conspiracy to Destroy the Separation of Powers*, Form #05.023
> http://sedm.org/Forms/FormIndex.htm

The most frequent methods to circumvent choice of law rules indicated in the previous sections are the following tactics:

1. Abuse "words of art" to deceive and undermine the sovereignty of the non-governmental opponent. This includes:
   1.1. Add things or classes of things to the meaning of statutory terms that do not EXPRESSLY appear in their definitions, in violation of the rules of statutory construction. See:
   1.2. Violate the rules of statutory construction by abusing the word "includes" to add things or classes of things to definitions of terms that do not expressly appear in the statutes and therefore MUST be presumed to be purposefully excluded.
   1.3. Refuse to allow the jury to read the definitions in the law and then give them a definition that is in conflict with the statutory definition. This substitutes the JUDGES will for what the law expressly says and thereby substitutes PUBLIC POLICY for the written law.
   1.4. Publish deceptive government publications that are in deliberate conflict with what the statutes define terms to mean and then tell the public that they CANNOT rely on the publication. The IRS does this with ALL of their publications and it is FRAUD. See:

   > *Reasonable Belief About Income Tax Liability*, Form #05.007
   > DIRECT LINK: http://sedm.org/Forms/MemLaw/ReasonableBelief.pdf
   > FORMS PAGE: http://sedm.org/Forms/FormIndex.htm

   1.5. PRESUME that ALL of the four contexts for "United States" are equivalent.
   For details on this SCAM, see:

   > *Meaning of the Words "includes" and "including"*, Form #05.014
   > http://sedm.org/Forms/FormIndex.htm

2. PRESUME that CONSTITUTIONAL citizens and STATUTORY citizens are EQUIVALENT under federal law. They are NOT. A CONSTITUTIONAL citizen is a "non-citizen national" under federal law and NOT a "citizen of the United States".

   > *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006
   > DIRECT LINK: http://sedm.org/Forms/MemLaw/WhyANational.pdf
   > FORMS PAGE: http://sedm.org/Forms/FormIndex.htm

3. PRESUME that "nationality" and "domicile" are equivalent. They are NOT. See:

   > *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002
   > DIRECT LINK: http://sedm.org/Forms/MemLaw/Domicile.pdf
   > FORMS PAGE: http://sedm.org/Forms/FormIndex.htm

4. Use the word "citizenship" in place of "nationality" OR "domicile", and refuse to disclose WHICH of the two they mean in EVERY context.
5. Confuse the POLITICAL/CONSTITUTIONAL meaning of words with the civil STATUTORY context. For instance, asking on government forms whether you are a POLITICAL/CONSTITUTIONAL citizen and then FALSELY PRESUMING that you are a STATUTORY citizen under 8 U.S.C. §1401.
6. Confuse the words "domicile" and "residence" or impute either to you without satisfying the burden of proving that you EXPRESSLY CONSENTED to it and thereby illegally kidnap your civil legal identity against your will. One can have only one "domicile" but many "residences" and BOTH require your consent. See:

   *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002
   DIRECT LINK: http://sedm.org/Forms/MemLaw/Domicile.pdf
   FORMS PAGE: http://sedm.org/Forms/FormIndex.htm
7. Confuse "federal" with "national" or use these words interchangeably. They are NOT equivalent and this lack of equivalence is a product of the separation of powers doctrine that is the foundation of the USA Constitution.

> *"It is clear that Congress, as a legislative body, exercise two species of legislative power: the one, limited as to its objects, but extending all over the Union: the other, an absolute, exclusive legislative power over the District of Columbia. The preliminary inquiry in the case now before the Court, is, by virtue of which of these authorities was the law in question passed?"*
> *[Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265, 5 L.Ed. 257 (1821)]*

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> *"**NATIONAL GOVERNMENT**. The government of a whole nation, as distinguished from that of a local or territorial division of the nation, and also as distinguished from that of a league or confederation.*
>
> *"A national government is a government of the people of a single state or nation, united as a community by what is termed the "social compact,' and possessing complete and perfect supremacy over persons and things, so far as they can be made the lawful objects of civil government. **A federal government is distinguished from a national government by its being the government of a community of independent and sovereign states, united by compact.**" Piqua Branch Bank v. Knoup, 6 Ohio.St. 393."*
> *[Black's Law Dictionary, Revised Fourth Edition, 1968, p. 1176]*

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> ***"FEDERAL GOVERNMENT**. The system of government administered in a state formed by the union or confederation of **several independent or quasi independent states**; also the composite state so formed.*
>
> *In strict usage, there is a distinction between a confederation and a federal government. **The former term denotes a league or permanent alliance between several states, each of which is fully sovereign and independent, and each of which retains its full dignity, organization, and sovereignty, though yielding to the central authority a controlling power for a few limited purposes, such as external and diplomatic relations. In this case, the component states are the units, with respect to the confederation, and the central government acts upon them, not upon the individual citizens. In a federal government, on the other hand, the allied states form a union,-not, indeed, to such an extent as to destroy their separate organization or deprive them of quasi sovereignty with respect to the administration of their purely local concerns, but so that the central power is erected into a true state or nation, possessing sovereignty both external and internal,-while the administration of national affairs is directed, and its effects felt, not by the separate states deliberating as units, but by the people of all, in their collective capacity, as citizens of the nation.** The distinction is expressed, by the German writers, by the use of the two words "Staatenbund" and "Bundesstaut;" the former denoting a league or confederation of states, and the latter a federal government, or state formed by means of a league or confederation."*
> *[Black's Law Dictionary, Revised Fourth Edition, 1968, p. 740]*

Here is a table comparing the two:

**Table 1: "National" v. "Federal"**

| # | Description | "National" government | "Federal" government |
|---|---|---|---|
| 1 | Legislates for | Federal territory and NOT states of the Union | Legislates for states of the Union and NOT federal territory |
| 2 | Social compact | None. Jurisdiction is unlimited per Article 1, Section 8, Clause 17 | Those domiciled within states of the Union |
| 3 | Type of jurisdiction exercised | General jurisdiction | Subject matter jurisdiction (derived from Constitution) |

| # | Description | "National" government | "Federal" government |
|---|---|---|---|
| 4 | Citizens | 1. Statutory "nationals and citizens at birth" per 8 U.S.C. §1401.<br>2. "U.S. citizens" per 26 U.S.C. §3121(e) and 26 CFR §1.1-1(c ).<br>3. EXCLUDES constitutional "Citizens" or "citizens of the United States" per Fourteenth Amendment. | 1. "Citizens".<br>2. Fourteenth Amendment "citizens of the United States".<br>3. EXCLUDES statutory citizens per 8 U.S.C. §1401 "U.S. citizens" per 26 U.S.C. §3121(e) and 26 CFR §1.1-1(c ). |
| 5 | Courts | Federal District and Circuit Courts (legislative franchise courts that can only hear disputes over federal territory and property per Art. 4, Sect. 3, Clause 2 of USA Constitution). | 1. State courts.<br>2. U.S. Supreme Courts. |
| 6 | Those domiciled within this jurisdiction are | Statutory "aliens" in relation to states of the Union. | Statutory "aliens" in relation to the national government. |
| 7 | Those domiciled here are subject to Subtitles A throuth C of the Internal Revenue Code? | Yes | No |

For further details on this SCAM, see:

*Two Political Jurisdictions: "National" government v. "Federal" government*
http://famguardian.org/Subjects/Taxes/Remedies/USvUSA.htm

8. Abuse franchises such as the income tax, Social Security, Medicare, etc. to be used to UNLAWFULLY create new public offices in the U.S. government. This results in a de facto government in which there are no private rights or private property and in which EVERYONE is illegally subject to the whims of the government. See:

*De Facto Government Scam*, Form #05.043
DIRECT LINK: http://sedm.org/Forms/MemLaw/DeFactoGov.pdf
FORMS PAGE: http://sedm.org/Forms/FormIndex.htm

9. Connect the opponent to a government franchise or to PRESUME they participate and let the presumption go unchallenged and therefore agreed to. This is done:
   9.1. PRESUMING that because someone connected ONE activity to a government franchise, that they elected to act in the capacity of a franchisee for ALL activities. This is equivalent to outlawing PRIVATE rights and PRIVATE property.
   9.2. Refusing to acknowledge or respect the method by which PRIVATE property is donated to a PUBLIC use, which is by VOLUNTARILY associating formerly PRIVATE property with a de facto license represent a public office in the government called a Social Security Number (SSN) or Taxpayer Identification Number (TIN).
   9.3. Calling use of SSNs and TINs VOLUNTARY and yet REFUSING to prosecute those who COMPEL their use. This results in a LIE.
   9.4. Compelling the use of Social Security Numbers or Taxpayer Identification Numbers. This is combated using the following:
      9.4.1. *Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number"*, Form #04.205
      http://sedm.org/Forms/FormIndex.htm
      9.4.2. *About SSNs and TINs on Government Forms and Correspondence*, Form #05.012
      http://sedm.org/Forms/FormIndex.htm
      9.4.3. *Resignation of Compelled Social Security Trustee*, Form #06.002
      http://sedm.org/Forms/FormIndex.htm
   9.5. Using forms signed by the government opponent in which they claimed a status under a government franchise, such as statutory "taxpayer", "individual", "U.S. person", "U.S. citizen", etc. This is combatted by attaching the following to all tax forms one fills out:

*Tax Form Attachment*, Form #04.201
http://sedm.org/Forms/FormIndex.htm

# 4 How statutory franchises and "public rights" effect your standing in federal court

This section will describe all the affects upon your standing in federal court in the case of those who participate in federal franchises. For exhaustive details on the nature of government franchise and all the legal consequences of participation, see the following informative and important memorandum of law on our website:

| |
|---|
| *Government Instituted Slavery Using Franchises*, Form #05.030<br>http://sedm.org/Forms/FormIndex.htm |

## 4.1 Background

A very important aspect of determining choice of law in any controversy that could be heard in either a state or federal court is the concept of government "franchises". A franchise is any statutory system created by the government which results in some kind of perceived "benefit" or "privilege". Such franchises are frequently called "public rights" by the courts.

> *FRANCHISE. **A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right.** Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360. In England it is defined to be a royal privilege in the hands of a subject.*
>
> *A "franchise," as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.*
>
> ***In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise.** The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company **[e.g. Social Insurance/Social Security]**, and the issuing a bank note by an incorporated bank **[such as a Federal Reserve NOTE]**, are franchises. People v. Utica Ins. Co.. 15 Johns., N.Y., 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. Bridgeport v. New York & N.H.R. Co., 36 Conn. 255, 4 Arn.Rep. 63. Nor involve interest in land acquired by grantee. Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020. **In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage. etc. Pierce v. Emery, 32 N.H. 484; State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.l918E, 352.***
>
> *Elective Franchise. The right of suffrage: the right or privilege of voting in public elections.*
>
> *Exclusive Franchise. See Exclusive Privilege or Franchise.*
>
> *General and Special. The charter of a corporation is its "general" franchise, while a "special" franchise consists in any rights granted by the public to use property for a public use but-with private profit. Lord v. Equitable Life Assur. Soc., 194 N.Y. 212, 81 N. E. 443, 22 L.R.A.,N.S., 420.*
>
> *Personal Franchise. A franchise of corporate existence, or one which authorizes the formation and existence of a corporation, is sometimes called a "personal" franchise. as distinguished from a "property" franchise, which authorizes a corporation so formed to apply its property to some particular enterprise or exercise some special privilege in its employment, as, for example, to construct and operate a railroad. See Sandham v. Nye, 9 Misc.ReP. 541, 30 N.Y.S. 552.*
>
> *Secondary Franchises. The franchise of corporate existence being sometimes called the "primary" franchise of a corporation, its "secondary" franchises are the special and peculiar rights, privileges, or grants which it may, receive under its charter or from a municipal corporation, such as the right to use the public streets, exact tolls, collect fares, etc. State v. Topeka Water Co., 61 Kan. 547, 60 P. 337; Virginia Canon Toll Road Co. v. People, 22 Colo. 429, 45 P. 398 37 L.R.A. 711. The franchises of a corporation are divisible into (1) corporate or general franchises; and (2) "special or secondary franchises. The former is the franchise to exist as a corporation, while the latter are certain rights and privileges conferred upon existing corporations. Gulf Refining Co. v. Cleveland Trust Co., 166 Miss. 759, 108 So. 158, 160.*
>
> *Special Franchisee. See Secondary Franchises, supra.*
> *[Black's Law Dictionary, Fourth Edition, pp. 786-787]*

The most important fact which emerges from the above is that when you agree to accept a franchise, then you agree, based on the above to:

1. Abide by all the legal obligations associated with the statutory franchise:

> *CALIFORNIA CIVIL CODE*
> *DIVISION 3. OBLIGATIONS*
> *PART 2. CONTRACTS*
> *CHAPTER 3. CONSENT*
> *Section 1589*
>
> *1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

2. Become a "privileged subject" and nominate a "king" to rule over you by "royal prerogative".

> *"In England it is defined to be a **royal privilege** in the hands of a **subject**.*
>
> *A "franchise," as used by Blackstone In defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription,. ."*
> *[Black's Law Dictionary, Fourth Edition, pp. 786-787]*

Generally, anything that includes a "license" is a statutory franchise or "public right" that is voluntary, and all the laws that implement it function essentially as private law and the equivalent of a contract between the "applicant" for the license, and the government:

> *"Private law. That portion of the law which defines, regulates, enforces, and administers relationships among individuals, associations, and corporations. As used in contradistinction to public law, the term means all that part of the law which is administered between citizen and citizen, or which is concerned with the definition, regulation, and enforcement of rights in cases where both the person in whom the right inheres and the person upon whom the obligation is incident are private individuals. See also Private bill; Special law. Compare Public Law."*
> *[Black's Law Dictionary, Sixth Edition, p. 1196]*

Examples of "public rights" and statutory franchises include such things as:

1. Income tax
2. Social Security
3. Medicare
4. Medicaid
5. Driver's licenses
6. Marriage licenses
7. Nearly every form of "public assistance"
8. Professional licenses of every description

In law, rights are property:

> ***Property.** That which is peculiar or proper to any person; that which belongs exclusively to one. In the strict legal sense, **an aggregate of rights which are guaranteed and protected by the government**. Fulton Light, Heat & Power Co. v. State, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude every one else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.*
>
> *The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one's property rights by actionable wrong.** Labberton v. General Cas. Co. of America, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.*

> *Property embraces everything which is or may be the subject of ownership, whether a legal ownership. or whether beneficial, or a private ownership. Davis v. Davis. TexCiv-App., 495 S.W.2d. 607. 611. Term includes not only ownership and possession but also the right of use and enjoyment for lawful purposes. Hoffmann v. Kinealy, Mo., 389 S.W.2d. 745, 752.*
>
> *Property, within constitutional protection, denotes group of rights inhering in citizen's relation to physical thing, as right to possess, use and dispose of it. Cereghino v. State By and Through State Highway Commission, 230 Or. 439. 370 P.2d. 694. 697.*
>
> *Goodwill is property, Howell v. Bowden, TexCiv. App.. 368 S.W.2d. 842, &18; as is an insurance policy and rights incident thereto, including a right to the proceeds, Harris v. Harris, 83 N.M. 441,493 P.2d. 407, 408.*
>
> *Criminal code. "Property" means anything of value. including real estate, tangible and intangible personal property, contract rights, choses-in-action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink, electric or other power. Model Penal Code. Q 223.0. See also Property of another, infra. Dusts. Under definition in Restatement, Second, Trusts, Q 2(c), it denotes interest in things and not the things themselves.*
> *[Black's Law Dictionary, Fifth Edition, p. 1095]*

Anything that conveys rights is also property. Contracts convey rights and therefore are property. All franchises are contracts between the grantor and grantee and therefore also are property.

> *As a rule, **franchises spring from contracts between the sovereign power and private citizens**, made upon valuable considerations, for purposes of individual advantage as well as public benefit,[3] and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.*[4]
> *[Am.Jur.2d, Franchises, §4: Generally]*

Corporations are only one of several types of government franchises. Below is an example:

> *"**The power of making all needful rules and regulations respecting the territory [property] of the United States, is one of the specified powers of congress. Under this power, it has never been doubted, that congress had authority to establish corporations [franchises] in the territorial governments.** But this power is derived entirely from implication. It is assumed, as an incident to the principal power."*
> *[M'Culloch v. State, 17 U.S. 316, 1819 WL 2135 (U.S.,1819)]*

Therefore, contracts, franchises, territory, and domicile (which is a protection franchise) all constitute "property" of the national government and are the origin of all civil jurisdiction over "persons" in federal courts. Jurisdiction of federal courts over such "property" extends into the states and wherever said property is found:

> *"**The Constitution permits Congress to dispose of and to make all needful rules and regulations respecting the territory or other property belonging to the United States. This power applies as well to territory belonging to the United States within the States, as beyond them. It comprehends all the public domain, wherever it may be. The argument is, that the power to make 'ALL needful rules and regulations' 'is a power of legislation,' 'a full legislative power;' 'that it includes all subjects of legislation in the territory,' and is without any limitations, except the positive prohibitions which affect all the powers of Congress.** Congress may then regulate or prohibit slavery upon the public domain within the new States, and such a prohibition would permanently affect the capacity of a slave, whose master might carry him to it. And why not? Because no power has been conferred on Congress. This is a conclusion universally admitted. **But the power to 'make rules and regulations respecting the territory' is not restrained by State lines, nor are there any constitutional prohibitions upon its exercise in the domain of the United States within the States; and whatever rules and regulations respecting territory Congress may constitutionally make are supreme, and are not dependent on the situs of 'the territory.'"***
> *[Dred Scott v. Sandford, 60 U.S. 393, 509-510 (1856)]*

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[3] Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 SE 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

[4] Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 SE 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

It is jurisdiction mainly over government/public franchises which is the origin of nearly all civil jurisdiction that federal courts assert over most Americans. Franchises are the main method by which your legal identity is "kidnapped" and transported to a foreign jurisdiction.

> *"For the upright will dwell in the land,*
> *And the blameless will remain in it;*
> ***But the wicked [those who allow themselves through their covetousness to be enticed by a government bribe in the form of a franchise] will be cut off [legally kidnapped pursuant to F.R.Civ.P. 17(b)] from the earth [and transported to a foreign land to serve tyrants like the Israelites were kidnapped and transported to Egypt],***
> ***And the unfaithful will be uprooted from it."***
> *[Prov. 2:21-22, Bible, NKJV]*

For an example of how this legal kidnapping or "identity theft" operates, see 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d) . The "citizen" or "resident" described in these two code sections is a person who participates in the "protection franchise", or should we say "protection racket" called "domicile", which domicile is on federal territory and not within any state of the Union. If you would like to know more about how this process of legal kidnapping operates both spiritually and legally, see section 13.2 of the following:

| *Government Instituted Slavery Using Franchises*, Form #05.030<br>http://sedm.org/Forms/FormIndex.htm |
|---|

All franchises cause those engaged in them to take on a "public character" and become government agents, officers, and "public officers" of one kind or another and the "office" they occupy has an effective domicile on federal territory. The public office is the "res" or subject of nearly all civil proceedings in the district and circuit "franchise courts", and not the physical person occupying said office.

> *"**Res**. Lat. **The subject matter of a trust [the Social Security Trust or "public trust" (government), in most cases] or will [or legislation].** In the civil law, a thing; an object. As a term of the law, this word has a very wide and extensive signification, including not only things which are objects of property, but also such as are not capable of individual ownership. And in old English law it is said to have a general import, comprehending both corporeal and incorporeal things of whatever kind, nature, or species. **By "res," according to the modern civilians, is meant everything that may form an object of rights, in opposition to "persona," which is regarded as a subject of rights. "Res," therefore, in its general meaning, comprises actions [or CONSEQUENCES of choices and CONTRACTS/AGREEMENTS you make by procuring BENEFITS] of all kinds; while in its restricted sense it comprehends every object of right, except actions.** This has reference to the fundamental division of the Institutes that all law relates either to persons, to things, or to actions.*

> ***Res is everything that may form an object of rights and includes an object, subject-matter or status.** In re Riggle's Will, 11 A.D.2d 51 205 N.Y.S.2d. 19, 21, 22. **The term is particularly applied to an object, subject-matter, or status, considered as the defendant [hence, the ALL CAPS NAME] in an action, or as an object against which, directly, proceedings are taken.** Thus, in a prize case, the captured vessel is "the res"; and proceedings of this character are said to be in rem. (See In personam; In Rem.) "Res" may also denote the action or proceeding, as when a cause, which is not between adversary parties, is entitled "In re _____".*
> *[Black's Law Dictionary, Sixth Edition, pp. 1304-1306]*

The trust they are talking about in the phrase "subject matter of a trust" is the "public trust". Government is a public trust:

> *TITLE 5--ADMINISTRATIVE PERSONNEL*
> *CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS*
> *PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH--Table of Contents*
> *Subpart A--General Provisions*
> *Sec. 2635.101 Basic obligation of public service.*
>
> *(a) **Public service is a public trust**. Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.*

In the case below, this source of civil jurisdiction over government franchises is called "statutory law":

> ***One great object of the Constitution is to permit citizens to structure their private relations as they choose subject only to the constraints of statutory or decisional law****. [500 U.S. 614, 620]*
>
> ***To implement these principles, courts must consider from time to time where the governmental sphere [e.g. "public purpose" and "public office"] ends and the private sphere begins. Although the conduct of private parties lies beyond the Constitution's scope in most instances, governmental authority may dominate an activity to such an extent that its participants must be deemed to act with the authority of the government and, as a result, be subject to constitutional constraints.*** *This is the jurisprudence of state action, which explores the "essential dichotomy" between the private sphere and the public sphere, with all its attendant constitutional obligations. Moose Lodge, supra, at 172. "*
>
> *[. . .]*
>
> *Given that the statutory authorization for the challenges exercised in this case is clear, the remainder of our state action analysis centers around the second part of the Lugar test, whether a private litigant, in all fairness, must be deemed a government actor in the use of peremptory challenges. Although we have recognized that this aspect of the analysis is often a fact-bound inquiry, see Lugar, supra, 457 U.S. at 939, our cases disclose certain principles of general application.* ***Our precedents establish that, in determining whether a particular action or course of conduct is governmental in character, it is relevant to examine the following: the extent to which the actor relies on governmental assistance and benefits, see Tulsa Professional Collection Services, Inc. v. Pope, 485 U.S. 478 (1988); Burton v. Wilmington Parking Authority, 365 U.S. 715 (1961); whether the actor is performing a traditional governmental function, see Terry v. Adams, 345 U.S. 461 (1953); Marsh v. Alabama, 326 U.S. 501 (1946); cf. San Francisco Arts & Athletics, Inc. v. United States Olympic [500 U.S. 614, 622] Committee, 483 U.S. 522, 544 -545 (1987);*** *and whether the injury caused is aggravated in a unique way by the incidents of governmental authority, see Shelley v. Kraemer, 334 U.S. 1 (1948). Based on our application of these three principles to the circumstances here, we hold that the exercise of peremptory challenges by the defendant in the District Court was pursuant to a course of state action.*
> *[Edmonson v. Leesville Concrete Company, 500 U.S. 614 (1991)]*

In support of the above conclusions, the following memorandum of law exhaustively analyzes the subject of civil statutory jurisdiction of the national government over persons domiciled outside of federal territory and in states of the Union and concludes that all statutory law is law only for the government and franchisees who are also part of the government:

| |
|---|
| *Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037<br>http://sedm.org/Forms/FormIndex.htm |

## 4.2 Franchises are the main tool that judges and governments use to plunder and enslave you

We're sure you have heard the old saying:

> *"A fool and his money are soon parted."*

This section will describe how government granted franchises such as Social Security, the income tax, Medicare, federal employment or office, etc are the main method of choice used and abused by clever judges and government prosecutors in THEIR privileged "franchise courts" for parting a fool of ALL of his or her money and rights. More particularly, franchises are the main method:

1. That God uses to punish a wicked and rebellious people. See Nehemiah 8-9.
2. That rulers and governments use to plunder and enslave those they are supposed to be serving and protecting.
3. By which the wicked are uprooted from the land and kidnapped legally from the protections of God to occupy a foreign land. Prov. 2:21-22.

The Bible says that the Heavens and the Earth belong to the Lord and NOT Caesar.

> *The heavens are Yours [God's], the earth also is Yours;*
> *The world and all its fullness, You have founded them.*
> *The north and the south, You have created them;*
> *Tabor and Hermon rejoice in Your name.*
> *You have a mighty arm;*
> *Strong is Your hand, and high is Your right hand."*
> *[Psalm 89:11-13 , Bible, NKJV]*

*"I have made the earth,*
*And created man on it.*
*I—My hands—stretched out the heavens,*
*And all their host I have commanded."*
*[Isaiah 45:12, Bible, NKJV]*

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*"Indeed heaven and the highest heavens belong to the Lord your God, also the earth with all that is in it."*
*[Deuteronomy 10:14, Bible, NKJV]*

***Since God owns everything and Caesar owns nothing, then what we are to render to Caesar is NOTHING according to Romans 13. Caesar is therefore God's temporary trustee and steward over what ultimately belongs exclusively and permanently and ONLY to God***. The delegation of authority from God to Caesar is the Bible itself, which is a trust indenture that describes itself as a covenant or promise, and which makes God the beneficiary of all of Caesar's and our choices as God's steward. The terms of that delegation of authority order and trust indenture are exhaustively described below:

*Delegation of Authority Order from God to Christians, Form #13.007*
http://sedm.org/Forms/FormIndex.htm

The above facts are the basis for why 1 Peter 2 says the following, and note the phrase "for the Lord's sake":

*"Therefore submit yourselves to every ordinance of man **for the Lord's sake**, whether to the king as supreme, or to governors, as to those who are sent by him for the punishment of evildoers and for the praise of those who do good. For this is the will of God, that by doing good you may put to silence the ignorance of foolish men—as free, yet not using liberty as a cloak for vice, but as bondservants of God. Honor all people. Love the brotherhood. Fear God. Honor the king."*
*[1 Peter 2:13-17, Bible, NKJV]*

That government which is NOT "for the Lord's sake" and instead is for Satan's sake we are not only NOT to submit to as Christians, but are required to rebel against and literally "hate" it's bad deeds but not the people who effect them. The hate is directed at evil behavior, not evil people. It is a fact that most kings and governors are NOT sent by God, but by Satan, and most of them rebel against rather than obey God or His moral laws. These rulers, in fact, are the ones who ultimately will engage in the final conflict against God:

*"And I saw **the beast, the kings of the earth, and their armies, gathered together to make war against Him [Jesus] who sat on the horse and against His army**."*
*[Rev. 19:19, Bible, NKJV]*

God would never and has never commanded us to do evil nor to obey rulers who are evil. In fact, most of the evil in our society originates from abuses by rulers who refuse to either recognize or obey God's moral laws in the Bible. The essence of loving the Lord, for instance, is to "fear God".

***You shall fear the LORD your God and serve [ONLY] Him**, and shall take oaths in His name. You shall not go after other gods, the gods of the peoples who* are *all around you (for the LORD your God* is *a jealous God among you), lest the anger of the LORD your God be aroused against you and destroy you from the face of the earth.*

*[. . .]*

*And the LORD commanded us to observe all these statutes, to fear the LORD our God, for our good always, that He might preserve us alive, as* it is *this day.*
*[Deut. 6:13, 24, Bible, NKJV]*

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*"**You shall fear the LORD your God; you shall serve [ONLY] Him**, and to Him you shall hold fast, and take oaths in His name."*
*[Deut. 10:20, Bible, NKJV]*

The Bible then defines "fearing the Lord" as "hating evil". You can't "hate evil" by effecting it or by obeying or subsidizing rulers who effect it in our name as our representatives. No one who wars against God's commandments or

obeys rulers who war against God's commandments can claim to be "fearing the Lord". We argue that one cannot simultaneously love God, and not hate his opposite, which is evil.

> *"**The fear of the LORD is to hate evil;***
> *Pride and arrogance and the evil way*
> *And the perverse mouth I hate."*
> *[Prov. 8:13, Bible, NKJV]*

Therefore, so long as we as Christians continually recognize God's exclusive ownership and control over the Earth and the fact that Caesar doesn't own any part of it, the only type of allegiance we can have that attaches to any geographical territory is allegiance to God and not Caesar. That allegiance manifests itself in choosing a legal domicile that is not within the jurisdiction of any man-made government and instead is within God's Kingdom on Earth exclusively. This exclusive allegiance we have to God then determines who we nominate as our protector and where the civil laws are derived which protect us.

> *"domicile. A person's legal home. That place where a man has his true, fixed, and **permanent home** and principal establishment, and to which whenever he is absent he has **the intention of** returning. Smith v. Smith, 206 Pa.Super. 310, 213 A.2d. 94. Generally, physical presence within a state and **the intention** to make it one's home are the requisites of establishing a "domicile" therein. The permanent residence of a person or the place to which he **intends to** return even though he may actually reside elsewhere. A person may have more than one residence but only one domicile. **The legal domicile of a person is important since it, rather than the actual residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise the privilege of voting and other legal rights and privileges.**"*
> *[Black's Law Dictionary, Sixth Edition, p. 485]*

> *"**The citizen cannot complain [about the laws or the tax system], because he has voluntarily submitted himself to such a form of government.** He owes allegiance to the two departments, so to speak, and within their respective spheres must pay the penalties which each exacts for disobedience to its laws. In return, he can demand protection from each within its own jurisdiction."*
> *[United States v. Cruikshank, 92 U.S. 542 (1875) [emphasis added]]*

> ***"Allegiance and protection [by the government from harm] are, in this connection, reciprocal obligations. The one is a compensation for the other; allegiance for protection and protection for allegiance."***
> *[Minor v. Happersett, 88 U.S. (21 Wall.) 162, 166-168 (1874)]*

We can't have allegiance to Caesar because the Bible says we can't serve two masters or, by implication, have two masters:

> *"No one can serve two masters [two employers, for instance]; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. You cannot serve God and mammon [government]."*
> *[Luke 16:13, NKJV. Written by a tax collector]*

God is our ONLY Lawgiver, Judge, and Protector:

> *"**For God is the King of all the** earth; Sing praises with understanding."*
> *[Psalm 47:7, Bible, NKJV]*

> *"For the LORD is our Judge, the LORD is our Lawgiver, the LORD is our King; He will save [and protect] us."*
> *[Isaiah 33:22, Bible, NKJV]*

Those who do not have a domicile within Caesar's jurisdiction are called by any of the following names in Caesar's courts:

1. "transient foreigners"

> *"**Transient foreigner**. One who visits the country, without the intention of remaining."*
> *[Black's Law Dictionary, Sixth Edition, p. 1498]*

2. "stateless persons"

> ***Social Security Program Operations Manual System (POMS)***
> ***RS 02640.040 Stateless Persons***
>
> *A. DEFINITIONS*

*[. . .]*

***DE FACTO**—Persons who have left the country of which they were nationals and no longer enjoy its protection and assistance. They are usually political refugees. They are legally citizens of a country because its laws do not permit denaturalization or only permit it with the country's approval.*

*[. . .]*

*2. De Facto Status*

*Assume an individual is de facto stateless if he/she:*

*a. says he/she is stateless but cannot establish he/she is de jure stateless; and*

*b. establishes that:*

- *he/she has taken up residence* [chosen a **legal domicile**] *outside the country of his/her nationality;*
- *there has been an event which is hostile to him/her, such as a sudden or radical change in the government, in the country of nationality; and*

  ***NOTE: In determining whether an event was hostile to the individual, it is sufficient to show the individual had reason to believe it would be hostile to him/her.***

- *he/she renounces, in a sworn statement, the protection and assistance of the government of the country of which he/she is a national and declares he/she is stateless. The statement must be sworn to before an individual legally authorized to administer oaths and the original statement must be submitted to SSA.*

*De facto [stateless] status stays in effect only as long as the conditions in b. continue to exist. If, for example, the individual returns* [changes their **domicile** back] *to his/her country of nationality, de facto statelessness ends.*
*[SOURCE: Social Security Program Operations Manual System (POMS), Section RS 02650.040 entitled "Stateless Persons"*
https://s044a90.ssa.gov/apps10/poms.nsf/lnx/0302640040*]*

3. "nonresidents"

Man's law says that if we exercise our right of political association or DISASSOCIATION protected by the First Amendment by choosing a domicile in God's kingdom rather than Caesar's kingdom, that the law which then applies is the law from our domicile, which means God's Holy laws.

*IV. PARTIES > Rule 17.*
*Rule 17. Parties Plaintiff and Defendant; Capacity*

*(b) Capacity to Sue or be Sued.*

***Capacity to sue or be sued is determined as follows:***

***(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;***
***(2) for a corporation, by the law under which it was organized; and***
*(3) for all other parties, by the law of the state where the court is located, except that:*
*(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and*
*(B) 28 U.S.C. §§ 754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.*
*[SOURCE: http://www.law.cornell.edu/rules/frcp/Rule17.htm]*

Notice that in addition to "domicile" above, *three other sources* or "choice of law" are provided, which is:

1. Acting in a representative capacity on behalf of another. This can only happen by holding an "office", such as a "public office" in the government.
2. Operating as a corporation, which is a franchise.

3. The state court where suit is brought. This court ordinarily has civil jurisdiction only if the party bringing suit or the respondent has a domicile in that forum.

Therefore, there are only two methods to switch the civil choice of law ***away*** from the protections of a person's domicile, which are:

1. Acting in a representative capacity on behalf of another as an officer or public officer or trustee.
2. Operating as a corporation, which is a franchise.

Note that both of the above conditions of a person result from the voluntary exercise of your right to contract, because contracting is the only way you can enter into such relationships. Note also that both conditions are franchises of one kind or another. You can't become a "public officer" of the government, for instance, without signing an employment agreement, which is a franchise. That franchise, by the way, implies a surrender of your constitutional rights, according to the U.S. Supreme Court:

> *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson,* 425 U.S. 238, 247 *(1976) . Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega,* 480 U.S. 709, 723 *(1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95]* 392 U.S. 273, 277 *-278 (1968) . With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers,* 461 U.S. 138, 147 *(1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell,* 330 U.S. 75, 101 *(1947) ; Civil Service Comm'n v. Letter Carriers,* 413 U.S. 548, 556 *(1973) ; Broadrick v. Oklahoma,* 413 U.S. 601, 616 *-617 (1973)."*
> *[Rutan v. Republican Party of Illinois,* 497 U.S. 62 *(1990) ]*

God's laws say that a wicked or unfaithful people will be "cut off from the earth" meaning divorced from the protections of God's laws and of their legal domicile. By "wicked", we believe He means "ignorant, lazy, presumptuous, or covetous". The above two mechanisms are the means for doing this:

> *"For the upright will dwell in the land,*
> *And the blameless will remain in it;*
> ***But the wicked will be cut off from the earth,***
> ***And the unfaithful will be uprooted from it."***
> *[Prov. 2:21-22, Bible, NKJV]*

How do the upright "dwell in the land"?: By having a legal domicile there! How are they "uprooted from it"? By engaging in franchises or acting in a representative capacity. We hope that by now, you understand that:

1. Those who engage in government franchises act as "public officers" or agents of the government.
2. Engaging in a franchise and operating in a representative capacity are therefore synonymous.

Consequently, God's laws recognize that franchises are the main method to uproot a wicked people from His protection, the protection of His laws, and their legal domicile in order that they may be legally kidnapped and moved to another jurisdiction. The mechanisms for effecting that kidnapping are recognized by Federal Rule of Civil Procedure 17(b) above.

Whenever a judge or ruler wants to tempt a wicked person and use their weaknesses to bring them into servitude and "voluntary compliance", they will try to bribe them with franchises, such as Social Security, Medicare, Unemployment compensation. They do this to entice the ignorant, the lazy, covetous, and those who want "something for nothing" to give up their rights.

> *"The hand of the diligent will rule, but the lazy man will be put to* ***forced labor*** *[slavery!]."*
> *[Prov. 12:24, Bible, NKJV]*

***"My son, if sinners [socialists, in this case] entice you,***
***Do not consent***
***If they say, "Come with us,***
***Let us lie in wait to shed blood;***
***Let us lurk secretly for the innocent without cause;***
*Let us swallow them alive like Sheol,*
*And whole, like those who go down to the Pit:*
***We shall fill our houses with spoil [plunder];***
***Cast in your lot among us,***
***Let us all have one purse"--***
*My son, do not walk in the way with them,*
*Keep your foot from their path;*
*For their feet run to evil,*
*And they make haste to shed blood.*
*Surely, in vain the net is spread*
*In the sight of any bird;*
***But they lie in wait for their own blood.***
***They lurk secretly for their own lives.***
***So are the ways of everyone who is greedy for gain;***
***It takes away the life of its owners."***
*[Proverbs 1:10-19, Bible, NKJV]*

The "one purse" they are referring to above is the government's purse! They want to hire you on as a recipient of stolen goods, which are goods stolen from others who are compelled to participate in their franchises and would not participate if offered a fully informed, uncoerced choice not to participate. Once your tyrant rulers and public servants get you eating out of their hand, then you are roped into ALL their other franchises and become their servant and slave, literally. Every one of their franchises inevitably ropes you into other franchises. For instance, the drivers licensing franchise forces you to have a domicile on federal territory and to participate in the federal and state income tax system.

*"The more you want, the more the world can hurt you."*
*[Confucius]*

*"But those who desire to be rich fall into temptation and a snare, and into many foolish and harmful lusts [for "free" government "benefits"] which drown men in destruction and perdition. For the love of money [or unearned "benefits"] is a root of all kinds of evil, for which some have strayed from the faith in their greediness, and pierced themselves through with many sorrows."*
*[1 Tim. 6:9-10, Bible, NKJV]*

***"For the turning away of the simple will slay them. And the complacency of fools will destroy them; but whoever listens to me [God and the wisdom that comes ONLY from God] will dwell safely, and will be secure [within the protections of God's laws and their place of domicile], without fear of evil."***
*[Prov. 1:20-33, Bible, NKJV]*

When we abuse our power of choice to consent to government franchises we therefore are FIRING God as our Lawgiver, Judge, and Protector and replacing Him and His Laws with a vain man or ruler. For that, God says ultimately, we are severely punished, plundered, and enslaved:

*"The Lord is well pleased for His righteousness' sake;* ***He will exalt the law [HIS law, not man's law] and make it honorable. But this is a people robbed and plundered!*** *[by tyrants in government]* ***All of them are snared in [legal] holes [by the sophistry of greedy lawyers], and they are hidden in prison houses; they are for prey, and no one delivers; for plunder, and no one says, "Restore!"****.*

***Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for plunder, and Israel to the robbers? [IRS] Was it not the Lord, He against whom we have sinned? For they would not walk in His ways, nor were they obedient to His law [they divorced themselves from their domicile using their right to contract****, therefore He has poured on him the fury of His anger and the strength of battle; it has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart. [he became an unwitting victim of his own IGNORANCE OF THE LAW]"*
*[Isaiah 42:21-25, Bible, NKJV]*

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*"****Woe to the rebellious children****," says the Lord, "****Who take counsel, but not of Me, and who devise plans [e.g. "social insurance"] , but not of My Spirit, that they may add sin to sin; who walk to go down to Egypt [Babylon or the District of Criminals, Washington, D.C.], and have not asked My advice, to strengthen themselves in the strength of Pharoah, and to trust in the shadow of Egypt! Therefore the strength of Pharoah shall be your shame, and trust in the shadow of Egypt shall be your humiliation****…*

> *Now go, write it before them on a tablet, and note it on a scroll, that it may be for time to come, forever and ever: that this is a rebellious people, **lying children, children who will not hear the law of the Lord**; who say to the seers, "Do not see," and to the prophets [economic prognosticators], "Do not prophesy to us right things' **Speak to us smooth [politically correct] things**, prophesy deceits. Get out of the way, turn aside from the path, cause the Holy One of Israel to cease from before us [take the ten commandments out of the Supreme Court Building]."*
>
> *Therefore thus says the Holy One of Israel:*
>
> *"**Because you despise this word [God's word/law], and trust in [government] oppression and perversity, and rely on them, therefore this iniquity shall be to you like a breach ready to fall, a bulge in a high wall, whose breaking comes suddenly, in an instant. And He shall break it like the breaking of the potter's vessel, which is broken in pieces; He shall not spare. So there shall not be found among its fragments a shard to take fire from the hearth, or to take water from the cistern."***
> *[Isaiah 30:1-3, 8-14, Bible, NKJV]*

Thus, franchises act as an insidious snare that destroys freedom, people, lives, and families. Both the Bible and our Founding Fathers forcefully say we must wisely exercise our discretion and our power of choice to systematically avoid such snares and the franchises and contracts which implement them:

> ***Take heed to yourself, lest you make a covenant [contract or franchise] with the inhabitants of the land where you are going, lest it be a snare in your midst. But you shall destroy their altars, break their sacred pillars, and cut down their wooden images (for you shall worship no other god, for the LORD, whose name is Jealous, is a jealous God), lest you make a covenant [engage in a franchise, contract, or agreement] with the inhabitants of the land, and they play the harlot with their gods [pagan government judges and rulers] and make sacrifice [YOU and your RIGHTS!] to their gods, and one of them invites you and you eat of his sacrifice, and you take of his daughters for your sons, and his daughters play the harlot with their gods and make your sons play the harlot with their gods.***
> *[Exodus 34:10-16, Bible, NKJV]*
>
> *"My ardent desire is, and my aim has been...to comply strictly with all our engagements foreign and domestic; **but to keep the United States free from political connections with every other Country**, **To see that they may be independent of all, and under the influence of none. In a word, I want an American character, that the powers of Europe may be convinced we act for ourselves and not for others** [as contractors, franchisees, or "public officers"]; this, in my judgment, is the only way to be respected abroad and happy at home."*
> *[George Washington, (letter to Patrick Henry, 9 October 1775);*
> *Reference: The Writings of George Washington, Fitzpatrick, ed., vol. 34 (335)]*
>
> *"About to enter, fellow citizens, on the exercise of duties which comprehend everything dear and valuable to you, it is proper that you should understand what I deem the essential principles of our government, and consequently those which ought to shape its administration. I will compress them within the narrowest compass they will bear, stating the general principle, but not all its limitations. Equal and exact justice to all men, of whatever state or persuasion, religious or political; **peace, commerce, and honest friendship with all nations – entangling alliances [contracts, treaties, franchises] with none**;"*
> *[Thomas Jefferson, First Inaugural Address, March 4, 1801]*

The Bible forbids Christians to allow anyone but the true and living God to be their king or ruler. Franchises replace God as our ruler, replace him with a man or a government, and destroy equal protection of the law. Your right to contract is the most dangerous right you have, folks! The abuse of that right to sign up for government franchises leaves you entirely without remedy and entirely without any protection for any of your God given rights. Governments are created to protect the exercise of your right to contract and if you abuse that right, you are TOAST folks, because they can't undo the damage for you and you lose your right to even go into court to invoke the government's protection!

> ***"These general rules are well settled: (1) That the United States, when it creates [STATUTORY FRANCHISE] rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts.*** *United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108. (2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann. Cas. 1916A, 118; Arnson v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; Barnet v. National Bank, 98 U. S. 555, 558, 25 L.Ed. 212; Farmers' & Mechanics' National Bank v. Dearing, 91 U. S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh,*

*214 U. S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U. S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U. S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919. But here Congress has provided:*
*[U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919)]*

Under God's law, all persons are equal and any attempt to make them unequal is an attempt at idolatry. In God's eyes, when we show partiality in judgment of others based on the "privileges" or "franchises" they are in receipt of or other forms of "social status", then we are condemned as Christians:

*"You shall not show partiality in judgment; you shall hear the small as well as the great; you shall not be afraid in any man's presence, for the judgment is God's. The case that is too hard for you, bring to me, and I will hear it.'"*
*[Deut. 1:17, Bible, NKJV]*

*"**You shall not pervert justice; you shall not show partiality, nor take a bribe [a franchise or "benefit" payment]**, for a bribe blinds the eyes of the wise and twists the words of the righteous."*
*[Deut. 16:19, Bible, NKJV]*

*"For the LORD your God is God of gods and Lord of lords, the great God, mighty and awesome, **who shows no partiality nor takes a bribe [a franchise is a type of government bribe].**"*
*[Deut. 10:17, Bible, NKJV]*

*"**He [God] will surely rebuke you If you secretly show partiality [against a accused who refuses to participate in franchises as taxpayer and therefore refuses to subsidize your lifestyle as a "benefit" recipient].**"*
*[Job 13:10, Bible, NKJV]*

*"The rich and the poor have this in common, the **LORD is the maker of them all**."*
*[Prov. 22:2, Bible, NKJV]*

*"But you, do not be called 'Rabbi'; for One is your Teacher, the Christ, and you are all brethren. Do not call anyone on earth your father; for One is your Father, He who is in heaven. And do not be called teachers; for One is your Teacher, the Christ. **But he who is greatest among you shall be your servant. And whoever exalts himself will be humbled, and he who humbles himself will be exalted**".*
*[Jesus in Matt. 23:8-12, Bible, NKJV]*

*But Jesus called them to Himself and said to them, "You know that those who are considered rulers over the Gentiles lord it over them, and their great ones exercise authority over them. Yet it shall not be so among you; but **whoever desires to become great among you shall be your servant. And whoever of you desires to be first shall be slave of all**. For even the Son of Man did not come to be served, but to serve, and to give His life a ransom for many."*
*[Mark 10:42–45, Bible, NKJV. See also Matt. 20:25-28]*

*"There is neither Jew nor Greek, there is neither slave nor free, there is neither male nor female; **for you are all one in Christ Jesus**."*
*[Gal. 3:28, Bible, NKJV]*

*Is it fitting to say to a king, "You are worthless,'*
*And to nobles, "You are wicked'?*
***Yet He [God] is not partial to princes [or FRANCHISEES],***
***Nor does He regard the rich more than the poor;***
*For they are all the work of His hands.*
*[Job. 34:18-19, Bible, NKJV]*

*"The poor man is hated even by his own neighbor,*
*But the rich has many friends.*
***He who despises his neighbor sins;***
***But he who has mercy on the poor, happy is he.**"*
*[Prov. 14:20-21]*

*"**You shall not show partiality to a poor man in his dispute.**"*
*[Exodus 23:3, Bible, NKJV]*

*"The rich shall not give more and the poor shall not give less than half a shekel, when you give an offering to the LORD, to make atonement for yourselves."*
*[Exodus 30:15, Bible, NKJV]*

*"Better is the poor who walks in his integrity Than one perverse in his ways, though he be rich."*

*[Prov. 28:6, Bible, NKJV*

*"And again I say to you, it is easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of God."*
*[Matt. 19:24, Bible, NKJV]*

*"**For there is no distinction between Jew and Greek, for the same Lord over all is rich to all who call upon Him.**"*
*[Rom. 10:12, Bible, NKJV]*

*"Command those who are rich in this present age not to be haughty, nor to trust in uncertain riches but in the living God, who gives us richly all things to enjoy."*
*[1 Tim. 6:17, Bible, NKJV]*

Therefore, accepting any kind of government "privilege" or franchise for a Christian encourages unlawful partiality and constitutes idolatry. The "privilege" described by God in the passage below is the "privilege" of having a King (man) to protect, care for, and "govern" the people as a *substitute* for God's protection. It is a "protection franchise". The price exchanged for receipt of the "protection franchise" privilege is becoming "subjects" and paying usurious "tribute" in many forms to the king using their labor, property, and life.

*Then all the elders of Israel gathered together and came to Samuel at Ramah, and said to him, "Look, you are old, and your sons do not walk in your ways. **Now make us a king to judge us like all the nations** [and be OVER them]".*

*But the thing displeased Samuel when they said, "**Give us a king to judge us."** So Samuel prayed to the Lord. **And the Lord said to Samuel, "Heed the voice of the people in all that they say to you; for they have rejected Me [God], that I should not reign over them.** According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—**with which they have forsaken Me and served other gods [Kings, in this case]—so they are doing to you also** [government becoming idolatry]. Now therefore, heed their voice. **However, you shall solemnly forewarn them, and show them the behavior of the king who will reign over them.**"*

*So Samuel told all the words of the LORD to the people who asked him for a king. And he said, "**This will be the behavior of the king who will reign over you: He will take [STEAL] your sons and appoint them for his own chariots and to be his horsemen, and some will run before his chariots. He will appoint captains over his thousands and captains over his fifties, will set some to plow his ground and reap his harvest, and some to make his weapons of war and equipment for his chariots. He will take [STEAL] your daughters to be perfumers, cooks, and bakers. And he will take [STEAL] the best of your fields, your vineyards, and your olive groves, and give them to his servants. He will take [STEAL] a tenth of your grain and your vintage, and give it to his officers and servants. And he will take [STEAL] your male servants, your female servants, your finest young men, and your donkeys, and put them to his work [as SLAVES]. He will take [STEAL] a tenth of your sheep. And you will be his servants. And you will cry out in that day because of your king whom you have chosen for yourselves, and the LORD will not hear you in that day.**"*

*Nevertheless the people refused to obey the voice of Samuel; and they said, "No, but we will have a king over us, that we also may be like all the nations, and that our king may judge us and go out before us and fight our battles."*
*[1 Sam. 8:4-20, Bible, NKJV]*

The right to be protected by the King above is earned by giving him exclusive allegiance, and thereby withdrawing allegiance from God as your personal sovereign:

***"The doctrine is, that allegiance cannot be due to two sovereigns; and taking an oath of allegiance to a new, is the strongest evidence of withdrawing allegiance from a previous, sovereign**…."*
*[Talbot v. Janson, 3 U.S. 133 (1795)]*

*"And the men of Israel were distressed that day, for Saul [their new king] had placed the people under oath [of allegiance and thereby FIRED God as their protector]"*
*[1 Sam. 14:24, Bible, NKJV]*

The method described above of taking an oath of allegiance is voluntarily choosing your domicile and nominating a king or ruler to protect you, who you then owe allegiance, support, and tribute to, which today we call "taxes":

*"**TRIBUTE**. Tribute in the sense of an impost paid by one state to another, as a mark of subjugation, is a common feature of international relationships in the biblical world. The tributary could be either a hostile state or an ally. Like deportation, **its purpose was to weaken a hostile state. Deportation aimed at depleting the***

> ***man-power. The aim of tribute was probably twofold: to impoverish the subjugated state and at the same time to increase the conqueror's own revenues*** *and to acquire commodities in short supply in his own country. As an instrument of administration it was one of the simplest ever devised: the subjugated country could be made responsible for the payment of a yearly tribute.* ***Its non-arrival would be taken as a sign of rebellion, and an expedition would then be sent to deal with the recalcitrant.*** *This was probably the reason for the attack recorded in Gn. 14.*
> *[New Bible Dictionary. Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962; InterVarsity Press: Downers Grove]*

The abuse of "benefits" to tempt, debase, and destroy people is the heart of traitor Franklin Delano Roosevelt's "New Deal", which we call the "Raw Deal". It's a raw deal because what they tempt you with:

1. Has no economic value because the government's half of the bargain is unenforceable. Note the word "scheme" in the second ruling. Quite telling:

> *"… railroad benefits, like social security benefits, are not contractual and may be altered or even eliminated at any time."*
> *[United States Railroad Retirement Board v. Fritz, 449 U.S. 166 (1980)]*

> *"We must conclude that* ***a person covered by the Act has not such a right in benefit payments****… This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint."*
> *[Flemming v. Nestor, 363 U.S. 603 (1960)]*

2. The money used to pay you the "benefit" is counterfeited or stolen or both and isn't lawful money anyway. See:

| *The Money Scam*, Form #05.041<br>http://sedm.org/Forms/FormIndex.htm |
|---|

The above may explain why the Bible says:

> *For thus says the LORD: " You have sold yourselves for nothing, And you shall be redeemed without money."*
> *[Isaiah 52:3, Bible, NKJV]*

If you would like to learn more about the FRAUD of government "benefits" and all the mechanisms by which they are abused to destroy, entrap, and enslave people in a criminal tax prosecution, see:

| *The Government "Benefits" Scam*, Form #05.040<br>http://sedm.org/Forms/FormIndex.htm |
|---|

## 4.3 Effect of franchises on choice of forum

The U.S. Supreme Court has said that when Congress creates what it calls a "public right" and, by implication a "statutory privilege", Congress has the authority to circumscribe and prescribe how that right may be exercised and which forums it is enforced within. Hence, for instance, Congress can prescribe that if you dispute your income tax liability, you must first enter Tax Court, which isn't a Constitutional court at all, but an Article I administrative agency within the Executive rather than Judicial Branch of the government.

> *Although* Crowell *and* Raddatz *do not explicitly distinguish between rights created by Congress and other rights, such a distinction underlies in part* Crowell's *and* Raddatz' *recognition of a critical difference between rights created by federal statute and rights recognized by the Constitution. Moreover, such a distinction seems to us to be necessary in light of the delicate accommodations required by the principle of separation of powers reflected in Art. III. The constitutional system of checks and balances is designed to guard against "encroachment or aggrandizement" by Congress at the expense of the other branches of government.* Buckley v. Valeo, *424 U.S., at 122, 96 S.Ct., at 683. But when Congress creates a statutory right [a "privilege" in this case, such as a "trade or business"], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right.FN35 Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental to Congress' power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress' power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts.*

*[Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983)]*

The U.S. Supreme Court also held that the only circumstances when Congress may remove the enforcement of a right to a non-Article III, legislative tribunal or, by implication, remove it from a state court to federal court is in connection with a statutory franchise or "public right":

> *"The distinction between public rights and private rights has not been definitively explained in our precedents.FN22 Nor is it necessary to do so in the present cases, for it suffices to observe that a matter of public rights must at a minimum arise "between the government and others." Ex parte Bakelite Corp., supra, at 451, 49 S.Ct., at 413.FN23 In contrast, "the liability of one individual to another under the law as defined," Crowell v. Benson, supra, at 51, 52 S.Ct., at 292, is a matter of private rights. Our precedents clearly establish that only controversies in the former category may be removed from Art. III courts and delegated to legislative courts or administrative agencies for their determination. See Atlas Roofing Co. v. Occupational Safety and Health Review Comm'n, 430 U.S. 442, 450, n. 7, 97 S.Ct. 1261, 1266, n. 7, 51 L.Ed.2d. 464 (1977); Crowell v. Benson, supra, 285 U.S., at 50-51, 52 S.Ct., at 292. See also Katz, Federal Legislative Courts, 43 Harv.L.Rev. 894, 917-918 (1930).FN24 Private-rights disputes, on the other hand, lie at the core of the historically recognized judicial power."*
> *[Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983)]*

The key to determining whether a matter must be heard in federal court or state court then, is to first determine whether it involves a "public right" or "statutory franchise". If it is a state statutory privilege or right, it must be litigated in a state court. If it is a federal statutory right or privilege, then it can be litigated only in a federal court. The Separation of Powers Doctrine and the sovereign immunity of the states and federal governments towards each other prohibit state matters from being heard in a federal court or federal matters being heard in a state court. Alden v. Maine, 527 U.S. 706 (1999) .

## 4.4 How to determine whether you are engaged in a "franchise" or "public right"

This task of determining whether the controversy involves a "public right" or "statutory privilege" can be difficult, because the statutes themselves that confer the right very deliberately do not specify because they don't want you to know that participation is voluntary and that you can un-volunteer. In that sense, statutory franchises are what we call a "roach trap statute". The trap has honey in the center to attract needy and hungry insects like you, and once you enter inside the trap, you must obey all the unjust and prejudicial edicts of your new landlord. It is up to you as the vigilant and informed citizen to research and know this in the defense of your Constitutional rights.

Every government "privilege" carries with it some kind of usually pecuniary benefit or entitlement. Examples include: Social Security benefits, unemployment benefits, Medicare insurance benefits, etc. The U.S. Supreme Court has said that the government may not lawfully pay money to anyone except in the course of what it calls a "public purpose", which means that the payment of all such benefits can only lawfully be made to "public officials" who are part of the government in the lawful exercise of their Constitutionally authorized employment duties.

> ***"To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.***
>
> ***Nor is it taxation. 'A tax,' says Webster's Dictionary, 'is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.' 'Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.' Cooley, Const. Lim., 479.***
>
> *Coulter, J., in Northern Liberties v. St. John's Church, 13 Pa. St., 104 says, very forcibly, 'I think the common mind has everywhere taken in the understanding that* ***taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.*** *' See, also Pray v. Northern Liberties, 31 Pa.St., 69; Matter of Mayor of N.Y., 11 Johns., 77; Camden v. Allen, 2 Dutch., 398; Sharpless v. Mayor, supra; Hanson v. Vernon, 27 Ia., 47; Whiting v. Fond du Lac, supra."*
> *[Loan Association v. Topeka, 20 Wall. 655 (1874)]*
>
> ---
>
> *"A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another."*
> *[U.S. v. Butler, 297 U.S. 1 (1936)]*

Another angle on this situation is that the government cannot pass any law that imposes any duty upon you without violating the Thirteenth Amendment prohibition against "involuntary servitude".

> *"Every man has a natural right to the fruits of his own labor, is generally admitted; and* ***no other person can rightfully deprive him of those fruits, and appropriate them against his will****…"*
> *[The Antelope, 23 U.S. 66, 10 Wheat. 66, 6 L.Ed. 268 (1825)]*

The U.S. Supreme Court has said that there are only four ways for the government to obtain lawful authority over a man's property, which includes his life, liberty, and property. Labor, for instance, and all "rights" for that matter, constitute "property" from a legal perspective:

> *"Men are endowed by their Creator with certain unalienable rights,-'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted.* ***That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.***
> *[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

We have summarized the ONLY four distinct ways the government can lawfully take a man's property away from him from the above ruling as follows:

1. He can involuntarily lose his property if he uses it to hurt others. This, by the way, is the foundation of all criminal laws, because "rights", including constitutional rights, are considered property. You lose your rights when you exercise them in such a way that you abuse them to destroy the equal rights of others. Thus, crimes against others are the only basis for non-consensual taking of a person's life, liberty, property, or labor.
2. He cannot be compelled to benefit his neighbor. That means indirectly that can't be compelled to participate in any government "benefit" or entitlement program such as Social Security, and that he can quit all such programs IMMEDIATELY.
3. When he devotes it to a "public use", he gives the right to the public to control that use. Every provision of the I.R.C. Subtitles A and C can only be applied against property and labor that have been connected to a "public office", which is one kind of "public use".
4. When the public needs require, the public may take his property from him upon payment of due compensation. This is the provision the government uses to assert eminent domain over real property in the building of public roads.

Notice that provisions 2 through 4 require his explicit consent in some form and that the ONLY way a man's property, including his labor and the fruits from his labor, can be taken from him WITHOUT his consent is if he abuses it to hurt others. For instance, when you murder someone, the government can take your liberty and labor from you by putting you in jail or your life from you by instituting the death penalty against you. Both your life and your labor are "property". Therefore, the basis for the "taking" was violation of the equal rights of a fellow sovereign "neighbor".

The main method the government uses to lawfully take your property, your labor, your earnings from labor is item number 3 above. What the government does is procure your consent through fraud using vague or ambiguous "words of art" on government forms which effectively trick you into donating your private property to a "public use" to procure the benefits of a franchise. This makes your formerly private property into "public property" which the government can then control, levy, and lien because it is theirs while it is dedicated to a "public use". Everything that has a government issued SSN or Taxpayer Identification Number associated with it essentially amounts to "private property" donated to "public use" to procure the benefits of The "Trade or Business" franchise. The use of these government owned numbers effectively constitutes a license to act as a "public officer" as well as "prima facie" evidence of consent to engage in The "Trade or Business" franchise.[5]

[5] 20 CFR §422.104 says that the Social Security Number is NOT "yours", but instead belongs to the U.S. government and the Social Security Administration. The card itself has printed on the back "Property of the Social Security Administration. Must be returned upon request." This effectively makes you into a "fiduciary" and a "trustee" and a "public officer" in temporary custody of government property whose actions are governed by federal law in the using of said property. If you use the number for your own *personal* benefit as anything other than a "public officer" engaged in the federal franchise, you are embezzling and abusing government property for private gain, which is a criminal violation of 18 U.S.C. §641.

Consequently, the most effective way to determine whether a particular government program is a "privilege" is to look at whether you must be a government employee or "public officer" to receive its benefits. If you must declare yourself to be such a person, then it is a voluntary statutory privilege and not a common law or constitutional right. Examples of this phenomenon include the following:

1. The Social Security Program , which makes all those who participate into "federal personnel":

> *TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552a*
> *§ 552a. Records maintained on individuals*
>
> *(a) Definitions.— For purposes of this section—*
>
> *(13) the term "Federal personnel" means [not "includes", but MEANS] officers and employees of the Government of the United States, members of the uniformed services (including members of the Reserve Components), **individuals entitled to receive immediate or deferred retirement benefits under any retirement program of the Government of the United States (including survivor benefits)**.*

2. Serving as a juror in a federal court. 18 U.S.C. §201 identifies all federal jurors as "public officers".
3. 26 U.S.C. §6331(a) limits all enforcement within the Internal Revenue Code to employees, officers, and instrumentalities of the United States Government. The IRS knows this, so they "conveniently" omit this provision of law from their citation of 26 U.S.C. §6331 on the back of a notice of levy to deceive the recipient. See:

   *IRS Form 668A(c )*
   http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm668-A(c)(DO).pdf
4. Signing up for employment withholding using an IRS Form W-4. The upper left corner says "**Employee** Withholding Allowance Certificate" and the statutes and regulations at 26 U.S.C. §3401(c ) and 26 CFR §31.3401(c )-1 both define this "employee" as a "public official" of the United States Government. Therefore, the W-4 constitutes BOTH a federal employment application and a voluntary agreement which donates your labor and your earnings from labor to a "public office" and a "public use".
5. 31 CFR §202.2 says that all FDIC insured banks are "Financial Agents of the Government". In other words, participating in the FDIC insurance franchise makes them "public officers".
6. All federal law that does not have implementing regulations published in the Federal Register may only be enforced against agents, instrumentalities, "employees", and "officers" of the United States Government. The Internal Revenue Code has no enforcement implementing regulations and therefore it fits into this category. See:

   *IRS Due Process Meeting Handout*, Form #03.008
   http://sedm.org/Forms/FormIndex.htm

The government has no delegated constitutional or statutory authority to regulate *private conduct.*

> *"There is a clear distinction in this particular case between an individual and a corporation, and that the latter has no right to refuse to submit its books and papers for an examination at the suit of the State. The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. **He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the constitution.** Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. **He owes nothing to the public so long as he does not trespass upon their rights.**"*
> *[Hale v. Henkel, 201 U.S. 43, 74 (1906)]*

Therefore if you want to receive any benefits from them, they can't regulate the benefits without making you into one of their employees, instrumentalities, or agents using private/contract law that you must either implicitly or explicitly consent to in some form:

> *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be*

*dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947) ; Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973) ; Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973)."*
*[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990)]*

Once you make voluntary application to become a federal "public officer" (e.g. a federal agent or instrumentality) using an IRS Forms W-4 or 1040 or SSA Form SS-5, you then must live your entire financial and work life under the following MAJOR legal disabilities as a fiduciary and "trustee" over federal property temporarily in your custody. This property includes your own labor and all the earnings from your labor in the context of the "trust" or "public trust" or "public office" that you have voluntarily chosen to exercise!:

*"As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer. 6* ***Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts****. 7* ***That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves. 8 and owes a fiduciary duty to the public. 9 It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual. 10*** *Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.11"*
*[63C Am.Jur.2d, Public Officers and Employees, §247]*

Therefore, you can deduce whether you are engaged in a "statutory franchise" if the government calls you by any of the following names and defines these names to be federal instrumentalities in the "codes" that administer the program, such as the I.R.C. Subtitle A or the Social Security Act:

1. "individual": Means a "resident alien" engaged in a privileged "trade or business" or a nonresident alien who has made an election to be treated as a "resident alien". Notice the definition of "individual" below does not include "citizens". This is no accident, but an admission that you must volunteer to surrender your sovereign citizen status as a "citizen" and consent to be treated instead as a "resident alien" in respect to your government in order to procure privileges from it. Once you engage in the franchise, your status as a person domiciled in a state of the Union shifts from that of a nonresident alien not engaged in a "trade or business" to that of a "resident alien". More on this later.

*26 CFR §1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.*
*(c ) Definitions*

*(3) Individual.*

*(i) Alien individual.*

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6 State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

7 Georgia Dep't of Human Resources v. Sistrunk, 249 Ga. 543, 291 SE2d 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

8 Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

9 United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L Ed 2d 18, 108 S Ct 53, on remand (CA7 Ill) 840 F2d 1343, cert den 486 U.S. 1035, 100 L Ed 2d 608, 108 S Ct 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F2d 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F2d 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

10 Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

11 Indiana State Ethics Comm'n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

*The term alien individual means an individual who is not a citizen or a national of the United States. See Sec. 1.1-1(c).*

*(ii) Nonresident alien individual.*

*The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.*

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*26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.*

*A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States.* ***A foreign [ALIEN[ corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation.*** *A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership.* ***Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.***
*[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]*

2. "federal personnel": 5 U.S.C. §552a(a)(13) above defines this as anyone eligible to receive a federal retirement benefit, such as social security.
3. "public office": an elected, appointed, or franchise office within the federal government
4. "officer of a corporation": an officer of a corporation that is an instrumentality of the federal government.
5. "employee": Someone who performs "personal services" for the U.S. government, "Personal services" are then defined as work performed in connection with a "trade or business" (public office) in 26 CFR §1.469-9:

*26 CFR §31.3401(c )-1 Employee:*

*"...the term [employee] includes officers and employees, whether elected or appointed, of the United States, a [federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term 'employee' also includes an officer of a corporation."*

6. "employer": Means someone who has "employees".

*TITLE 26 > Subtitle C > CHAPTER 24 > § 3401*
*§ 3401. Definitions*

*(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, except that—*

*(1) if the person for whom the individual performs or performed the services does not have control of the payment of the wages for such services, the term "employer" (except for purposes of subsection (a)) means the person having control of the payment of such wages, and*

*(2) in the case of a person paying wages on behalf of a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, the term "employer" (except for purposes of subsection (a)) means such person.*

7. "taxpayer": Means a person subject to the Internal Revenue Code as defined in 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313(b). The only persons who can be subject are those engaged in The "Trade or Business" franchise as "public officers" working for the federal government. A person's property can be subject through "in rem" jurisdiction without them personally being subject.

If you would like to learn more than you could ever possibly want to know about how this scam works, see the following fascinating pamphlet:

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|---|
| *Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008<br>http://sedm.org/Forms/FormIndex.htm |

A franchise associated with taxation is called by any one of the following names which are all synonymous:

1. "Excise tax": Notice that even the legal dictionary below attempts to disguise and obfuscate the true nature of the income tax as an excise tax.

> *"**Excise tax.** A tax imposed on the performance of an act, the engaging in an occupation, or **the enjoyment of a privilege** [e.g. "franchise"]. Rapa v. Haines, Ohio Comm.Pl., 101 N.E.2d. 733, 735. A tax on the manufacture, sale, or use of goods or on the carrying on of an occupation or activity or tax on the transfer of property. In current usage the term has been extended to include various license fees and practically every internal revenue tax except income tax (e.g., federal alcohol and tobacco excise taxes, I.R.C. §5011 et seq.)"*
> *[Black's Law Dictionary, Sixth Edition, p. 563]*
>
> ---
>
> *"**Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon licenses to pursue certain occupations and upon corporate privileges**...**the requirement to pay such taxes involves the exercise of privileges, and the element of absolute and unavoidable demand is lacking**...*
>
> *...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 produced in part from property which of itself considered is nontaxable...*
> *[Flint v. Stone Tracy Co., 220 U.S. 107 (1911)]*

2. "Privilege tax".
3. "Indirect excise tax": These are excise taxes instituted by the federal government only within states of the Union. If the tax is levied only on federal territory or franchises, it instead is simply called an "excise tax" without the word "indirect" in front of it.

> *"..by the previous ruling it was settled that **the provisions of the Sixteenth Amendment conferred no new power of taxation but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged and being placed in the category of direct taxation** subject to apportionment by a consideration of the sources from which the income was derived, that is by testing the tax not by what it was -- a tax on income, but by a mistaken theory deduced from the origin or source of the income taxed. "*
> *[Stanton v. Baltic Mining (240 U.S. 103), 1916]*

Let's now apply what we have just learned to a unraveling the most prevalent statutory "franchise" that forms the heart of our federal income tax system, which is a "trade or business". A "trade or business" is defined as follows:

> *26 U.S.C. §7701(a)(26)*
>
> *"The term 'trade or business' includes the performance of the functions of a public office."*

A "trade or business" is a franchise or "public right", because it carries with it certain economic "privileges", such as:

1. "Public right"/privilege (as a "public officer") to claim benefits of a tax treaty with a foreign country so that one is not subject to double-taxation by both countries.
2. "Public right" to claim deductions on a tax return pursuant to 26 U.S.C. §162.
3. "Public right" to claim credits on a tax return pursuant to 26 U.S.C. §32.

4. "Public right" to claim a reduced, graduated rate of tax pursuant to 26 U.S.C. §1. Those not engaged in a "trade or business" must apply a flat rate of 30% described in 26 U.S.C. §871,which is usually higher than the graduated rate found in 26 U.S.C. §1.

The "Trade or Business" franchise is exclusive to the federal government, because the "public office" described in that code is an office within only the federal government and not in any state or other government. Under the principles of a judicial doctrine known as "sovereign immunity", the U.S. Supreme Court has furthermore said that the federal government may not be sued in a state court.

> *"It is unquestioned that the Federal Government retains its own immunity from suit not only in state tribunals but also in its own courts."*
> *[Alden v. Maine, 527 U.S. 706 (1999) ]*
>
> *"The exemption of the United States from being impleaded without their consent is, as has often been affirmed by this court, as absolute as that of the crown of England or any other sovereign."*
> *[U.S. v. Lee, 106 U.S. 196 (1882)]*

The U.S. Constitution itself, in Article III, Section 2 also says that a state may not be sued in any federal court OTHER than the U.S. Supreme Court.

> *U.S. Constitution:*
> *Article III, Section 2*
>
> ***In all Cases affecting Ambassadors, other public Ministers and Consuls, and those in which a State shall be Party, the supreme Court shall have original Jurisdiction.*** *In all the other Cases before mentioned, the supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.*

## 4.5 Summary of Choice of Law Rules Involving Federal Franchises

Therefore, in the adjudication of "public rights" or "statutory franchises" or "privileges", if they are created by federal statute or legislation, then the choice of law rules are as follows:

1. The franchise agreement behaves as "private law", meaning that only parties who implicitly or explicitly consent can have its provisions enforced against them.
2. Legal disputes relating to a federal franchise may not be litigated in a state or foreign court, even under equity, because the United States cannot be sued in a foreign court without its express consent provided in legislative form.
3. Disputes relating to a federal franchise must be litigated ONLY in federal courts.
4. The franchise agreement itself prescribes and fixes all the "statutory rights" or "public rights" that exist among both parties. Franchise agreements include:
   4.1. Internal Revenue Code, Subtitle A
   4.2. Social Security Act and 42 U.S.C. Chapter 7.
5. The statutes creating the franchise need not identify it as a franchise. This is implied by the franchise agreement or legislation itself.
6. Those who are not party to the franchise agreement may not cite or invoke it in defense of their "public rights" because they DON'T HAVE any "public rights"! For them, the franchise agreement is "foreign law" and their estate is a "foreign estate" relative to that law or statute. The only thing you accomplish by citing the franchise agreement is convey your consent to be bound by it, and thereby submit yourself to its jurisdiction. See the following supporting information for examples:
   6.1. 26 U.S.C. §7701(a)(31) : Defines the estate of those not engaged in The "Trade or Business" franchise as a "foreign estate".
   6.2. The following court rulings:

> *"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*
> *[Long v. Rasmussen, 281 F. 236 (1922) ]*
>
> *"Revenue Laws relate to taxpayers [officers, employees, instrumentalities, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive*

*jurisdiction of the Federal Government and who did not volunteer to participate in the federal "trade or business" franchise]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers] Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws." [Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]*

*"A reasonable construction of the taxing statutes does not include vesting any tax official with absolute power of assessment against individuals not specified in the statutes as a person liable for the tax without an opportunity for judicial review of this status before the appellation of 'taxpayer' is bestowed upon them and their property is seized..." [Botta v. Scanlon, 288 F.2d. 504, 508 (1961) ]*

6.3. *Why You Shouldn't Cite Federal Statutes for Protecting Your Rights:* http://famguardian.org/Subjects/Discrimination/CivilRights/DontCiteFederalLaw.htm

7. Anyone who cites provisions or case law of the statutory franchise or "public right" against you:
   7.1. If they cited inapposite case law involving a franchisee against you when you in fact are NOT a franchisee, is abusing case law for political purposes to prejudice your rights. See:

   | *Political Jurisdiction*, Form #05.004<br>http://sedm.org/Forms/FormIndex.htm |
   |---|

   7.2. Is making a presumption that you consented to participate in the franchise.
      7.2.1. This "prima facie presumption" will stick if you don't challenge the jurisdiction at that point and vociferously deny the applicability of the statute.
      7.2.2. If you don't consent but also don't speak up to challenge the misapplication of the franchise statute, your opponent has effectively:
         7.2.2.1. Asserted unlawful eminent domain over your life, liberty, and property without just compensation and connected it to the government as "public property".
         7.2.2.2. Exploited your ignorance and/or laziness to enslave you.
         7.2.2.3. Can claim you acquiesced to the "taking" of your property and assert an equitable estoppel and laches defense. See:

         | *Silence as a Weapon and a Defense in Legal Discovery*, Form #05.021<br>http://sedm.org/Forms/FormIndex.htm |
         |---|

         7.2.2.4. Has enslaved you against your will in violation of the Thirteenth Amendment, 42 U.S.C. §1994, and 18 U.S.C. §1589.
      7.2.3. If you want to know how to challenge these unlawful and unconstitutional presumptions, see:

      | *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017<br>http://sedm.org/Forms/FormIndex.htm |
      |---|

   7.3. Should be challenged to produce evidence of consent ON THE RECORD at every point in the proceeding in order to communicate to them that you don't consent to the franchise agreement and are deriving no benefits or protection from it. The method for challenging this presumption and FORCING them to admit they are making it is to use the following:

   | *Federal Enforcement Authority within States of the Union*, Form #05.032<br>http://sedm.org/Forms/FormIndex.htm |
   |---|

8. Explicit consent of each party to the franchise agreement in a legal dispute before a court must be proven *on the record* before any of the terms of the franchise may be enforced against that party. Otherwise, a violation of due process occurs because presumption of consent is acting as an unlawful substitute for evidence of consent. A court which does not prove consent on the record is:
   8.1. Engaging in involuntary servitude against the party whose consent was never proven, in violation of the Thirteenth Amendment, 42 U.S.C. §1994, and 18 U.S.C. §1589.
   8.2. Unlawfully interfering with the right to contract or not contract of the parties.

*"**Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts, by direct action to that end, does not exist with the general [federal] government. In the first place, one of the objects of the Constitution, expressed in its preamble, was the establishment of justice, and what that meant in its relations to contracts is not left, as was justly said by the late Chief Justice, in Hepburn v. Griswold, to inference or conjecture.** As he observes, at the time the Constitution was undergoing discussion in the convention, the Congress of the Confederation was engaged in framing the ordinance for the government of the Northwestern Territory, in which certain articles of compact were established between the people of the original States and the people of the Territory, for the purpose, as expressed in the instrument, of extending the fundamental principles of civil and religious liberty, upon which the States, their laws and constitutions, were erected. **By that ordinance it was declared, that, in the just preservation of rights and property, 'no law ought ever to be made, or have force in the said Territory, that shall, in any manner,***

> ***interfere with or affect private contracts or engagements bona fide and without fraud previously formed.*** *' The same provision, adds the Chief Justice, found more condensed expression in the prohibition upon the States [in Article 1, Section 10 of the Constitution] against impairing the obligation of contracts, which has ever been recognized as an efficient safeguard against injustice; and though the prohibition is not applied in terms to the government of the United States, he expressed the opinion, speaking for himself and the majority of the court at the time,* ***that it was clear 'that those who framed and those who adopted the Constitution intended that the spirit of this prohibition should pervade the entire body of legislation, and that the justice which the Constitution was ordained to establish was not thought by them to be compatible with legislation [or judicial precedent] of an opposite tendency.*** *' 8 Wall. 623. [99 U.S. 700, 765] Similar views are found expressed in the opinions of other judges of this court."*
> *[Sinking Fund Cases, 99 U.S. 700 (1878)]*

8.3. Committing fraud, by misrepresenting what is actually "private law" as "public law".
8.4. Violating the judge's oath to support and defend the Constitution.

9. For those not engaged in the franchise:
9.1. The "code" or statute that implements the franchise is "foreign law" and they are nonresident persons or "nonresident aliens" in respect to it.
9.2. Courts litigating disputes under the franchise agreement must satisfy the requirements of Minimum Contacts Doctrine of the U.S. Supreme Court.

> *In International Shoe Co. v. Washington, 326 U.S. 310 (1945), the Supreme Court held that a court may exercise personal jurisdiction over a defendant consistent with due process only if he or she has "certain minimum contacts" with the relevant forum "such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice.' " Id. at 316 (quoting Milliken v. Meyer, 311 U.S. 457, 463 (1940)).* ***Unless a defendant's contacts with a forum are so substantial, continuous, and systematic that the defendant can be deemed to be "present" in that forum for all purposes, a forum may exercise only "specific" jurisdiction*** *- that is, jurisdiction based on the relationship between the defendant's forum contacts and the plaintiff's claim.*
>
> *[. . .]*
>
> *In this circuit, we analyze specific jurisdiction according to a three-prong test:*
>
> *(1) The non-resident defendant must* ***purposefully direct his activities or consummate some transaction with the forum or resident thereof****; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws;*
> *(2) the claim must be one which arises out of or relates to the defendant's forum-related activities; and*
> *(3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.*
>
> *Schwarzenegger v. Fred Martin Motor Co., 374 F.3d. 797, 802 (9th Cir. 2004) (quoting Lake v. Lake, 817 F.2d. 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in shorthand fashion, as the "purposeful availment" prong. Schwarzenegger, 374 F.3d. at 802. Despite its label, this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.*
> *[Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d. 1199 (9th Cir. 01/12/2006)]*

9.3. Their estate is a "foreign estate" not within the jurisdiction of the code which administers the program. See 26 U.S.C. §7701(a)(31).

10. Governments and courts frequently will go to great lengths to disguise the nature of the transaction as a voluntary franchise and the accompanying requirement to prove consent by the following means, in order to unlawfully enlarge their jurisdiction and enslave the people by:
10.1. Referring to everyone as a "franchisee". For instance, the IRS calls absolutely EVERYONE a "taxpayer", when in fact, only those who partake of the privilege are "taxpayers". They also refuse on their website to even mention the term "nontaxpayer", which is a person who is not subject to the I.R.C., even though the courts routinely do. For further details, see:

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| *Taxpayer v. Nontaxpayer: Which One Are You?*<br>http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm |

10.2. Allowing case law to be cited by the government party against you that deals only with franchisees and which is irrelevant or inapposite to a person such as yourself who is NOT a franchisee. This constitutes an abuse of "foreign law" for political purposes to promote the selfish whims of the judge or the prosecutor who engages in it for his own personal pecuniary gain in violation of 18 U.S.C. §208 and 28 U.S.C. §455. See:

*Political Jurisdiction*, Form #05.004
http://sedm.org/Forms/FormIndex.htm

10.3. Refusing to acknowledge or enforce the constitutional or "private rights" of those who are not party to the franchise agreement, in order to coerce them into volunteering for the franchise. This turns the court essentially into a "franchise court" where only privileged persons may appear to conduct business in front of the court, which at that point simply becomes an Executive Branch legislatively created agency for conducting "business" of the federal government and turns judges from "justices" to federal administrators who arbitrate disputes under the franchise agreement.

10.4. Inventing new names for the word "privilege", such as "public right", to disguise the true nature of the transaction being arbitrated. See Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983) for a good example of this. Not ONCE does the court admit that what they are really describing is a voluntary franchise or excise that requires the explicit consent of those whose terms it is being enforced against.

10.5. Refusing to require in a legal dispute that evidence of consent and the jurisdiction that it creates be produced on the court record.

10.6. Evading the discussion of words that describe the existence of the franchise and diverting attention away from them by bending the rules of statutory construction. See:

*Meaning of the Words "includes" and "including"*, Form #05.014
http://sedm.org/Forms/FormIndex.htm

11. The protection and enforcement of constitutional rights in a court of law does NOT involve "public rights", but rather "private rights".

11.1. A Bivens Action under 42 U.S.C. §1983 for deprivation of rights is always directed at specific individuals who have violated your personal rights by either violating a law or acting outside their lawfully delegated authority. It is usually never directed at the government, because this would require a waiver of sovereign immunity that seldom is given.

11.2. The enforcement of constitutional or "private rights" must always be litigated in an Article III Constitutional court and may not be litigated in a legislative court. Legislative courts include all United States District Courts, which are Article IV legislative courts that may not lawfully officiate over Article III matters or "private rights" or Constitutional rights. See:

*What Happened to Justice?*, Form #06.012
http://sedm.org/Forms/FormIndex.htm

11.3. No federal legislative court, such as any Article IV "United States District Court" or Article I "U.S. Tax Court", may lawfully rule on any matter that involves "private rights" nor may they lawfully remove such a matter to such a legislative court. This would violate the separation of powers doctrine. Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983).

11.4. Matters involving "private rights" or "constitutional rights" may be litigated in EITHER state courts or Article III federal courts. State courts may rule against federal actors or Article III federal courts may rule against state actors in cases involving violations of "private rights" because in nearly all cases, they are acting outside of their lawful authority and in violation of the Constitution and consequently surrender official, judicial, and sovereign immunity to become private persons. To wit:

> *"The Government may not be sued except by its consent. The United States has not submitted to suit for specific performance*99 or for an injunction. This immunity may not be avoided by naming an officer of the Government as a defendant.* ***The officer may be sued only if he acts in excess of his statutory authority or in violation of the Constitution for then he ceases to represent the Government.****"*
> *[U.S. ex. rel. Brookfield Const. Co. v. Stewart, 284 F.Supp. 94 (1964)]*

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> *"…* ***the maxim that the King can do no wrong has no place in our system of government; yet it is also true, in respect to the State itself, that whatever wrong is attempted in its name is imputable to its government and not to the State, for, as it can speak and act only by law, whatever it does say and do must be lawful. That which therefore is unlawful because made so by the supreme law, the Constitution of the United States, is not the word or deed of the State, but is the mere wrong and trespass of those individual persons who falsely spread and act in its name.****"***

> *"This distinction is essential to the idea of constitutional government. To deny it or blot it out obliterates the line of demarcation that separates constitutional government from absolutism, free self- government based on the sovereignty of the people from that despotism, whether of the one or the many, which enables the agent of the state to declare and decree that he is the state; to say 'L'Etat, c'est moi.' Of what avail are written constitutions, whose bills of right, for the security of individual liberty, have been written too often with the blood of martyrs shed upon the battle-field and the scaffold, if their limitations and restraints upon power may be overpassed with impunity by the very agencies created and appointed to guard, defend, and enforce them;*

> *and that, too, with the sacred authority of law, not only compelling obedience, but entitled to respect? And how else can these principles of individual liberty and right be maintained, if, when violated, the judicial tribunals are forbidden to visit penalties upon individual offenders, who are the instruments of wrong, whenever they interpose the shield of the state?* ***The doctrine is not to be tolerated.*** *The whole frame and scheme of the political institutions of this country, state and federal, protest against it. Their continued existence is not compatible with it.* ***It is the doctrine of absolutism, pure, simple, and naked, and of communism which is its twin, the double progeny of the same evil birth.****"*
> *[Poindexter v. Greenhow, 114 U.S. 270, 5 S.Ct. 903 (1885)]*

## 4.6 Effects of Participating in Federal Franchises

The entirety of Subtitle A of Title 26 of the U.S. Code, also called the Internal Revenue Code (I.R.C.), describes the administration of the TOP SECRET "trade or business" franchise, which is an excise tax upon federal "privileges" or "public rights" associated with a "public office" in the United States government. This body of law is "private law" that only applies against those who individually and expressly consent. For exhaustive details on how this franchise operates, see:

| *The "Trade or Business" Scam*, Form #05.001<br>http://sedm.org/Forms/FormIndex.htm |
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Since no sane person would knowingly make an informed decision to participate if they knew it was a voluntary franchise, then your public dis-servants have taken great pains to hide the requirement for consent, but to respect it using silent presumptions which they will do everything within their power to avoid disclosing to the American public who they are SUPPOSED to serve. See the following for how this SCAM works in the courts:

| *Requirement for Consent*, Form #05.003<br>http://sedm.org/Forms/FormIndex.htm |
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Yet another type of "public right" or "statutory franchise" is the Social Security system. The operation of this franchise is exhaustively explained in the link below:

| *Resignation of Compelled Social Security Trustee*, Form #06.002<br>http://sedm.org/Forms/FormIndex.htm |
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Based on the exhaustive analysis of the "Trade or Business" and the "social security" franchises listed in the references above, we can safely conclude the following:

1. Participating in any government franchise always creates the PRESUMPTION (usually illegally) of contractual agency through the operation of a "trust" or "public trust". That agency subjects you to the laws of a foreign jurisdiction in the District of Columbia pursuant to Fed.Rul.Civ.Proc. 17(b), 26 U.S.C. §7701(a)(39) , and 26 U.S.C. §7408(d) under the terms of the franchise agreements codified in I.R.C. Subtitle A and the Social Security Act.
2. The agency created is that of a "trustee" over "public property", which usually becomes public property by voluntarily donating one's private property to a "public use" for the purposes of procuring the privilege. That process of donating private property to a public use implicitly grants the government the authority to control that use:

> *"Men are endowed by their Creator with certain unalienable rights,-'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted.* ***That property [or income] which a man has honestly acquired he retains full [and EXCLUSIVE] control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [that is why Social Security is voluntary!]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.***
> *[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

3. The trust relation is a cestuis que trust, which is a charitable trust created for the equal benefit of all those who participate. All those acting as "trustees" represent a federal corporation pursuant to 28 U.S.C. §3002(15)(A) and the corporation they represent is a statutory "U.S. citizen" pursuant to 8 U.S.C. §1401. All corporations are classified as "citizens" of the place where they were incorporated.

> *"A foreign corporation is one that derives its existence solely from the laws of another state, government, or country, and the term is used indiscriminately, sometimes in statutes, to designate either a corporation created by or under the laws of another state or a corporation created by or under the laws of a foreign country."*
>
> *"A federal corporation operating within a state is considered a domestic corporation rather than a foreign corporation.* ***The United States government is a foreign corporation with respect to a state.****"*
> *[19 Corpus Juris Secundum, Corporations, §883]*
>
> ---
>
> *"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."*
> *[19 Corpus Juris Secundum, Corporations, §886]*

4. You cannot participate in any "public right" or "public franchise" without becoming a "public officer" of the government granting the privilege.
5. Participating in any government franchise makes one a "resident alien" for the purposes of federal jurisdiction and causes an implied surrender of sovereign immunity pursuant to 28 U.S.C. §1605(a)(2) . There is also an implied surrender of sovereign immunity pursuant to 28 U.S.C. §1603(b)(3) because a "citizen", which is what the corporation is that you represent, cannot be a "foreign state" or "foreign sovereign" under the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97.
6. All privileged activities are usually licensed by the government. The application of the license causes a surrender of constitutional rights.

> *"And here a thought suggests itself. As the Meadors, subsequently to the passage of this act of July 20, 1868, applied for and obtained from the government a license or permit to deal in manufactured tobacco, snuff and cigars, I am inclined to be of the opinion that they are, by this their own voluntary act, precluded from assailing the constitutionality of this law, or otherwise controverting it.* ***For the granting of a license or permit-the yielding of a particular privilege-and its acceptance by the Meadors, was a contract, in which it was implied that the provisions of the statute which governed, or in any way affected their business, and all other statutes previously passed, which were in pari materia with those provisions, should be recognized and obeyed by them. When the Meadors sought and accepted the privilege, the law was before them. And can they now impugn its constitutionality or refuse to obey its provisions and stipulations, and so exempt themselves from the consequences of their own acts?****"*
> *[In re Meador, 1 Abb.U.S. 317, 16 F.Cas. 1294, D.C.Ga. (1869)]*

7. The Social Security Number is the "de facto" license number which is used to track and control all those who voluntarily engage in public franchises and "public rights".
   7.1. The number is "de facto" rather than "de jure" because Congress cannot lawfully license any trade or business, including a "public office" in a state of the Union, by the admission of no less than the U.S. Supreme Court:

> *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for* ***granting*** *coasting* ***licenses****, licenses to pilots, licenses to trade with the Indians, and any other* ***licenses*** *necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*
>
> *But very different considerations apply to the* ***internal commerce*** *or* ***domestic trade*** *of the* ***States****. Over this commerce and trade Congress has* ***no power of regulation nor any direct control****. This power belongs* ***exclusively*** *to the States.* ***No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature****. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.* ***Congress cannot authorize a trade or business within a State in order to tax it.****"*
> *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]*

   7.2. If you don't want to be in a "privileged" state and suffer the legal disabilities of accepting the privilege, then you CANNOT have or use Social Security Numbers.
8. Those participating in the "benefits" of the franchise have implicitly surrendered the right to challenge any encroachments against their "private rights" or "constitutional rights" that result from said participation:

> *The Court developed, for its own governance in the cases confessedly within its jurisdiction, a series of rules under which it has avoided passing upon a large part of all the constitutional questions pressed upon it for decision. They are:*
>
> *[. . .]*
>
> *6. **The Court will not pass upon the constitutionality of a statute at the instance of one who has availed himself of its benefits**.[FN7] Great Falls Mfg. Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 411, 412, 37 S.Ct. 609, 61 L.Ed. 1229; St. Louis Malleable Casting Co. v. Prendergast Construction Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.*
>
> *FN7 Compare Electric Co. v. Dow, 166 U.S. 489, 17 S.Ct. 645, 41 L.Ed. 1088; Pierce v. Somerset Ry., 171 U.S. 641, 648, 19 S.Ct. 64, 43 L.Ed. 316; Leonard v. Vicksburg, etc., R. Co., 198 U.S. 416, 422, 25 S.Ct. 750, 49 L.Ed. 1108.*
> *[Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 56 S.Ct. 466 (1936)]*

9. Use of a Social Security Number constitutes prima facie consent to engage in the franchise. Use of this number constitutes prima facie evidence of implied consent because:
   9.1. It is a crime to compel use or disclosure of Social Security Numbers. 42 U.S.C. §408.
   9.2. You can withdraw from the franchise lawfully at anytime if you don't want to participate. See SSA Form 521. See:

| *Resignation of Compelled Social Security Trustee*, Form #06.002<br>http://sedm.org/Forms/FormIndex.htm |
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   9.3. If the government uses the SSN trustee licenses number to communicate with you and you don't object or correct them, then you once again consented to their jurisdiction to administer the program. See:

| *Wrong Party Notice*, Form #07.105<br>http://sedm.org/Forms/FormIndex.htm |
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10. The Social Security Number is property of the government and NOT the person using it. 20 CFR §422.103(d).
   10.1. The Social Security card confirms this, which says: "Property of the Social Security Administration and must be returned upon request.
   10.2. Anything the Social Security Number is attached to becomes "private property" voluntarily donated to a "public use" to procure the benefits of the "public right" or franchise. Only "public officers" on official business may have public property in their possession such as the Social Security Number.

We will now further analyze items 1 and 2 above by giving you an example of how partaking of a franchise creates agency and constitutes a "trust" or "public trust". The following supreme Court ruling proves that a corporate railroad is a government franchise which makes the corporation into a "**cestuis que trust**", the officers into "public officers" and "trustees" of the United States government through the operation of private law, which is the corporate charter.

> *The proposition is that **the United States, as the grantor of the franchises of the company, the author of its charter, and the donor of lands, rights, and privileges of immense value, and as parens patriae, is a trustee, invested with power to enforce the proper use of the property and franchises granted for the benefit of the public.***
>
> *The legislative power of Congress over this subject has already been considered, and need not be further alluded to. The trust here relied on is one which is supposed to grow out of the relations of the corporation to the government, which, without any aid from legislation, are cognizable in the ordinary courts of equity.*
>
> *It must be confessed that, with every desire to find some clear and well-defined statement of the foundation for relief under this head of jurisdiction, and after a very careful examination of the authorities cited, the nature of this claim of right remains exceedingly vague. Nearly all the cases- we may almost venture to say all of them- fall under two heads:--*
>
> *1. Where municipal, charitable, religious, or eleemosynary corporations, public in their character, had abused their franchises, perverted the purpose of their organization, or misappropriated their funds, and as they, from the nature of their corporate functions, were more or less under government supervision, the Attorney-General proceeded against them to obtain correction of the abuse; or,*
>
> *2. Where private corporations, chartered for definite and limited purposes, had exceeded their powers, and were restrained *618 or enjoined in the same manner from the further violation of the limitation to which their powers were subject.*

*The doctrine in this respect is well condensed in the opinion in The People v. Ingersoll, recently decided by the Court of Appeals of New York, 58 N.Y. 1. 'If,' says the court, 'the property of a corporation be illegally interfered with by **corporation officers and agents** or others, the remedy is by action at the suit of the corporation, and not of the Attorney-General. Decisions are cited from the reports of this country and of this State, entitled to consideration and respect, affirming to some extent the doctrine of the English courts, and applying it to like cases as they have arisen here. But in none has the doctrine been extended beyond the principles of the English cases; and, aside from the jurisdiction of courts of equity over trusts of property for public uses and over the trustees, either corporate or official, the courts have only interfered at the instance of the Attorney-General to prevent and prohibit some official wrong by municipal corporations or public officers, and the exercise of usurped or the abuse of actual powers.' p. 16.*

***37 To bring the present case within the rule governing the exercise of the equity powers of the court, it is strongly urged that the company belongs to the class first described.*

*The duties imposed upon it by the law of its creation, the loan of money and the donation of lands made to it by the United States, its obligation to carry for the government, and the great purpose of Congress in opening a highway for **public use** and the postal service between the widely separated States of the Union, are relied on as establishing this proposition.*

*But in answer to this it must be said that, after all, it is but a railroad company, with the ordinary powers of such corporations. **Under its contract with the government, the latter has taken good care of itself; and its rights may be judicially enforced without the aid of this trust relation. They may be aided by the general legislative powers of Congress, and by those reserved in the charter, which we have specifically quoted.***

*The statute which conferred the benefits on this company, the loan of money, the grant of lands, and the right of way, did the same for other corporations already in existence under State or territorial charters. Has the United States the right *619 to assert a trust in the Federal government which would authorize a suit like this by the Attorney-General against the Kansas Pacific Railway Company, the Central Pacific Railroad Company, and other companies in a similar position?*

***If the United States is a trustee, there must be cestuis que trust. There cannot be the one without the other, and the trustee cannot be a trustee for himself alone. A trust does not exist when the legal right and the use are in the same party, and there are no ulterior trusts.***

***Who are the cestuis que trust for whose benefit this suit is brought?** If they be the defrauded stockholders, we have already shown that they are capable of asserting their own rights; that no provision is made for securing them in this suit should it be successful, and that the statute indicates no such purpose.*

*If the trust concerned relates to the rights of the public in the use of the road, no wrong is alleged capable of redress in this suit, or which requires such a suit for redress.*

*Railroad Company v. Peniston (18 Wall. 5) shows that the company is not a mere creature of the United States, but that while it owes duties to the government, the performance of which may, in a proper case, be enforced, it is still a private corporation, the same as other railroad companies, and, like them, subject to the laws of taxation and the other laws of the States in which the road lies, so far as they do not destroy its usefulness as an instrument for government purposes.*

***We are not prepared to say that there are no trusts which the United States may not enforce in a court of equity against this company.** When such a trust is shown, it will be time enough to recognize it. But we are of opinion that there is none set forth in this bill which, under the statute authorizing the present suit, can be enforced in the Circuit Court.*

***38 There are many matters alleged in the bill in this case, and many points ably presented in argument, which have received our careful attention, but of which we can take no special notice in this opinion. We have devoted so much space to the more important matters, that we can only say that, under the view which we take of the scope of the enabling statute, they furnish no ground for relief in this suit.*

**620 The liberal manner in which the government has aided this company in money and lands is much urged upon us as a reason why the rights of the United States should be liberally construed. This matter is fully considered in the opinion of the court already cited, in United States v. Union Pacific Railroad Co. (supra), in which it is shown that it was a wise liberality for which the government has received all the advantages for which it bargained, and more than it expected. **In the feeble infancy of this child of its creation, when its life and usefulness were very uncertain, the government, fully alive to its importance, did all that it could to strengthen, support, and sustain it. Since it has grown to a vigorous manhood, it may not have displayed the gratitude which so much care called for. If this be so, it is but another instance of the absence of human affections which is said to characterize all corporations. It must, however, be admitted that it has fulfilled the purpose of its creation and realized the hopes which were then cherished, and that the government has found***

> ***it a useful agent, enabling it to save vast sums of money in the transportation of troops, mails, and supplies, and in the use of the telegraph.***
>
> *A court of justice is called on to inquire not into the balance of benefits and favors on each side of this controversy, but into the rights of the parties as established by law, as found in their contracts, as recognized by the settled principles of equity, and to decide accordingly. Governed by this rule, and by the intention of the legislature in passing the act under which this suit is brought, we concur with the Circuit Court in holding that no case for relief is made by the bill.*
> *[U.S. v. Union Pac. R. Co., 98 U.S. 569 (1878)]*

Notice that the government, in relation to the franchisee, is referred to by the Supreme Court as a "parens patriae". This describes the role of the government as protector over persons with a *legal disability*. That disability, in fact, consists mainly of the obligations associated with a "public office" in the U.S. government. By partaking of a "public right" or "statutory right" or "privilege", you are abdicating responsibility over your life, admitting that you can't govern or support yourself, and therefore transferring your own person, property, and labor to another sovereign, who then exercises a legal "guardianship" as a bloated socialist government. Quite revealing!:

> *PARENS PATRIAE. Father of his country; parent of the country. In England, **the king**. In the United States, the state, as a sovereign-**referring to the sovereign power of guardianship over persons under disability**; In re Turner, 94 Kan. 115, 145 P. 871, 872, Ann.Cas.1916E, 1022; such as minors, and insane and incompetent persons; McIntosh v. Dill, 86 Okl. 1, 205 P. 917, 925.*
> *[Black's Law Dictionary, Sixth Edition, p. 1269]*

Those who nominate a "parens patriae" to govern their lives by engaging in statutory "public rights" and franchises can, at the whim of their new master, be left entirely without remedy in any court of law. Below is the proof:

> ***These general rules are well settled: (1) That the United States, when it creates rights in individuals against itself, is under no obligation to provide a remedy through the courts.*** *United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108. (2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann. Cas. 1916A, 118; Arnson v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; Barnet v. National Bank, 98 U. S. 555, 558, 25 L.Ed. 212; Farmers' & Mechanics' National Bank v. Dearing, 91 U. S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh, 214 U. S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U. S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U. S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919. But here Congress has provided:*
>
> *'That any claim which shall be presented and acted on under authority of this act shall be held as finally determined, and shall never thereafter be reopened or considered.'*
>
> *These words express clearly the intention to confer upon the Treasury Department exclusive jurisdiction and to make its decision final. The case of United States v. Harmon, 147 U. S. 268, 13 Sup.Ct. 327, 37 L.Ed. 164, strongly relied upon by claimants, has no application. Compare D. M. Ferry & Co. v. United States, 85 Fed. 550, 557, 29 C.C.A. 345.*
>
> *In the Babcock Case claimant insists also that section 3482 of the Revised Statutes (Comp. St. § 6390), as amended by Act of June 22, *332 1874, c. 395, 18 Stat. 193 (Comp. St. §§ 6391, 6392) affords a basis for the recovery. That section provided for reimbursement for horses lost in the military service, among other things 'in consequence of the United States failing to supply sufficient forage.' The 1874 amendment provided for reimbursement in any case 'where the loss resulted from any exigency or necessity of the military service, unless it was caused by the fault or negligence of such officers or enlisted men.' Even if these statutes were applicable to facts like those presented here, there could be no recovery; because under Act Jan. 9, 1883, c. 15, 22 Stat. 401, and Act Aug. 13, 1888, c. 868, 25 Stat. 437, the right to present claims under section 3482 of the Revised Statutes as amended finally expired in 1891. See Griffis v. United States, 52 Ct.Cl. 1, 170.*
>
> *The Court of Claims was without jurisdiction in either case, and the judgments are Reversed.*
> *[U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919)]*

## 4.7 How to avoid franchises and public rights

Therefore, those wishing to retain their God-given "private rights" and not surrender them to procure a "privilege" should:

1. Demand that any court hearing a matter involving them and the opposing parties MAY NOT cite any provision of the franchise agreement, such as the Social Security Act or I.R.C. Subtitle A, against them without FIRST satisfying the burden of proof that you are subject to the agreement as a "taxpayer". See:

   *Government Burden of Proof*, Form #05.025
   http://sedm.org/Forms/FormIndex.htm

2. Insist that all disputes they litigate in federal courts MUST be heard by Article III judges in Article III courts. This means that the Court's jurisdiction must be challenged and that it MUST produce the statute from the Statutes At Large which confers Article III powers upon the court. We have searched every enactment of Congress from the Statutes At Large and determined that NO United States District Court has Article III powers. See:

   *What Happened to Justice?*, Form #06.012
   http://sedm.org/Forms/FormIndex.htm

3. Avoid engaging in franchises and "public rights" at all costs.
4. Not generate any evidence that might connect you to the franchise. For instance, NEVER:
   4.1. Use a federal identifying number when corresponding with the government.
   4.2. Open financial accounts with SSN's or as a "U.S. person". Instead, use the procedures below:

   *About IRS Form W-8BEN*, Form #04.202
   http://sedm.org/Forms/FormIndex.htm

   4.3. Submit IRS Form W-4 when you go to work. It's the WRONG form. See:

   *Federal and State Tax Withholding Options for Private Employers*, Form #04.101
   http://sedm.org/Forms/FormIndex.htm

   4.4. Submit IRS Form 1040, which is the WRONG form. Everything that goes on this form is "trade or business" earnings. See:

   *The "Trade or Business" Scam*, Form #05.001
   http://sedm.org/Forms/FormIndex.htm

   4.5. Sign up for Social Security using form SS-5. If you did this, you should quit using the instructions below:

   *Resignation of Compelled Social Security Trustee*, Form #06.002
   http://sedm.org/Forms/FormIndex.htm

5. Promptly rebut all evidence generated by third parties which might connect you with a franchise, such as all IRS information returns, which are usually false because most people are NOT engaged in a "public office" or "trade or business". See the following resources on how to rebut information returns that connect you to The "Trade or Business" franchise pursuant to 26 U.S.C. §6041 or which are useful in rebutting tax collection notices based on these forms of FALSE hearsay evidence:
   5.1. Rebut all uses of federal identifying numbers on any government correspondence you receive. See:

   *Wrong Party Notice*, Form #07.105
   http://sedm.org/Forms/FormIndex.htm

   5.2. *Correcting Erroneous Information Returns*, Form #04.001. Incorporates the content of all the next four items plus additional material.
   http://sedm.org/Forms/FormIndex.htm
   5.3. *Correcting Erroneous IRS Form 1042s*, Form #04.003
   http://sedm.org/Forms/FormIndex.htm
   5.4. *Correcting Erroneous IRS Form 1098*, Form #04.004
   http://sedm.org/Forms/FormIndex.htm
   5.5. *Correcting Erroneous IRS Form 1099*, Form #04.005
   http://sedm.org/Forms/FormIndex.htm
   5.6. Correcting Erroneous IRS Form W-2's, Form #04.006
   http://sedm.org/Forms/FormIndex.htm

6. Vociferously oppose any attempts to "presume" that they are engaged in franchises by any government employee. All such presumptions which might prejudice constitutionally guaranteed rights are an unlawful violation of due process of law. See:

   *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017
   http://sedm.org/Forms/FormIndex.htm

   For instance, if someone cites any provision of the I.R.C. against you, which is private law that only pertains to those engaged in The "Trade or Business" franchise, then you should insist that they meet the burden of proving that you are a "taxpayer" who is subject BEFORE they may cite or enforce any of its provisions against you. See:

   *Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?*, Form #05.013
   http://sedm.org/Forms/FormIndex.htm

If you would like to learn more about how to avoid franchises and licensed activities, please visit the following section of our website:

*Liberty University, Section 4 entitled: "Avoiding Government Franchises and Licenses"*
http://sedm.org/LibertyU/LibertyU.htm

# 5 Federal law is limited to federal territory and property and those domiciled on federal territory

## 5.1 General constraints

It is very important to understand the following principles of law limiting federal legislative jurisdiction within states of the Union:

1. States of the Union are NOT "territories" of the national government, but rather "foreign states" who by virtue of being "foreign" are beyond the legislative jurisdiction of Congress.

> *Corpus Juris Secundum Legal Encyclopedia*
> *"§1. Definitions, Nature, and Distinctions*
>
> ***"The word 'territory,' when used to designate a political organization has a distinctive, fixed, and legal meaning under the political institutions of the United States, and does not necessarily include all the territorial possessions of the United States, but may include only the portions thereof which are organized and exercise governmental functions under act of congress."***
>
> *"While the term 'territory' is often loosely used, and has even been construed to include municipal subdivisions of a territory, and 'territories of the' United States is sometimes used to refer to the entire domain over which the United States exercises dominion, the word 'territory,' when used to designate a political organization, has a distinctive, fixed, and legal meaning under the political institutions of the United States, and the term 'territory' or 'territories' does not necessarily include only a portion or the portions thereof which are organized and exercise government functions under acts of congress. The term 'territories' has been defined to be political subdivisions of the outlying dominion of the United States, and in this sense the term 'territory' is not a description of a definite area of land but of a political unit governing and being governed as such. The question whether a particular subdivision or entity is a territory is not determined by the particular form of government with which it is, more or less temporarily, invested.*
>
> ***"Territories' or 'territory' as including 'state' or 'states." While the term 'territories of the' United States may, under certain circumstances, include the states of the Union, as used in the federal Constitution and in ordinary acts of congress "territory" does not include a foreign state.***
>
> ***"As used in this title, the term 'territories' generally refers to the political subdivisions created by congress, and not within the boundaries of any of the several states."***
> *[86 Corpus Juris Secundum (C.J.S.), Territories, §1]*

2. It is a canon of statutory construction and interpretation that all federal law is limited to the "territory" and property of the national government subject to its exclusive and general jurisdiction. Based on the previous item, that "territory" does not include the exclusive jurisdiction of any constitutional state of the Union and includes ONLY federal territory. That "territory" could conceivably be within the exterior limits of a state of the Union such as a national park or shipyard.

> *"It is a well established principle of law that all federal regulation applies only within the territorial jurisdiction of the United States unless a contrary intent appears."*
> *[Foley Brothers, Inc. v. Filardo, 336 U.S. 281 (1949)]*
>
> *"The laws of Congress in respect to those matters [outside of Constitutionally delegated powers] do not extend into the territorial limits of the states, but have force only in the District of Columbia, and other places that are within the exclusive jurisdiction of the national government.")*
> *[Caha v. U.S., 152 U.S. 211 (1894)]*
>
> *"There is a canon of legislative construction which teaches Congress that, unless a contrary intent appears [legislation] is meant to apply only within the territorial jurisdiction of the United States.")*
> *[U.S. v. Spelar, 338 U.S. 217 at 222.]*

3. The right of the national government to enforce national law and tax law upon federal territory extends to those DOMICILED on federal territory, wherever physically situated.

3.1. Extraterritorial jurisdiction over those domiciled on federal territory and who are abroad but NOT within a state of the Union was recognized in the case of Cook v. Tait, where the U.S. Supreme Court held:

> *"Plaintiff assigns against the power not only his rights under the Constitution of the United States, but under international law, and in support of the assignments cites many cases.* ***It will be observed that the foundation of the assignments is the fact that the citizen receiving the income and the property of which it is the product are outside of the territorial limits of the United States. These two facts, the contention is, exclude the existence of the power to tax. Or, to put the contention another way, to the existence of the power and its exercise, the person receiving the income and the property from which he receives it must both be within the territorial limits of the United States to be within the taxing power of the United States. The contention is not justified, and that it is not justified is the necessary deduction of recent cases.*** *In United States v. Bennett, 232 U.S. 299, the power of the United States to tax a foreign-built yacht owned and used during the taxing period outside of the [265 U.S. 55] United States by a citizen domiciled in the United States was sustained. The tax passed on was imposed by a tariff act, but necessarily the power does not depend upon the form by which it is exerted."*
> *[Cook v. Tait, 265 U.S. 47 (1924)]*

The important point of the above is that so long as the person claims to be a "citizen of the United States" under federal statutory law, then he or she is a "taxpayer", regardless of what domicile they claim.

3.2. All tax liability is a civil liability in a de jure government which attaches to one's choice of civil domicile. The only way to lawfully decouple tax liability from domicile is to create a PRIVATE LAW franchise contract in which:

3.2.1. The "taxpayer" is a public officer engaged in franchises by private law contract. Since the franchise is a contract, that contract is enforceable anywhere:

> *Debitum et contractus non sunt nullius loci.*
>
> *Debt and contract [franchise agreement, in this case] are of no particular place.*
>
> *Locus contractus regit actum.*
>
> *The place of the contract [franchise agreement, in this case] governs the act.*
> *[Bouvier's Maxims of Law, 1856;*
> *SOURCE: http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm]*

3.2.2. The public officer is representing a federal corporation that IS a statutory "U.S. citizen" per 8 U.S.C. §1401.

3.2.3. Information returns filed against the "taxpayer" connect them to the public office, and therefore provide evidence that the party was engaged in the franchise contract.

3.3. The right to tax those domiciled on federal territory includes those who are statutory but not constitutional "U.S. citizens" per 8 U.S.C. §1401 or "Resident aliens" per 26 U.S.C. §7701(b)(4)(B), who have in common a domicile on federal territory. Hence, they are subject to the civil laws of the United States wherever they physically are.

3.4. A corollary is that those born or naturalized anywhere in the Union and domiciled in a foreign state, such as either a foreign nation or a Constitutional but not statutory state of the Union, are NOT statutory "U.S. citizens" per 8 U.S.C. §1401 or "Resident aliens" per 26 U.S.C. §7701(b)(4)(B), but rather non-citizen nationals under federal law per 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 and "stateless persons" beyond the legislative jurisdiction of Congress. Note in the ruling below that Bettison was described as "stateless" because he was not domiciled on federal territory in a statutory federal "State", but rather in a foreign state and foreign country that is not subject to federal law, which in this case was Venezuela but could also have been a constitutional state of the Union.

> *At oral argument before a panel of the Seventh Circuit Court of Appeals, Judge Easterbrook inquired as to the statutory basis for diversity jurisdiction, an issue which had not been previously raised either by counsel or by the District Court Judge. In its complaint, Newman-Green had invoked 28 U.S.C. § 1332(a)(3), which confers jurisdiction in the District Court when a citizen of one State sues both aliens and citizens of a State (or States) different from the plaintiff's.* ***In order to be a citizen of a State within the meaning of the diversity statute, a natural person must both be a citizen of the United States and be domiciled within the State. See Robertson v. Cease, 97 U.S. 646, 648-649 (1878); Brown v. Keene, 8 Pet. 112, 115 (1834). The problem in this case is that Bettison, although a United States citizen, has no domicile in any State. He is therefore "stateless" for purposes of § 1332(a)(3). Subsection 1332(a)(2), which confers jurisdiction in the District Court when a citizen of a State sues aliens only, also could not be satisfied because Bettison is a United States citizen. [490 U.S. 829]***

> *When a plaintiff sues more than one defendant in a diversity action, the plaintiff must meet the requirements of the diversity statute for each defendant or face dismissal. Strawbridge v. Curtiss, 3 Cranch 267 (1806).{1} Here, Bettison's "stateless" status destroyed complete diversity under § 1332(a)(3), and his United States citizenship destroyed complete diversity under § 1332(a)(2). Instead of dismissing the case, however, the Court of Appeals panel granted Newman-Green's motion, which it had invited, to amend the complaint to drop Bettison as a party, thereby producing complete diversity under § 1332(a)(2). 832 F.2d. 417 (1987). The panel, in an opinion by Judge Easterbrook, relied both on 28 U.S.C. § 1653 and on Rule 21 of the Federal Rules of Civil Procedure as sources of its authority to grant this motion. The panel noted that, because the guarantors are jointly and severally liable, Bettison is not an indispensable party, and dismissing him would not prejudice the remaining guarantors. 832 F.2d. at 420, citing Fed.Rule Civ.Proc. 19(b). The panel then proceeded to the merits of the case, ruling in Newman-Green's favor in large part, but remanding to allow the District Court to quantify damages and to resolve certain minor issues.{2}*
> *[Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989)]*

4. The right of the federal government to officiate and legislate over its own chattel property extends EVERYWHERE in the Union and wherever said property is physically located.
   4.1. Jurisdiction over government chattel property extends to every type of property owned by said government. In law:
      4.1.1. All rights are property.
      4.1.2. Anything that conveys rights is property.
      4.1.3. Contracts convey rights and are therefore "property".
      4.1.4. All franchises are contracts between the grantor and the grantee and therefore "property".
   4.2. This jurisdiction over chattel property originates from Article 4, Section 3, Clause 2 of the United States Constitution.

> *"**The Constitution permits Congress to dispose of and to make all needful rules and regulations respecting the territory or other property belonging to the United States. This power applies as well to territory belonging to the United States within the States, as beyond them. It comprehends all the public domain, wherever it may be. The argument is, that the power to make 'ALL needful rules and regulations' 'is a power of legislation,' 'a full legislative power;' 'that it includes all subjects of legislation in the territory,' and is without any limitations, except the positive prohibitions which affect all the powers of Congress.** Congress may then regulate or prohibit slavery upon the public domain within the new States, and such a prohibition would permanently affect the capacity of a slave, whose master might carry him to it. And why not? Because no power has been conferred on Congress. This is a conclusion universally admitted. **But the power to 'make rules and regulations respecting the territory' is not restrained by State lines, nor are there any constitutional prohibitions upon its exercise in the domain of the United States within the States; and whatever rules and regulations respecting territory Congress may constitutionally make are supreme, and are not dependent on the situs of 'the territory.'"**`*
> *[Dred Scott v. Sandford, 60 U.S. 393, 509-510 (1856)]*

   4.3. The jurisdiction of federal district and circuit courts is limited almost exclusively to disputes involving chattel property and franchises. All such courts, in fact, are created and maintained under Article 4, Section 3, Clause 2 of the united States Constitution and they are NOT created under the authority of Article III of the United States Constitution. NOWHERE, in fact, within the statutes creating such administrative franchise courts is Article III expressly invoked such as it is in the case of the Court of International Trade. Hence, the only REAL Article III courts are the Court of International Trade and the U.S. Supreme Court. Every other federal court is an Article IV franchise court that can only manage property. These conclusions are exhaustively established with thousands of pages of evidence in the following book on our website:

| |
|---|
| *What Happened to Justice?*, Form #06.012<br>http://sedm.org/Forms/FormIndex.htm |

## 5.2 Extraterritorial Tax Jurisdiction of the National Government

We wish to elaborate further on the case of Cook v. Tait, 265 U.S. 47 (1924) mentioned at the end of the previous section. That case is important because it is frequently cited as authority by federal courts as the origin of their extraterritorial jurisdiction to tax. Ordinarily, and especially in the case of states of the Union, domicile within that state by the state "citizen" is the determining factor as to whether an income tax is owed to the state by that citizen:

> *"**domicile**. A person's legal home. That place where a man has his true, fixed, and **permanent home** and principal establishment, and to which whenever he is absent he has **the intention of** returning. Smith v. Smith, 206 Pa.Super. 310, 213 A.2d. 94. Generally, physical presence within a state and **the intention** to make it one's home are the requisites of establishing a "domicile" therein. The permanent residence of a person or the place to which he **intends to** return even though he may actually reside elsewhere. A person may have more than one*

> *residence but only one domicile.* ***The legal domicile of a person is important since it, rather than the actual residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise the privilege of voting and other legal rights and privileges.****"*
> *[Black's Law Dictionary, Sixth Edition, p. 485]*

> *"****Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes****. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides,* ***the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter.*** *Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."*
> *[Miller Brothers Co. v. Maryland,* 347 U.S. 340 *(1954)]*

We also establish the connection between domicile and tax liability in the following article.

| |
|---|
| *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002<br>http://sedm.org/Forms/FormIndex.htm |

Only in the case of the national government for statutory but not constitutional "U.S. citizens" abroad are factors OTHER than domicile even relevant, as pointed out in Cook v. Tait. What "OTHER" matters might those be? Well, in the case of Cook, the thing taxed is a voluntary franchise, and that status of being a statutory but not constitutional "U.S. citizen" abroad exercising what the courts call "privileges and immunities" of the national (rather than FEDERAL) government is the franchise. Note the language in Cook v. Tait, which attempted to connect the American located and domiciled "abroad" in Mexico with receipt of a government "benefit" and therefore excise taxable "privilege" and franchise/contract.

> *"We may make further exposition of the national power as the case depends upon it. It was illustrated at once in United States v. Bennett by a contrast with the power of a state. It was pointed out that there were limitations upon the latter that were not on the national power.* ***The taxing power of a state, it was decided, encountered at its borders the taxing power of other states and was limited by them. There was no such limitation, it was pointed out, upon the national power, and that the limitation upon the states affords, it was said, no ground for constructing a barrier around the United States, 'shutting that government off from the exertion of powers which inherently belong to it by virtue of its sovereignty.'***

> ***"The contention was rejected that a citizen's property without the limits of the United States derives no benefit from the United States.*** *The contention, it was said, came from the confusion of thought in 'mistaking the scope and extent of the sovereign power of the United States as a nation and its relations to its citizens and their relation to it.'* **And that power in its scope and extent, it was decided, is based on the presumption that government by its very nature benefits the citizen and his property wherever found,** *and that opposition to it holds on to citizenship while it 'belittles and destroys its advantages and blessings by denying the possession by government of an essential power required to make citizenship completely beneficial.' In other words, the principle was declared that the government, by its very nature, benefits the citizen and his property wherever found, and therefore has the power to make the benefit complete.* ***Or, to express it another way, the basis of the power to tax was not and cannot be made dependent upon the situs of the property in all cases, it being in or out of the United States, nor was not and cannot be made dependent upon the domicile of the citizen, that being in or out of the United States, but upon his relation as citizen to the United States and the relation of the latter to him as citizen.*** *The consequence of the relations is that the native citizen who is taxed may have domicile, and the property from which his income is derived may have situs, in a foreign country and the tax be legal—the government having power to impose the tax."*
> *[Cook v. Tait, 265 U.S. 47 (1924)]*

So the key thing to note about the above is that the tax liability attaches to the STATUS of BEING or REPRESENTING a statutory but not constitutional "citizen of the United States" under the Internal Revenue Code, and NOT to domicile of the human being, based on the above case.

> ***"Or, to express it another way, the basis of the power to tax was not and cannot be made dependent upon the situs of the property in all cases, it being in or out of the United States, nor was not and cannot be made dependent upon the domicile of the citizen, that being in or out of the United States, but upon his relation as citizen to the United States and the relation of the latter to him as citizen.*** *The consequence of the relations is that the native citizen who is taxed may have domicile, and the property from which his income is derived may have situs, in a foreign country and the tax be legal—the government having power to impose the tax."*
> *[Cook v. Tait, 265 U.S. 47 (1924)]*

There are only two ways to reach a nonresident party through the civil law: Domicile and contract.[12]

> *"All the powers of the government [including ALL of its civil enforcement powers against the public] must be carried into operation* ***by individual agency, either through the medium of public officers, or contracts made with [private] individuals.****"*
> *[Osborn v. Bank of U.S., 22 U.S. 738 (1824)]*

The voluntary choice of electing to be treated as a statutory "U.S. citizen" under the Internal Revenue Code, in turn, can only be a franchise contract/agreement that implements a "public office" in the U.S. government. The office, in turn, is chattel property of the U.S. Government that the creator of the franchise can regulate or tax ANYWHERE under the franchise "protection" contract. All rights that attach to STATUS are, in fact, franchises, and the Cook case is no exception. This, in fact, is why falsely claiming to be a statutory "U.S. citizen" is a crime under 18 U.S.C. §911: Because the franchise status is a creation of and therefore "property" of the national government and abuse of said property or the public rights and "benefits" that attach to it is a crime.

The government can only tax what it creates, and it created the PUBLIC OFFICE but not the OFFICER filling the office. The "Taxpayer Identification Number" functions as a de facto "license" to exercise the privilege/franchise. A license is permission from the state to do that which is otherwise illegal. You can't license something unless it is FIRST ILLEGAL to perform WITHOUT a license, so they had to make it illegal to claim to be a statutory "U.S. citizen" per 18 U.S.C. §911 before they could license it and tax it. Hence:

1. The statutory "taxpayer" (self-proclaimed statutory "U.S. citizen") at 26 U.S.C. §7701(a)(14) is a public office in the U.S. Government.
2. The U.S. government, in turn, is a federal corporation.
3. All federal corporations are domiciled in the District of Columbia per Federal Rule of Civil Procedure 17(b).
4. The term "citizen of the United States**" is a synonym for the "taxpayer" status and also a public office in the corporation.
5. All corporations are franchises and all those serving in offices within the corporation are acting in a representative capacity as "officers of a corporation" and therefore "persons" as statutorily defined in 26 U.S.C. §6671(b) and 26 U.S.C. §7343.
6. The human being is:
   6.1. Filling the public office of statutory "taxpayer" and statutory self-proclaimed "citizen of the United States**"
   6.2. Representing the federal corporation as an officers of said corporation.
   6.3. Representing the office, which is the real statutory "person" defined in 26 U.S.C. §6671(b) and 26 U.S.C. §7343 because acting as a public officer.
   6.4. Surety for public office he fills but he/she is NOT the office.
   6.5. Availing himself of the "benefits" and "protections" and "privileges" of a federal franchise.
7. Because the human being consented to act as an officer and accept the franchise "benefits" of the public office, he must ALSO accept all the statutory franchise obligations that GO with the office. You can't take the "goodies" of the office and refuse to also accept the obligations that go with those goodies. Here is how the California Civil Code describes this:

> *California Civil Code*
> *DIVISION 3. OBLIGATIONS*
> *PART 2. CONTRACTS*
> *TITLE 1. NATURE OF A CONTRACT*
> *CHAPTER 3. CONSENT*
>
> *1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*
> *[SOURCE:*
> *http://www.leginfo.ca.gov/cgi-bin/displaycode?section=civ&group=01001-02000&file=1565-1590]*
>
> _____
>
> *"Cujus est commodum ejus debet esse incommodum.*

[12] See *Great IRS Hoax*, Form #11.302, Section 5.2.4: The Two Sources of Federal Civil Jurisdiction: "Domicile" and "Contract"; http://sedm.org/Forms/FormIndex.htm.

*He who receives the benefit should also bear the disadvantage.*

*Que sentit commodum, sentire debet et onus.*
*He who derives a benefit from a thing, ought to feel the disadvantages attending it. 2 Bouv. Inst. n. 1433."*
*[Bouvier's Maxims of Law, 1856;*
*SOURCE: http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm]*

8. Invoking the franchise status causes a waiver of sovereign immunity under the Foreign Sovereign Immunities Act, 28 U.S.C. §1605(a)(2). This waiver of sovereign immunity is also called "purposeful availment" by the courts, which simply means that you consensually and purposefully directed your activities towards instigating commerce with the Beast (government, Rev. 19:19). Hence by voluntarily calling yourself a statutory "U.S. citizen", you are fornicating with the Beast and you are among the "seas of people nations and tongues" who are part of Babylon the Great Harlot mentioned in the Bible Book of Revelations. Black's Law Dictionary, in fact, defines "commerce" as "intercourse". This makes all those who engage in such commerce with government instead of God into fornicators and harlots.

> *"**Commerce**. …**Intercourse** by way of trade and traffic between different peoples or states and the citizens or inhabitants thereof, including not only the purchase, sale, and exchange of commodities, but also the instrumentalities [governments] and agencies by which it is promoted and the means and appliances by which it is carried on…"*
> *[Black's Law Dictionary, Sixth Edition, p. 269]*

9. Domicile is still important even within the Internal Revenue Code. The domicile at issue in the I.R.C., however, is the domicile of the OFFICE and NOT the PERSON FILLING said office. The OFFICE can have a different domicile than the OFFICER. The statutory "taxpayer" found in 26 U.S.C. §7701(a)(14) is a public office. The human being filling the office is NOT the "taxpayer", but a PARTNER with the office and surety for the office. That partnership is mentioned in 26 U.S.C. §6671(b) and 26 U.S.C. §7343.

## 5.3 International Terrorism and legislating from the bench by Ex President Taft and the U.S. Supreme Court in Cook v. Tait, 265 U.S. 47 (1924)

The severe problems with the U.S. Supreme Court's interpretation in Cook v. Tait, 265 U.S. 47 (1924) are that:

1. They say that state taxing authority stops at the state's borders because it collides with adjacent states, and yet they don't apply the same extraterritorial limitation upon United States taxing jurisdiction, even though it:
   1.1. Similarly collides with and interferes with neighboring countries
   1.2. Violates the sovereignty and EQUALITY of adjacent nations under the law of nations.
2. Americans domiciled abroad ought to be able to decide when or if they want to be protected by the United States government while abroad and that method ought to be DIRECT and explicit, by expressly asking in writing to be protected and receiving a BILL for the cost of the protection. Instead, based on the outcome in Cook, the Supreme Court made the request for protection and INDIRECT RUSE by associating it with the voluntary choice of calling oneself a statutory "U.S. citizen" under national law. This caused the commission of a crime under current law and additional confusion because:
   2.1. 18 U.S.C. §911 makes it is a crime to claim to be a statutory "U.S. citizen" under 8 U.S.C. §1401.
   2.2. Under current law, you cannot be a statutory "citizen" without a domicile in a place and you can only have a domicile in one place at a time. Cook had a domicile in Mexico and therefore was a statutory "resident" or "citizen" of Mexico AND NOWHERE ELSE. You can only be a statutory "citizen" in one place at a time because you can only have a DOMICILE in one place at a time. Therefore, Cook COULD NOT be a statutory "citizen of the "United States**" at the same time and was LYING to claim that he was.
3. If an American domiciled abroad doesn't want to be protected and says so in writing, they shouldn't be forced to be protected or to pay for said protection through "taxation".
4. The U.S. government cannot and should not have the right to FORCE you to both be protected and to pay for such protection, because that is THEFT and SLAVERY, and especially if you regard their protection as an injury or a "protection racket".
5. YOU and not THEY should have the right to define whether what they offer constitutes "PROTECTION" because YOU are the "customer" for protection services and the customer is ALWAYS right. You can't be sovereign if they can define their mere existence as "protection" or a so-called "benefit", force you to pay for that "protection" or "benefit", and charge whatever they want for said protection. After all, they could injure you and as long as they are the only ones who can define words in a dispute, then they can call it a "benefit" and even charge you for it!

> *"Society in every state is a blessing, but government even in its best state is but a necessary evil; in its worst state an intolerable one; for when we suffer, or are exposed to the same miseries by a government, which we might expect in a country without government, our calamity is heightened by reflecting that we furnish the means by which we suffer."*
> *[Thomas Paine, "Common Sense" Feb 1776]*

6. If the government is going to enforce their right to force you to accept their "protection" and/or franchise "benefits" and pay for them, then by doing so they are:
   6.1. "Purposefully availing themselves" of commerce within your life and your private jurisdiction.
   6.2. Conferring upon you the same EQUAL right to tax THEM and regulate THEM that they claim they have the right to do to you under the concept of equal rights and equal protection.
   6.3. Conferring upon you the right to decide how much YOU get to charge THEM for invading your life, stealing your resources, time, and property, and enslaving you.

   The above are an unavoidable consequence of the requirements of the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97. That act applies equally to ALL governments, not just to foreign governments, under the concept of equal protection. YOU are your own "government" for your own "person", family, and property. According to the U.S. Supreme Court, ALL the power of the U.S. government is delegated to them from YOU and "We the People". Therefore, whatever rights they claim you must ALSO have, including the right to enforce YOUR franchises against them without THEIR consent. Hence, the same rules they apply to you HAVE to apply to them or they are nothing but terrorists and extortionists. The U.S. Supreme Court affirmed that when they tax nonresidents without their consent, it is more akin to crime and extortion than a lawful government function.

> ***"The power of taxation, indispensable to the existence of every civilized government, is exercised upon the assumption of an equivalent rendered to the taxpayer in the protection of his person and property, in adding to the value of such property**, or in the creation and maintenance of public conveniences in which he shares -- such, for instance, as roads, bridges, sidewalks, pavements, and schools for the education of his children. **If the taxing power be in no position to render these services, or otherwise to benefit the person or property taxed, and such property be wholly within the taxing power of another state, to which it may be said to owe an allegiance, and to which it looks for protection, the taxation of such property within the domicil of the owner partakes rather of the nature of an extortion than a tax**, and has been repeatedly held by this Court to be beyond the power of the legislature, and a taking of property without due process of law. Railroad Company v. Jackson, 7 Wall. 262; State Tax on Foreign-Held Bonds, 15 Wall. 300; Tappan v. Merchants' National Bank, 19 Wall. 490, 499; Delaware &c. R. Co. v. Pennsylvania, 198 U.S. 341, 358. In Chicago &c. R. Co. v. Chicago, 166 U.S. 226, it was held, after full consideration, that the taking of private property [199 U.S. 203] without compensation was a denial of due process within the Fourteenth Amendment. See also Davidson v. New Orleans, 96 U.S. 97, 102; Missouri Pacific Railway v. Nebraska, 164 U.S. 403, 417; Mt. Hope Cemetery v. Boston, 158 Mass. 509, 519."*
> *[Union Refrigerator Transit Company v. Kentucky, 199 U.S. 194 (1905)]*

Of course, the U.S. Supreme Court in Cook v. Tait DID NOT address any of the problems or "cognitive dissonance" deliberately created above by their hypocritical double standard and self-serving word games, and if they had reconciled the problems described, they would have had to expose the FALSE, injurious, and prejudicial presumptions they were making and the deliberate conflict of law and logic those presumptions created, and thereby reconcile them.

As you will eventually learn, most cases in federal court essentially boil down to a criminal conspiracy by the judge and the government prosecutor to "hide their presumptions" and "hide the consent of the governed" in order to advantage the government and conceal or protect their criminal conspiracy to steal from you and enslave you. This game is done by quoting words out of context, confusing the statutory and constitutional contexts, and abusing "words of art" to deceive and presume in a way that "benefits" them RATHER than the people they are supposed to be protecting. Their "presumptions" serve as the equivalent of religious faith, and the false god they worship in their religion is SATAN himself and the money and power he tempts them with. They know that:

1. They can't govern you civilly without your consent as the Declaration of Independence requires.
2. The statutory "person", "individual", "citizen", "resident", and "inhabitant" they civilly govern is created by your consent.
3. When you call them on it and say you aren't a "person", "citizen", "individual", or "resident" under the civil law because you never consented to be governed, and instead are a nonresident, then instead of proving your consent to be governed as the Declaration of Independence requires, the criminals on the bench call you frivolous to cover up their FRAUD and THEFT of your property.

Likewise, corrupt governments frequently try to hide the prejudicial and injurious presumptions they are making because having to justify and defend them would expose the cognitive conflicts, irrationality, and deception in their reasoning. They know that all presumptions that prejudice rights protected by the Constitution are a violation of due process of law and render a void judgment so they try to hide them. For instance, in the Cook case, the presumption the Supreme Court made was that the term "citizen of the United States" made by Plaintiff Cook meant a STATUTORY citizen pursuant to 8 U.S.C. §1401, and NOT a CONSTITUTIONAL citizen. However, the only thing the Plaintiff reasonably could have been was a CONSTITUTIONAL and NOT STATUTORY citizen by virtue of being domiciled abroad. It is a fact that you can only have a domicile in one place at a time, that your statutory status as a "citizen" comes from that choice of domicile, and that you can therefore only be a statutory "citizen" of ONE place at a time. The Plaintiff in Cook was a citizen or resident of Mexico and NOT of the statutory "United States**" (federal territory). Hence, he was not a "taxpayer" because not the statutory "citizen of the United States" that they fraudulently acquiesced to allow him to claim that he was. Allowing him to claim that status was FRAUD, but because it padded their pockets they tolerated it and went along with it, and used it to deceive even more people with a vague ruling describing their ruse.

If the Supreme Court had exposed all of their presumptions in the Cook case and were honest, they would have held that:

1. Cook was NOT a statutory "citizen of the United States**" under the federal revenue laws at that time. The Internal Revenue Code was not in existence at that time and wasn't introduced until 1939.
2. Cook could not truthfully claim to be a statutory "citizen of the United States" if he was domiciled in Mexico as he claimed and as they accepted. He didn't have a domicile on federal territory called the "United States" therefore his claim that we was such a statutory "citizen" was FRAUD that they could not condone, even if it profited them. Compare Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989), in which a foreign domiciled American was declared "stateless" and therefore beyond the jurisdiction of the federal courts.
3. Cook was a nonresident alien and "stateless person" in relation to federal jurisdiction by virtue of his foreign domicile in Mexico. Hence, he was beyond the reach of the federal courts:

> *The tax which is sustained is, in my judgment, a tax upon the income of non-resident aliens and nothing else.*
>
> *[. . .]*
>
> ***The government thus lays a tax, through the instrumentality of the company [PUBLIC OFFICE/WITHHOLDING AGENT], upon the income of a non-resident alien over whom it cannot justly exercise any control, nor upon whom it can justly lay any burden.***
>
> *[. . .]*
>
> ***The power of the United States to tax is limited to persons, property, and business within their jurisdiction, as much as that of a State is limited to the same subjects within its jurisdiction. State Tax on Foreign-Held Bonds, 15 Wall. 300."***
>
> ***"A personal tax," says the Supreme Court of New Jersey, "is the burden imposed by government on its own citizens for the benefits which that government affords by its protection and its laws, and any government which should attempt to impose such a tax on citizens of other States would justly incur the rebuke of the intelligent sentiment of the civilized world." State v. Ross, 23 N.J.L. 517, 521.***
>
> *In imposing a tax, says Mr. Chief Justice Marshall, the legislature acts upon its constituents.* ***"All subjects," he adds, "over which the power of a State extends are objects of taxation, but those over which it does not extend are, upon the soundest principles, exempt from taxation. This proposition *334 may almost be pronounced self-evident." McCulloch v. Maryland, 4 Wheat. 316, 428.***
>
> ***There are limitations upon the powers of all governments, without any express designation of them in their organic law; limitations which inhere in their very nature and structure, and this is one of them, — that no rightful authority can be exercised by them over alien subjects, or citizens resident abroad or over their property there situated.***
> *[United States v. Erie R. Co., 106 U.S. 327 (1882)]*

4. As a private human being, Cook did not lawfully occupy a public office in the federal government as that term is legally defined. Hence, he could not lawfully be a statutory "individual" or "person". All "persons" and "individuals" within the Internal Revenue Code are public offices and/or instrumentalities of the national and not state government. Hence, Cook was a "nonresident alien NON-individual". The U.S. Supreme Court has held that the ability to regulate EXCLUSIVELY PRIVATE conduct is repugnant to the constitution. Hence, only activities of public officers and

agents may be regulated or taxed without violating the USA Constitution. Any other approach results in slavery and involuntary servitude. See the following for proof that all statutory "taxpayers" are public officers engaged in the "trade or business" and public officer franchise defined in 26 U.S.C. §7701(a)(26):

| |
|---|
| *Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008 http://sedm.org/Forms/FormIndex.htm |

5. Since all public offices must be executed in the District of Columbia and not elsewhere, and since Cook wasn't in the District of Columbia, then the I.R.C. could not be used to CREATE that public office and the "taxpayer" status that attaches to it in Mexico where he was.

In order to sidestep the SIGNFICANT issues raised by the above considerations, the U.S. Supreme Court:

1. Made their ruling far too ambiguous and short.
2. Refused to address:
   2.1. All the implications described above and generated more rather than less confusion.
   2.2. The holding in United States v. Erie R. Co., 106 U.S. 327 (1882) above.
3. Cited NO statutory authority or legal authority for their decision to create the statutory "citizen of the United States**" franchise that exists INDEPENDENT of the domicile of a domestic national. It was created entirely by judicial fiat and "legislating from the bench". The reason they had to do this is that Congress cannot write law that operates extraterritorially outside the country without the party who is subject to it consenting to it or to a status under it.
4. The entire exercise was based on prejudicial "presumption" that injured the rights and property of Cook, who was the party they allegedly were "protecting".
   4.1. The injury to Cook's rights and property came by having to pay a tax based on a civil law statute that did not and could not apply in a foreign country.
   4.2. The only rationale given by the U.S. Supreme Court was their unsubstantiated "presumption" that because they were a "government" or part of a government, then their very EXISTENCE as a government was a so-called "benefit", even though they never proved with evidence that there was any "benefit" or protection directly to Cook in that case. In fact, he was INJURED by having to pay the tax, rather than protected, and got NOTHING in return for it.
   4.3. They made this presumption in SPITE of the fact that the very same court said that all presumptions that prejudice or injure rights are unconstitutional. The only defense they could rationally have for inflicting such an injury is that the Bill of Rights does NOT protect Americans in foreign countries and only operates within states of the Union. Hence, when not restrained by the Constitution, its' OK to STEAL from anyone without any statutory authority using nothing but judicial fiat:

> *"The power to create presumptions is not a means of escape from constitutional [or territorial] restrictions,"*
> *[New York Times v. Sullivan, 376 U.S. 254 (1964) ]*

5. Left everyone speculating and afraid about what it meant, and how someone could owe a tax without a domicile in the statutory "United States**" (federal territory), even though in every other case domicile is the only reason that people owe an income tax.
6. Used the fear and speculation and presumption that uncertainty creates and compels to force people to believe things that are simply not supportable by evidence nor true about tax liability, such as that EVERYONE IN THE WORLD, regardless of where they physically are or where they are domiciled, owe a tax to the place of their birth, if that place of birth is the United States of America.

The above factors, when combined, amount to acts of INTERNATIONAL TERRORISM against nonresident parties. Terrorists, after all, engage primarily in kidnapping and extortion. Their self serving presumptions about your status and their abuse of "words of art"[13] are the means of kidnapping you without your consent or knowledge, and the result of the kidnapping is that they get to treat you as a "virtual resident" of what Mark Twain calls "the District of Criminals" who has to bend over for King Congress on a daily basis as a compelled public officer of the national government. And they have the GALL to call this kind of abuse a "benefit" and charge you for it! If you want to know how these international terrorists describe THEMSELVES, see:

[13] See *Meaning of the Words "includes" and "including"*, Form #05.014; http://sedm.org/Forms/FormIndex.htm.

The judicial fiat that created this extraterritorial PLUNDER, ahem, I mean "tax" is completely hypocritical, because the United States, even to this day, is the ONLY major industrialized country that in fact invokes an income tax on "citizens of the United States**" ANYWHERE IN THE WORLD, and thus interferes with the EQUAL taxing powers of other countries and causes Americans to falsely believe that they are subject to DOUBLE taxation of their foreign earnings.

What a SCAM these shysters pulled with this ruling. And why did they do it? Because the Federal Reserve printing presses were running full speed starting in 1913, and yet paper money was still redeemable in gold, so they had to have a way to sop up all the excess currency they were printing. And WHO issued this ruling? None other than the person responsible for:

1. Introducing the Sixteenth Amendment, which was the Income Tax Amendment and getting it fraudulently ratified in 1913.
2. Starting the Federal Reserve in 1913.

President William Howard Taft, the only President of the United States to ever serve as a U.S. Supreme Court Justice, assumed the role of Chief Justice in 1921, and this landmark ruling of Cook v. Tait was his method to expand the implementation of that tax to have worldwide scope. It wouldn't surprise us if Cook was an insider government minion commissioned secretly to undertake this critical case. He probably even setup this case to make sure it would come before him and secrety HIRED Cook to bring it all the way up to the Supreme Court on his watch. That's how DEVIOUS these bastards are. Is it any wonder that in 1929, Congress handed Taft a marble palace to conduct his job in? That's right: The current U.S. Supreme Court building and marble palace of the civil religion of socialism was authorized during his tenure as a reward for his monumental exploits as both a President of the United States and a U.S. Supreme Court justice.[14] They didn't finish that palace until 1933, shortly after he died on March 30, 1930. That was his prize for creating a scam of worldwide scope by:

1. Learning the tax ropes as a collector of internal revenue from 1882-1884. See:
   *Biography of William Howard Taft*, SEDM Exhibit 11.003
   http://sedm.org/Exhibits/ExhibitIndex.htm
2. Being elected President of the United States in 1909.
3. Introducing the current Sixteenth Amendment in 1909. This was one of his first official acts as President. See:
   *Congressional Record, June 16, 1909, pp. 3344-3345*, SEDM Exhibit #02.001
   http://sedm.org/Exhibits/ExhibitIndex.htm
4. Getting the Sixteenth Amendment fraudulently ratified in 1913 after he was voted out of office but while he still occupied said office as a lame duck President.
5. Passing the Federal Reserve Act in 1913 during the Christmas recess when only five congressmen were present to vote.
6. Being appointed U.S. Supreme Court Justice in 1921.
7. Giving the new income tax he created a worldwide scope with the Cook v. Tait ruling.
8. Introducing and passing the Writ of Certiorari Act of 1925, in which Congress consented to allow the U.S. Supreme Court to turn the appeal process into a franchise in which they had the discretion NOT to rule on cases before them and thereby INTERFERE with the rights of the litigants. The cases they would then refuse to rule on would be those in which income tax laws were unlawfully enforced. Thus, they denied justice to the people who were abused by the unlawful enforcement of the revenue laws and FRAUDS that protect it.

It also shouldn't surprise you to learn that Taft was the ONLY president to ALSO serve as a collector of internal revenue. Even as President and later as a Chief Justice of the U.S. Supreme Court, he apparently continued in that role. Here is what Wikipedia says on this subject:

*Legal career*

[14] Maybe we should have used the phrase "heavy duty" instead of "monumental". After all, President Taft was literally the fattest person to ever serve as president, weighing in at over 300 pounds. Maybe the phrase "It ain't' over till the fat lady sings" should be changed to "It ain't over till the fat man talks."

> *After admission to the Ohio bar, Taft was appointed Assistant Prosecutor of Hamilton County, Ohio,[15] based in Cincinnati. In 1882, he was appointed local Collector of Internal Revenue.[16] Taft married his longtime sweetheart, Helen Herron, in Cincinnati in 1886.[17] In 1887, he was appointed a judge of the Ohio Superior Court.[18] In 1890, President Benjamin Harrison appointed him Solicitor General of the United States[19]. As of January 2010, at age 32, he is the youngest-ever Solicitor General.[20] Taft then began serving on the newly created United States Court of Appeals for the Sixth Circuit in 1891.[21] Taft was confirmed by the Senate on March 17, 1892, and received his commission that same day.[22] In about 1893, Taft decided in favor of one or more patents for processing aluminium belonging to the Pittsburg Reduction Company, today known as Alcoa, who settled with the other party in 1903 and became for a short while the only aluminum producer in the U.S.[23] Another of Taft's opinions was Addyston Pipe and Steel Company v. United States (1898). Along with his judgeship, between 1896 and 1900 Taft also served as the first dean and a professor of constitutional law at the University of Cincinnati.[24]*
>
> *[SOURCE: Wikipedia, Topic: William Howard Taft; http://en.wikipedia.org/wiki/William_Howard_Taft, 4/28/2010]*

The bottom line is that any entity that can FORCE you to accept protection you don't want, call it a "benefit" even though you call it an injury and a crime, and force you to pay for it is a protection racket and a mafia, not a government. And such crooks will always resort to smoke and mirrors like that of Taft above to steal from you to subsidize their protection racket.

Prior to implementing the Taft international terrorism SCAM, a dissenting opinion of the same U.S. Supreme Court earlier described it for what it is, and the court was naturally completely silent in opposing the objections made, and therefore AGREED to ALL OF THEM under Federal Rule of Civil Procedure 17(b). The issue was withholding of a tax upon English citizens by an American company situated abroad. The English citizens were aliens in relation to both the United States and the corporation doing the withholding, and therefore nonresident aliens. Field basically said that withholding on them was theft and violated the law of nations. You aren't surprised that Taft very conveniently omitted to address the issues raised in this dissenting opinion, are you? He was a THIEF, a LIAR, and a charlatan intent on SUPPRESSING the truth and effectively legislating from the bench INTERNATIONALLY, which is a thing that not even Congress can do. Here is the text of that marvelous dissenting opinion by Justice Field:

> *I am not able to agree with the majority of the court in the decision of this case. The tax which is sustained is, in my judgment, a tax upon the income of non-resident aliens and nothing else. The 122d section of the act of June 30, 1864, c. 173, as amended by that of July 13, 1866, c. 184, subjects the interest on the bonds of the company to a tax of five per cent, *331 and authorizes the company to deduct it from the amount payable to the coupon-holder, whether he be a non-resident alien or a citizen of the United States.* ***The company is thus made the agent of the government [PUBLIC OFFICER!] for the collection of the tax. It pays nothing itself; the tax is exacted from the creditor, the party who holds the coupons for interest.*** *No collocation of words can change this fact. And so it was expressly adjudged with reference to a similar tax in the case of United States v.*

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[15] "William Howard Taft". National Park Service. 2004-01-22. http://www.nps.gov/history/history/online_books/Presidents/bio27.htm. Retrieved 2009-03-20.

[16] Herz, Walter (1999). "William Howard Taft". Unitarian Universalist Historical Society. http://www25.uua.org/uuhs/duub/articles/williamhowardtaft.html. Retrieved 2009-03-22.

[17] "William Howard Taft". National Park Service. 2004-01-22. http://www.nps.gov/history/history/online_books/Presidents/bio27.htm. Retrieved 2009-03-20.

[18] "William Howard Taft". National Park Service. 2004-01-22. http://www.nps.gov/history/history/online_books/Presidents/bio27.htm. Retrieved 2009-03-20.

[19] "William Howard Taft". National Park Service. 2004-01-22. http://www.nps.gov/history/history/online_books/Presidents/bio27.htm. Retrieved 2009-03-20.

[20] Cannon, Carl. "Solicitor general nominee likely to face questions about detainees". GovernmentExecutive.com. http://www.govexec.com/dailyfed/0405/042505nj1.htm. Retrieved 2010-01-03.

[21] "William Howard Taft". National Park Service. 2004-01-22. http://www.nps.gov/history/history/online_books/Presidents/bio27.htm. Retrieved 2009-03-20.

[22] "William Howard Taft (1857-1930)". U.S. Court of Appeals for the Sixth Circuit. http://www.ca6.uscourts.gov/lib_hist/courts/supreme/judges/taft/taft.html. Retrieved 2009-03-22.

[23] "Against the Cowles Company, Decision in the Aluminium Patent Infringement Case (article preview)". *The New York Times* (The New York Times Company). January 15, 1893. http://query.nytimes.com/gst/abstract.html?res=9904E3DE1731E033A25756C1A9679C94629ED7CF. Retrieved 2007-10-28. and Rosenbaum, David Ira (1998). *Market Dominance: How Firms Gain, Hold, or Lose It and the Impact on Economic Performance*. Praeger Publishers via Greenwood Publishing Group. pp. 56. ISBN 0-2759-5604-0. http://books.google.com/books?id=htQDB-Pf4VIC. Retrieved 2007-11-03.

[24] *Cincinnati Law School: 2006 William Howard Taft Lecture on Constitutional Law*

*Railroad Company, reported in the 17th of Wallace. There a tax, under the same statute, was claimed upon the interest of bonds held by the city of Baltimore. And it was decided that the tax was upon the bondholder and not upon the corporation which had issued the bonds; that the corporation was only a convenient means of collecting it; and that no pecuniary burden was cast upon the corporation. This was the precise question upon which the decision of that case turned.*

*A paragraph from the opinion of the court will show this beyond controversy.* ***"It is not taxation," said the court, "that government should take from one the profits and gains of another. That is taxation which compels one to pay for the support of the government from his own gains and of his own property. In the cases we are considering, the corporation parts not with a farthing of its own property. Whatever sum it pays to the government is the property of another. Whether the tax is five per cent on the dividend or interest, or whether it be fifty per cent, the corporation is neither richer nor poorer. Whatever it thus pays to the government, it by law withholds from the creditor. If no tax exists, it pays seven per cent, or whatever be its rate of interest, to its creditor in one unbroken sum. If there be a tax, it pays exactly the same sum to its creditor, less five per cent thereof, and this five per cent it pays to the government. The receivers may be two, or the receiver may be one, but the payer pays the same amount in either event. It is no pecuniary burden upon the corporation, and no taxation of the corporation. The burden falls on the creditor. He is the party taxed****. In the case before us, this question controls its decision. If the tax were upon the railroad, there is no defence; it must be paid.* ***But we hold that the tax imposed by the 122d section is in substance and in law a tax upon the*** **332* ***income of the creditor or stockholder, and not a tax upon the corporation." See also Haight v. Railroad Company, 6 Wall. 15, and Railroad Company v. Jackson, 7 id. 262, 269.***

*The bonds, upon the interest of which the tax in this case was laid, are held in Europe, principally in England; they were negotiated there; the principal and interest are payable there; they are held by aliens there, and the interest on them has always been paid there. The money which paid the interest was, until paid, the property of the company;* ***when it became the property of the bondholders it was outside of the jurisdiction of the United States.***

*Where is the authority for this tax? It was said by counsel on the argument of the case — somewhat facetiously, I thought at the time — that Congress might impose a tax upon property anywhere in the world, and this court could not question the validity of the law, though the collection of the tax might be impossible, unless, perchance, the owner of the property should at some time visit this country or have means in it which could be reached. This court will, of course, never, in terms, announce or accept any such doctrine as this. And yet it is not perceived wherein the substantial difference lies between that doctrine and the one which asserts a power to tax, in any case, aliens who are beyond the limits of the country. The debts of the company, owing for interest, are not property of the company, although counsel contended they were, and would thus make the wealth of the country increase by the augmentation of the debts of its corporations. Debts being obligations of the debtors are the property of the creditors, so far as they have any commercial value, and it is a misuse of terms to call them anything else; they accompany the creditors wherever the latter go; their situs is with the latter. I have supposed heretofore that this was common learning, requiring no argument for its support, being, in fact, a self-evident truth, a recognition of which followed its statement. Nor is this the less so because the interest may be called in the statute a part of the gains and profits of the company. Words cannot change the fact, though they may mislead and bewilder. The thing remains through all disguises of terms. If the company makes no gains or profits on its business and borrows the money to* **333* *meet its interest, though it be in the markets abroad, it is still required under the statute to withhold from it the amount of the taxes. If it pays the interest, though it be with funds which were never in the United States, it must deduct the taxes.* ***The government thus lays a tax, through the instrumentality of the company [PUBLIC OFFICE/WITHHOLDING AGENT], upon the income of a non-resident alien over whom it cannot justly exercise any control, nor upon whom it can justly lay any burden.***

*The Chief Justice, in his opinion in this case, when affirming the judgment of the District Court, happily condensed the whole matter into a few words. "The tax," he says, "for which the suit was brought, was the tax upon the owner of the bond, and not upon the defendant. It was not a tax in the nature of a tax in rem upon the bond itself, but upon the income of the owner of the bond, derived from that particular piece of property. The foreign owner of these bonds was not in any respect subject to the jurisdiction of the United States, neither was this portion of his income. His debtor was, and so was the money of his debtor; but the money of his debtor did not become a part of his income until it was paid to him, and in this case the payment was outside of the United States, in accordance with the obligations of the contract which he held.* ***The power of the United States to tax is limited to persons, property, and business within their jurisdiction, as much as that of a State is limited to the same subjects within its jurisdiction. State Tax on Foreign-Held Bonds, 15 Wall. 300."***

***"A personal tax," says the Supreme Court of New Jersey, "is the burden imposed by government on its own citizens for the benefits which that government affords by its protection and its laws, and any government which should attempt to impose such a tax on citizens of other States would justly incur the rebuke of the intelligent sentiment of the civilized world." State v. Ross, 23 N.J.L. 517, 521.***

*In imposing a tax, says Mr. Chief Justice Marshall, the legislature acts upon its constituents.* ***"All subjects," he adds, "over which the power of a State extends are objects of taxation, but those over which it does not extend are, upon the soundest principles, exempt from taxation. This proposition*** **334* ***may almost be pronounced self-evident." McCulloch v. Maryland, 4 Wheat. 316, 428.***

***There are limitations upon the powers of all governments, without any express designation of them in their organic law; limitations which inhere in their very nature and structure, and this is one of them, — that no rightful authority can be exercised by them over alien subjects, or citizens resident abroad or over their property there situated.*** *This doctrine may be said to be axiomatic, and courts in England have felt it so obligatory upon them, that where general terms, used in acts of Parliament, seem to contravene it, they have narrowed the construction to avoid that conclusion. In a memorable case decided by Lord Stowell, which involved the legality of the seizure and condemnation of a French vessel engaged in the slave trade, which was, in terms, within an act of Parliament, that distinguished judge said:* ***"That neither this British act of Parliament nor any commission founded on it can affect any right or interest of foreigners unless they are founded upon principles and impose regulations that are consistent with the law of nations. That is the only law which Great Britain can apply to them, and the generality of any terms employed in an act of Parliament must be narrowed in construction by a religious adherence thereto." The Le Louis, 2 Dod. 210, 239.***

***Similar language was used by Mr. Justice Bailey of the King's Bench, where the question was whether the act of Parliament, which declared the slave trade and all dealings therewith unlawful, justified the seizure of a Spanish vessel, with a cargo of slaves on board, by the captain of an English naval vessel, and it was held that it did not. The odiousness of the trade would have carried the justice to another conclusion if the public law would have permitted it, but he said, "That, although the language used by the legislature in the statute referred to is undoubtedly very strong, yet it can only apply to British subjects, and can only render the slave trade unlawful if carried on by them; it cannot apply in any way to a foreigner. It is true that if this were a trade contrary to the law of nations a foreigner could not maintain this action. But it is not; and as a Spaniard could not be considered as bound by the acts of the British legislature prohibiting this trade, it would be unjust to deprive*** **335* ***him of a remedy for the heavy damage he has sustained." Madrazo v. Willes, 3 Barn. & Ald. 353.***

*In The Apollon, a libel was filed against the collector of the District of St. Mary's for damages occasioned by the seizure of the ship and cargo whilst lying in a river within the territory of the King of Spain, and Mr. Justice Story said, speaking for the court, that* ***"The laws of no nation can justly extend beyond its own jurisdiction, except so far as regards its own citizens. They can have no force to control the sovereignty or rights of any other nation within its own jurisdiction. And however general and comprehensive the phraseology used in our municipal laws may be, they must always be restricted in construction to places and persons upon whom the legislatures have authority and jurisdiction." 9 Wheat. 362.***

*When the United States became a separate and independent nation, they became, as said by Chancellor Kent, "subject to that system of rules which reason, morality, and custom had established among the enlightened nations of Europe as their public law," and by the light of that law must their dealings with persons of a foreign jurisdiction be considered; and according to that law there could be no debatable question, that* ***the jurisdiction of the United States over persons and property ends where the foreign jurisdiction begins.***

***What urgent reasons press upon us to hold that this doctrine of public law may be set aside, and that the United States, in disregard of it, may lawfully treat as subject to their taxing power the income of non-resident aliens, derived from the interest received abroad on bonds of corporations of this country negotiable and payable there? If, in the form of taxes, the United States may authorize the withholding of a portion of such interest, the amount will be a matter in their discretion; they may authorize the whole to be withheld. And if they can do this, why may not the States do the same thing with reference to the bonds issued by corporations created under their laws. They will not be slow to act upon the example set. If such a tax may be levied by the United States in the rightful exercise of their taxing power, why may not a similar tax be levied upon the interest on bonds of the same corporations by the States within their respective jurisdictions in the rightful*** **336* ***exercise of their taxing power? What is sound law for one sovereignty ought to be sound law for another.***

*It is said, in answer to these views, that the governments of Europe — or at least some of them, where a tax is laid on incomes — deduct from the interest on their public debts the tax due on the amount as income, whether payable to a non-resident alien or a subject of the country. This is true in some instances, and it has been suggested in justification of it that the interest, being payable at their treasuries, is under their control, the money designated for it being within their jurisdiction when set apart for the debtor, who must in person or by agent enter the country to receive it. That presents a case different from the one before us in this, —* ***that here the interest is payable abroad, and the money never becomes the property of the debtor until actually paid to him there. So, whether we speak of the obligation of the company to the holder of the coupons, or the money paid in its fulfilment, it is held abroad, not being, in either case, within the jurisdiction of the United States.*** *And with reference to the taxation of the interest on public debts, Mr. Phillimore, in his Treatise on International Laws, says: "It may be quite right that a person having an income accruing from money lent to a foreign State should be taxed by his own country on his income derived from this source; and if his own country impose an income tax, it is, of course, a convenience to all parties that the government which is to receive the tax should deduct it from the debt which, in this instance, that government owes to the payer of the tax, and thus avoid a double process; but a foreigner, not resident in the State, is not liable to be taxed by the State; and it seems unjust to a foreign creditor to make use of the machinery which, on the ground of convenience, is applied in the cases of domestic creditors, in order to subject him to a tax to which he is not on principle liable." Vol. ii. pp. 14, 15.*

> ***Here, also, is a further difference: the tax here is laid upon the interest due on private contracts. As observed by counsel, no other government has ever undertaken to tax the income of subjects of another nation accruing to them at their own domicile upon property held there, and arising out of ordinary business, or contracts between individuals.***
>
> **337 This case is decided upon the authority of Railroad Company v. Collector, reported in 100 U.S., and the doctrines from which I dissent necessarily flow from that decision. When that decision was announced I was apprehensive that the conclusions would follow which I now see to be inevitable. It matters not what the interest may be called, whether classed among gains and profits, or covered up by other forms of expression, the fact remains, **the tax is laid upon it, and that is a tax which comes from the party entitled to the interest, — here, a non-resident alien in England, who is not, and never has been, subject to the jurisdiction of this country.***
>
> ***In that case the tax is called an excise on the business of the class of corporations mentioned, and is held to be laid, not on the bondholder who receives the interest, but upon the earnings of the corporations which pay it. How can a tax on the interest to be paid be called a tax on the earnings of the corporation if it earns nothing — if it borrows the money to pay the interest? How can it be said not to be a tax upon the income of the bondholder when out of his interest the tax is deducted?***
>
> *That case was not treated as one, the disposition of which was considered important, as settling a rule of action. The opening language of the opinion is: "As the sum involved in this suit is small, and the law under which the tax in question was collected has long since been repealed, the case is of little consequence as regards any principle involved in it as a rule of future action." But now it is invoked in a case of great magnitude, and many other similar cases, as we are informed, are likely soon to be before us; and though it overrules repeated and solemn adjudications rendered after full argument and mature deliberation, **though it is opposed to one of the most important and salutary principles of public law, it is to be received as conclusive, and no further word from the court, either in explanation or justification of it, is to be heard. I cannot believe that a principle so important as the one announced here, and so injurious in its tendencies, so well calculated to elicit unfavorable comment from the enlightened sentiment of the civilized world, will be allowed to pass unchallenged, though the court is silent upon it.***
>
> *I think the judgment should be affirmed.*
>
> *[United States v. Erie R. Co., 106 U.S. 327 (1882)]*

Note some key points from the above dissenting opinion of Justice Field:

1. The tax imposed is an EXCISE and FRANCHISE tax upon the "benefits" of the protection of a specific municipal government. Those who DON'T WANT or NEED and DO NOT CONSENT to such protection are NOT the lawful subjects of the tax. Those who consent call themselves statutory “citizens”. Those who don’t call themselves statutory “nonresident aliens” and “non-citizen nationals”.

> *"**A personal tax," says the Supreme Court of New Jersey, "is the burden imposed by government on its own citizens for the benefits which that government affords by its protection and its laws, and any government which should attempt to impose such a tax on citizens of other States would justly incur the rebuke of the intelligent sentiment of the civilized world." State v. Ross, 23 N.J.L. 517, 521.***

2. The United States has no jurisdiction outside its own borders or outside its own TERRITORY, meaning federal territory. Constitutional states of the Union are NOT federal territory.

> *". . . **the jurisdiction of the United States over persons and property ends where the foreign jurisdiction begins."***

3. The only way that any legal PERSON, including a government, can reach outside its own territory is by exercising its right to contract, which means that it can ONLY act upon those who EXPRESSLY consent and thereby contract with the sovereign. That consent is manifested by calling oneself a STATUTORY “citizen”. Those who don’t consent to the franchise protection contract call themselves statutory “nonresident aliens”.

> *Debitum et contractus non sunt nullius loci.*
> *Debt and contract [franchise agreement, in this case] are of no particular place.*
>
> *Locus contractus regit actum.*
> *The place of the contract [franchise agreement, in this case] governs the act.*
> *[Bouvier’s Maxims of Law, 1856;*
> *SOURCE: http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm]*

4. The tax is upon the RECIPIENT, not the company making the payment. The "taxpayer" is the recipient of the payment, and hence, the company paying the recipient is NOT the "taxpayer". The company, in turn, is identified as an "agent of the government", meaning a withholding agent and therefore PUBLIC OFFICER. WHY? Because the Erie railroad is a FEDERAL and not STATE corporation. They hid this from their ruling. If they had been a PRIVATE company that was NOT a FEDERAL corporation, they could not lawfully act as agents of the government.

> ***"It is not taxation," said the court, "that government should take from one the profits and gains of another. That is taxation which compels one to pay for the support of the government from his own gains and of his own property. In the cases we are considering, the corporation parts not with a farthing of its own property. Whatever sum it pays to the government is the property of another. Whether the tax is five per cent on the dividend or interest, or whether it be fifty per cent, the corporation is neither richer nor poorer. Whatever it thus pays to the government, it by law withholds from the creditor. If no tax exists, it pays seven per cent, or whatever be its rate of interest, to its creditor in one unbroken sum. If there be a tax, it pays exactly the same sum to its creditor, less five per cent thereof, and this five per cent it pays to the government. The receivers may be two, or the receiver may be one, but the payer pays the same amount in either event. It is no pecuniary burden upon the corporation, and no taxation of the corporation. The burden falls on the creditor. He is the party taxed**. In the case before us, this question controls its decision. If the tax were upon the railroad, there is no defence; it must be paid. **But we hold that the tax imposed by the 122d section is in substance and in law a tax upon the** *332 **income of the creditor or stockholder, and not a tax upon the corporation." See also Haight v. Railroad Company, 6 Wall. 15, and Railroad Company v. Jackson, 7 id. 262, 269.***

5. The recipient is a non-resident alien BECAUSE he has a legislatively FOREIGN DOMICILE. NOT because he has a FOREIGN NATIONALITY.
6. The FOREIGN DOMICILE makes the target of the tax a STATUTORY "alien" but not necessarily a CONSTITUTIONAL alien.

> ***"Here, also, is a further difference: the tax here is laid upon the interest due on private contracts. As observed by counsel, no other government has ever undertaken to tax the income of subjects of another nation accruing to them at their own domicile upon property held there, and arising out of ordinary business, or contracts between individuals."***

7. The "non-resident alien" is COMPLETELY outside the jurisdiction of the United States. Hence, it is LEGALLY IMPOSSIBLE for such a person to become a statutory "taxpayer". The only way to CRIMINALLY force him to become a taxpayer is to:
   7.1. Let the company illegally withhold earnings of a nontaxpayer.
   7.2. Make getting a refund of amounts withheld a "privilege" in which he has to request a "INDIVIDUAL Taxpayer Identification Number" (ITIN) that makes him a statutory "individual".
   7.3. After he gets the number ILLEGALLY, force him to file "taxpayer" tax return. If he refuses to do that, then they refuse to refund the amount withheld. That's international terrorism and extortion.

> ***"The government thus lays a tax, through the instrumentality [PUBLIC OFFICE] of the company, upon the income of a non-resident alien over whom it cannot justly exercise any control, nor upon whom it can justly lay any burden."***

8. The laws of a nation ONLY apply to its own STATUTORY "citizens" who have a domicile on FEDERAL TERRITORY. They do NOT apply to STATUTORY aliens with a legislatively FOREIGN DOMICILE. These statutory "citizens" can ONLY become statutory citizens by SELECTING and CONSENTING to a domicile on federal territory AND physically being on said territory.

> ***"The laws of no nation can justly extend beyond its own jurisdiction, except so far as regards its own citizens. They can have no force to control the sovereignty or rights of any other nation within its own jurisdiction. And however general and comprehensive the phraseology used in our municipal laws may be, they must always be restricted in construction to places and persons upon whom the legislatures have authority and jurisdiction." 9 Wheat. 362.***

9. If you are not a STATUTORY citizen (per 8 U.S.C. §1401, 26 U.S.C. §3121(d) and 26 CFR §1.1-1(c )), which Justice Field calls a "SUBJECT", then you can't be taxed. Field refers to those who can't be taxed as "aliens", and he can only mean STATUTORY aliens, not CONSTITUTIONAL aliens:

> ***"All subjects," he adds, "over which the power of a State extends are objects of taxation, but those over which it does not extend are, upon the soundest principles, exempt from taxation. This proposition** *334 **may almost be pronounced self-evident." McCulloch v. Maryland, 4 Wheat. 316, 428.***

10. The court KNEW they were pulling a FRAUD on the people, because they were SILENT on so many important issues that Field pointed out. Per Federal Rule of Civil Procedure 8(b)(6), they AGREED with his conclusions because they did not EXPRESSLY DISAGREE or disprove ANY of his arguments.

> ***"though it is opposed to one of the most important and salutary principles of public law, it is to be received as conclusive, and no further word from the court, either in explanation or justification of it, is to be heard. I cannot believe that a principle so important as the one announced here, and so injurious in its tendencies, so well calculated to elicit unfavorable comment from the enlightened sentiment of the civilized world, will be allowed to pass unchallenged, though the court is silent upon it."***

11. Justice Field says the abuse of "words of art" mask the nature of the above criminal extortion:

> ***"Words [of art] cannot change the fact, though they may [DELIBERATELY] mislead and bewilder. The thing remains through all disguises of terms."***

12. If you want to search for cases on "nonresident aliens" defined in 26 U.S.C. §7701(b)(1)(B) , the Supreme Court spells them differently than the code itself. You have to search for "non-resident alien" instead.

## 5.4 Supporting evidence for doubters

Those skeptical readers who doubt the conclusions of the previous section or who challenge the significance of the Cook v. Tait ruling to federal jurisdiction are invited to compare the following two cases and try to explain the differences between them:

1. Cook v. Tait, 265 U.S. 47 (1924).
2. Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989).

In BOTH of the above cases, the parties were:

1. Domiciled in a legislatively foreign state AND a foreign country. Cook was domiciled in Mexico while Bettison was domiciled in Venezuela.
2. Were statutory nonresidents and "nonresident aliens" under the Internal Revenue Code based on their chosen domicile.
3. Became the party to a controversy with someone domiciled in the statutory "United States", meaning federal territory.
4. Because of their legislatively foreign domicile, were technically "stateless persons" and therefore not statutory "persons" under federal law.
5. Born in America (the COUNTRY) and therefore an American national and Constitutional citizen.

The only difference between the two cases is the DECLARED STATUS of the litigant and the CONTEXT in which that status is interpreted or applied. Recall that there are TWO main contexts in which legal terms can be used: CONSTITUTIONAL and STATUTORY.

In Newman-Green, Bettison was presumed by the court to be a CONSTITUTIONAL "U.S. citizen" by virtue of his foreign domicile. Here is what the court said about him:

> *Petitioner Newman-Green, Inc., an Illinois corporation, brought this state law contract action in District Court against a Venezuelan corporation, four Venezuelan citizens, and **William L. Bettison, a United States citizen domiciled in Caracas, Venezuela**. Newman-Green's complaint alleged that the Venezuelan corporation had breached a licensing agreement, and that the individual defendants, joint and several guarantors of royalty payments due under the agreement, owed money to Newman-Green. Several years of discovery and pretrial motions followed. The District Court ultimately granted partial summary judgment for the guarantors and partial summary judgment for Newman-Green. 590 F.Supp. 1083 (ND Ill.1984). Only Newman-Green appealed.*

> *At oral argument before a panel of the Seventh Circuit Court of Appeals, Judge Easterbrook inquired as to the **statutory basis for diversity jurisdiction**, an issue which had not been previously raised either by counsel or by the District Court Judge. In its complaint, Newman-Green had invoked 28 U.S.C. § 1332(a)(3), which confers jurisdiction in the District Court when a citizen of one State sues both aliens and citizens of a State (or States) different from the plaintiff's. **In order to be a citizen of a State within the meaning of the diversity statute, a natural person must both be a citizen of the United States and be domiciled within the State. See Robertson v. Cease, 97 U.S. 646, 648-649 (1878); Brown v. Keene, 8 Pet. 112, 115 (1834). The problem in this case is that Bettison, although a United States citizen, has no domicile in any State. He is therefore "stateless" for***

> ***purposes of § 1332(a)(3). Subsection 1332(a)(2), which confers jurisdiction in the District Court when a citizen of a State sues aliens only, also could not be satisfied because Bettison is a United States citizen. [490 U.S. 829]***
> *[Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989)]*

In the above context, the phrase "United States citizen" was used in its CONSTITUTIONAL sense. Bettison could not have been a STATUTORY "United States citizen" without a domicile a statutory "State". He was therefore a CONSTITUTIONAL "United States citizen".

> ***"The problem in this case is that Bettison, although a United States citizen, has no domicile in any State. He is therefore "stateless" for purposes of § 1332(a)(3)."***
> *[Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989)]*

Comparing the Cook v. Tait case, the phrase "citizen of the United States" was interpreted in its STATUTORY sense.

> ***"Or, to express it another way, the basis of the power to tax was not and cannot be made dependent upon the situs of the property in all cases, it being in or out of the United States, nor was not and cannot be made dependent upon the domicile of the citizen, that being in or out of the United States, but upon his relation as citizen to the United States and the relation of the latter to him as citizen.*** *The consequence of the relations is that the native citizen who is taxed may have domicile, and the property from which his income is derived may have situs, in a foreign country and the tax be legal—the government having power to impose the tax."*
> *[Cook v. Tait, 265 U.S. 47 (1924)]*

Because Bettison in the Newman-Green case was a CONSTITUTIONAL citizen but not a STATUTORY citizen with a legislatively foreign domicile, he had to be dismissed from the class action and be treated as BEYOND the jurisdiction of the court and OUTSIDE the class of involved in the CLASS action.

Cook, on the other hand, personally petitioned the court for protection and they heard his case, even though he technically had the SAME CONSTITUTIONAL but not STATUTORY "U.S. citizen" status as Bettison. The U.S. Supreme Court, however, instead of claiming he was ALSO a "stateless person" and dismissing either him or the case the as they did with Bettison, rather claimed they HAD jurisdiction and ruled on the matter in the government's favor and AGAINST Cook. The U.S. Supreme Court did so based on the UNSUBSTANTIATED PRESUMPTION that the "U.S. citizen" he claimed to be was a STATUTORY rather than CONSTITUTIONAL "U.S. citizen" under 8 U.S.C. §1401. SCAM!

## 5.5 Tactics that prevent federal extraterritorial jurisdiction

Therefore, if you are domiciled outside the statutory but not constitutional "United States", meaning federal territory, and you wish to ensure that you are not falsely regarded as a "taxpayer" as in the case of Cook v. Tait above, then you need to ensure that:

1. You thoroughly understand citizenship so that the court can't play word games on you like they did in Cook. Read the following to accomplish this:
   | *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006 http://sedm.org/Forms/FormIndex.htm |
   |---|
2. You DO NOT connect yourself to the status of being a statutory "citizen of the United States" per 8 U.S.C. §1401. Note that a CONSTITUTIONAL "citizen of the United States" per the Fourteenth Amendment is NOT equivalent and mutually exclusive to that of a statutory "citizen of the United States" per 8 U.S.C. §1401. This was the MAIN mistake in the Cook case. He claimed to be domiciled abroad and yet described himself as a statutory citizen, which means that he contradicted himself and even committed perjury if he filled out a government form describing himself as such. You can only have a domicile in one place and therefore be a statutory "citizen" of one place at a time. If the Plaintiff was domiciled in Mexico as he claimed, then he had no business calling himself a statutory "U.S. citizen" per 8 U.S.C. §1401, but rather a non-citizen national. He, on the other hand, essentially claimed to be a statutory citizen of TWO places at a time, and therefore to have a domicile in TWO places at once, which is a theoretical impossibility.
3. You describe yourself as:
   3.1. A "non-citizen national" per 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452.
   3.2. NOT a statutory "U.S. citizen" or "citizen of the United States" per 8 U.S.C. §1401.
   3.3. A "stateless person" not subject to federal statutory law or statutory jurisdiction.
   3.4. A nonresident of the statutory "United States" and a nonresident of federal territory.
4. You apply for a passport using forms off our website to ensure that:

4.1. Acquisition of the passport is identified as NOT being a request for protection or "benefit" and which does not connect you to any government franchises.
4.2. Your status is fully and accurately established in the governments records as a constitutional but not statutory citizen.
4.3. The presumption that you are a statutory "U.S. citizen" per 8 U.S.C. §1401 is THOROUGHLY REBUTTED> The DS-11 Passport Application form has a big long warning about how "YOU", meaning STATUTORY "U.S. citizens", are liable for tax on their "WORLDWIDE EARNINGS". The form PRESUMES that all those applying are statutory "U.S. citizens". However, Form #06.007 rebuts that presumption and identifies the applicant as a statutory "non-citizen national" and identifies that notice as FALSE AND FRAUDULENT.

The form that accomplishes this is:

*USA Passport Application Attachment*, Form #06.007
http://sedm.org/Forms/FormIndex.htm

5. You should NEVER ask a court for protection using federal statutory law. You should instead invoke ONLY the common law, natural law, and constitutional rather than statutory citizenship. Cook asked for protection under the I.R.C INSTEAD of the common law, and the court's perverse answer is summed up below. Perverts:

> *"You want protection? When you want it REALLY bad, you're gonna get it REALLY bad. Here, bend over and lube yourself with KY jelly. We've got ten hard inches of protection for you right here! And while you're at it, we call this a 'benefit' and you gotta pay for the privilege."*

6. You leave ABSOLUTELY NO ROOM or DISCRETION to any corrupt judge, government prosecutor, or federal or state court to decide WHICH of the two contexts they mean for ANY term or especially STATUS that you either claim or which they could associate with you. This is done by defining all terms so judges and bureaucrats have no wiggle room or room to make presumptions of any kind.
7. In the interests of protecting your freedom and sovereignty, you have a DUTY to define any and every geographic terms and "words of art" in every communication you make with any government, both administratively and in court. This is done by attaching mandatory attachments to every form you submit defining the terms and stating on the original government form that it is FALSE, FRAUDULENT, and PERJURIOUS unless accompanied with your attachment and the mandatory definitions.
8. If you don't define ALL terms, you will *most assuredly* end of as the willing and often unknowing slave and "useful idiot" for socialists like Taft who prey on human flesh as CANIBALS.
9. If you want sample forms that accomplish this result, see:
   9.1. *Tax Form Attachment*, Form #04.201-attach this to every tax form you are compelled to submit.
   http://sedm.org/Forms/FormIndex.htm
   9.2. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001-attach this to every government form you submit.
   http://sedm.org/Forms/FormIndex.htm
   9.3. *Rules of Presumption and Statutory Interpretation*, Litigation Tool #01.006 - Use this form as an attachment to your pleadings when you are litigating against the government. It prevents abuses of presumption and "words of art" that will injure your rights.
   http://sedm.org/Litigation/LitIndex.htm
   9.4. *Citizenship, Domicile, and Tax Status Options*, Form #10.003-submit this as an exhibit to every deposition, and every initial complaint or response in federal and state court
   http://sedm.org/Litigation/LitIndex.htm
   9.5. *Federal Pleading/Motion/Petition Attachment*, Litigation Tool #01.002-attach this to all pleadings filed in federal court.
   http://sedm.org/Litigation/LitIndex.htm

The Plaintiff in Cook DID NOT do the above and that is why the U.S. Supreme Court picked this case to rule on: To create yet more deception about the proper application of the revenue laws that illegally manufactures more "taxpayers" and unlawfully enlarges their revenues and importance. Chances are that the Cook also filed a "resident" tax form such as IRS Form 1040 instead of more properly calling himself a nonresident alien, even though he was not domiciled in the "United States", which left room for the U.S. Supreme Court to create BAD precedent such as Cook v. Tait. The U.S. Supreme Court, in turn, took advantage of the situation by deliberately confusing statutory citizens with constitutional citizens to create the false appearance of civil jurisdiction that did not, in fact, exist in the case of a stateless person domiciled outside the country. Forms which implement all the above and which are intended to protect you from this type of THEFT, judicial verbicide, and abuse by the courts and the government are available on our website at:

# 6 Jurisdiction of Federal Courts[25]

Some, and especially the IRS, upon reading and responding to this memorandum of law, might respond by saying such ridiculous things as the following:

> *"Federal courts have ruled against the position in this pamphlet. They have said the claims here are 'frivolous' and completely without merit."*

Well, first of all, even the IRS' own Internal Revenue Manual says the IRS cannot cite any ruling OTHER than the Supreme Court. The Supreme Court has never ruled against any of the arguments in this pamphlet:

> *Internal Revenue Manual*
> *4.10.7.2.9.8 (05-14-1999)*
> *Importance of Court Decisions*
>
> *1. "Decisions made at various levels of the court system are considered to be interpretations of tax laws and may be used by either examiners or taxpayers to support a position.*
>
> *2. Certain court cases lend more weight to a position than others.* ***A case decided by the U.S. Supreme Court becomes 2the law of the land and takes precedence over decisions of lower courts. The Internal Revenue Service must follow Supreme Court decisions. For examiners, Supreme Court decisions have the same weight as the Code.***
>
> ***3. Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, are binding on the Service only for the particular taxpayer and the years litigated.*** *Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers."*
> *[IRM, 4.10.7.2.9.8 (05/14/99)]*

So if you hear the IRS or anyone from the legal profession spouting off federal judicial precedent below the Supreme Court, then they are:

1. Certainly not following the IRS' own rules on the subject.
2. Falsely presuming that the person who is the subject of the controversy is a federal public officer, federal "employee", federal agent, or federal contractor acting in a representative capacity under the laws of the parent corporation, which is the United States government. 28 U.S.C. §3002(15)(A) defines the term "United States" to mean a federal corporation and not a geographic region.
3. Falsely presuming that federal district and circuit case law is relevant to the average American.

> *"The power to create presumptions is not a means of escape from constitutional restrictions,"*
> *[New York Times v. Sullivan, 376 U.S. 254 (1964)]*

4. Citing irrelevant case law from a ***foreign*** jurisdiction which does not apply to most Americans. The federal District and Circuit courts, in fact, are Article IV legislative and territorial courts that can only rule on what Congress says they can rule on, and in the context of federal territory, franchises, and property. United States Judicial Districts encompass only federal real and chattel property within the outer limits of the District that has been ceded to the federal government as required under Article 1, Section 8, Clause 17 of the Constitution.
5. Abusing irrelevant case law as a means of political propaganda.
6. Involving the federal courts in strictly "political questions" beyond their jurisdiction. See the following:

   *Political Jurisdiction*, Form #05.004
   http://sedm.org/Forms/FormIndex.htm
7. Probably have a conflict of interest in criminal violation of 18 U.S.C. §208, because they wouldn't have a paying job if they admitted the truth about federal jurisdiction.

[25] Adapted from *Federal and State Tax Withholding Options for Private Employers*, Form #04.101, Section 20.2.

Second, the Declaratory Judgments Act, 28 U.S.C. §2201(a), says that federal courts don't have the authority to declare rights or status within the context of federal taxes. Can someone please explain how they can call a person a "taxpayer" who submits evidence under penalty of perjury proving that they are a "nontaxpayer"? A "nontaxpayer", which is the status of most Americans, is outside the jurisdiction of the I.R.C. and no judge can lawfully apply the provisions of the I.R.C. to those who are not "taxpayers" or who do not consent to be "taxpayers". The same thing applies to the IRS as well.

> *"A reasonable construction of the taxing statutes does not include vesting any tax official with absolute power of assessment against individuals not specified in the statutes as a person liable for the tax without an opportunity for judicial review of this status before the appellation of 'taxpayer' is bestowed upon them and their property is seized..."*
> *[*Botta v. Scanlon*, 288 F.2d. 504, 508 (1961)]*

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> *"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*

> *"The distinction between persons and things within the scope of the revenue laws and those without is vital."*
> *[Long v. Rasmussen, 281 F. 236, 238 (1922)]*

Third, according to the Supreme Court in the case of *Erie R. Co. v. Tompkins*, 304 U.S. 64 (1938), there is no federal common law within states of the Union. State court precedent is the only thing that is even relevant for those who do not live on land within federal jurisdiction. Consequently, it's meaningless to spout out federal appellate cites and doing so is nothing but a dangerous exercise in political propaganda using "judge-made law" that is irrelevant to Americans living outside of federal jurisdiction.

Lastly, when federal jurisdiction is challenged in a tax case using the materials in this pamphlet, the existence of territorial and subject matter jurisdiction must be decided by the jury, and NOT by the judge. A conflict of interest would result otherwise, because judges are subject to IRS extortion in violation of 28 U.S.C. §144 and 28 U.S.C. §455, and 18 U.S.C. §208. See:

| *Why the Federal Courts Can't Properly Address These Questions*<br>http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/WhyCourtsCantAddressQuestions.htm |
|---|

Judges have no authority to be labeling an argument which challenges federal jurisdiction as frivolous *without* involving the jury or without a separate pleading and trial on the matter of being frivolous. This prevents abuses of judicial authority and conflict of interest. The U.S. Attorney Manual confirms this:

> *United States Attorney Manual*
> *666 Proof of Territorial Jurisdiction*

> *There has been a trend to treat certain "jurisdictional facts" that do not bear on guilt (mens rea or actus reus) as non-elements of the offense, and therefore as issues for the court rather than the jury, and to require proof by only a preponderance that the offense was committed in the territorial jurisdiction of the court to establish that venue has been properly laid. See United States v. Bowers, 660 F.2d. 527, 531 (5th Cir. 1981); Government of Canal Zone v. Burjan, 596 F.2d. 690, 694 (5th Cir. 1979); United States v. Black Cloud, 590 F.2d. 270 (8th Cir. 1979) (jury question); United States v. Powell, 498 F.2d. 890, 891 (9th Cir. 1974). The court in Government of Canal Zone v. Burjan, 596 F.2d. at 694-95, applied the preponderance test to determinations of whether or not the offenses took place within the Canal Zone which established not merely proper venue but subject matter jurisdiction as well. Other cases, however, hold that **the issue of whether the United States has jurisdiction over the site of a crime is a judicial question, see United States v. Jones, 480 F.2d. 1135, 1138 (2d Cir. 1973), but that the issue of whether the act was committed within the borders of the Federal enclave is for the jury and must be established beyond a reasonable doubt. See United States v. Parker, 622 F.2d. 298 (8th Cir. 1980); United States v. Jones, 480 F.2d. at 1138.** The law of your Circuit must be consulted to determine which approach is followed in your district.*

> *The decision in Burjan should be viewed with caution. The analogy between territorial jurisdiction and venue has much to recommend it. Nevertheless, it is important to recognize that the two are not of equal importance. **As the Burjan court noted, citing Fed. R. Crim. P. 12, subject matter jurisdiction is so important that it cannot be waived and may be noticed at any stage of the proceeding**, see Government of the Canal Zone v. Burjan, 596 F.2d. at 693, whereas the Ninth Circuit in Powell rested its ruling that venue need be proved by only a preponderance on the relative unimportance of venue as evidenced by its waivability. There is a clear*

*distinction between the question of which court of a sovereign may try an accused for a violation of its laws and whether the sovereign's law has been violated at all.*

***Proof of territorial jurisdiction may be by direct or circumstantial evidence, and at least at the trial level may be aided by judicial notice**. See United States v. Bowers, 660 F.2d. at 530-31; Government of Canal Zone v. Burjan, 596 F.2d. at 694. Compare Government of Canal Zone v. Burjan, 596 F.2d. 690 with United States v. Jones, 480 F.2d. 1135, concerning the role judicial notice may play on appeal.*
*[http://www.usdoj.gov/usao/eousa/foia_reading_room/usam/title9/crm00666.htm]*

Consequently, it is a violation of due process and a conflict of interest for a federal judge to label as frivolous the arguments of a person who has challenged federal territorial or subject matter jurisdiction in a tax case without involving a jury, and especially where a jury trial has been demanded. Therefore, any citations of authority citing frivolous arguments in the context of challenges to federal jurisdiction must have been decided by a jury and not a judge.

## 7 What can be cited as legal authority against a person domiciled in a state of the Union who is not a federal agent, employee, contractor, or franchisee?

People domiciled in a state of the Union who are not federal agents, employees, contractors, or franchisees are not the proper subject of federal law, which acts primarily as law for government and not for the private citizens:

*"The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide modes of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not been questioned."*
*[City of Boerne v. Florez, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

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*"It is no longer open to question that **the general government, unlike the states**, Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, **possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.**"*
*[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]*

Therefore, the only legitimate source of law for them is state and not federal law. The only basis for a reasonable belief of such a person is therefore legally admissible evidence of what an enacted positive tax law actually says. Everything else essentially is based on presumption. 1 U.S.C. §204 establishes what types of evidence are admissible when it says:

*TITLE 1 > CHAPTER 3 > § 204*
*§ 204. Codes and Supplements as evidence of the laws of United States and District of Columbia; citation of Codes and Supplements*

*In all courts, tribunals, and public offices of the United States, at home or abroad, of the District of Columbia, and of each State, Territory, or insular possession of the United States—*

*(a) United States Code.— **The matter set forth in the edition of the Code of Laws of the United States current at any time shall, together with the then current supplement, if any, establish prima facie the laws of the United States, general and permanent in their nature, in force on the day preceding the commencement of the session following the last session the legislation of which is included: Provided, however, That whenever titles of such Code shall have been enacted into positive law the text thereof shall be legal evidence of the laws therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States***

An examination of the legislative notes under 1 U.S.C. §204 then reveals which titles of the U.S. Code are "positive law" and which are not. Title 26 is not listed as being positive law. Therefore, it constitutes "prima facie" evidence of law. "prima facie" is defined in Black's Law Dictionary as "presumed to be evidence":

*"**Prima facie**. Lat. At first sight; on the first appearance; on the face of it; so far as can be judged from the first disclosure; presumably; a fact presumed to be true unless disproved by some evidence to the contrary. State ex rel. Herbert v. Whims, 68 Ohio App. 39, 28 N.E.2d. 596, 599, 22 O.O. 110. See also Presumption"*
*[Black's Law Dictionary, Sixth Edition, p. 1189]*

Therefore, the Internal Revenue Code is simply "presumed" to be law. Our pamphlet below thoroughly analyzes the concept of Constitutional "due process" and presumption:

| |
|---|
| *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017<br>http://sedm.org/Forms/FormIndex.htm |

The above pamphlet concludes the following about "presumption" based on its exhaustive legal analysis:

1. All "presumption" is a violation of due process.
2. Presumption cannot be used as a permanent substitute for evidence in any legal proceeding.
3. The reason that "presumption" is a violation of "due process" is that it prejudices one's rights absent supporting evidence.
4. "Statutory presumption", which is a statute that creates a presumption that could operate to prejudice one's constitutional rights, is a violation of due process.
5. The only case where "presumption" can be lawfully employed without violating the Constitution is against parties who are not protected by the Constitution. Therefore, "presumption" cannot be used against a person domiciled in a state of the Union and can only be used against:
   5.1. "U.S. persons" domiciled in the federal zone who are not protected by the Bill of Rights.. .OR

> *"CONSTITUTIONAL RESTRICTIONS AND LIMITATIONS [Bill of Rights]* WERE NOT APPLICABLE *to the areas of lands, enclaves, territories, and possessions over which Congress had EXCLUSIVE LEGISLATIVE JURISDICTION"*
> *[Downes v. Bidwell, 182 U.S. 244 (1901)]*

   5.2. Parties who have contracted away their rights by pursuing privileged federal employment, privileges, benefits, or "public office". This would include people in states of the Union, but only those working for the federal government.

> *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, 392 U.S. 273, 277 -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947); Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973); Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973)."*
> *[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990)]*

The audience for this memorandum is only people domiciled either in the Kingdom of Heaven on earth or in states of the Union on land not under exclusive or plenary federal jurisdiction. Therefore:

1. "presumption" may not be employed by any reader of this pamphlet without violating the Constitution.
2. The Internal Revenue Code does not constitute a reasonable basis for belief about tax liability, because it requires presumption and is "prima facie law".
3. The only thing that can be cited is positive law from the Statutes At Large that has not been repealed. Everything published in the Statutes At Large that is not repealed is admissible as non prima-facie evidence of law. The current version of 1 U.S.C. §204 doesn't say that but earlier versions do.

We then investigated further after we learned the above. In particular, we looked at the enactment of the 1939 Internal Revenue Code, 53 Stat. 1. Section 4 of that act says that all prior revenue Laws were repealed by the act, which means that all revenue laws passed before January 2, 1939 were repealed, including those found in the Statutes at Large. Below is the text of that act:

*1939 Internal Revenue Code, 53 Stat. 1, Section 4*

*SEC. 4. REPEAL AND SAVINGS PROVISIONS.— (a) The Internal Revenue Title, as hereinafter set forth, is intended to include all general laws of the United States and parts of such laws, relating exclusively to internal revenue, in force on the 2d day of January 1939 (1) of a permanent nature and (2) of a temporary nature if embraced in said Internal Revenue Title. In furtherance of that purpose, all such laws and parts of laws codified herein, to the extent they relate exclusively to internal revenue, are repealed, effective, except as provided in section 5, on the day following the date of the enactment of this act.*

*(b) Such repeal shall not affect any act done or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause before the said repeal, but all rights and liabilities under said acts shall continue, and may be enforced in the same manner, as if said repeal had not been made; nor shall any office, position, employment, board, or committee, be abolished by such repeal, but the same shall continue under the pertinent provisions of the Internal Revenue Title.*

*(c) All offenses committed, and all penalties or forfeitures incurred under any statute hereby repealed, may be prosecuted and punished in the same manner and with the same effect as if this act had not been passed.*

*(d) All acts of limitation, whether applicable to civil causes and proceedings, or to the prosecution of offenses, or for the recovery of penalties or forfeitures, hereby repealed shall not be affected thereby, but all suits, proceedings, or prosecutions, whether civil or criminal, for causes arising, or acts done or committed, prior to said repeal, may be commenced and prosecuted within the same time as if this act had not been passed.*

*(e) The authority vested in the President of the United States, or in any officer or officers of the Treasury Department, by the law as it existed immediately prior to the enactment of this act, hereafter to give publicity to tax returns required under any internal revenue law in force immediately prior to the enactment of this act or any information therein contained, and to furnish copies thereof and to prescribe the terms and conditions upon which such publicity may be given or such copies furnished, and to make rules and regulations with respect to such publicity, is hereby preserved. And the provisions of law authorizing such publicity and prescribing the terms, conditions, limitations, and restrictions upon such publicity and upon the use of the information gained through such publicity and the provisions of law prescribing penalties for unlawful publicity of such returns and for unlawful use of such information are hereby preserved and continued in full force and effect.*

*[SOURCE:*
*http://www.famguardian.org/Disks/LawDVD/Federal/RevenueActs/Revenue%20Act%20of%201939.pdf]*

We also showed earlier in section 6 that Internal Revenue Manual (IRM), Section 4.10.7.2.9.8 says that court decisions below the Supreme Court may not be cited to sustain a reasonable belief.

*Internal Revenue Manual*
*4.10.7.2.9.8 (05-14-1999)*
*Importance of Court Decisions*

*1. "Decisions made at various levels of the court system are considered to be interpretations of tax laws and may be used by either examiners or taxpayers to support a position.*

*2. Certain court cases lend more weight to a position than others.* ***A case decided by the U.S. Supreme Court becomes 2the law of the land and takes precedence over decisions of lower courts. The Internal Revenue Service must follow Supreme Court decisions. For examiners, Supreme Court decisions have the same weight as the Code.***

***3. Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, are binding on the Service only for the particular taxpayer and the years litigated.*** *Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers."*
*[IRM, 4.10.7.2.9.8 (05/14/99)*
*http://www.irs.gov/irm/part4/ch10s11.html]*

The article at the link below also shows what type of law is admissible as evidence:

| |
|---|
| *Precedence of Laws and Regulations*<br>http://famguardian.org/TaxFreedom/LegalRef/PrecOfLaws.htm |

Based on the preceding analysis, let us now summarize all the things you CANNOT rely on as a reasonable basis for belief about tax liability so that we can conclude by showing what is left. Below, we have listed the items in descending order of precedence and priority as evidence in a court of law. The items that are "positive law" and which may be enforced have "Yes" in the column entitled "Force of law?". You can find a subset of the below table at the link above:

**Table 2: Sources of belief**

| Prec-edence # | Authority | Author | Force of Law? (Yes/No) | Evidentiary weight | Authorities |
|---|---|---|---|---|---|
| 1 | Constitution | "We the People" | Yes | Real | |
| 2 | Statutes at Large | Congress | Yes. See Note 3 | Real | |
| 3 | U.S. Code | Congress | Yes in most cases. See Note 1 | Titles that are positive law are "evidence". Titles that are not are "prima facie evidence". | Titles 26, 42, and 50 do not have the force of law and are not "positive law". See 1 U.S.C. §204 legislative notes. |
| 4 | Code of Federal Regulations (CFR) | Various | Yes in most but not all cases. See Note 2 | Titles that are positive law are "evidence". Titles that are not are "prima facie evidence". | Titles 26, 42, and 50 do not have the force of law and are not "positive law". See 1 U.S.C. §204 legislative notes. |
| 4.1 | 26 CFR Part 1: Income taxes | Treasury | Yes | Not evidence | |
| 4.2 | 26 CFR Part 31: Employment taxes | Treasury | Yes | Not evidence | |
| 4.3 | 26 CFR Part 301: Secretary of Treas. Regs | Treasury | Yes | Not evidence | 1. 26 U.S.C. §7805(a).<br>2. 5 U.S.C. §553.<br>3. Rowan Co., Inc. v. U.S., 452 U.S. 247, 101 S.Ct. 2288, 68 L.Ed.2d. 814 (1981) |
| 4.4 | 26 CFR Part 601: Procedural Regs | IRS | No*<br>See Note 4 | Not evidence | 1. Einhorn v. Dewitt, 618 F.2d. 347 (5th Cir. 06/04/1980)<br>2. Luhring v. Glotzbach, 304 F.2d. 560 (4th Cir. 05/28/1962) |
| 5 | Internal Revenue Manual (IRM) | IRS | No*<br>See Note 4 | Not evidence | 1. U.S. v. Will, 671 F.2d. 963 (1982). Also click here<br>2. Internal Revenue Manual, Section 4.10.7.2.8. |
| 6 | Supreme Court Rulings | Supreme court | Yes | Real | Internal Revenue Manual, Section 4.10.7.2.9.8 |
| 7 | Circuit Court Rulings | Circuit court | No | Not evidence | Internal Revenue Manual, Section 4.10.7.2.9.8 |
| 8 | District Court Rulings | District court | No | Not evidence | Internal Revenue Manual, Section 4.10.7.2.9.8 |
| 9 | IRS Publications | IRS | No | Not evidence | U.S. v. Will, 671 F.2d. 963 (1982). Also click here |
| 10 | Treasury Decisions and Orders | Treasury | No | Not evidence | Internal Revenue Manual, Section 4.10.7.2.8. |
| 11 | IRS Telephone or agent advice | IRS | No | Not evidence | Note 6 |

**NOTES:**

1. Only have the force of law if enacted into positive law. The Internal Revenue Code is *not* enacted into positive law, and therefore it is only "prima facie evidence" of law. The Statutes at Large from which the I.R.C. is written are the only real "law" you can cite as an authority or evidence in tax litigation.
2. Only have the force of law if published and promulgated by the Secretary of the Treasury in the Federal Register in accordance with the Administrative Procedures Act, 5 U.S.C. §553. All regulations promulgated in the Federal Register are "legislative regulations".
3. The federal Statutes at Large are not available online from the government for any year after 1874. Our link above to the Statutes at Large is for the period 1789-1873. The ONLY source of these statutes covering all years is a federal depository library (free) or Potomac Publishing (fee service): http://www.potomacpub.com/
4. The internal procedures of the federal agency MUST be followed in any agency action that adversely affects the rights of individuals. See Morton v. Ruiz, shown below. Consequently, all enforcement actions attempted by the IRS must be in strict accordance with the Internal Revenue Manual and part 601 of 26 CFR, or the revenue agents can be held personally liable for deprivations of rights under 42 U.S.C. §1983.

> *"Where the rights of individuals are affected, it is incumbent upon agencies to follow their own procedures. This is so even where the internal procedures are possibly more rigorous than otherwise would be required. Service v. Dulles, 354 U.S. 363, 388 (1957); Vitarelli v. Seaton, 359 U.S. 535, 539 -540 (1959). The BIA, by its Manual, has declared that all directives that "inform the public of privileges and benefits available" and of "eligibility requirements" are among those to be published. The requirement that, in order to receive general assistance, an Indian must reside directly "on" a reservation is clearly an important substantive policy that fits within this class of directives. Before the BIA may extinguish the entitlement of these otherwise eligible beneficiaries, it must comply, at a minimum, with its own internal procedures."*
> *[Morton v. Ruiz, 415 U.S. 199, 94 S.Ct. 1055, 39 L.Ed.2d. 270 (1974)]*

5. The IRS Internal Revenue Manual, Section 4.10.7.2.8 indicates that all IRS publications, and by implication all their forms as well, "may not be cited to sustain a position". You will note that several documents fall in this category, including the IRM itself, IRS publications, and all of their forms.

> *Internal Revenue Manual*
> *4.10.7.2.8 (05-14-1999)*
> *IRS Publications*
>
> *IRS Publications, issued by the Headquarters Office, explain the law in plain language for taxpayers and their advisors. They typically highlight changes in the law, provide examples illustrating Service positions, and include worksheets. Publications are nonbinding on the Service and do not necessarily cover all positions for a given issue. While a good source of general information, publications should not be cited to sustain a position.*

6. See the following article:

*Federal Courts and IRS' Own Internal Revenue Manual Say the IRS is NOT RESPONSIBLE for Its Actions or its Words or for Following its Own Written Procedures*
http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm

Therefore, the *only* remaining reasonable basis for belief about tax liability is:

1. The Constitution of the United States of America.
2. Enacted positive law from the Statutes at Large AFTER January 2, 1939.
3. Rulings of the Supreme Court and NOT lower federal courts.

Next, we must determine WHERE we as a concerned, involved American can find the above sources of REAL law. Based on researching sources for the above three, we have summarized our findings in the table below:

**Table 3: Legitimate sources of belief**

| ***Prec-edence #*** | ***Authority*** | ***Author*** | ***Sources*** |
|---|---|---|---|
| 1 | Constitution | "We the People" | 1. U.S. Govt: http://www.gpoaccess.gov/constitution/browse.html<br>2. Findlaw: http://www.findlaw.com/casecode/constitution/ |
| 2 | Statutes at Large AFTER January 2, 1939 | Congress | 1. U.S. Govt (1789-1875): http://memory.loc.gov/ammem/amlaw/lwsllink.html<br>2. Potomac Publishing (fee service, all years): http://www.potomacpub.com/techdata/asp/main/index/index.aspx |
| 3 | Supreme Court Rulings | Supreme court | 1. Supreme Court: http://www.supremecourtus.gov/<br>2. Findlaw: http://www.findlaw.com/casecode/supreme.html<br>3. Cornell: http://straylight.law.cornell.edu/supct/index.html |

The most noticeable thing about the above, is that there is no place on any government or commercial website where a concerned American can read any of the Statutes at Large passed after 1875, which are technically the only REAL, enacted, positive law available. We find this situation simply appalling. Obviously, Congress does not want Americans reading the real law or they would make it easy to do so. Instead, they would rather that:

1. Americans read what essentially amounts to government propaganda called the Internal Revenue Code
2. Americans base all of their decisions upon essentially hearsay evidence from colleagues, IRS publications that have deliberate lies, and tax professionals with a conflict of interest.
3. Those who want to read the REAL law from the Statutes At Large must either pay huge sums of money to only ONE source, Potomac Publishing, to read it online, or visit a Federal Depository Library at a major university, which in most cases is inaccessible and inconvenient to most Americans, and especially those who live in rural areas.

We find the above predicament that our representatives and lawmakers have put us in to be a scandal of monumental proportions that must be fixed before there is ever any hope of returning to a Constitutionally administered tax system. In the meantime, while we are waiting for reforms of the above deficiencies, we believe it constitutes malicious abuse of legal

process and conspiracy against rights to hold the average American accountable to obey enacted laws that he can't even read and doesn't have access to. HYPOCRISY!

# 8 Jurisdiction to Tax

## 8.1 Choice of Law in Tax Litigation[26]

Within any federal tax litigation, there are certain rules for determining what law may be cited as evidence of violation or injury. The foundation of these rules is Federal Rule of Civil Procedure 17(b) , which says in pertinent part:

> *IV. PARTIES > Rule 17.*
> *Rule 17. Parties Plaintiff and Defendant; Capacity*
>
> *(b) Capacity to Sue or be Sued.*
>
> ***Capacity to sue or be sued is determined as follows:***
>
> ***(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;***
> ***(2) for a corporation, by the law under which it was organized; and***
> *(3) for all other parties, by the law of the state where the court is located, except that:*
> *(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and*
> *(B) 28 U.S.C. §§ 754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.*
> *[SOURCE: http://www.law.cornell.edu/rules/frcp/Rule17.htm]*

The above means literally that in tax litigation, there are only *two* sources or choices of law:

1. Civil law
   1.1. Civil Law of the Defendant's domicile: The Defendant's domicile, in turn, is a matter of his own personal and political choice, and it is recorded on government forms, such as driver's license applications, tax forms, etc. See the following for details:

   | *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002<br>http://sedm.org/Forms/FormIndex.htm |
   |---|

   1.2. Private law resulting from contracts or agency created by the actions of the Defendant. For instance, the person voluntarily acquired an office in a corporation through his right to contract. That office created agency as an officer of the corporation and the laws that courts must then apply are *only* the laws of the state where the corporation was formed and maintains its corporate headquarters. This category also includes "public offices" filled as a result of voluntarily participating in "public rights" or franchises or "privileges" that we discussed in the previous section.
2. Criminal law:
   All criminal that applies to the territory that the defendant was on at the exact time of the alleged crime.

We also emphasize that a person with a domicile within a state of the Union does NOT maintain a domicile within the "United States" as defined in the Internal Revenue Code, 26 U.S.C. §7701(a)(9) and (a)(10). See:

| http://famguardian.org/Subjects/Taxes/ChallJurisdiction/Definitions/freemaninvestigation.htm |
|---|

Therefore, by implication, the I.R.C. may not be cited against a person domiciled within the exclusive jurisdiction of a state of the Union. The only exception to this requirement is the case of a person who is either a federal "public office", federal contractor, or benefit recipient. This is alluded to in Fed.Rul.Civ.Proc. 17 above, when it says:

> *"The capacity of an individual, **other than one acting in a representative capacity**, to sue or be sued shall be determined by the law of the individual's domicile. **The capacity of a corporation [or its officers or employees acting as its agent] to sue or be sued shall be determined by the law under which it was organized.**"*

[26] Adapted from *Tax Fraud Prevention Manual*, Form #06.008, Chapter 4.

*[Fed.Rul.Civ.Proc. 17]*

In the case where a person is acting in a representative capacity over a federal business entity, federal contract, or as a federal "public office", the *American Jurisprudence 2d* legal encyclopedia describes what law prevails. It says of claims of the United States against private parties the following:

> *American Jurisprudence, 2d*
> *United States*
> *§ 42 Interest on claim [77 Am Jur 2d UNITED STATES]*
>
> *The interest to be recovered as damages for the delayed payment of a contractual obligation to the United States is not controlled by state statute or local common law. In the absence of an applicable federal statute, the federal courts must determine according to their own criteria the appropriate measure of damages. State law may, however, be adopted as the federal law of decision in some instances.*
> *[American Jurisprudence, 2d, United States, Section 42: Interest on Claim]*

Federal "public office", employment, contract, or benefit claims may not be litigated in a state court because of the Separation of Powers Doctrine and because it involves what we called a "franchise" in the previous section. Therefore, they must be litigated in federal court as a contract claim, and the rules of decision must be only federal law, based on the above. The laws to be applied, under Federal Rule of Civil Procedure 17(b) , are the laws under which the United States Government federal corporation are organized, which are the U.S. Code, instead of state law. What makes the issue justiciable is that it is a federal benefit, employment, or contract issue. Our memorandum of law below also proves that Subtitle A of the I.R.C. attaches to people in states of the Union as "private law" or "contract law" at:

| *Requirement for Consent*, Form #05.003<br>http://sedm.org/Forms/FormIndex.htm |
|---|

The Internal Revenue Code, Subtitle A therefore attaches to people as "private law", "contract law" and "special law". Even the U.S. Supreme Court admitted this when it said:

> *"Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to enforce it outside the state where rendered, see Wisconsin v. Pelican Insurance Co., 127 U.S. 265 , 292, et seq. 8 S.Ct. 1370, compare Fauntleroy v. Lum, 210 U.S. 230 , 28 S.Ct. 641,* ***still the obligation to pay taxes is not penal. It is a statutory liability, quasi contractual in nature, enforceable, if there is no exclusive statutory remedy, in the civil courts by the common-law action of debt or indebitatus assumpsit.*** ***United States v. Chamberlin, 219 U.S. 250 , 31 S.Ct. 155; Price v. United States, 269 U.S. 492 , 46 S.Ct. 180; Dollar Savings Bank v. United States, 19 Wall. 227; and see Stockwell v. United States, 13 Wall. 531, 542; Meredith v. United States, 13 Pet. 486, 493. This was the rule established in the English courts before the Declaration of Independence.*** *Attorney General v. Weeks, Bunbury's Exch. Rep. 223; Attorney General v. Jewers and Batty, Bunbury's Exch. Rep. 225; Attorney General v. Hatton, Bunbury's Exch. Rep. [296 U.S. 268, 272] 262; Attorney General v. _ _, 2 Ans.Rep. 558; see Comyn's Digest (Title 'Dett,' A, 9); 1 Chitty on Pleading, 123; cf. Attorney General v. Sewell, 4 M.&W. 77. "*
> *[Milwaukee v. White, 296 U.S. 268 (1935)]*

Below is the meaning of "quasi-contract" from the above quote:

> *"**Quasi contact**. An obligation which law creates in absence of agreement; it is invoked by courts where there is unjust enrichment. Andrews v. O'Grady, 44 Misc.2d. 28, 252 N.Y.S.2d. 814, 817. Sometimes referred to as implied-in-law contracts (as a legal fiction) to distinguish them from implied-in-fact contracts (voluntary agreements inferred from the parties' conduct). Function of "quasi-contract" is to raise obligation in law where in fact the parties made no promise, and it is not based on apparent intention of the parties. Fink v. Goodson-Todman Enterprises, Limited, 9 C.A.3d. 996, 88 Cal.Rptr. 679, 690. See also Contract."*
> *[Black's Law Dictionary, Sixth Edition, p. 1245]*

The trouble is, the federal courts refuse to acknowledge the requirement to prove written or even constructive consent to the contract, and by ignoring the requirement for written, explicit consent, they have in effect made participation in this "scheme" to defraud the people involuntary and enforced. The result is racketeering and extortion, in violation of 18 U.S.C. §1951. We can easily see how being party to this contract makes us into "domiciliaries" and "residents" of the

District of Columbia by examining the older implementing regulations for Section 7701 of the Internal Revenue Code below. Note that a party becomes a "resident" by virtue of whether they are engaged in a "trade or business", which means federal contracts and employment. In effect, consenting to the federal employment contract by engaging in a "trade or business" contractually shifts one's domicile to the District of Columbia. Here is the regulation which proves this, which by the way was conveniently REMOVED from the regulations right after we published this finding in order to hide the true nature of the income tax from the average American:

> *26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.*
>
> *A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States.* ***A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation****. A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership.* ***Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.***
> *[26 CFR §301.7701-5, Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]*

To give you one simple example of how Subtitle A of the I.R.C. attaches to people in states of the Union as a federal employment contract and "private law" issue consistent with the above, consider the IRS Form W-4. The regulations describing the W-4 identify it as a "voluntary withholding agreement". Here is the regulation:

> *Title 26*
> *CHAPTER I*
> *SUBCHAPTER C*
> *PART 31*
> *Subpart E*
> *Sec. 31.3402(p)-1 Voluntary withholding agreements.*
>
> *(a) In general.*
>
> *An employee and his employer may enter into an* ***agreement*** *under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of Sec. 31.3401(a)-3, made after December 31, 1970.* ***An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee.*** *The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. (b) Form and duration of agreement. (1)(i) Except as provided in subdivision (ii) of this subparagraph, an employee who desires to enter into an agreement under section 3402(p) shall furnish his employer with Form W-4 (withholding exemption certificate) executed in accordance with the provisions of section 3402(f) and the regulations thereunder. The furnishing of such Form W-4 shall constitute a request for withholding.*

Black's Law Dictionary defines an "agreement" essentially as a contract. When you fill out and submit a W-4, you are signing a contract or agreement to procure "social insurance" from the national (not "federal") government. That contract:

1. Makes you into a "Trustee" over federal property. See:
   *Resignation of Compelled Social Security Trustee*, Form #06.002
   http://sedm.org/Forms/FormIndex.htm
2. Makes you into a federal "employee", or at least an agent or fiduciary for a federal trust which is wholly owned by the mother corporation, the "United States", as defined in 28 U.S.C. §3002(15)(A).
3. Makes you into an "officer of a corporation", who is liable under 26 U.S.C. §6671(b) for all I.R.C. penalties and liable for all criminal provisions of the I.R.C. under 26 U.S.C. §7343.
4. Shifts your effective legal domicile to the District of Columbia, because that is the domicile of the trust that you now represent. This is confirmed by 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d) and Federal Rule of Civil Procedure 17(b).
5. Makes the Social Security Number into a "Taxpayer Identification Number" and a license number for the Trustee, which is now you. See:

*Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?*, Form #05.013
http://sedm.org/Forms/FormIndex.htm

6. Makes your earnings into federal revenues and you into a "transferee" and "fiduciary" over federal payments. See 26 U.S.C. §§6901 to 6903.
7. Makes you into a federal subcontractor or "Kelley girl".
8. Donates your earnings and your time voluntarily to a "public use", thereby giving the public the right to control that use:

> *"Surely the matters in which the public has the most interest are the supplies of food and clothing; yet can it be that by reason of this interest the state may fix the price at which the butcher must sell his meat, or the vendor of boots and shoes his goods? Men are endowed by their Creator with certain unalienable rights,-'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted.* ***That property which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation."***
> *[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

9. Makes the 1040 form into a profit and loss statement for a federal business trust. The amount "returned" on this form is the "corporate profit" that is the subject of the I.R.C. Subtitle A income tax. In effect, the 1040 form is a method by which subsidiaries of the mother corporation send "kickbacks" to the mother corporation.
10. Makes you into a withholding agent who is liable under 26 U.S.C. §1461 to "return" federal payments to your new employer, the federal government.

You can read why all the above is true in the following sources, should you wish to further investigate:

1. *Resignation of Compelled Social Security Trustee*, Form #06.002
   http://sedm.org/Forms/FormIndex.htm
2. *Great IRS Hoax*, Form #11.032, Sections 5.6.11 and 5.6.16:
   http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm

Based on the above analysis, we will now list what law is admissible as evidence (not "presumed" evidence, but REAL evidence) of liability in a federal trial relating to tax issues. This list is particularized to deal only with tax issues. For a list of major or general choice of law rules applicable in all cases, refer to Section 11 earlier:

**Table 4: Choice of law in tax trials**

| # | Description | Choice of law | |
|---|---|---|---|
| | | ***Persons domiciled in states of the Union with no federal contracts, benefits, agency, or employment*** | ***Federal employees, contractors, benefit recipients, and agents*** |
| 1 | Subject matter constituting authority federal jurisdiction | None | Federal employment, contracts, agency |
| 2 | Authorities on source of jurisdiction | FRCP Rule 17(b)<br>Rules of Decision Act, 28 U.S.C. §1652<br>*Erie Railroad v. Tompkins*, 304 U.S. 64 (1938) | FRCP Rule 17(b)<br>5 U.S.C. §552(a)(1)<br>5 U.S.C. §553(a)(2)<br>26 CFR §601.702(a)(1)<br>31 CFR §1.3(a)(4)<br>44 U.S.C. §1505(a). |
| 3 | Only authorized place to litigate | State court<br>(See Alden v. Maine, 527 U.S. 706 (1999)) | Federal court<br>(See Alden v. Maine, 527 U.S. 706 (1999)) |
| 4 | Law to be applied | State revenue codes<br>(Internal Revenue Code is *excluded*)<br>State judicial precedents (stare decisis) ONLY | Internal Revenue Code<br>Federal District and Circuit Court precedents (stare decisis) ONLY |
| 5 | "Presumption" in court | Prohibited by U.S. Constitution because violates "due process" of law | Not prohibited, because Bill of Rights (first ten Amendments to the United States Constitution) do not apply in the |

| # | Description | Choice of law | |
|---|---|---|---|
| | | ***Persons domiciled in states of the Union with no federal contracts, benefits, agency, or employment*** | ***Federal employees, contractors, benefit recipients, and agents*** |
| | | | "federal zone" |
| 6 | Taxable activity | None | "trade or business" as defined in 26 U.S.C. §7701(a)(26). See: http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm |
| 7 | Earnings are | Devoted to a private use | Devoted to a "public use" to procure "privileges" such as tax deductions under 26 U.S.C. §162, Earned income credits under 26 U.S.C. §32, and reduced liability, graduated rate under 26 U.S.C. §1. |
| 8 | Legal domicile of Defendant | State of the Union | District of Columbia (see 26 U.S.C. §7701(a)(9) and (a)(10)) |
| 9 | Agency (role) of Defendant | Natural person (self) (See *Hale v. Henkel*, 201 U.S. 43 (1906)) | 1 "Transferee" under 26 U.S.C. §6901<br>2 "Fiduciary" under 26 U.S.C. §6903<br>3 Federal "employee" under 26 CFR §31.3401(c )-1<br>4 "Officer of a corporation" under 26 U.S.C. §6671(b) and 26 U.S.C. §7343<br>5 "Public office". See Osborn v. Bank of U.S., 22 U.S. 738 (1824) for definition meaning of "public office" |
| 10 | Contract which created federal agency/employment | None | Social Security Form SS-5<br>IRS Form W-4<br>IRS Form 1040 |
| 11 | What you have to do to terminate federal agency/employment | Nothing | Send in "Resignation of Compelled Social Security Trustee" document at: http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf |
| 12 | Admissible evidence in a tax trial | State law<br>Statutes at Large after 1939. See 53 Stat. 1, Section 4.<br>Rulings of the Supreme Court and not lower courts. See IRM 4.10.7.2.8 | Whatever the judge wants. There can be no violation of due process for people who are not protected by the Constitution. |
| 13 | Enforcement of federal law requires ALL of the following | Positive law (see 1 U.S.C. §204 legislative notes for list of titles that are positive law). See: http://sedm.org/Forms/MemLaw/PositiveLaw.pdf<br>Implementing regulations published in the Federal Register | Proof of consent/contract<br>Statutes only.<br>Implementing regulations published in the Federal Register are NOT required under 44 U.S.C. §1505(a)(1) and 5 U.S.C. §553(a)(2). |

The party on the left in the above table, who is the person with no contracts, employment, or agency, is the person you want to be in order to be free and sovereign. The U.S. Supreme Court has said of such a person:

> *"The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no duty to the State or to his neighbor to divulge his business, or to open his doors to an investigation, so far as it may tend to criminate him. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the Constitution. Among his rights are a*

> *refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. **He owes nothing to the public [including so-called "taxes" under Subtitle A of the I.R.C.] so long as he does not trespass upon their rights.**"*
> *[Hale v. Henkel, 201 U.S. 43, 74 (1906)]*

On the other hand, the party on the right, the federal employee or contractor, has essentially no Constitutional rights. This was explained by the U.S. Supreme Court as follows:

> *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, 392 U.S. 273, 277-278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947); Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973); Broadrick v. Oklahoma, 413 U.S. 601, 616-617 (1973)."*
> *[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990)]*

If you would like to know all the many additional reasons why federal courts are presuming you to be a federal "employee", contractor, or agent if they prosecute you for income tax crimes, penalties, or other infractions under Internal Revenue Code, Subtitle A, please consult our other informative memorandum of law available free on the internet at the link below. If you still doubt what we have said in this section, please also rebut the evidence and questions at the end of memorandum below:

| |
|---|
| *Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008<br>http://sedm.org/Forms/FormIndex.htm |

## 8.2 Why federal income taxation is not a "federal question" for those who are "nontaxpayers"

Based on the content of the foregoing section, we must conclude the following:

1. The Internal Revenue Code is not "law" for those who are "nontaxpayers" not subject to it.

> *"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*
> *[Long v. Rasmussen, 281 F. 236 (1922)]*

2. No provision of the Internal Revenue Code may be cited in any court against parties who are "nontaxpayers" not subject to it.

> *"A reasonable construction of the taxing statutes does not include vesting any tax official with absolute power of assessment against individuals not specified in the states as a person liable for the tax without an opportunity for judicial review of this status before the appellation of 'taxpayer' is bestowed upon them and their property is seized..."*
> *[Botta v. Scanlon, 288 F.2d. 504, 508 (1961)]*

3. Those who pursue privileged federal employment or franchises have contracted away their Constitutional Rights:

> *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for*

*refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947); Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973); Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973)."*
*[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990)]*

4. The term "nontaxpayer", in the context of federal income taxation under Internal Revenue Code, Subtitle A, includes parties who is domiciled in a state of the Union who have not contracted away their Constitutional rights by pursuing privileged, excise taxable federal employment called a "trade or business". See the following memorandums of law for exhaustive proof of this fact:
   4.1. *Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008: http://sedm.org/Forms/FormIndex.htm
   4.2. *The "Trade or Business" Scam*, Form #05.001 http://sedm.org/Forms/FormIndex.htm
5. BEFORE the Internal Revenue Code may be cited against a party domiciled in a state of the Union:
   5.1. Evidence must be admitted into evidence proving that they consented to engage in the franchise, such as "public office". Absent consent, holding a person responsible for the liabilities associated with "public office" constitutes slavery in violation of the Thirteenth Amendment, 42 U.S.C. §1994, and 18 U.S.C. §1589.
   5.2. The party must admit they are "taxpayers" subject to it.
   5.3. The party must cite provision of the I.R.C. in litigation so as to indicate their consent to be bound by it.

> *"The Government urges that **the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority**, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. ….. **The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469.**"*
> *[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]*

   5.4. The party must act as though they are subject to it and consent to it by providing such things as a Social Security Number in some context, which indicates domicile in the federal zone, pursuant to 26 CFR §301.6109-1(b). Those who are NOT "U.S. persons" are not required to use such a number.

> *26 CFR §301.6109-1(b)*
>
> *(b) Requirement to furnish one's own number--(1) U.S. persons. Every **U.S. person** who makes under this title a return, statement, or other document must furnish **its** own taxpayer identifying number as required by the forms and the accompanying instructions.*

   The term "U.S. person" is defined in 26 U.S.C. §7701(a)(30) as a "citizen" or "resident" of the United States, both of whom have in common a domicile in the "United States", which is defined in 26 U.S.C. §7701(a)(9) and (a)(10) as the "District of Columbia" and does not include states of the Union.
6. If the party does not satisfy the criteria in the preceding item, the government counsel must admit evidence of the above into evidence so as to create jurisdiction for the court to proceed against a "taxpayer". Presumption may not be used as a substitute for such evidence in any court of law against a party protected by the Bill of Rights, which includes those domiciled in states of the Union. The court may not "presume" that a person is a "taxpayer" until evidence appears proving it. This requirement of law is thoroughly examined in our free memorandum below:

| |
|---|
| *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017 http://sedm.org/Forms/FormIndex.htm |

Our system of jurisprudence is based upon the notion of innocence until proven guilty.

> *The presumption of innocence, although not articulated in the Constitution, is a basic component of a fair trial under our system of criminal justice. Long ago this Court stated:*
>
> *The principle that there is a presumption of innocence in favor of the accused is the undoubted law, axiomatic and elementary, and its enforcement lies at the foundation of the administration of our criminal law.*

*Coffin v. United States, 156 U.S. 432, 453 (1895).*
*[Delo v. Lashely, 507 U.S. 272 (1993)]*

The above statement of public policy constitutes a presumption in favor of everyone which can only be overcome with evidence. In the case of tax trials, one must therefore be "presumed" to be a "nontaxpayer" until evidence is introduced which the accused does not rebut that identifies him as a "taxpayer" subject to the I.R.C. This was also reiterated by the U.S. Supreme Court directly when it said:

> *"In the interpretation of **statutes levying taxes**, it is the established rule **not to** extend their provisions by implication beyond the clear import of the language used, or to enlarge their operations so as to embrace matters not specifically pointed out. In case of doubt they are construed most strongly against the government and in favor of the citizen."*
> *[Gould v. Gould, 245 U.S. 151, at 153 (1917)]*

> *"Keeping in mind the well-settled rule that **the citizen is exempt from taxation unless the same is imposed by clear and unequivocal language, and that where the construction of a tax law is doubtful, the doubt is to be resolved in favor of those upon whom the tax is sought to be laid**."*
> *[Spreckels Sugar Refining Co. v. McClain, 192 U.S. 397 (1904)]*

We also emphasize that the above provisions apply to the process of determining whether a sovereign citizen is a "taxpayer". Only AFTER this has been substantiated WITH EVIDENCE may any part of the Internal Revenue Code be cited or applied against him or her. Until that time, the burden of proof rests on the government to prove that the person is a "taxpayer" subject to the I.R.C. This is also confirmed by the provisions of the Administrative Procedures Act, 5 U.S.C. §556(d), which says:

> *TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES*
> *PART I - THE AGENCIES GENERALLY*
> *CHAPTER 5 - ADMINISTRATIVE PROCEDURE*
> *SUBCHAPTER II - ADMINISTRATIVE PROCEDURE*
> *Sec. 556. Hearings; presiding employees; powers and duties; burden of proof; evidence; record as basis of decision*

> *(d) Except as otherwise provided by statute, **the proponent of a rule or order has the burden of proof.** Any oral or documentary evidence may be received, but the agency as a matter of policy shall provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence. **A sanction may not be imposed or rule or order issued except on consideration of the whole record or those parts thereof cited by a party and supported by and in accordance with the reliable, probative, and substantial evidence.** The agency may, to the extent consistent with the interests of justice and the policy of the underlying statutes administered by the agency, consider a violation of section 557(d) of this title sufficient grounds for a decision adverse to a party who has knowingly committed such violation or knowingly caused such violation to occur. A party is entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts. In rule making or determining claims for money or benefits or applications for initial licenses an agency may, when a party will not be prejudiced thereby, adopt procedures for the submission of all or part of the evidence in written form.*

UNTIL evidence is produced on the record proving that a party is a "taxpayer", no provision of the I.R.C. may be cited against the party which might prejudice their Constitutional rights, and ESPECIALLY not the provision below relating to the burden of proof in proceeding further:

> *TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter E > §7491*
> *§ 7491. Burden of proof*

> *(a) Burden shifts where taxpayer produces credible evidence*

> *(1) General rule*

> *If, in any court proceeding, a taxpayer introduces credible evidence with respect to any factual issue relevant to ascertaining the liability of the taxpayer for any tax imposed by subtitle A or B, the Secretary shall have the burden of proof with respect to such issue.*

> *(2) Limitations*

> *Paragraph (1) shall apply with respect to an issue only if—*

> *(A) the taxpayer has complied with the requirements under this title to substantiate any item;*

> *(B) the taxpayer has maintained all records required under this title and has cooperated with reasonable requests by the Secretary for witnesses, information, documents, meetings, and interviews; and*
>
> *(C) in the case of a partnership, corporation, or trust, the taxpayer is described in section 7430 (c)(4)(A)(ii).*
>
> *Subparagraph (C) shall not apply to any qualified revocable trust (as defined in section 645 (b)(1)) with respect to liability for tax for any taxable year ending after the date of the decedent's death and before the applicable date (as defined in section 645 (b)(2)).*
>
> *(3) Coordination*
>
> *Paragraph (1) shall not apply to any issue if any other provision of this title provides for a specific burden of proof with respect to such issue.*

A party who is a "nontaxpayer" domiciled in a state of the Union to which "diversity of citizenship" applies under United States Constitution, Article III, Section 2 but NOT 28 U.S.C. §1332(a)(2) may therefore not be tried in a federal court, including on matters relating to his status as a "nontaxpayer".

> *"The result is that the federal court in a diversity case sits in effect as just another state court, seeking out forum state law for all substantive issues. The Rules of Decision Act does not apply to procedural matters, however; for matters of procedure a federal court, sitting in a diversity or any other kind of case, applies its own rules. This has been so since 1938, when , coincidentally (Erie was also decided in 1938), the Federal Rules of Civil Procedure arrived on the scene."*
> *[Conflicts in a Nutshell, David D. Seigel, West Publishing, 1994; ISBN 0-314-02952-4, p. 317]*

Instead, the federal government must litigate in a state court and obtain a declaratory judgment that a person is a "taxpayer" BEFORE he/she can be tried in a federal court as a "taxpayer" and have any provision of the private law found Internal Revenue Code, Subtitle A applied against him. The reasons for this are:

1. The state courts are the place where are rights are protected and defended, and not the federal courts. This was explained by the U.S. Supreme Court, when it ruled:

> *"It would be the vainest show of learning to attempt to prove by citations of authority, that up to the adoption of the recent Amendments [the Thirteenth and Fourteenth Amendment], no claim or pretense was set up that those rights depended on the Federal government for their existence or protection, beyond the very few express limitations which the Federal Constitution imposed upon the states—such as the prohibition against ex post facto laws, bill of attainder, and laws impairing the obligation of contracts.* ***But with the exception of these and a few other restrictions, the entire domain of the privileges and immunities of citizens of the states, as above defined, lay within the constitutional and legislative power of the states, and without that of the Federal government. Was it the purpose of the 14th Amendment, by the simple declaration that no state should make or enforce any law which shall abridge the privileges and immunities of citizens of the United States, to transfer the security and protection of all the civil rights which we have mentioned, from the states to the Federal government?*** *And where it is declared that Congress shall have the power to enforce that article, was it intended to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the states?*
>
> ***We are convinced that no such result was intended by the Congress which proposed these amendments, nor by the legislatures of the states, which ratified them.***
>
> ***Having shown that the privileges and immunities relied on in the argument are those which belong to citizens of the states as such, and that they are left to the state governments for security and protection, and not by this article placed under the special care of the Federal government, we may hold ourselves excused from defining the privileges and immunities of citizens of the United States which no state can abridge, until some case involving those privileges may make it necessary to do so.****"*
> *[Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394 (1872) , emphasis added]*

2. There is no way that a federal judge in a U.S. District Court can hear the case without having a conflict of interest in violation of 28 U.S.C. §455 and 18 U.S.C. §208. His pay and benefits derive directly from the tax which is being enforced by him.

Only AFTER the burden of proof has been satisfied by the government that the party is a "taxpayer" subject to the I.R.C., may the following provision of law be cited in applying those provisions to the party in question:

> *"In view of other settled rules of statutory construction, which teach that a law is presumed, in the absence of clear expression to the contrary, to operate prospectively; that,* ***if doubt exists as to the construction of a taxing statute, the doubt should be resolved in favor of the taxpayer****..."*
> *[Hassett v. Welch., 303 U.S. 303, pp. 314 - 315, 82 L Ed 858. (1938)]*

In establishing whether a party is a "taxpayer", certain sources of evidence are used by IRS and the courts to establish "prima facie" presumption that they are, which in turn makes them subject to federal law. These include:

1. IRS Form W-2. If this form has been filed and not disputed by the litigant, it establishes a prima facie presumption that the party is a federal employee, because only federal employees engaged in a "trade or business" may have this form filed against them. A "trade or business" is defined as a "public office" in the federal government at 26 U.S.C. §7701(a)(26). The form may only be filed against parties who voluntarily filed a W-4 requesting withholding and declaring themselves to be federal employees. See: http://sedm.org/Forms/Tax/FormW2/CorrectingIRSFormW2.htm
2. IRS Form W-4. Constitutes a request by the party to commence withholding. The form declares the person to be a federal "employee", because that is what it says in the upper left corner.
3. IRS Form 1042's filed against the party in question. The instructions for the form indicate that it is only for "trade or business" use, which means federal employment. See: http://sedm.org/Forms/Tax/Form1042/CorrectingIRSForm1042.htm
4. IRS Form 1098's filed against the party in question. The instructions for the form indicate that it is only for "trade or business" use, which means federal employment. See: http://sedm.org/ItemInfo/RespLtrs/Form1098/CorrectingIRSForm1098.htm
5. IRS Form 1099's filed against the party in question. The instructions for the form indicate that it is only for "trade or business" use, which means federal employment. See: http://sedm.org/ItemInfo/RespLtrs/Form1099/CorrectingIRSForm1099.htm
6. IRS Form 8300, Currency Transaction Report. This form is filled out by financial institutions for amounts withdraw in cash exceeding $10,000 that are connected with a "trade or business". See: http://sedm.org/Forms/Discovery/DmdVerEvOfTradeOrBusiness.pdf
7. The use or possession of a Social Security Number. This establishes the person who uses it as a public employee and trustee over a federal business trust.
   - 7.1. The domicile of the trust and its parent, the United States government, is the District of Columbia.
   - 7.2. The terms of the trust document and the means of leaving the system and exhaustively explained in the document below:

     | *Resignation of Compelled Social Security Trustee*, Form #06.002<br>http://sedm.org/Forms/FormIndex.htm |
     |---|

   - 7.3. The trust is created under the authority of the Social Security Act, at the time that the SSA Form SS-5 is completed by an applicant. The SS-5 form is a federal employment application. After application has been made and approved and the Social Security Number is issued, the party becomes a "public officer" or federal "employee" in the context of everything the number is used with.
   - 7.4. This creation of federal "agency" and "employment" by submitting the SS-5 application shifts the domicile of a formerly private citizen to the District of Columbia in all federal courts for all occasions involving the use of the Social Security Number of the employment duties associated with it. See:
     - 7.4.1. 26 U.S.C. §7408(d). Shifts the domicile of all persons to the District of Columbia for the purposes of injunctions.
     - 7.4.2. 26 U.S.C. §7701(a)(39). Shifts the domicile of all persons to the District of Columbia for all matters involving federal tax liability.
     - 7.4.3. Federal Rule of Civil Procedure Rule 17(b), which says that when a person is acting in a representative capacity for a federal corporation, including the "United States", the law to be applied is the law of the domicile of the Corporation, which is the District of Columbia in the case of the federal government.
8. The filing of IRS Form 1040, which is the wrong form to file for a person domiciled in a state of the Union. Persons domiciled in states of the Union are nonresident aliens and if they file any IRS return form, it must be the IRS Form 1040NR, not 1040. See:
   - 8.1. *Nonresident Alien Position*, Form #05.020 http://sedm.org/Forms/FormIndex.htm
   - 8.2. *Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long*, Form #15.001 http://sedm.org/Forms/FormIndex.htm
   - 8.3. *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006

http://sedm.org/Forms/FormIndex.htm

8.4. Why you are not a "citizen" under the Internal Revenue Code:
http://famguardian.org/Subjects/Taxes/Citizenship/NotACitizenUnderIRC.htm

8.5. Why you are not a "resident" under the Internal Revenue Code:
http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm

9. Financial account signature cards. Accounts opened at banks must be opened with a W-8BEN. If the W-8BEN is not provided, there is a prima facie presumption that the person opening the account is a "U.S. person", who must provide a Social Security Number or Taxpayer Identification Number in order to open an account, which creates a prima facie presumption that they are "taxpayers". Persons domiciled in states of the Union, who are "nationals" but not "citizens" under federal law, use the W-8BEN to open accounts without Social Security Numbers or Taxpayer Identification Numbers. See:

| |
|---|
| *About IRS Form W-8BEN*, Form #04.202<br>http://sedm.org/Forms/FormIndex.htm |

All of the above sources of prima facie evidence used by the courts in establishing one as a "U.S. citizen", a "U.S. person" (as defined in 26 U.S.C. §7701(a)(30)), and a "taxpayer" MUST be denounced as untrue and rebutted as shown in the items above before the burden of proof shifts to the government to establish a person as a "taxpayer". If you have ensured that no evidence stands in all of the above categories, then the government must leave you alone and respect your sovereignty. All of the above sources of evidence create a nexus for federal jurisdiction because they all involve "commerce" with the government of one kind or another. When one conducts "commerce" with the government, they surrender their sovereign immunity as a "nonresident alien" under the Foreign Sovereign Immunities Act. 28 U.S.C. §1605(a)(2).

> *TITLE 28 > PART IV > CHAPTER 97 > § 1605*
> *§ 1605. General exceptions to the jurisdictional immunity of a foreign state*
>
> *(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—*
>
> *[. . .]*
>
> *(2) in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States;*

Those who want their sovereignty respected and who want to be left alone by the IRS and the federal government must therefore go out of their way to ensure that they are not conducting "commerce" of any kind with the federal government. Commerce is the nexus for nearly all forms of federal jurisdiction, and this nexus originates from Article 1, Section 8, Clause 3 and Article 4, Section 3, Clause 2 of the Constitution of the United States of America.

If you would like to know more about the content of this section, please refer to the following two very important and informative sources:

1. "Taxpayer" v. "Nontaxpayer"- Which One are You?
http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm
2. Your Rights as a "Nontaxpayer"
http://sedm.org/LibertyU/NontaxpayerBOR.pdf

## 8.3 Why it is UNLAWFUL for the I.R.S. to enforce Internal Revenue Code, Subtitle A within states of the Union

The federal government enjoys NO legislative jurisdiction on land within the exterior limits of a state of the Union that is not its own territory. The authorities for this fact are as follows:

1. The U.S. Supreme Court has stated repeatedly that the United States federal government is without ANY legislative jurisdiction within the exterior boundaries of a sovereign state of Union:

> *"The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; **but for a very long time this court***

> ***has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions***. *The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."*
> *[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]*

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> *"It is no longer open to question that* ***the general government, unlike the states****, Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724,* ***possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.****"*
> *[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]*

If you meet with someone from the IRS, ask them whether the Internal Revenue Code qualifies as "legislation" within the meaning of the above rulings. Tell them you aren't interested in court cases because judges cannot make law or create jurisdiction where none exists.

2. 40 U.S.C. §3112 creates a presumption that the United States government does not have jurisdiction unless it specifically accepts jurisdiction over lands within the exterior limits of a state of the Union:

> *TITLE 40 - PUBLIC BUILDINGS, PROPERTY, AND WORKS*
> *SUBTITLE II - PUBLIC BUILDINGS AND WORKS*
> *PART A - GENERAL*
> *CHAPTER 31 - GENERAL*
> *SUBCHAPTER II - ACQUIRING LAND*
> *Sec. 3112. Federal jurisdiction*
>
> *(a) Exclusive Jurisdiction Not Required. - It is not required that the Federal Government obtain exclusive jurisdiction in the United States over land or an interest in land it acquires.*
> *(b) Acquisition and Acceptance of Jurisdiction. - When the head of a department, agency, or independent establishment of the Government, or other authorized officer of the department, agency, or independent establishment, considers it desirable, that individual may accept or secure, from the State in which land or an interest in land that is under the immediate jurisdiction, custody, or control of the individual is situated, consent to, or cession of, any jurisdiction over the land or interest not previously obtained. The individual shall indicate acceptance of jurisdiction on behalf of the Government by filing a notice of acceptance with the Governor of the State or in another manner prescribed by the laws of the State where the land is situated.*
> *(c) Presumption. - It is conclusively presumed that jurisdiction has not been accepted until the Government accepts jurisdiction over land as provided in this section.*
> *[SOURCE: http://www4.law.cornell.edu/uscode/html/uscode40/usc_sec_40_00003112----000-.html]*

3. The Uniform Commercial Code defines the term "United States" as the District of Columbia:

> *Uniform Commercial Code (U.C.C.)*
> *§ 9-307. LOCATION OF DEBTOR.*
>
> *(h) [Location of United States.]*
>
> *The United States is located in the District of Columbia.*
> *[SOURCE:*
> *http://www.law.cornell.edu/ucc/search/display.html?terms=district%20of%20columbia&url=/ucc/9/article9.htm#s9-307]*

4. Article 1, Section 8, Clause 17 of the Constitution expressly limits the territorial jurisdiction of the federal government to the ten square mile area known as the District of Columbia. Extensions to this jurisdiction arose at the signing of the Treaty of Peace between the King of Spain and the United States in Paris France, which granted to the United States new territories such as Guam, Cuba, the Philippines, etc.
5. The Internal Revenue Code, Subtitle A places the income tax primarily upon a "trade or business". A "trade or business" is defined as the "functions of a public office" in 26 U.S.C. §7701(a)(26). See:

| |
|---|
| *The "Trade or Business" Scam*, Form #05.001<br>http://sedm.org/Forms/FormIndex.htm |

6. 4 U.S.C. §72 limits the exercise of all "public offices" and the application of their laws to the District of Columbia and NOT elsewhere except as expressly provided by Congress.

> *TITLE 4 > CHAPTER 3 > § 72*
> *§ 72. Public offices; at seat of Government*

*All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.*

7. One of the key words in 4 U.S.C. § 72 is the word "**expressly**." When Congress extends the authority of any office or officer of the United States outside "the District of Columbia, and not elsewhere," Congress will do it by "expressly" extending the Secretary's authority and by leaving no doubt that said authority has been extended by Congress to a particular geographical area outside "the District of Columbia." The definition of "expressly" from Black's Law Dictionary, Sixth Edition is as follows:

> *"expressly. In an express manner; in direct and unmistakable terms; explicitly; definitely; directly. St. Louis Union Trust Co. v. Hill, 336 Mo. 17, 76 S.W.2d. 685, 689.* ***The opposite of impliedly****. Bolles v. Toledo Trust Co., 144 Ohio.St. 195, 58 N.E.2d. 381, 396." (Emphasis added)*

8. The U.S. Supreme Court expressly held that Congress may not establish a "trade or business", and by implication a "public office", in a state of the Union and tax it.

> *"Congress cannot authorize a* ***trade or business*** *within a State in order to tax it."*
> *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]*

9. The Supreme Court agrees that all jurisdiction must be conferred by Congress and not by the judiciary or "judge made law":

> *"Official powers cannot be extended beyond the terms and necessary implications of the grant. If broader powers be desirable,* ***they must be conferred by Congress****."*
> *[Federal Trade Commission v. Raladam Co., 283 U.S. 643, 51 S.Ct. 587 (1931)(Emphasis added)]*

10. The IRS and the DOJ have been repeatedly asked for the statute which "expressly extends" the "public office" that is the subject of the tax upon "trade or business" activities within states of the Union. NO ONE has been able to produce such a statute because IT DOESN'T EXIST. There is no provision of law which "expressly extends" the enforcement of Internal Revenue Code, Subtitle A to any state of the Union. Therefore, IRS jurisdiction does not exist there.

> *"****Expressio unius est exclusio alterius****. A maxim of statutory interpretation meaning that* ***the expression of one thing is the exclusion of another.*** *Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another.* ***When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.*** *Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*
> *[Black's Law Dictionary, Sixth Edition, p. 581]*

10.1. 48 U.S.C. §1612 and 48 U.S.C. §1397 expressly extend the enforcement of the criminal provisions of the Internal Revenue Code to the Virgin Islands and is the only enactment of Congress that extends enforcement of any part of the Internal Revenue Code to any place outside the District of Columbia.
10.2. 48 U.S.C. §1421i extends the internal revenue laws to Guam.
10.3. 48 U.S.C. §1801 extends the revenue laws to the Northern Mariana Islands.

11. The U.S. Supreme Court commonly refers to states of the Union as "foreign states". To wit:

> *We have held, upon full consideration, that although under existing statutes a circuit court of the United States has jurisdiction upon habeas corpus to discharge from the custody of* ***state officers*** *or tribunals one restrained of his liberty in violation of the Constitution of the United States, it is not required in every case to exercise its power to that end immediately upon application being made for the writ. 'We cannot suppose,' this court has said, 'that Congress intended to compel those courts, by such means, to draw to themselves, in the first instance, the control of all criminal prosecutions commenced in state courts exercising authority within the same territorial limits, where the accused claims that he is held in custody in violation of the Constitution of the United States. The injunction to hear the case summarily, and thereupon 'to dispose of the party as law and justice require' [R. S. 761], does not deprive the court of discretion as to the time and mode in which it will exert the powers conferred upon it. That discretion should be exercised in the light of the relations existing, under our system of government, between the judicial tribunals of the Union and of the states, and in recognition of the fact that the public good requires that those relations be not disturbed by unnecessary conflict between courts equally bound to guard and protect rights secured by the Constitution.* ***When the petitioner is in custody by state authority for an act done or omitted to be done in pursuance of a law of the United States, or of an order, process, or decree of a court or judge thereof; or where, being a subject or citizen of a foreign state, and domiciled therein, he is in custody, under like authority, for an act done or omitted under any alleged right, title, authority, privilege, protection, or exemption claimed under the commission, or order, or sanction of any foreign state, or under color thereof, the validity and effect whereof***

> ***depend upon the law of nations; in such and like cases of urgency, involving the authority and operations of the general government, or the obligations of this country to, or its relations with, foreign nations, [180 U.S. 499, 502] the courts of the United States have frequently interposed by writs of habeas corpus and discharged prisoners who were held in custody under state authority.*** *So, also, when they are in the custody of a state officer, it may be necessary, by use of the writ, to bring them into a court of the United States to testify as witnesses.' Ex parte Royall, 117 U.S. 241, 250 , 29 S.L.Ed. 868, 871, 6 Sup.Ct.Rep. 734; Ex parte Fonda, 117 U.S. 516, 518 , 29 S.L.Ed. 994, 6 Sup.Ct.Rep. 848; Re Duncan, 139 U.S. 449 , 454, sub nom. Duncan v. McCall, 35 L.Ed. 219, 222, 11 Sup.Ct.Rep. 573; Re Wood, 140 U.S. 278 , 289, Sub nom. Wood v. Bursh, 35 L.Ed. 505, 509, 11 Sup.Ct.Rep. 738; McElvaine v. Brush, 142 U.S. 155, 160 , 35 S.L.Ed. 971, 973, 12 Sup.Ct.Rep. 156; Cook v. Hart, 146 U.S. 183, 194 , 36 S.L.Ed. 934, 939, 13 Sup.Ct.Rep. 40; Re Frederich, 149 U.S. 70, 75 , 37 S.L.Ed. 653, 656, 13 Sup.Ct.Rep. 793; New York v. Eno, 155 U.S. 89, 96 , 39 S.L.Ed. 80, 83, 15 Sup.Ct.Rep. 30; Pepke v. Cronan, 155 U.S. 100 , 39 L.Ed. 84, 15 Sup.Ct.Rep. 34; Re Chapman, 156 U.S. 211, 216 , 39 S.L.Ed. 401, 402, 15 Sup.Ct.Rep. 331; Whitten v. Tomlinson, 160 U.S. 231, 242 , 40 S.L.Ed. 406, 412, 16 Sup.Ct.Rep. 297; Iasigi v. Van De Carr, 166 U.S. 391, 395 , 41 S.L.Ed. 1045, 1049, 17 Sup.Ct.Rep. 595; Baker v. Grice, 169 U.S. 284, 290 , 42 S.L.Ed. 748, 750, 18 Sup.Ct.Rep. 323; Tinsley v. Anderson, 171 U.S. 101, 105 , 43 S.L.Ed. 91, 96, 18 Sup.Ct.Rep. 805; Fitts v. McGhee, 172 U.S. 516, 533 , 43 S.L.Ed. 535, 543, 19 Sup.Ct.Rep. 269; Markuson v. Boucher, 175 U.S. 184 , 44 L.Ed. 124, 20 Sup.Ct.Rep. 76.*
> *[State of Minnesota v. Brundage, 180 U.S. 499 (1901)]*

12. The Federal Register Act, 44 U.S.C. §1505(a), and the Administrative Procedures Act, 5 U.S.C. §553(a) both require that when a federal agency wishes to enforce any provision of statutory law within a state of the Union, it must write proposed implementing regulations, publish them in the Federal Register, and thereby give the public opportunity for "notice and comment". Notice that 44 U.S.C. §1508 says that the Federal Register is the official method for providing "notice" of laws that will be enforced in "States of the Union". There are no implementing regulations authorizing the enforcement of any provision of the Internal Revenue Code within any state of the Union, and therefore it cannot be enforced against the general public domiciled within states of the Union. See the following for exhaustive proof:

| |
|---|
| *IRS Due Process Meeting Handout*, Form #03.008<br>http://sedm.org/Forms/FormIndex.htm |

13. Various provisions of law indicate that when implementing regulations authorizing enforcement have NOT been published in the Federal Register, then the statutes cited as authority may NOT prescribe a penalty or adversely affect rights protected by the Constitution of the United States:

> *TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552*
> *§ 552. Public information; agency rules, opinions, orders, records, and proceedings§ 1508. Publication in Federal Register as notice of hearing*
>
> *Except to the extent that a person has actual and timely notice of the terms thereof, **a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published.** For the purpose of this paragraph, matter reasonably available to the class of persons affected thereby is deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.*
>
> _____
>
> *26 CFR §601.702 Publication and public inspection*
>
> *(a)(2)(ii) Effect of failure to publish. Except to the extent that a person has actual and timely notice of the terms of any matter referred to in subparagraph (1) of this paragraph which is required to be published in the Federal Register, **such person is not required in any manner to resort to, or be adversely affected by, such matter if it is not so published or is not incorporated by reference therein pursuant to subdivision** (i) of this subparagraph. **Thus, for example, any such matter which imposes an obligation and which is not so published or incorporated by reference will not adversely change or affect a person's rights.***

14. 44 U.S.C. §1505(a) and 5 U.S.C. §553(a) both indicate that the only case where an enactment of the Congress can be enforced DIRECTLY against persons domiciled in states of the Union absent implementing regulations is for those groups specifically exempted from the requirement. These groups include:
    14.1. A military or foreign affairs function of the United States. 5 U.S.C. §553(a)(1).
    14.2. A matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts. 5 U.S.C. §553(a)(2).
    14.3. Federal agencies or persons in their capacity as officers, agents, or employees thereof. 44 U.S.C. §1505(a)(1).
15. The Internal Revenue Code itself defines and limits the term "United States" to include only the District of Columbia and nowhere expands the term to include any state of the Union. Consequently, states of the Union are not included.

> *TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.*
> *Sec. 7701. - Definitions*

*(a)(9) United States*

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

*(a)(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.*

16. 26 U.S.C. §7601 limits and defines enforcement of the Internal Revenue Code and discovery related to the enforcement *only* within the bounds of internal revenue districts. Any evidence gathered by the IRS outside the District of Columbia is UNLAWFULLY obtained and in violation of this statute, and therefore inadmissible. See *Weeks v. United States*, 232 U.S. 383 (1914), which says that evidence unlawfully obtained is INADMISSIBLE.
17. 26 U.S.C. §7621 authorizes the President of the United States to define the boundaries of all internal revenue districts.
    17.1. The President delegated that authority to the Secretary of the Treasury pursuant to Executive Order #10289.
    17.2. Neither the President nor his delegate, the Secretary of the Treasury, may establish internal revenue districts outside of the "United States", which is then defined in 26 U.S.C. §7701(a)(9) and (a)(10), 26 U.S.C. §7701(a)(39), and 26 U.S.C. §7408(d) to mean ONLY the District of Columbia. This restriction is a result of the fact that the Constitution in Article 4, Section 3, Clause 2 only authorizes Congress to write rules and regulations for the territory and other property of the United States, and states of the Union are not "territory" of the United States:

> *"Territories' or 'territory' as including 'state' or 'states." While the term 'territories of the' United States may, under certain circumstances, include the states of the Union, as used in the federal Constitution and in ordinary acts of congress "territory" does not include a foreign state.*
> *[86 Corpus Juris Secundum (C.J.S.), Territories, §1]*

    17.3. Congress cannot delegate to the President or the Secretary an authority within states of the Union that it does not have. Congress has NO LEGISLATIVE JURISDICTION within a state of the Union.

> *"It is no longer open to question that **the general government, unlike the states**, Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, **possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.**"*
> *[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]*

18. Treasury Order 150-02 abolished all internal revenue districts *except* that of the District of Columbia.
19. IRS is delegate of the Secretary in insular possessions, as "delegate" is defined at 26 U.S.C. §7701(a)(12)(B), but NOT in states of the Union.

Based on all the above authorities:

1. The word "INTERNAL" in the phrase "INTERNAL Revenue Service" means INTERNAL to the federal government or the federal zone. This includes people OUTSIDE the federal zone but who have a domicile there, such as statutory but not constitutional citizens and residents abroad coming under a tax treaty with a foreign country, pursuant to 26 U.S.C. §911. It DOES NOT include persons domiciled in states of the Union. See:
   *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002
   http://sedm.org/Forms/FormIndex.htm
2. The U.S. Supreme Court has confirmed that there is *no basis* to believe that any part of the federal government enjoys any legislative jurisdiction within any state of the Union, including in its capacity as a lawmaker for the general government. This was confirmed by one attorney who devoted his life to the study of Constitutional law below:

> *"§79. [. . .]There cannot be two separate and independent sovereignties within the same limits or jurisdiction; nor can there be two distinct and separate sources of sovereign authority within the same jurisdiction. The right of commanding in the last resort can be possessed only by one body of people inhabiting the same territory,' and can be executed only by those intrusted with the execution of such authority."*
> *[Treatise on Government, Joel Tiffany, p. 49, Section 78;*
> *SOURCE: http://famguardian.org/Publications/TreatiseOnGovernment/TreatOnGovt.pdf]*

Our public dis-servants have tried to systematically destroy this separation using a combination of LIES, PROPAGANDA in unreliable government publications, and the abuse of "words of art" in the void for vagueness "codes" they write in order to hunt and trap and enslave you like an animal.

> *But this* is *a people robbed and plundered;*
> *All of them are snared in [legal] holes, [by the sophistry of rebellious public "servant" lawyers]*
> *And they are hidden in prison houses;*
> *They are for prey, and no one delivers;*
> *For plunder, and no one says, "Restore!"*
> *Who among you will give ear to this?*
> Who *will listen and hear for the time to come?*
> *Who gave Jacob [Americans] for plunder, and Israel [America] to the robbers?*
> ***Was it not the LORD,***
> ***He against whom we have sinned?***
> ***For they would not walk in His ways,***
> ***Nor were they obedient to His law.***
> *Therefore He has poured on him the fury of His anger*
> *And the strength of battle;*
> *It has set him on fire all around,*
> *Yet he did not know;*
> *And it burned him,*
> *Yet he did not take* it *to heart.*
> *[Isaiah 42:22-25, Bible, NKJV]*

Your government is a PREDATOR, not a PROTECTOR. Wake up people! If you want to know what your public servants are doing to systematically disobey and destroy the main purpose of the Constitution and destroy your rights in the process, read the following expose:

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| *Government Conspiracy to Destroy the Separation of Powers*, Form #05.023<br>http://sedm.org/Forms/FormIndex.htm |

3. The PROPAGANDA you read on the IRS website that contradicts the content of this section honestly (for ONCE!) identifies itself as the equivalent of BUTT WIPE that isn't worth the paper it is printed on and which you can't and shouldn't believe. This BUTT WIPE, incidentally, includes ALL the IRS publications and forms:

> *"IRS Publications, issued by the National Office, explain the law in plain language for taxpayers and their advisors... While a good source of general information, publications should not be cited to sustain a position."*
> *[IRM 4.10.7.2.8 (05-14-1999)]*

4. If you want to know what constitutes a "reasonable source of belief" about federal jurisdiction in the context of taxation, please see the following. Note that it concludes that you CAN'T trust anything a tax professional or government employee or even court below the Supreme Court says on the subject of taxes, and this conclusion is based on the findings of the courts themselves!

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| *Reasonable Belief About Income Tax Liability*, Form #05.007<br>http://sedm.org/Forms/FormIndex.htm |

## 9 How to tell when the government is exceeding its jurisdiction during litigation

Now that we thoroughly understand federal jurisdiction, where it comes from, and all the rules for choice of law during federal litigation, the last important subject we must discuss to properly prepare you for your own battles in federal court is to document all of the illegal, dishonest, and underhanded techniques that federal judges and U.S. attorneys will use to prejudice your rights as a sovereign. These techniques include:

1. Refusing to enter proof of jurisdiction on the record when jurisdiction is challenged. Whenever you challenge jurisdiction, proof of jurisdiction MUST be entered on the record by the party who initiated the suit or the court or both. If you challenge jurisdiction using the content of this document and either the Plaintiff or the Court or both are silent in response or say they won't entertain such a challenge, then they are involved in a criminal conspiracy against your rights in violation of 18 U.S.C. §241 and 42 U.S.C. §1983.

> *"A court lacking diversity jurisdiction cannot render judgment but must dismiss the cause at any stage of the proceedings in which it becomes apparent that jurisdiction is lacking. 28 U.S.C.A. §1332."*

> *"Party invoking jurisdiction of the court has duty to establish that federal jurisdiction does not exist. 28 U.S.C.A. §§1332, 1332(c)."*

*"There is a presumption against existence of federal jurisdiction; thus, party invoking federal court's jurisdiction bears the burden of proof. 28 U.S.C.A. §§1332, 1332(c); Fed.Rules Civ. Proc. rule 12(h)(3), 28 U.S.C.A."*

*"If parties do not raise question of lack of jurisdiction, it is the duty of the federal court to determine the manner sua sponte. 28 U.S.C.A. §1332."*

*"Lack of jurisdiction cannot be waived and jurisdiction cannot be conferred upon a federal court by consent, inaction, or stipulation. 28 U.S.C.A. §1332."*

*"Although defendant did not present evidence to support dismissal for lack of jurisdiction, burden rested with plaintiffs to prove affirmatively that jurisdiction did exist. 28 U.S.C.A. §1332". Basso v. Utah Power and Light Company, 495 F.2d. 906 (1974)*
*[Basso v. Utah Power and Light Company, 495 F.2d. 906 (1974);*
*SOURCE: http://famguardian.org/TaxFreedom/CitesByTopic/Jurisdiction-BassoVUtahPL-495F2d906.pdf*

2. Refusing to acknowledge that the thing being regulated constitutes a "franchise" or an "excise tax":
   2.1. If they acknowledged the origins of their jurisdiction as a franchise or an "excise tax", the first logical question out of your mouth as a litigant would be: "Where is the application or license that I completed, signed, and voluntarily submitted to you which gave rise to this franchise?". This would shift the burden of proof to them to produce consent to the franchise, and since they know they can't do that, they avoid the question entirely at all costs because it would shut down the entire income tax system. Consequently, they typically will refuse to make any declaratory judgments relating to the nature of the franchise as either an "excise tax", a "direct tax", or an "indirect excise tax" and may even feign ignorance on the subject, even though they know the answer to the question. This SCAM is exposed in the *Great IRS Hoax*, section 3.17.1, which shows that there is wide disparity and disagreement between all the federal circuit courts about whether the federal income tax is an "excise tax" or a "direct tax". See:
   http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm
   2.2. The IRS pulls the same concealment SCAM as the courts to in regard to the nature of I.R.C. Subtitle A as an excise tax upon the privilege called a "trade or business". This SCAM is exhaustively documented in the memorandum of law below:

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| *The "Trade or Business" Scam*, Form #05.001<br>http://sedm.org/Forms/FormIndex.htm |

3. If the subject is a "tax", refusing to acknowledge the voluntary nature of the tax for "nontaxpayers" and refusing to even acknowledge the existence of "nontaxpayers": The following legal authorities exhaustively prove that I.R.C. Subtitle A is voluntary for "nontaxpayers":
   3.1. Legal Authorities which prove the Income Tax is Voluntary for "Nontaxpayers"
   http://famguardian.org/Subjects/Taxes/Articles/IncomeTaxVoluntary.htm
   3.2. "Taxpayer" v. "Nontaxpayer"- Which One are You?
   http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm
   3.3. *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002
   http://sedm.org/Forms/FormIndex.htm
4. Violating/bending the rules of evidence by admitting essentially hearsay evidence into evidence that you were engaged in a federal franchise. The Hearsay Rule, Fed.Rul.Ev. 802 excludes anything as evidence that is not authenticated with a perjury oath. 26 U.S.C. §6065 also requires that every document produced under the authority of the Internal Revenue Code must be signed under penalty of perjury, which includes information returns. For instance:
   4.1. Admitting hearsay "information returns" into evidence that are unsigned and therefore inadmissible. Information returns include forms such as IRS Forms W-2, 1042-s, 1098, 1099, and 8300.
   4.2. Admitting IRS assessments and computer printouts into evidence that are not signed under penalty of perjury by an "assessment officer" as required by 26 U.S.C. §6065.
5. Citing statutes against persons who do not satisfy the definition of "person" within the code cited. For instance:
   5.1. Enforcing I.R.C. penalties against someone who does not satisfy the definition of "person" found in 26 U.S.C. §6671(b).

*TITLE 26 > Subtitle F > CHAPTER 68 > Subchapter B > PART I > § 6671*
*§ 6671. Rules for application of assessable penalties*

*(b) Person defined*

> *The term "person", as used in this subchapter, includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.*

5.2. Criminally enforcing the I.R.C. against someone who does not fit the description of "person" found in 26 U.S.C. §7343.

> *TITLE 26 > Subtitle F > CHAPTER 75 > Subchapter D > Sec. 7343.*
> *§ 7343. Definition of term "person"*
>
> *The term "person" as used in this chapter [Chapter 75] includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member* ***is under a duty to perform the act in respect of which the violation occurs***

All of the above "persons" are "public officers" who work for the U.S. government in a representative capacity as "officers of a corporation". The "corporation" is the "United States", pursuant to 28 U.S.C. §3002(15)(A). The "duty to perform" they are talking about is the duty created by their oath as a "public officer". There can be no other source of said duty, because there is no statute making the average American domiciled in a state of the Union "liable" to withhold or pay federal income taxes. Usually, the only defense the government can come up against when challenged with the above definitions in a tax prosecution is to point to the word "includes" and to imply that the definition can include anything they subjectively want to include in it. This is an abuse of the rules of statutory construction that is easily defeated. This type of legal abuse as well as techniques for easily defeating it are found below:

| *Meaning of the Words "includes" and "including"*, Form #05.014<br>http://sedm.org/Forms/FormIndex.htm |
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6. Refusing to properly invoke diversity jurisdiction:
   6.1. A party domiciled either in a foreign country or a state of the Union must invoke CONSTITUTIONAL diversity jurisdiction pursuant to United States Constitution, Article III, Section 2 but NOT STATUTORY diversity pursuant to 28 U.S.C. §1332.
   6.2. The "State" mentioned in the Constitution and the "State" defined in 28 U.S.C. §1332(d) are NOT the same, and therefore CONSTITUTIONAL diversity and STATUTORY diversity are mutually exclusive types of diversity.
   6.3. Typically, most federal courts will falsely and fraudulently presume that these two types of diversity are the same.
7. Refusing to acknowledge your status as a nonresident party. For instance, if your administrative record says you are a "nonresident alien", refusing to acknowledge all the benefits of being a nonresident alien, such as:
   7.1. No "gross income" if not engaged in a "trade or business". 26 CFR §1.872-2(f).
   7.2. Not within any internal revenue district and therefore local IRS offices may not investigate your liability or used any evidence gathered outside of an internal revenue district. 26 U.S.C. §7601.
   7.3. No requirement to have or use Social Security Numbers if not engaged in a "trade or business". 31 CFR §103.34(a)(3)(x).
   7.4. Not within any United States Judicial District and therefore not subject to the jurisdiction of any federal district or circuit court. Federal district courts are Article IV legislative tribunals that are part of the Executive rather than Judicial branch of the government. They have jurisdiction only over federal territory, property, or franchises within the exterior limits of the district pursuant to the United States Constitution, Article 4, Section 3, Clause 2. See:

| *What Happened to Justice?*, Form #06.012<br>http://sedm.org/Forms/FormIndex.htm |
|---|

8. Refusing to acknowledge your status as a person not in receipt of the franchise being litigated. For instance:
   8.1. U.S. attorney or judge refusing their obligation to acknowledge that you are a "nontaxpayer" against whom no provision of the Internal Revenue Code may be cited or enforced.
   8.2. U.S. attorney or judge refusing their obligation to produce evidence of consent to the franchise on the record when jurisdiction is challenged. See:

| *Requirement for Consent*, Form #05.003<br>http://sedm.org/Forms/FormIndex.htm |
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9. Directly citing federal statutory law against you without ALSO producing implementing regulations. A person domiciled in a state of the Union is protected by the United States Constitution. Consequently, due process requires that he must be given "reasonable notice" by publication in the Federal Register of law he might become the target of enforcement for. See 44 U.S.C. §1505(a) and 5 U.S.C. §553(a). U.S. attorney or judge may not therefore lawfully cite any provision from the I.R.C. *directly* against a person domiciled in a state of the Union who is not engaged in the franchise without ALSO producing an implementing regulation published in the Federal Register. Most enforcement

provisions of the Internal Revenue Code do not have implementing regulations, because it only pertains to those engaged in a franchise and therefore who effectively become "federal instrumentalities" and "public officers". See:

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| *IRS Due Process Meeting Handout*, Form #03.008<br>http://sedm.org/Forms/FormIndex.htm |

10. Refusing to apply the mandatory requirements of the Minimum Contacts Doctrine to your circumstances as a nonresident party. The Minimum Contacts Doctrine requires that when courts wish to assert jurisdiction over nonresident parties, they must satisfy ALL of the following requirements (see Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d. 1199 (9th Cir. 01/12/2006) earlier):
    10.1. The non-resident defendant must **purposefully direct his activities or consummate some transaction with the forum or resident thereof**; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws
    10.2. the claim must be one which arises out of or relates to the defendant's forum-related activities; and
    10.3. the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.
11. Citing case law that pertains to persons who are not similarly situated to you. For instance:
    11.1. Citing case law that relates to a person found to be a "taxpayer" without proving ON THE RECORD that you are a "taxpayer" engaged in the franchise FIRST.
    11.2. Citing federal case law against a person domiciled in a state of the Union who is not protected by federal law. The only way federal law can lawfully be cited against a person not domiciled on federal territory is if they are engaged in a federal franchise or are abroad (not within any state of the Union).
12. Making silent and prejudicial presumptions and refusing to justify defend the basis for those presumptions. All presumptions which prejudice constitutionally guaranteed rights are unconstitutional. See

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| *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017<br>http://sedm.org/Forms/FormIndex.htm |

    For example:
    12.1. That you are engaged in a "trade or business". See:

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| *The "Trade or Business" Scam*, Form #05.001<br>http://sedm.org/Forms/FormIndex.htm |

    12.2. That you are a statutory "U.S. citizen" pursuant to 8 U.S.C. §1401. People born within and domiciled within states of the Union are "non-citizen nationals" and NOT "citizen" under federal law. They are "citizens" within the meaning of the Constitution, but not within the meaning of federal statutory law. See:

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| *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006<br>http://sedm.org/Forms/FormIndex.htm |

    12.3. That you are a "resident" (alien) pursuant to 26 U.S.C. §7701(b)(1)(A). The only type of "resident" defined in the I.R.C. is a "resident alien", and you aren't an "alien" if you were born in any of the 50 states.
    12.4. That you are acting as a "public officer" acting in a fiduciary capacity as a "transferee" over federal payments pursuant to 26 U.S.C. §6903. This is simply false if you terminated participation in the Social Security scam. See:

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| *Resignation of Compelled Social Security Trustee*, Form #06.002<br>http://sedm.org/Forms/FormIndex.htm |

## 10 Strategy for Effectively Challenging Federal Jurisdiction

Challenges to federal jurisdiction to enforce a statute may be made using the following effective strategy:

1. The U.S. Supreme Court has held that the ability to regulate private conduct is repugnant to the Constitution, which means unconstitutional.

> *"The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide modes of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not been questioned."*
> *[City of Boerne v. Florez, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

Why? Because it's involuntary servitude in violation of the Thirteenth Amendment to impose any duty upon a private human being beyond that of simply avoiding harming the equal rights of others.

> *"What more is necessary to make us a happy and a prosperous people? Still one thing more, fellow citizens--a wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities."*
> *[Thomas Jefferson: 1st Inaugural, 1801]*

The purpose of all law is therefore to protect ***private*** rights by keeping what is ***private*** and what is ***public*** completely separate from each other and by keeping ***private*** individuals from injuring each other. Therefore:

1.1. Any government official who asserts the right to impose a ***duty*** of any kind upon you or enforce civil law against you has a burden of showing that you are consensually and lawfully engaged in ***public*** rather than ***private*** conduct.

1.2. By "public conduct", we mean a "public office" within the government. Example: All income taxes are excise taxes imposed upon the public office franchises within the U.S. government. Income taxes cannot be enforced against those not lawfully engaged in a public office in the specific case they are authorized to serve in that office, which 4 U.S.C. §72 says is ONLY the District of Columbia and NOT elsewhere. All franchises, in fact, require those so engaged to be public officers BEFORE they consent to engage in the activity and the application for the license does not create any new public offices.

1.3. Any evidence that might connect you to a public office should be rebutted in order to prove that you weren't lawfully or consensually engaged in a franchise or public office. This includes:

1.3.1. Showing that you weren't domiciled on federal territory at the time and therefore cannot either be offered or consent to participate in any federal franchise because your rights are unalienable, meaning they can't be sold or transferred or bargained away through any commercial process in relation to the government, including a franchise.

> *"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, -"*
> *[Declaration of Independence]*

> *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*
> *[Black's Law Dictionary, Fourth Edition, p. 1693]*

1.3.2. Information returns such as IRS Forms W-2, 1042-s, 1098, and 1099. See:

> *Correcting Erroneous Information Returns*, Form #04.001
> http://sedm.org/Forms/FormIndex.htm

1.3.3. Identifying numbers. If you were not domiciled on federal territory at the time the number was used and were not engaged in a specifically identified franchise, then the use of the number is unlawful and fraudulent. See:

> *Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number"*, Form #04.205
> http://sedm.org/Forms/FormIndex.htm

1.4. If you want to know what the legal qualifications are for serving in a public office, they are found below:

> *The "Trade or Business" Scam*, Form #05.001, Section 12: Legal Requirements for Occupying a Public Office
> http://sedm.org/Forms/FormIndex.htm

2. If you were not physically present on federal territory at the time the crime, offense, or injury occurred, then:
   2.1. Subject matter jurisdiction is the only type of jurisdiction that may be exercised by the court.
   2.2. The matter involves extraterritorial jurisdiction.
   2.3. In order to prove subject matter jurisdiction, the government as moving party must produce evidence to consent to a contract or franchise in writing.
3. If the government is the moving party in the action, they have the burden of proving their claim. Your job is to make the burden of proof they must meet so high that their case must be dismissed for lack of jurisdiction.
4. You must be continually aware that the ***only*** weapon of enslavement and injustice available to government attorneys and judges are the abuse of "words of art" to deceive you and misapply the law. They will abuse these words in order to victimize you with invisible presumptions about your status that, if left unchallenged or unclarified, will work a FRAUD upon you.

4.1. Study all the "words of art" they will be using or are using with the following resource:

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| *Sovereignty Forms and Instructions Online*, Form #10.004: Cites by Topic<br>http://famguardian.org/TaxFreedom/FormsInstr-Cites.htm |

4.2. Every geographical term you expect people to use in the case should be carefully defined BEFORE the conflict begins. The best method for doing this is to attach the following to your pleadings:

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| *Rules of Presumption and Statutory Interpretation*, Litigation Tool #01.006<br>http://sedm.org/Litigation/LitIndex.htm |

5. Whenever you file a pleading in any case, you should invoke the protections of Fed.Rul.Civ.P. 8(b)(6), wherein a failure to deny by the opposing party constitutes an admission of all statements made under penalty of perjury before the court. Below is language to that effect which appears in the Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002:

> *Submitter/movant petitions for the following of this Court in addition to those things mentioned in the attached pleading, motion, or petition:*
>
> *[. . .]*
>
> *3. That the Court and/or the opposing party remain silent on all issues raised in this pleading which the Court concurs and agrees entirely with. Any facts or statements or admissions included in this pleading which are not denied or rebutted by either the Court or the opposing party with supporting evidence and under penalty of perjury shall therefore constitute an Admission to the truthfulness of each statement or conclusion as required by Federal Rule of Civil Procedure Rule 8(b)(6).*
> *[Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002]*

Most of your pleadings should contain affidavits of Material Fact that call for a denial by the opposing party. The next pleading you file in each action AFTER the submission of the Affidavit of Material Facts should contain a Verified Affidavit of Default listing all facts admitted to by the opposing party because of a failure to deny.

6. The majority of cases brought in federal court involve government franchises of one kind or another, such as:
   6.1. Income tax.
   6.2. Medicare.
   6.3. Social Security.
   6.4. Unemployment Compensation.
7. Congress cannot lawfully license or establish a franchise within any state of the Union or offer franchises to those domiciled within the exclusive jurisdiction of a state of the Union. Therefore:
   7.1. You need to hold their feet to the fire as to which of the three "United States" they mean for each use of the word and where that definition is found. See Section 3.2 of Litigation Tool #01.006 mentioned above.
   7.2. You need to emphasize that you are not qualified to participate and never have lawfully participated in any government franchise. This is accomplished by attaching the following to your first filing in the case:

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| *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001<br>http://sedm.org/Forms/FormIndex.htm |

   7.3. You need to emphasize that you never consented to participate in any government franchise.
8. Those domiciled on federal territory not protected by the Constitution are the *only* ones who may lawfully participate in federal franchises.
   8.1. These people are called statutory "U.S. citizens" pursuant to 8 U.S.C. §1401 or "resident aliens" pursuant to 26 U.S.C. §7701(b)(1)(A).
   8.2. Those domiciled in a state of the Union are not statutory "U.S. citizens" pursuant to 8 U.S.C. §1401 or "resident aliens" pursuant to 26 U.S.C. §7701(b)(1)(A), but rather non-citizen nationals, transient foreigners, and "nonresident aliens". See:

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| *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006<br>http://sedm.org/Forms/FormIndex.htm |

9. You should emphasize that offering or enforcing franchises to those domiciled in a state of the Union is a violation of the separation of powers doctrine and therefore a violation of the Constitution. See:

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| *Government Conspiracy to Destroy the Separation of Powers*, Form #05.023, Section 10.2<br>http://sedm.org/Forms/FormIndex.htm |

10. It is very important to go to great pains to establish verified evidence in the record that you are not domiciled and never have been domiciled in the statutory but not constitutional "United States" and that you are not a lawful participant in any government franchise in order to circumvent any possibility that you will be confused with someone they have jurisdiction over. This is done by doing the following:
    10.1. Attaching the following forms to your initial Complaint or Response in the action:

10.1.1. *Federal Pleading/Motion/Petition Attachment*, Litigation Tool #01.002
http://sedm.org/Litigation/LitIndex.htm
10.1.2. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001
http://sedm.org/Forms/FormIndex.htm

10.2. Using the following as a guide in responding to disputes by the government over your citizenship:
10.2.1. *Flawed Tax Arguments to Avoid*, Form #08.004, Section 6.1
http://sedm.org/Litigation/LitIndex.htm
10.2.2. *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006
http://sedm.org/Forms/FormIndex.htm

10.3. Using the following form when deposed and in all responses to legal discovery

*Citizenship, Domicile, and Tax Status Options*, Form #10.003
http://sedm.org/Forms/FormIndex.htm

11. You should insist on equal protection of the law:
11.1. When you want to sue the government, they will insist on sovereign immunity and that you produce a statute waiving sovereign immunity in order to have jurisdiction to sue them.
11.2. You should insist on the same sovereign immunity in relation to them, which must take the form of written consent to be sued conveyed in the form that you and not they specify. In the case of Members, that consent must be in a writing signed by BOTH you AND the government where all rights conveyed are described on the application itself, and where you had a domicile on federal territory at the time you applied. Sections 4 through 4.3 of the following document establish this criteria for Members, and use of this document is mandatory for all Members as part of the free Path to Freedom process:

*Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001
http://sedm.org/Forms/FormIndex.htm

12. The following section describes how establish evidence on the record of the case that will make it impossible for the government to prove that they have jurisdiction in a federal income tax case involving those domiciled within the exclusive jurisdiction of a state of the Union.

## 11 How the Government Maliciously Conceals and Avoids the Content of this Pamphlet

Since this pamphlet was first published on January 19, 2006, the U.S. Dept. of Treasury has attempted to unlawfully protect itself from the consequences of the information it contains by the following means:

1. They repealed Treasury Order 150-02 on May 2, 2006 and replaced it with Treasury Directive 21-01. See:
http://www.treas.gov/regs/to150-02.htm
2. Treasury Directive 21-01 appears at the following, and mentions nothing about the boundaries of existing internal revenue districts. See:
2.1. http://www.ustreas.gov/regs/td21-01.htm
2.2. http://treasury.tpaq.treasury.gov/regs/td00-03.htm
3. In spite of the above, revenue agents STILL have no delegated authority to collect outside of internal revenue districts per the Internal Revenue Code:
3.1. 26 CFR §301.6301-1 still says that:

> *"The taxes imposed by the internal revenue laws **shall be collected by district directors of internal revenue**."*

3.2. District directors in turn are authorized to redelegate the levy power to lower level officials such as collection officers. See IRS Delegation Order 191. The delegation of authority down the chain of command, from the Secretary, to the Commissioner of Internal Revenue, to local IRS employees constitutes a valid delegation by the Secretary to the Commissioner, and a redelegation by the Commissioner to the delegated officers and employees. **See 26 CFR §301.7701-9.**
3.3. Under Title 26, Section 7701(a) provides the following definitions:

> *26 U.S.C. §7701(a)*
>
> *(11) Secretary of the Treasury and Secretary*
>
> *(A) Secretary of the Treasury - The term "Secretary of the Treasury" means the Secretary of the Treasury, personally, and shall **not include any delegate of his**.*

*(B) Secretary - The term "Secretary" **means the Secretary of the Treasury or his delegate**.*

*(12) Delegate*

*(A) In general - The term "or his delegate"—*

*(i) when used with reference to the Secretary of the Treasury, means any officer, employee, or agency of the Treasury Department **duly authorized** by the Secretary of the Treasury directly, or indirectly by one or more redelegations of authority, **to perform the function mentioned** or described in the context; and (ii) when used with reference to any other official of the United States, shall be similarly construed.*

3.4. 26 CFR §301.7701-9(2009) entitled "**Secretary or his delegate**" defines the terms to mean:

*"the Secretary of the Treasury, or any officer, employee, or agency of the Treasury Department **duly authorized by the Secretary to perform the function mentioned or described in the context**, and the term 'or his delegate' when used in connection with any other official of the United States shall be similarly construed."*

3.5. According to Title 26, Section 7621 and 26 CFR §301.7621, without any "internal revenue districts" and "district directors" there is no "delegation of authority" and that the "revenue officer" or "revenue agent" is not the Secretary of Treasury or Commissioner of Internal Revenue. See 26 CFR §§601.101, 301.6301, 301.6331.

4. In spite of the above changes, IRS STILL has no authority to enforce outside of internal revenue districts:

4.1. 26 CFR §301.6331-1 is entitled "Levy and distraint" and states

*"(a) Authority to levy—*

*(1) In general. If any person liable to pay any tax neglects or refuses to pay the tax within 10 days after notice and demand, **the district director to whom the assessment is charged** (or, upon his request, any other district director) **may proceed to collect the tax by levy**. The **district director** may levy upon any property, or rights to property, whether real or personal, tangible or intangible, belonging to the taxpayer. The **district director may also levy upon property with respect to which there is a lien provided by section 6321** or 6324 for the payment of the tax."*

4.2. Title 26, Section 6322 clearly places the lien to arise at the time the "assessment" is made and assessments are made under 26 CFR §301.6203-1 by "The **district director** and the director of the regional service center" who

*". . .shall appoint one or more assessment officers. The **district director** shall also appoint assessment officers in a Service Center servicing his district. The assessment shall be made by an assessment officer signing the summary record of assessment. The summary record, through supporting records, shall provide identification of the taxpayer, the character of the liability assessed, the taxable period, if applicable, and the amount of the assessment."*

4.3. Under 26 CFR §601.101(2009) the Secretary promulgates "General Procedural Rules" and in "Introduction" states:

*"(a)* General. *The **Internal Revenue Service is a bureau** of the Department of the Treasury under the **immediate direction of the Commissioner of Internal Revenue**. The* **Commissioner has general superintendence of the assessment and collection of all taxes imposed by any law providing internal revenue**. *The Internal Revenue Service is the agency by which **these functions** are performed. **Within an** internal revenue district **the internal revenue laws are administered by a** district director **of internal revenue**."*

4.4. 26 CFR §301.6301(2000-2009) in relevant part provides:

*"taxes imposed by the internal revenue laws shall be collected by **district directors** of internal revenue."*

4.5. 26 CFR §301.6201 (2000-2009) in relevant part provides:

*"**district director** is authorized and required to make all inquiries necessary to the determination and assessment of all taxes imposed by the Internal Revenue Code of 1954 or any prior internal revenue law."*

4.6. 26 CFR §601.107(2000-2009) provides in relevant part:

*"**Each district** has a Criminal Investigation function whose mission is to encourage and achieve the highest possible degree of voluntary compliance with the internal revenue laws."*

4.7. 26 CFR §601.104(c )(2000-2009) says:

> *(c )* Enforcement procedure—
>
> *"(1)* General. *Taxes shown to be due on returns, deficiencies in taxes, additional or delinquent taxes* ***to be assessed****, and penalties, interest, and additions to taxes,* ***are recorded by the district director or the director of the appropriate service center as ''assessments****...."*
>
> *"(2)* Levy. *If a taxpayer neglects or refuses to pay any tax within the period provided for its payment,* ***it is lawful for the district director to make collection by levy*** *on the taxpayer's property...."*
>
> *"(3)* Liens. *The United States' claim for taxes is a lien on the taxpayer's property at the time of assessment.* ***Such lien is not valid*** *as against any purchaser, holder of a security interest, mechanic's lienor, or judgment lien creditor* ***until notice has been filed by the district director****...."*

4.8. Revenue Officers typically have no delegation of authority under Title 26, section 7701(a)(11), 7701(a)(12), 6301, 6331, nor any authority under 26 CFR §§301.7701-9, 301.7701-10, 301.6301-1, and 26 CFR §301.6331-1 to levy the property interests of anyone outside of internal revenue districts, and there are not expressly identified internal revenue districts..

5. To further obscure and conceal the above limitations, Internal Revenue Bulletin 2007-36 was enacted in 2007, which states the following:

> *"In light of the IRS reorganization subsequent to RRA 1998,* ***the district and special procedures offices referenced in the regulations no longer exist****"*
> *[Internal Revenue Bulletin 2007-36, p. 536; SOURCE: http://www.irs.gov/pub/irs-irbs/irb07-36.pdf]*
>
> *"Paragraphs (a)(4), (c ), (d)(1), and (d)(2) are amended by removing the language "director" and adding the language "IRS" in its place wherever it appears. 3. Paragraph ( B) (4), is amended by removing the language "Internal Revenue district" and adding the language "IRS office" in its place."*
> *[Internal Revenue Bulletin 2007-36, p. 537-2, SOURCE: http://www.irs.gov/pub/irs-irbs/irb07-36.pdf]*

6. Even though current IRS guidance replaces the word "district director" with the phase "IRS", the Internal Revenue Code STILL DOES NOT authorize this change and therefore all the changes maliciously made above to obscure the limitations upon IRS enforcement authority within states of the Union are void and all enforcement efforts in excess of such limitations are a criminal tort.

So essentially, what they have done is bury the truth two levels deeper than before, but they STILL have not published anything that indicates exactly where these fictitious "internal revenue districts" are located. They can't because the only place the public offices and "trade or business" franchise offices can exist per 4 U.S.C. §72 is the District of Columbia and NOT ELSWHERE.

## 12 Rebutted Arguments of U.S. Attorneys against the Conclusions of this Pamphlet

Some U.S. Attorneys have tried to argue against the information in this pamphlet when used by our readers to defend themselves against illegal enforcement by the IRS outside the District of Columbia in violation of 4 U.S.C. §72. Below are some of the LAME and nonresponsive arguments against the content of this pamphlet regarding jurisdiction of the IRS to enforce the Internal Revenue Code within states of the Union:

1. Treasury Order 150-10 extends the Secretary's authority to the Commissioner.
   1.1. This Treasury Order does not address the "expressly" delegated authority of the Secretary;
   1.2. This is a general delegation of authority which addresses "WHAT" the Commissioner can do and does not address "WHERE" the Commissioner can exercise the Secretary's authority pursuant to 4 U.S.C. §72;
   1.3. Nothing in TDO 150-10 "expressly" extends the authority of the Commissioner to the several states;
   1.4. Furthermore, this Treasury Order has not been published in the Federal Register, pursuant to 44 U.S.C. §1505 and 5 U.S.C. §553 and therefore it is not applicable to the Citizens in the several states. The Secretary admits this by

his ruling in 1953,[27] where he requires all divisions or units of the IRS to publish in the Federal Register any item of concern to the American public. This was even more clearly stated in 1955[28] as follows:

> *"It shall be the policy to publish for public information all statements of practices and procedure issued primarily for internal use, and, hence, appearing in internal management documents, which affect rights or duties of taxpayers or other members of the public under the Internal Revenue Code and related statutes."*

1.5. Since TDO 150-10 has not been published in the Federal Register, it is not applicable to Citizens in the several states; and

1.6. Therefore, citing TDO 150-10 is non-responsive to the mandates of 4 U.S.C. §72.

2. U.S. Attorneys have cited *Hughes v. U.S.*, 953 F.2d. 531, 542-43 (9th Cir. 1991) in response to the jurisdictional challenges regarding the Secretary. The *Hughes* ruling claims that "4 U.S.C. §72 does not foreclose the authority of the IRS outside the District of Columbia." The only reason given by the *Hughes* Court is that the President in 26 U.S.C. §7621 is authorized to establish internal revenue districts outside Washington, D.C.[29] This argument fails every aspect of the 4 U.S.C. §72 litmus test as follows:

2.1. Establishing internal revenue districts outside Washington, D.C. does not have the same effect in law as establishing internal revenue districts within the several states; especially in light of 4 U.S.C. §72. It has already been cited *supra* that Congress has granted the Secretary authority to leave Washington, D.C. and enter

2.1.1. The Virgin Islands.

2.1.2. Guam.

2.1.3. Northern Marianas.

2.1.4. Cities still within the District of Columbia but not within the city of Washington.

(to name three other geographical locations) The question still remains, can he enter the several states?

2.2. 4 U.S.C. §72 mandates that ALL offices associated with the government that have jurisdiction within the several states shall be "expressly" authorized by Congress to act within the several states in United States law. Authorizing the office of President in 26 U.S.C. §7621 does not "expressly" authorize the office of Secretary when the Secretary is not even mentioned in 26 U.S. §7621;

2.3. The term ALL OFFICES, whether defined or not, includes all offices associated with the seat of government. If this refers to buildings, then ALL BUILDINGS are to be in "the District of Columbia, and not elsewhere" unless Congress "expressly" provides otherwise in United States law. It is unlikely that Congress intended that the term "offices" would refer to buildings since buildings cannot exercise any authority at all; only people can exercise authority and it is the authority of said offices which must be "exercised" within only "the District of Columbia, and not elsewhere";

2.4. With few exceptions, it is the Secretary who is authorized by Congress to write all needful rules and regulations for the administration and enforcement of Title 26 (See 26 U.S.C. §§7801, 7805). Therefore it is that Office which must acquire express leave by Congress to act within the several states not that of the President. The *Hughes* Court implies in error that 26 U.S.C. §7621 is the "expressly" stated grant of leave issued by Congress as required under 4 U.S.C. §72, claiming that the office of the President of the U.S. is somehow the same office as that occupied by the Secretary.

2.5. The term "State" as used in 26 U.S.C. §7621 includes "the District of Columbia" (see 26 U.S.C. §7701(a)(10))[30]. Even if "State" could be concluded to include the several states, this definition does not "expressly" extend the office of Secretary to the several states when the several states are not "expressly" mentioned in the meaning of "State" as used in § 7621 (see § 7701(a)(10)). A "definition" and a "term" are limitations upon the term defined and it excludes what is not specifically included (See any dictionary or Black's Law Dictionary 6th Edition for "Definition" and "Term"). Without rebuttal to the contrary, Congress has limited the Secretary's authority to "the District of Columbia," the Virgin Islands, Guam and the Northern Marianas, never having "expressly" granted the Secretary the statutory leave to exercise his authority in the several states.

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[27] Revenue Ruling 2 (1953-1 CB 484).

[28] Rev Procd. 55-1 (1955-2 CB 897)

[29] Congress has "expressly" extended the authority of the Secretary to the Virgin Islands with respect to 26 U.S.C. Chapter 75 and this area is obviously outside "the District of Columbia" but not remotely associated with the several states.

[30] Under this definition, Alaska and Hawaii were removed from applicability upon receiving freely associated compact state status (See P.L. 86-624, § 18(j); P.L. 86-70, § 22(a)). The several states are "countries" (See 28 U.S.C. §297(b)).

2.6. Moreover, there is no evidence in the *Hughes* case or in any other case to establish the material fact that the President has in fact established said internal revenue districts[31] within the several states[32]? However, there is evidence that the President established "customs districts," but no internal revenue districts have ever been established by the President within the several states. [33]

2.7. If one argues that the President has authorized the Secretary to create internal revenue districts, then what evidence exists that the Secretary has by treasury order or regulation, created said internal revenue districts within the several states?

2.8. If no internal revenue districts have been established in the several states by the President or even by the Secretary, then out of which internal revenue districts does the Secretary administer and enforce internal revenue laws within the several states?

3. Several Court rulings have stated that the IRS can exercise its authority outside the District of Columbia.

3.1. Every case cited to date by any U.S. Attorney is off-point. 4 U.S.C. §72 states that any "expressly" granted exception to the limitations of "the District of Columbia, and not elsewhere" as mandated, are to be found in United States law and NOT the Courts.

> *"Official powers cannot be extended beyond the terms and necessary implications of the grant. If broader powers be desirable, **they must be conferred by Congress**."*
> *[Federal Trade Commission v. Raladam Co., 283 U.S. 643, 51 S.Ct. 587 (1931)(Emphasis added)]*

3.2. Generally, all cases cited to date have dealt with WHAT the Secretary can do and not WHERE he can do it. 4 U.S.C. §72 is about the geographical location WHERE the Secretary can exercise his authority and nothing else.

3.3. Unless one can present the law which so "expressly" extends the authority of the Secretary to the several states, said offices can only exercise their authority within the geographical areas "expressly" authorized by Congress in law; and

3.4. Therefore citing court rulings is an irrelevant and non-responsive answer.

4. Judges have recently attempted to protect U.S. Attorneys and the government by stating on the record and in court orders that the Citizen is arguing that the Secretary cannot leave "the District of Columbia." Any argument to this effect is a falsification of the record. It has been shown *supra* that the Secretary can indeed exercise his authority within The Virgin Islands, Guam, and the Northern Marianas; areas which are outside "the District of Columbia" and authorized by United States law. The contention has always been that the Secretary is restricted from ENTERING the several states unless Congress has "expressly" authorized him to do so in United States law. No law means no Authority in the several states!

# 13 Conclusions

## 13.1 Main techniques for exceeding jurisdiction

Based on the discussion in this document, the following are the most important methods by which courts and the government exceed their lawful or constitutional jurisdiction:

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[31] The *Hughes* Court implies that the President's (Secretary's alleged "implied") authority outside Washington, D.C. pursuant to 26 U.S.C. §7621 somehow means that the Secretary's authority has been "expressly" extended to the several states when in fact all the Court said was that the IRS can act outside of Washington, D.C. Congress has indeed extended the Secretary's authority (and presumably the IRS) to areas outside "the District of Columbia" but the area of the several states is not one of those areas. As a result of this misleading description of the IRS (Secretary's) authority, the Courts continue to promulgate the error that *Hughes* extends the authority of the IRS to the several states which violates the letter and spirit of 4 U.S.C. §72. To date, no Court or U.S. Attorney has identified even one U.S. law by which Congress has "expressly" extended the authority of the Secretary to the several states thereby forcing American Citizens to speculate that no said authority has been established by Congress for the Secretary in the several states.

[32] In 1998, via Executive Order ("E.O.") #10289, as amended, President William J. Clinton authorized the Secretary to establish revenue districts under authority of 26 U.S.C. §7621. Although §7621 is not listed in the Parallel Table of Authorities and Rules, E.O. #10289 is listed. The implementing regulations for said Executive Order are found in 19 CFR Part 101. Said regulation establishes "*customs collection offices*" in each of the several states; it does not establish "internal revenue districts". A note at 26 CFR §301.7621-1 confirms that E.O. #10289 is the only authority for establishing revenue districts.

[33] The burden of proof that said districts have been established by the President within the several states is upon the Court and U.S. Attorneys if they hope to establish jurisdiction on the record. Without said evidence in the record, Respondent and the Courts cannot assume that said districts exist and therefore cannot assume that Secretary has any authority in the several states.

1. Abuses of "words of art" to confuse and deceive people, such as "United States", "State", "citizen", "resident", "trade or business", "domicile" , "employee" etc. These mechanisms are summarized below. We must prevent and overcome all of the listed abuses in the context of these "words of art" in order to keep the government within the bounds of the Constitution and inside the ten mile square sand box bequeathed to them by the founding fathers:

> *"Judicial verbicide is calculated to convert the Constitution into a worthless scrap of paper and to replace our government of laws with a judicial oligarchy."*
> *[Senator Sam Ervin, during Watergate hearing]*
>
> ---
>
> *"When words lose their meaning, people will lose their liberty."*
> *[Confucius, 500 B.C.]*

   1.1. Misunderstanding or misapplication of the choice of law rules documented in section 11 earlier.
   1.2. Failure or refusal to adjust the meaning of "words of art" based on their context and the legal definitions that apply in that context. See:

| |
|---|
| *Geographical Definitions and Conventions*<br>http://sedm.org/SampleLetters/DefinitionsAndConventions.htm |

   1.3. A violation of or disregard for the rules of statutory construction, usually by abusing the word "includes". See:

| |
|---|
| *Meaning of the Words "includes" and "including"*, Form #05.014<br>http://sedm.org/Forms/FormIndex.htm |

   1.4. Presumptions, usually about the meanings of words. See:

| |
|---|
| *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017<br>http://sedm.org/Forms/FormIndex.htm |

2. Laziness or unwillingness to deal with the issues being litigated. Don't let them slack off. The price of freedom is eternal vigilance. The U.S. Supreme Court identified the enemies of republican freedom originating from the above causes, when it held:

> *"The chief enemies of republican freedom are mental sloth, conformity, bigotry, superstition, credulity, monopoly in the market of ideas, and utter, benighted ignorance."*
> *[Adderley v. State of Florida, 385 U.S. 39, 49 (1967)]*

3. Legal ignorance that causes misinformed judicial decisions.
4. Greed or dishonesty.

## 13.2 Methods of preventing courts from exceeding their jurisdiction

Based on the above methods for exceeding jurisdiction by government and judges, the most important things you can do to prevent courts from exceeding their jurisdiction is to:

1. Recite and summarize the choice of law rules to the opponent and the court and insist that they be observed.
2. Focus on definitions of all the words contained within the statutes being enforced.
3. Emphasize all the implications of the separation of powers between the states and federal government and all the implications this separation has upon the meaning of words in various contexts. The following table aids this process, which you are free to reuse:

**Table 5: Meaning of geographical terms within various contexts**

| **Law** | **Federal constitution** | **Federal statutes** | **Federal regulations** | **State constitutions** | **State statutes** | **State regulations** |
|---|---|---|---|---|---|---|
| **Author** | **Union States/ "We The People"** | **Federal Government** | | **"We The People"** | **State Government** | |
| **"state"** | Foreign country | Union state | Union state | Other Union state or federal government | Other Union state or federal government | Other Union state or federal government |

| Law | Federal constitution | Federal statutes | Federal regulations | State constitutions | State statutes | State regulations |
|---|---|---|---|---|---|---|
| **Author** | **Union States/ "We The People"** | **Federal Government** | | **"We The People"** | **State Government** | |
| **"State"** | Union state | Federal state | Federal state | Union state | Union state | Union state |
| **"in this State" or "in the State"[34]** | NA | NA | NA | NA | Federal enclave within state | Federal enclave within state |
| **"State"[35] (State Revenue and taxation code only)** | NA | NA | NA | NA | Federal enclave within state | Federal enclave within state |
| **"several States"** | Union states collectively[36] | Federal "States" collectively | Federal "States" collectively | Federal "States" collectively | Federal "States" collectively | Federal "States" collectively |
| **"United States"** | states of the Union collectively | Federal United States** | Federal United States** | United States* the country | Federal United States** | Federal United States** |

What the above table clearly shows is that the word "State" in the context of federal statutes and regulations means (not includes!) federal States only under Title 48 of the U.S. Code[37], and these areas do not include any of the 50 Union States. This is true in *most cases and especially in the Internal Revenue Code.* In the context of the above, a "Union State" means one of the 50 Union states of the United States* (the country, not the federal United States**), which are sovereign and foreign with respect to federal legislative jurisdiction.

4. Anticipate and prevent all attempts by the government to destroy the separation of powers using the information in the following document:

   *Government Conspiracy to Destroy the Separation of Powers*, Form #05.023
   http://sedm.org/Forms/FormIndex.htm

5. Rebut the validity of all evidence that connects you to government franchises:
   5.1. Information returns, such as IRS Forms W-2, 1042-s, 1098, and 1099. See:

   *Correcting Erroneous Information Returns*, Form #04.001
   http://sedm.org/Forms/FormIndex.htm

   5.2. Social Security Numbers. See:

   *Why You Aren't Eligible for Social Security*, Form #06.001
   http://sedm.org/Forms/FormIndex.htm

   5.3. Taxpayer Identification Numbers. See:

   *Why It is Illegal for Me to Request or Use a Taxpayer Identification Number*, Form #04.205
   http://sedm.org/Forms/FormIndex.htm

6. Emphasize that a refusal to stick with the statutory definitions and include only what is expressly stated SOMEWHERE in the code and to not read anything into it that isn't there is an attempt to destroy the separation of powers and engage in a conspiracy against your Constitutionally protected rights.

> *"Judicial verbicide is calculated to convert the Constitution into a worthless scrap of paper and to replace our government of laws with a judicial oligarchy."*
> *[Senator Sam Ervin, during Watergate hearing]*

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> *"When words lose their meaning, people will lose their liberty."*
> *[Confucius, 500 B.C.]*

[34] See California Revenue and Taxation Code, section 6017 at http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=06001-07000&file=6001-6024

[35] See California Revenue and Taxation Code, section 17018 at http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=17001-18000&file=17001-17039.1

[36] See, for instance, U.S. Constitution Article IV, Section 2.

[37] See http://www4.law.cornell.edu/uscode/48/

7. Rationally apply the rules of statutory construction so that your opponent can't use verbicide or word tricks to wiggle out of the statutory definitions with the word "includes". See:

| |
|---|
| *Meaning of the Words "includes" and "including"*, Form #05.014<br>http://sedm.org/Forms/FormIndex.htm |

8. Admit to being a ***constitutional*** "citizen of the United States" but ***not*** a ***statutory*** "citizen of the United States". Clarify the distinctions and explain that you are not a ***statutory*** citizen pursuant to 8 U.S.C. §1401 or 26 CFR §1.1-1(c ) using the following. This will deflect any allegations that you are engaging in "frivolous" issues:

| |
|---|
| *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006<br>http://sedm.org/Forms/FormIndex.htm |

9. Cite the three definitions of the "United States" explained by the Supreme Court in Hooven & Allison Co. v. Evatt, 324 U.S. 652 (1945).
10. Emphasize that the context in which the term "United States" and "State" is used determines WHICH of the three definitions applies.
11. Focus on WHICH "United States" or "State" or thing is implied in the definitions within the statute being enforced.
12. Emphasize that applying the CORRECT definition is THE MOST IMPORTANT JOB of the court, as admitted by the U.S. Supreme Court, in order to maintain the separation of powers between the federal zone and the states of the Union, and thereby protect your rights:

> *"The idea prevails with some, indeed it has found expression in arguments at the bar, that we have in this country substantially two national governments; one to be maintained under the Constitution, with all of its restrictions; the other to be maintained by Congress outside the independently of that instrument, by exercising such powers [of absolutism] as other nations of the earth are accustomed to.. **I take leave to say that, if the principles thus announced should ever receive the sanction of a majority of this court, a radical and mischievous change in our system of government will result. We will, in that event, pass from the era of constitutional liberty guarded and protected by a written constitution into an era of legislative absolutism.. It will be an evil day for American liberty if the theory of a government outside the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution.**"*
> *[Downes v. Bidwell, 182 U.S. 244 (1901)]*

13. Emphasize that anything your opponent does not rebut with evidence under penalty of perjury is admitted pursuant to Federal Rule of Civil Procedure 8(b)(6) and then serve them with a Notice of Default on the court record of what they have admitted to by their omission in denying.
14. Emphasize that it is a violation of due process of law and an injury to your rights for anyone to PRESUME anything about which definition of "United States" applies in a given context. EVERYTHING must be supported with evidence as we have done here.

> *(1) [8:4993]* ***Conclusive presumptions affecting protected interests:*** *A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive presumptions have been held to violate a party's due process and equal protection rights. [Vlandis v. Kline (1973) 412 U.S. 441, 449, 93 S.Ct. 2230, 2235; Cleveland Bed. of Ed. v. LaFleur (1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process]*
> *[Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34]*

Challenge all presumptions by your government opponent, because they are a violation of due process of law. See:

| |
|---|
| *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017<br>http://sedm.org/Forms/FormIndex.htm |

15. Avoid words that are not used in statutes, such as "state citizen" or "sovereign citizen" or "natural born citizen", "republic", etc. because they aren't defined and divert attention away from the core definitions themselves.
16. State that all the cases cited by the government are irrelevant or inapposite, because:
    16.1. They only apply to persons domiciled on federal territory or engaged in federal franchises, which is not you.
    16.2. They don't take into account your circumstances as a person not domicile on federal territory and therefore not subject to federal law.
    16.3. They don't take into account the context in which the terms are used or their statutory meanings.
    16.4. They don't address conform to the rules of statutory construction for the definitions or terms being used.

# 14 Resources for further study and rebuttal

A number of additional resources are available for those who wish to further investigate the contents of the pamphlet:

1. *Federal Enforcement Authority within States of the Union*, Form #05.032
   http://sedm.org/Forms/FormIndex.htm
2. *Federal Jurisdiction Page*-Family Guardian Fellowship
   http://famguardian.org/Subjects/LawAndGovt/Articles/FedJurisdiction/FedJuris.htm
3. *Jurisdiction over Federal Areas within the States:* U.S. government report, 1954, Form #11.203
   http://sedm.org/Forms/FormIndex.htm
4. *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017
   http://sedm.org/Forms/FormIndex.htm
5. *Political Jurisdiction*, Form #05.004
   http://sedm.org/Forms/FormIndex.htm
6. *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002: Proves that all the government's civil jurisdiction derives from domicile, and that domicile is voluntary and therefore you don't have to submit to civil laws if you don't want to.
   http://sedm.org/Forms/FormIndex.htm
7. *Our government has become idolatry and a false religion*: Article which describes why the federal courts have become churches and our government has become a false god and a religious cult:
   http://famguardian.org/Subjects/Taxes/Articles/Christian/GovReligion.htm
8. *Tax Deposition Questions*, Form #03.016: sound legal evidence upon which to base a reasonable belief
   http://sedm.org/Forms/FormIndex.htm
9. *Family Guardian Forums: Federal Jurisdiction Topic*: Family Guardian Discussion Forums
   http://famguardian.org/forums/index.php?showforum=14

# 15 Questions that Readers, Grand Jurors, and Petit Jurors Should be Asking the Government

These questions are provided for readers, Grand Jurors, and Petit Jurors to present to the government or anyone else who would challenge the facts and law appearing in this pamphlet, most of whom work for the government or stand to gain financially from perpetuating the fraud. If you find yourself in receipt of this pamphlet, you are demanded to answer the questions within 10 days. Pursuant to Federal Rule of Civil Procedure 8(b)(6), failure to deny within 10 days constitutes an admission to each question. Pursuant to 26 U.S.C. §6065, all of your answers must be signed under penalty of perjury. We are not interested in agency policy, but only sources of reasonable belief identified in the pamphlet below:

| |
|---|
| *Reasonable Belief About Income Tax Liability*, Form #05.007<br>http://sedm.org/Forms/FormIndex.htm |

Your answers will become evidence in future litigation, should that be necessary in order to protect the rights of the person against whom you are attempting to unlawfully enforce federal law.

## 15.1 Admissions

1. Admit that presumption is a violation of due process of law guaranteed by the Constitution of the United States of America.

> ***"Due process of law**. Law in its regular course of administration through courts of justice. Due process of law in each particular case means such an exercise of the powers of the government as the settled maxims of law permit and sanction, and under such safeguards for the protection of individual rights as those maxims prescribe for the class of cases to which the one in question belongs. **A course of legal proceedings according to those rules and principles which have been established in our systems of jurisprudence for the enforcement and protection of private rights.** To give such proceedings any validity, there must be a tribunal competent by its constitution—that is, by the law of the creation—to pass upon the subject-matter of the suit; and, if that involves merely a determination of the personal liability of the defendant, **he must be brought within its jurisdiction by service of process within the state, or his voluntary appearance**. Pennoyer v. Neff, 96 U.S. 733, 24 L.Ed. 565. Due process of law implies the right of the person affected thereby to be present before the tribunal which pronounces judgment upon the question of life, liberty, or property, in its most comprehensive sense; to be heard, by testimony or otherwise, and to have the right of controverting, by proof,*

*every material fact which bears on the question of right in the matter involved.* ***If any question of fact or liability be conclusively be presumed [rather than proven] against him, this is not due process of law."***
*[Black's Law Dictionary, Sixth Edition, p. 500]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

2. Admit that presumptions which prejudice the Constitutional rights of the accused are impermissible and unconstitutional.

*"Statutes creating permanent irrebuttable presumptions have long been disfavored under the Due Process Clauses of the Fifth and Fourteenth Amendments. In Heiner v. Donnan, 285 U.S. 312 (1932), the Court was faced with a constitutional challenge to a federal statute that created a conclusive presumption that gifts made within two years prior to the donor's death were made in contemplation of death, thus requiring payment by his estate of a higher tax. In holding that this irrefutable assumption was so arbitrary and unreasonable as to deprive the taxpayer of his property without due process of law, the Court stated that it had "held more than once that a statute creating a presumption which operates to deny a fair opportunity to rebut it violates the due process clause of the Fourteenth Amendment." Id., at 329. See, e. g., Schlesinger v. Wisconsin, 270 U.S. 230 (1926); Hoeper v. Tax Comm'n, 284 U.S. 206 (1931). See also Tot v. United States, 319 U.S. 463, 468 -469 (1943); Leary v. United States, 395 U.S. 6, 29 -53 (1969). Cf. Turner v. United States, 396 U.S. 398, 418 -419 (1970).*

*The more recent case of Bell v. Burson, 402 U.S. 535 (1971), involved a Georgia statute which provided that if an uninsured motorist was involved in an accident and could not post security for the amount of damages claimed, his driver's license must be suspended without any hearing on the question of fault or responsibility. The Court held that since the State purported to be concerned with fault in suspending a driver's license, it [412 U.S. 441, 447] could not, consistent with procedural due process, conclusively presume fault from the fact that the uninsured motorist was involved in an accident, and could not, therefore, suspend his driver's license without a hearing on that crucial factor.*

*Likewise, in Stanley v. Illinois, 405 U.S. 645 (1972), the Court struck down, as violative of the Due Process Clause of the Fourteenth Amendment, Illinois' irrebuttable statutory presumption that all unmarried fathers are unqualified to raise their children. Because of that presumption, the statute required the State, upon the death of the mother, to take custody of all such illegitimate children, without providing any hearing on the father's parental fitness. It may be, the Court said, "that most unmarried fathers are unsuitable and neglectful parents. . . . But all unmarried fathers are not in this category; some are wholly suited to have custody of their children." Id., at 654. Hence, the Court held that the State could not conclusively presume that any individual unmarried father was unfit to raise his children; rather, it was required by the Due Process Clause to provide a hearing on that issue. According to the Court, Illinois "insists on presuming rather than proving Stanley's unfitness solely because it is more convenient to presume than to prove. Under the Due Process Clause that advantage is insufficient to justify refusing a father a hearing . . . ." Id., at 658. 4 [412 U.S. 441, 448] "*
*[*Vlandis v. Kline *(1973) 412 U.S. 441, 449, 93 S.Ct. 2230, 2235;* Cleveland Bed. of Ed. v. LaFleur *(1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

3. Admit that statutory presumptions used against a party to the Constitution domiciled within a state of the Union also amount to a violation of due process:

*"It is apparent,' this court said in the Bailey Case ( 219 U.S. 239 , 31 S. Ct. 145, 151) 'that a constitutional prohibition cannot be transgressed indirectly by the creation of a statutory presumption any more than it can be violated by direct enactment. The power to create presumptions is not a means of escape from constitutional restrictions."*
*[Heiner v. Donnan, 285 U.S. 312 (1932)]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

4. Admit that "presumption" is a sin under the Bible as revealed below:

*"But the person who does anything presumptuously, whether he is native-born or a stranger, that one brings reproach on the LORD, and he shall be cut off from among his people."*
*[Numbers 15:30, Bible, NKJV]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

5. Admit that the only basis for reasonable belief about tax liability, for a person protected by the Constitution, is admissible evidence that does not require any kind of "presumption".

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

6. Admit that 1 U.S.C. §204 and the legislative notes thereunder shows that the Internal Revenue Code is not "positive law", but instead is "prima facie evidence" of law.

*TITLE 1 > CHAPTER 3 > § 204*
*§ 204. Codes and Supplements as evidence of the laws of United States and District of Columbia; citation of Codes and Supplements*

*In all courts, tribunals, and public offices of the United States, at home or abroad, of the District of Columbia, and of each State, Territory, or insular possession of the United States—*

*(a) United States Code.— The matter set forth in the edition of the Code of Laws of the United States current at any time shall, together with the then current supplement, if any, establish prima facie the laws of the United States, general and permanent in their nature, in force on the day preceding the commencement of the session following the last session the legislation of which is included: Provided, however,* ***That whenever titles of such Code shall have been enacted into positive law the text thereof shall be legal evidence of the laws therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States.***

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

7. Admit that "prima facie" means "presumed" to be law without the requirement for actual proof.

*"**Prima facie**. Lat. At first sight; on the first appearance; on the face of it; so far as can be judged from the first disclosure; presumably; a fact presumed to be true unless disproved by some evidence to the contrary. State ex rel. Herbert v. Whims, 68 Ohio App. 39, 28 N.E.2d. 596, 599, 22 O.O. 110. See also Presumption"*
*[Black's Law Dictionary, Sixth Edition, p. 1189]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

8. Admit that because the Internal Revenue Code is not "positive law" but only "presumed" to be law, then all regulations written to implement it have the same status.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

9. Admit that the I.R.C. may not be cited in any tax trial in which the accused is protected by the Constitution and the Bill of Rights and has not surrendered these protections in any way without violating due process of law and the Constitution.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

10. Admit that under Federal Rule of Civil Procedure Rule 17(b), the law of the individual's domicile determines the rules of decision and the choice of law in civil tax matters.

> *IV. PARTIES > Rule 17.*
> *Rule 17. Parties Plaintiff and Defendant; Capacity*
>
> *(b) Capacity to Sue or be Sued.*
>
> ***Capacity to sue or be sued is determined as follows:***
>
> ***(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;***
> ***(2) for a corporation, by the law under which it was organized; and***
> *(3) for all other parties, by the law of the state where the court is located, except that:*
> *(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and*
> *(B) 28 U.S.C. §§ 754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.*
> *[SOURCE: http://www.law.cornell.edu/rules/frcp/Rule17.htm]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

11. Admit that Constitutional protections, including those prohibiting presumptions, do not apply to federal "employees" on official duty

> *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947); Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973); Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973)."*
> *[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990)]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

12. Admit that based on the answer to the previous question, a person who is regarded by the court as a federal "employee" is "presumed" to have forfeited his/her Constitutional rights, for the most part, as a condition of his/her employment contract/agreement.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

13. Admit that a federal "employee" is exercising "agency" on behalf of the federal government when operating within the confines of his lawful authority.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

14. Admit that under 4 U.S.C. §72, all those exercising a "public office" within the federal government are presumed to have a legal "domicile" in the District of Columbia.

> *TITLE 4 > CHAPTER 3 > § 72*
> *§ 72. Public offices; at seat of Government*
>
> *All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.*
>
> *[http://www4.law.cornell.edu/uscode/html/uscode04/usc_sec_04_00000072----000-.html]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

15. Admit that those acting as federal "employees" on official duty, even if otherwise domiciled within a state of the Union, must be regarded under Federal Rule of Civil Procedure Rule 17(b) as having a legal "domicile" in the District of Columbia.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

16. Admit that a person engaged in a "trade or business" holds a "public office" in the United States and qualifies as a federal "employee".

> *26 U.S.C. §7701: Definitions*
>
> *"(a)(26) The term 'trade or business' includes the performance of the functions of a public office."*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

17. Admit that it is a violation of due process during any judicial proceeding to "presume" that a person is a federal "employee" without proof appearing on the record of same, in cases where such presumption is challenged by either party.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

18. Admit that even when advised by a tax professional, a person filing a return still accepts full liability for the accuracy of what appears on the return filed.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

19. Admit that laws enacted within the Statutes at Large constitute positive law, for most but not all cases.

See 1 U.S.C. §204 and its predecessors.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

20. Admit that the Internal Revenue Code of 1939 was published as separate volume of the Statutes at Large, and that it is the ONLY enactment of Congress that has such distinction.

> *Internal Revenue Code of 1939, Section 9, 53 Stat. 2*
>
> *SEC. 9. PUBLICATION.—The said Internal Revenue Code shall be published as a separate part of a volume of the United States Statutes at Large, with an appendix and index, but without marginal references; the date of enactment, bill number, public and chapter number shall be printed as a headnote.*
> *[Internal Revenue Code of 1939, Section 9, 53 Stat. 2*
> *http://www.famguardian.org/Disks/LawDVD/Federal/RevenueActs/Revenue%20Act%20of%201939.pdf]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

21. Admit that because the I.R.C. is not positive law, and because it was published in the Statutes At Large, then not all enactments published in the Statutes at Large are necessarily "positive law" and therefore "law" in the absence of unchallenged presumption.

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

22. Admit that presumption in the legal realm operates as the equivalent of "faith" in the religious realm, in that it is the embodiment of a belief that is not substantiated by admissible evidence.

> *"Now **faith is the substance of things hoped for, the evidence of things not seen [or examined or admitted into evidence].**"*
> *[Heb. 11:1, Bible, NKJV]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

23. Admit that the federal government may not create a church, and especially not one which includes the payment of "taxes" as a requirement.

> *"The "establishment of religion" clause of the First Amendment means at least this: **neither a state nor the Federal Government can set up a church**. Neither can pass laws which aid one [state-sponsored political] religion, aid all religions, or prefer one religion over another. Neither can force or influence a person to go to or to remain away from church against his will, or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or non-attendance. **No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a state nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa.**"*
> *[Everson v. Bd. of Ed., 330 U.S. 1, 15 (1947)]*
>
> _____
>
> *"**[T]he Establishment Clause is infringed when the government makes adherence to religion relevant to a person's standing in the political community.** Direct government action endorsing religion or a particular religious practice is invalid under this approach, because it sends a message to nonadherents that they are outsiders, not full members of the political community, and an accompanying message to adherents that they are insiders, favored members of the political community".*
> *[Wallace v. Jaffree, 472 U.S. 69 (1985)]*

YOUR ANSWER: ____Admit ____Deny

CLARIFICATION:_____

24. Admit that “taxes”, with respect to a “state” are similar to “tithes” with respect to a “church” and that membership in both a “nation” or “state” on the one hand is just as voluntary as membership in a “church” on the other hand.

    Please rebut the content of the article entitled “Our government has become idolatry and a false religion.” at:

    http://famguardian.org/Subjects/Taxes/Articles/Christian/GovReligion.htm

    YOUR ANSWER: ____Admit ____Deny

    CLARIFICATION:_____

25. Admit that membership in a “state” is consummated by a combination of two voluntary choices of an individual: allegiance and domicile.

    Please rebut the questions at the end of the pamphlet:

    *Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002
    http://sedm.org/Forms/FormIndex.htm

    YOUR ANSWER: ____Admit ____Deny

    CLARIFICATION:_____

## 15.2 Interrogatories

4 U.S.C. §72 states:

> *“All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law." (Emphasis added)*
> *[4 U.S.C. §72]*

4 U.S.C. §72 seems to restrict offices attached to the federal government to the geographical area of the District of Columbia unless Congress specifically extends the authority of that office to other geographical areas by United States law. I looked up the Definition of "expressly" in Black’s Law Dictionary 6th Edition and found the following:

> *"Expressly - In an express manner; in direct and unmistakable terms; explicitly; definitely; directly. St. Louis Union Trust Co. v. Hill, 336 Mo. 17, 76 S.W.2d. 685, 689. The opposite of impliedly. Bolles v. Toledo Trust Co., 144 Ohio.St. 195, 58 N.E.2d. 381, 396." (Emphasis added)*
> *[Black’s Law Dictionary, Sixth Edition, p. 581]*

With regard to the authority of the office of Secretary of the United States Treasury ("Secretary") (and all authority delegated to others by him), I found these three laws which seem to follow the mandate of 4 U.S.C. §72 by "expressly" extending the Secretary's authority to Guam, the Virgin Islands and the Northern Marianas. I cite the pertinent parts below:

> *48 U.S.C. §1397. Income tax laws of United States in force; payment of proceeds; levy of surtax on all taxpayers;*
>
> *The income-tax laws in force in the United States of America and those which may hereafter be enacted shall be held to be likewise in force in the Virgin Islands of the United States, except that the proceeds of such taxes shall be paid into the treasuries of said islands: Provided further, That, notwithstanding any other provision of law, the Legislature of the Virgin Islands is authorized to levy a surtax on all taxpayers in an amount not to exceed 10 per centum of their annual income tax obligation to the government of the Virgin Islands. (Emphasis added)*

and

> *48 U.S.C. §1421i. Income tax;*
>
> *Applicability of Federal laws; separate tax;*

> *The income-tax laws in force in the United States of America and those which may hereafter be enacted shall be held to be likewise in force in Guam: Provided, That notwithstanding any other provision of law, the Legislature of Guam may levy a separate tax on all taxpayers in an amount not to exceed 10 per centum of their annual income tax obligation to the Government of Guam. (Emphasis added)*

and

> *48 U.S.C. §1801. Approval of Covenant to Establish Commonwealth of Northern Mariana Islands That the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, the text of which is as follows [note to this section], is hereby approved. (Emphasis added)*

and the Covenant which was approved by Congress states in part:

> *"Article VI "revenue and taxation"; "Section 601. (a) The income tax laws in force in the United States will come into force in the Northern Mariana Islands as a local territorial income tax on the first day of January following the effective date of this Section, in the same manner as those laws are in force in Guam." (Emphasis added)*

Under the NOTES under References in Text it states:

> *"The income-tax laws in force in the United States of America, referred to in text, are classified to Title 26, Internal Revenue Code." (Emphasis added)*

I have looked high and low for any similarly worded United States law which would effectively and "expressly" extend the authority of the Secretary to administer and enforce internal revenue laws outside "the District of Columbia, and not elsewhere" to the geographical area of the several states and I have been unable to find even one United States law.

My questions are as follows:

1. Does 4 U.S.C. §72 apply to all offices/agencies/bureaus/departments of the federal government or are there some which are exempt from this law? If there are, would they be exempt by law or by some other means?

   YOUR ANSWER:_____

2. Can a person work for the federal government outside the District of Columbia and serve within an "office" as legally defined under the appointments clause, Article VI of the United States Constitution if he does not serve in a position which is "expressly extended" by Congress to the place where he or she serves?

   See: *Officers of the United States Within the Meaning of the Appointments Clause*, U.S. Attorney Memorandum Opinion, http://famguardian.org/TaxFreedom/CitesByTopic/PublicOffice-appointmentsclausev10.pdf

   YOUR ANSWER:_____

3. Does the word "shall" in 4 U.S.C. §72 show that Congress intended the restriction of this law to be mandatory or did they intend it to be permissive?

   YOUR ANSWER:_____

4. Does the phrase "in the District of Columbia, and not elsewhere," within 4 U.S.C. §72 of itself, place a limitation on the exercise of the authority of all offices of the federal government to only the geographical area of the District of Columbia?

   YOUR ANSWER:_____

5. Does the phrase "in the District of Columbia, and not elsewhere" within 4 U.S.C. §72 refer to WHAT an office of government can do or does it refer to WHERE it can lawfully exercise the grant of authority Congress has given to that office?

YOUR ANSWER:_____

6. Does the phrase "except as otherwise expressly provided by law" within 4 U.S.C. §72 mean that exceptions to this limitation are permitted and can be expected?

YOUR ANSWER:_____

7. Does the phrase "except as otherwise expressly provided by law" within 4 U.S.C. §72 mean this law reserves to Congress the exclusive right to make any exceptions to the grant restrictions mandated by this law or can a Court extend the authority of an office of the government outside the District of Columbia apart from an Act of Congress?

YOUR ANSWER:_____

8. Does the word "expressly" within 4 U.S.C. §72 mean that, when Congress extends the authority of an office of the government to a geographical area outside the District of Columbia, it will do so in unmistakable, explicit, definite and direct terms leaving no room for doubt?

YOUR ANSWER:_____

9. Can you tell me if there is such a law, which meets all the criteria of 4 U.S.C. §72, which applies to any state of the Union or any portion thereof, and which equally resembles the express extension of the Secretary's authority to Guam, the Virgin Islands and the Northern Marianas as found in 48 U.S.C. §1397, 48 U.S.C. §1421i and 48 U.S.C. §1801 (and the Covenant to which 1801 refers), respectively?

YOUR ANSWER:_____

10. If I am connected to a government franchise within a state of the Union that relates to federal "public officers", do I have a duty to the United States in connection with the provisions of said franchise if there is no law which "expressly" extends the authority of the Secretary (or any particular law) to the several states pursuant to 4 U.S.C. §72?

> *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*
>
> *But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. **Congress cannot authorize a trade or business [e.g. a "public office" pursuant to 26 U.S.C. §7701(a)(26)] within a State in order to tax it.**"*
> *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]*

YOUR ANSWER:_____

11. Do I have a right, as an American Citizen who is the target of a federal government enforcement action, to demand that the person instituting said enforcement action against me demonstrates the statutes which impose upon me a particular duty with respect to the United States and does the person whom I demand the law from have an obligation to produce it or cease their enforcement action?

> *"Anyone entering into an arrangement with the government takes the risk of having accurately ascertained that he who purports to act for the government stays within the bounds of his authority."*
> *[Federal Crop Insurance vs. Merrill, 33 U.S. 380 at 384 (1947)]*

YOUR ANSWER:_____

12. 26 U.S.C. §7601 authorizes the IRS to enforce within "internal revenue districts". Treasury Order 150-02 identifies the only remaining internal revenue district as being within the District of Columbia. Please identify the authority which authorizes the creation of internal revenue districts within any state of the Union and the authority for including portions of said state of the Union which are not part of any federal area.

> *"It is no longer open to question that **the general government, unlike the states**, Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, **possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.**"*
> *[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]*

YOUR ANSWER:_____

13. The purpose of law is to give "fair notice" to everyone of the conduct that is expected, and everything within the conduct that is "included". The U.S. Supreme Court has also said that statutory "presumptions" are not permissible, Heiner v. Donnan, 285 U.S. 312 (1932). They also said that everything which is "included" must expressly appear somewhere within the statutes. Stenberg v. Carhart, 530 U.S. 914 (2000). Please identify what statute within Internal Revenue Code, Subtitle A gives me "fair notice" that any part of a state of the Union that is not part of a federal area has being "expressly included" within the definition of "United States":

> *TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.*
> *Sec. 7701. - Definitions*
>
> *(a)(9) United States*
>
> *The term "United States" when used in a geographical sense includes only the States and the District of Columbia.*
>
> *(a)(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.*

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> *"**Expressio unius est exclusio alterius**. A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another**. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*
> *[Black's Law Dictionary, Sixth Edition, p. 581]*

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> *"**When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning.** Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a rule, `a definition which declares what a term "means" . . . excludes any meaning that is not stated'"); Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."*
> *[Stenberg v. Carhart, 530 U.S. 914 (2000)]*

See and rebut also:

1. *Requirement for Reasonable Notice*, Form #05.022; http://sedm.org/Forms/FormIndex.htm
2. *Meaning of the Words "includes" and "including"*, Form #05.014; http://sedm.org/Forms/FormIndex.htm
3. *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017; http://sedm.org/Forms/FormIndex.htm

YOUR ANSWER:_____

14. 26 U.S.C. §7701(a)(26) defines a "trade or business" as "the functions of a public office". Please identify any statutory authority for including anything OTHER than "the functions of a public office" within the meaning of a "trade or business".

> *26 U.S.C. Sec. 7701(a)(26)*
>
> *"The term 'trade or business' includes the performance of the functions of a public office."*

YOUR ANSWER:_____

15. Is the "public office" mentioned in 26 U.S.C. §7701(a)(26) the SAME "public office" that appears in 4 U.S.C. §72 and if not, why not?

YOUR ANSWER:_____

16. If your answer to the previous question included anything OTHER than "the functions of a public office" and did not cite the authority of a specific statute, please explain how you can engage in conclusive presumptions unsubstantiated by the authority of law without violating my Constitutional rights and thereby violating your oath to support and defend the Constitution of the United States of America.

> *(1) [8:4993]* ***Conclusive presumptions affecting protected interests:*** *A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive presumptions have been held to violate a party's due process and equal protection rights. [*Vlandis v. Kline *(1973) 412 U.S. 441, 449, 93 S.Ct. 2230, 2235;* Cleveland Bed. of Ed. v. LaFleur *(1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process]*
> *[Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34]*
>
> _____
>
> ***"Statutes creating permanent irrebuttable presumptions have long been disfavored under the Due Process Clauses of the Fifth and Fourteenth Amendments.*** *In Heiner v. Donnan, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed. 772 (1932)"*
> *[United States Supreme Court, Vlandis v. Kline, 412 U.S. 441 (1973)]*
>
> _____
>
> ***"If any question of fact or liability be conclusively presumed [rather than proven] against him, this is not due process of law."***
> *[Black's Law Dictionary, Sixth Edition, p. 500]*
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> *'It is apparent,' this court said in the Bailey Case ( 219 U.S. 239 , 31 S. Ct. 145, 151) 'that a constitutional prohibition cannot be transgressed indirectly by the creation of a statutory presumption any more than it can be violated by direct enactment.* ***The power to create presumptions is not a means of escape from constitutional restrictions****.'"*
> *[Manley v. Georgia, 279 U.S. 1 , 5-6, 49 S. Ct. 215]*

YOUR ANSWER:_____

## Affirmation:

I declare under penalty of perjury as required under 26 U.S.C. §6065 that the answers provided by me to the foregoing questions are true, correct, and complete to the best of my knowledge and ability, so help me God. I also declare that these answers are completely consistent with each other and with my understanding of both the Constitution of the United States, Internal Revenue Code, Treasury Regulations, the Internal Revenue Manual, and the rulings of the Supreme Court but not necessarily lower federal courts.

Name (print):_____

Signature:_____

Date:_____

Witness name (print):_____

Witness Signature:_____

Witness Date:_____