

# ***FEDERAL AND STATE TAX WITHHOLDING OPTIONS FOR PRIVATE EMPLOYERS***



Government

Private  
Employers

Version 2.07  
Nov. 7, 2010

Copyright: Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/taxes.htm>

**COPYRIGHT/SOFTWARE LICENSE AGREEMENT:** Use of this document or our web site or any of the materials found on the website constitutes an implied and mandatory agreement by the user to:

1. Never use the information contained in this document to accomplish an unlawful purpose.
2. Never register a complaint about this website or its contents to any law enforcement or government organization.
3. Never provide evidence about their experiences to law enforcement or government that might be used to prosecute or punish us.
4. Compensate the author in full for legal and attorney fees and personal time associated with defending himself against any complaints registered by or evidence provided by the user to either government or law enforcement regarding this website, the materials on it, or any communications with us.
5. Substitute himself/herself as being liable for any judgments against this ministry or its agents relating to complaints filed by him/her or evidence provided by him/her to third parties or litigation initiated by him/her which result in prosecution of this ministry or its agents.
6. If any evidence or information is used from this book in a court trial, then the party to the suit calling the witness AND the witness submitting it to any court stipulates with the Ministry as a condition of the copyright license, pursuant to [Fed.Rul.Civ.Proc. 29](#) and the [Federal Rules of Criminal Procedure](#):
  - 6.1. To admit THE ENTIRE website into evidence (except the rebuttal letters), including but not limited to the [Tax Deposition CD, Form #11.301](#), the [Family Guardian Website DVD, Form #103](#), the [Great IRS Hoax, Form #11.302](#), etc.. No part of the website can be admitted without the ENTIRE website also being admitted and subject to examination by the jury.
  - 6.2. That everything contained on this website is factual, truthful, actionable, and accurate IN THEIR CASE but not in the case of any other Member or officer of the Ministry.
  - 6.3. To take complete and personal and exclusive responsibility for all consequences arising out of the nature of evidence they provide as being factual or actionable.
7. Agree never to refer to anything on this website as an "investment", "[tax shelter](#)", "business", or "trade or business" as defined in the Internal Revenue Code, or anything other than religious worship. None of the donations made to this ministry are refundable, and therefore they cannot be referred to as "investments", nor are ministry offerings available to "[taxpayers](#)", who are the only proper audience for "[tax shelters](#)" to begin with.
8. If any litigation results from the materials or information offered here, users agree:
  - 8.1. To litigate ONLY in a state court WITH a jury trial under the laws of the state and not the federal government, and to allow the jury to rule on BOTH the facts AND the law. No member of the jury or the judge may be either a "[taxpayer](#)", a "[U.S. citizen](#)" under [8 U.S.C. §1401](#), or be in receipt of any government benefit, to ensure that the trial is completely impartial.
  - 8.2. That if the party using the materials from this publication or the Family Guardian website for litigation is any state or federal government, then they stipulate with the accused party to answer the [Tax Deposition Questions](#) in their entirety on a signed affidavit, and to provide at least an "Admit" or "Deny" answer to each question. Any question not answered by the government or its agents shall be deemed to be "Admit". They also stipulate to admit their response to the questions into evidence in any trial involving this website or the activities of the ministry or its officers, volunteers, or members.
  - 8.3. None of the persons called as witnesses by either side at any trial involving this ministry may work for the federal or state government, receive retirement benefits from the government, receive financial benefits of any kind from the government, nor be "taxpayers", "U.S. citizens", or "U.S. residents". This will ensure that the all witnesses called will be completely objective, neutral, and unbiased.
  - 8.4. Users and readers of our materials stipulate that their duty and allegiance to abide by this agreement is *superior to* their employment duties and any other agency they may claim to be exercising. Judicial, sovereign, or official immunity are therefore subordinate to the terms of this agreement. Readers and users of our materials agree that any and all lawsuits in which they are participants acting by or for or as witnesses for the Plaintiff shall be deemed to be filed by them personally, regardless of the party which they claim to be representing or which is named on the Complaint. For instance if a government attorney named "John Doe" quotes or uses our licensed materials in any legal proceeding in which he or she is the Plaintiff or an agent for the Plaintiff, and files the lawsuit in the name of the "United States", this agreement stipulates that the definition of "United States" or "United States of America" shall instead mean "John Doe" and John Doe stipulates that he is acting by and on his own behalf and not on the behalf of the government of the states united by and under the Constitution of the United States of America. This will ensure that the plaintiff or prosecuting attorney does not try to claim that he had no authority to bind the U.S. government to abide by this agreement. An important implication of this

provision is that if John Doe prosecutes this case on paid time for the U.S. Government, then he can and will be fired and disciplined for conducting private business on company time.

9. Users who violate this copyright license agreement, who work either directly for the government in the legal or tax profession or as contractors for these functions, and who participate as either witnesses, informants, or representatives in any litigation directed against this ministry or its volunteers or members agree to a personal liability/fine of \$300,000 payable out of their private funds and which they agree NOT to accept reimbursement for from the government. Payment shall occur BEFORE any trial is heard which involves them and is against this ministry.
10. Always use the very latest version of any information and this agreement provided on this website in any litigation, and to dispose of and stipulate NOT to admit into evidence any information that is older. They agree to apply the current terms of this agreement retroactively to any behavior of theirs that might adversely affect this website or ministry, and especially in respect to any litigation they might initiate or become involved in that is against this ministry, its agents, or participants. Ministry reserves the right to modify the terms of this agreement without notice to User and User waives the right to complain about or challenge this provision.
11. Bring any false statements or suggestions to do any illegal activity noted on this website or in any of our statements to our attention immediately at the time noticed and give us an opportunity to remedy it BEFORE pursuing any litigation or injunctions against us because any information provided is false. If we are physically able to correct the erroneous or illegal information, then we will do so immediately, provided that your comments are accompanied with credible, admissible evidence that the information provided is wrong. If this requirement is not heeded by the reader, then the reader agrees to:
  - 11.1. Forfeit 50% of their pay as a federal public servant for the remainder of their life, and donate it to this ministry to help those who have been hurt by your failure to correct erroneous information provided on this website. This is in satisfaction of the IRS website's Mission Statement, which says in [IRM Section 1.1.1.1](#) that the mission of the IRS is to "Provide Americas taxpayers top quality service by helping them [correctly] understand and meet their tax responsibilities with integrity and fairness all."
  - 11.2. Pay the author \$10,000,000 prior to any litigation relating to false statements on this website and to not testify at all if they cannot pay the damages.
12. Never abuse the materials provided on this website by violating any enacted positive law which applies within the jurisdiction where you are situated or domiciled and to take full and complete and exclusive and personal responsibility for the consequences of any violations of law that might occur by virtue of using the materials posted on this website.
13. If readers find anything in any our publications which conflict with other information on this website or which conflicts with itself, you agree to presume that what is written is fiction and bring it to our attention immediately so that we may promptly correct the conflict. This applies even to conflicts that a reader was not aware of at the time they first read something.

The purpose of the above license agreement is not to condone or allow unlawful behavior of any kind by this website, but instead to:

1. Protect the [First Amendment](#) rights of the author.
2. Discourage and prevent anti-whistleblowing activity on the part of public servants directed against this website.
3. Further the ends of [liberty](#) and [justice](#) for ALL, which is the sole function of this website and the object of our pledge of allegiance.
4. Help eliminate ignorance, fear, and presumption of the average American towards the legal and judicial process through education and personal empowerment.
5. Encourage you, the reader, to take complete and exclusive and personal responsibility for yourself and to prevent you from transferring that responsibility in any form to us. It would be completely hypocritical of us to on the one hand say we want to encourage personal responsibility, but then on the other hand tell people that they can transfer any part of the responsibility for themselves, their lives, or their choices to us.
6. Provide strong protections for you and your Fourth Amendment privacy and personal data by ensuring that our organization is never infiltrated by government moles who mean to do anyone harm.
7. Ensure that we are LEFT ALONE, which the Supreme Court has unequivocally ruled is a Constitutional Right:

*"The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. **They conferred, as against the Government, the right to be let alone - the most comprehensive of rights and the right most valued by civilized men.**"*

[*Olmstead v. United States*, 277 U.S. 438, 478 (1928) (Brandeis, J., dissenting); see also *Washington v. Harper*, 494 U.S. 210 (1990)]

Therefore, it cannot be said that the above license agreement has any illegal purpose whatsoever that might render it unenforceable in a court of law.

**DISCLAIMER**: The content of this disclaimer supersedes and is controlling over every other page, file, electronic book, video, or audio available in this book or the website it appears on.

All information contained in this book in its entirety, along with any communications with, to, or about the author(s), website administrator, and owner(s) constitute religious and political beliefs, and not facts. As such, nothing on this website is susceptible to being false or legally "actionable" in any manner. Nothing here can be classified as fact without violating the First Amendment rights of the author(s). It is provided for worship, education, enlightenment, and entertainment and for no other purpose. Any other use is an unauthorized use for which the author(s), website administrator, and owner(s) assume no responsibility or liability. Users assume full, exclusive and complete responsibility for any use beyond reading, education, and entertainment. If you don't like this disclaimer, then complain to the government, because we are emulating the same approach as the IRS uses on their website. See:

*Reasonable Belief About Income Tax Liability*, Form #05.007; <http://sedm.org/Forms/FormIndex.htm>

The data in this document is the collaborative experience, contributions, and research of various websites, legal books, tax documents, researchers, associates, attorneys, CPA's, etc. and does not constitute legal advice. These materials have been prepared for educational and informational purposes and are intended for "[nontaxpayers](#)" who live outside the federal zone only. If you are a "[taxpayer](#)" or you live inside the federal zone, then instead please consult <http://www.irs.gov> for educational materials.

This website and the materials on it were prepared for the use of the authors only by themselves. Any use of the terms "you" or "we recommend" or "you should" is directed at the authors and not other readers. The only exception to this rule is the Copyright/Software License Agreement above, which applies to everyone EXCEPT the authors or ministry. All the authors are doing by posting these materials is sharing with others the results of their research and the play book they developed only for use by themselves. For instance, the bottom of every page of the [Great IRS Hoax](#) book says: "**TOP SECRET: For Treasury/IRS Internal Use ONLY (FOUO)**". Then in the "Disclaimer" at the beginning of the book, it defines "Treasury" as the "Family Department of the Treasury". Consequently, how those materials impact or influence others is of no concern or consequence to the authors, and no motive may be attributed to any statements by the authors that would appear to be directed at third parties, because such statements are actually directed at themselves only. How readers use or apply the materials appearing here is entirely their choice and we assume no responsibility for how they act, or fail to act, based on the use of these materials. This approach is no different from that of the federal government, where the term "[employee](#)" in the Internal Revenue Code is made to "appear" like it applies to everyone, but in fact it only applies mandatorily to government workers and federal instrumentalities pursuant to [26 U.S.C. §6331\(a\)](#).

This book constitutes an expression of free speech protected by the First Amendment to the U.S. Constitution. Every possible effort has been made to ensure that the information appearing here is truthful, accurate, complete, and consistent with prevailing law. However, you should not assume or presume that we agree wholly or partially with anything not specifically written by us. The materials on this site are not legal advice or legal opinions on any specific matters. Legal advice involves applying the law to your specific and unique situation, which is your responsibility and not our responsibility. Transmission of the information is not intended to create, and receipt does not constitute, a lawyer-client relationship between the author(s) and the reader. Readers should not act upon this information without seeking professional counsel, especially if they intend to litigate to protect their property rights. The opinions expressed in the document are those of the author(s), or the researcher(s) or content providers. You must validate this information yourself with your own research, legal education, experience, and the advice of a competent attorney and/or tax professional, if, of course there is such a thing! Readers should not act upon this information without first getting fully educated using the materials provided here and elsewhere. They are also advised to consult professionals in this area who are NOT attorneys, because we believe that all attorneys who are licensed by the government have a [conflict of interest](#).

All representations made verbally or via postal mail or email or any means of advocacy by anyone connected with this website may NOT be relied upon to accurately describe the official policies of this website or its owner or its/his/their affiliates. The ONLY sources which may be relied upon to completely and accurately represent the policies of the owner of



this website consist in the following, where lower numbered items take precedence over higher numbered items in the event of a conflict:

1. [The Holy Bible, New King James Version](#)
2. [Declaration of Independence](#)
3. [United States Constitution](#)
4. [Internal Revenue Code](#)
5. [Code of Federal Regulations](#)
6. [Sovereign Christian Marriage](#)
7. [Family Constitution](#)
8. [Great IRS Hoax](#)
9. [Tax Fraud Prevention Manual, Form #06.008](#)

Any representations that contradict the above shall be regarded as untrustworthy by the hearer. Also, any representations that make any promises about the success of any of the methods or information documented in this book or on this website shall be regarded as unauthorized and untrue. We assume no responsibility for the statements, writings, or promotional efforts of any third parties. We also refuse to be held to a higher standard of accountability than the IRS or the government itself. The IRS claims in [section 4.10.7.2.8 of its own Internal Revenue Manual](#) that you cannot rely on its publications, which include its tax preparation forms. The courts have also said that you cannot rely on the IRS' telephone support personnel or its Internal Revenue Manual. Therefore, we will not be held to a higher standard than the IRS for our publications, which include **everything** on this website, or for anything we say or write. We make all the **same** disclaimer statements about our publications, statements, and support as the IRS, in fact, which means we can have no liability for anything we produce. [Click here](#) for our article on this subject.

*"Behold, the wicked brings forth iniquity;  
Yes, he conceives trouble and brings forth falsehood [in their publications and  
their phone support],  
He made a pit and dug it out,  
And has fallen into the ditch [this disclaimer] which he made.  
His trouble shall return upon his own head,  
And his violent dealing shall come down on his own [deceitful] crown."  
[Psalm 7:14-16, Bible, NKJV]*

**We do not sell anything connected with this website or the materials on it, never have, and never will.** Consequently, nothing on this website may be truthfully characterized as "[commercial speech](#)" or excluded from [First Amendment](#) free speech protections. We do not sell or promote any kind of plan or arrangement, under [26 U.S.C. §6700](#), which is guaranteed or likely to produce any kind of result against the IRS or any state taxing authority. As a matter of fact, the lawless, avaricious, ignorant, and criminal misapplication of the federal tax "codes" (no "laws" but "codes") by the IRS and the Department of Justice and the treasonous refusal of the federal judiciary to punish such despicable and illegal abuses virtually guarantees unpredictable and unjust results in the administration of the taxing codes of the municipal government of the District of Columbia when the techniques described in this book and our website are used. The definition of the term "person" used in [26 U.S.C. §6700](#) and found in [26 U.S.C. §6671\(b\)](#) doesn't even apply to human beings such as us. Furthermore, even though the IRS and the Department of Justice have attempted to use this statute to try to prosecute tax honesty advocates, they have done so criminally and lawlessly since there are no implementing regulations for this statute under the income tax "imposed" in section 1 of Subtitle A of the Internal Revenue Code.

The noteworthy failure of the government to at any time rebut anything appearing in our [Great IRS Hoax](#) book or on our website since this site stood up in Nov. 2000 constitutes a legal admission of the truthfulness and accuracy of our materials. If the government wants to assert that any of the materials on this website are in error, then they as the moving party have the burden of proof, and they must meet that burden of proof under the Administrative Procedures Act, [5 U.S.C. §556\(d\)](#) and the due process clauses found in the [Fifth](#), [Sixth](#), and [Seventh](#) Amendments of the Constitution BEFORE we will respond to any summons, questions, or accusations. Attempts at calling our claims "frivolous" without specifically answering all of our [Tax Deposition Questions](#) or [Test for Federal Tax Professionals](#) on signed notarized IRS stationary proves the existence of the following by the U.S. government:

- Violation of the [public trust](#) and the [fiduciary relationship](#) between Americans and the government that is supposed to be their servant under [Natural Law](#) and the rulings of the supreme Court but has attempted through fraud to elevate itself to being a tyrant dictator.

- Constructive [fraud](#)
- [Theft by deception](#)
- Violation of [due process](#)
- Unwillingness to accept its Constitutional responsibility to respond to our Petition for Redress under the [First Amendment](#).
- [Frivolous](#) actions: Refusal to identify any legal basis for their lawless and unlawful actions of war against the American people they are supposed to be serving.

*"**Unlawful.** That which is contrary to, prohibited, or unauthorized by law. That which is not lawful. The acting contrary to, or in defiance of the law; **disobeying or disregarding the law.** **Term is equivalent to "without excuse or justification."** State v. Noble, 90 N.M. 360, 563 P.2d. 1153, 1157. While necessarily not implying the element of criminality, it is broad enough to include it."*  
[Black's Law Dictionary, Sixth, p. 1536]

*"**Illegal.** Against or not authorized by law."*  
[Black's Law Dictionary, Sixth Edition, p. 747]

The government likes to cite irrelevant federal case law of ignorant persons who filed the wrong IRS 1040 Form as evidence of why the average American is liable for I.R.C. [Subtitle A](#) taxes, but such cites are irrelevant and [void judgments](#) when applied to the very different citizenship ("national") and filing status of those people using materials on this website.

Evidence we have showing personnel from the IRS and the government downloading our book further bolsters our arguments in this area. In accordance with the [Internal Revenue Manual, Section 4.10.7.2.9.8](#), you are *not authorized* and it would be frivolous to cite any court case below the [supreme Court](#) as your legal authority in your rebuttal, as cites of lower courts only apply to individual taxpayers in question rather than all Americans. Furthermore, it would be hypocritical and unethical of the government to pursue prosecution or legal action against us without first corresponding with us in a SIGNED AND NOTARIZED AFFIDAVIT ON GOVERNMENT STATIONARY rebutting any specific claims you take issue with and citing the legal authorities you base your assertions on. You should use our [Test for Federal Tax Professionals](#) (at <http://famguardian.org/Subjects/Taxes/FalseRhetoric/Questions.htm>) *and* our [Tax Deposition](#) (at <http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>) to provide your rebuttal.

We make no guarantees about the effectiveness of anything appearing in this book or on our website, nor do we profit in any way from the information presented. This book and our website are strictly offered as a free educational public service designed to:

- Encourage freedom and liberty, which means promoting a *much* smaller and more limited national government than we have now.
- Promote *self-government* and self-reliance and completely eliminate any need for or dependence on government. This way, people won't need the government or the law profession or lawyers to be involved in their lives anymore.
- Encourage the values that made this nation great, including patriotism, faith in God, morality, personal responsibility, and strong reliance on family.
- Educate the reader about the federal and state statutes and regulations and about any conflicts these laws might have with God's laws.
- Ensure that both the reader and more importantly their government, obeys all laws and does not harm or abuse its Citizens or inhabitants.
- Encourage people to be more involved in the political process.
- Encourage an ethical and moral government that protects our Constitutional rights.

*We do not advocate violence or terrorism or threats of any kind against anyone, and especially by our government against its people.* All of the remedies we advocate to the problems our society faces as documented in this book and on our website focus on public education and outreach, nonviolent confrontation, and political and legal activism.

The reason why this disclaimer notice is required is not to undermine the accuracy or authority or integrity of this document, but primarily to prevent the possibility of the author(s) or any of the contributors, who are not necessarily lawyers, from being prosecuted for practicing law without a license from the socialist state (professional licenses are yet another government scam to maximize revenues, censorship, and government control over the population in violation of our rights). Who would want to prosecute us? How about the lawyers and management at the IRS, who probably don't want you or IRS employees understanding the law or knowing what is in this document and don't want you litigating on your own, because you complicate for them the process of **STEALING** your money through the IRS fraud, malfeasance, and breach of government fiduciary duty that is exhaustively exposed in this document.

**REVISION HISTORY**

The below revision history covers only the last six months of changes.

<i>Date</i>	<i>Version</i>	<i>Description</i>
4/1/04	1.00	Initial version
4/6/04	1.01	Added section 10.3 and modified beginning of section 10.
4/7/04	1.02	1. Completely revised the attachment to form W-8 appearing in section 13.2. 2. Added section 13.8.
4/8/04	1.03	1. Added Form 9: Citizens assertion of legal right not to disclose SSN
4/9/04	1.04	1. Added section 10.4: Modifications to Withholding Forms are Completely Legal. 2. Renamed section 13.8. 3. Added section 13.9: Payroll Withholding Form (Short Version). 4. Considerably expanded section 6 to further clarify the tax status of nonresident aliens using several implementing regulations. 5. Added section 10.3: Techniques for doing credit checks without Social Security Numbers.
4/10/04	1.05	1. Corrected several typos in section 6 and expanded the section. 2. Expanded section 10.4 to add mention of redefining terms but not physically modifying the form.
4/11/04	1.06	1. Updated section 6. to clarify further. Also added a cite from the Congressional Record and mentioned the Federal Employee Kickback program. 2. Updated section 13.8 to reduce font size and eliminate two pages.
4/12/04	1.07	1. Updated section 6 and corrected typos. 2. Added section 8: Private Employers aren't authorized by law to act as "withholding agents". 3. Added section 9: The Money You Pay to Government is an Illegal Bribe to Public Officials.
4/13/04	1.08	1. Fixed several typos.
4/20/04	1.09	1. Modified section 11 to correct spelling errors. 2. Corrected several typos in section 12.4. 3. Reworded section 8 slightly to make talk to employers instead of employees. Also added a footnote at the beginning describing where the section came from.
4/22/04	1.10	1. Added section 15.10: Attachment to Consultant Agreement.
4/27/04	1.11	1. Corrected several typos in section 6.
4/29/04	1.12	1. Revised and expanded section 15.10 to make it much better and correct spelling errors.
5/31/04	1.13	1. Replaced all references to "U.S. national" with "national". 2. Replaced all references to 8 USC 1408 with 8 USC 1101(a)(22)(B).
6/9/04	1.14	1. Updated section 6 to replace 8 USC 1408 with 8 USC 1101(a)(22)(B). 2. Expanded the Copyright License Agreement at the beginning to add the last item.
8/10/04	1.15	1. Changed the page count at the bottom of each page of section 15.8 from 12 to 10. 2. Modified sections 15.2 and 15.3 to reflect 10 pages instead of 8 pages in the attachment. 3. Revised section 15.3, W-8BEN Amended form.
8/16/04	1.16	1. Fixed the citizenship table in section 11. 2. Modified section 12.4. 3. Expanded section 12.2. 4. Corrected a link error in the disclaimer. 5. Added "Constitutional Provisions" to the table of authorities at the beginning.

## Revision History

Date	Version	Description
8/21/04	1.17	<ol style="list-style-type: none"> <li>Expanded section 4 considerably.</li> <li>Corrected errors in Section 1: Introduction.</li> <li>Added a citizenship status v. Tax Status table to section 6.</li> </ol>
10/23/04	1.18	<ol style="list-style-type: none"> <li>Expanded section 6 to add a quote on “Expressio unius est exclusio alterius”</li> <li>Added line numbers starting on page 1 for easy reference.</li> <li>Reorganized and strengthened Section 5.</li> <li>Changed page numbering so that everything before page one used roman numerals.</li> <li>Added section 3 entitled “The Internal Revenue Code is not ‘law’, but is only ‘code’ that applies to federal employees”</li> <li>Added section 10.</li> <li>Improved section 1 and fixed typos.</li> </ol>
11/26/04	1.19	<ol style="list-style-type: none"> <li>Updated section 3.</li> <li>Updated section 6.</li> <li>Expanded section 12 to add quotes from the Supreme Court and Federalist Paper #15. Beefed up the language.</li> <li>Expanded the Copyright License Agreement at the beginning.</li> </ol>
12/15/04	1.20	<ol style="list-style-type: none"> <li>Modified the introduction to add links to other resources.</li> <li>Expanded section 3 to mention that IRC is a state-sponsored religion.</li> <li>Expanded section 4 to add table showing the dual nature of the Internal Revenue Code.</li> <li>Expanded section 7 to add quotes proving that nonresident aliens are “nontaxpayers”.</li> </ol>
12/17/04	1.21	<ol style="list-style-type: none"> <li>Expanded section 9.</li> <li>Fixed several spelling errors throughout the document.</li> <li>Expanded the list of references at the end of section 1.</li> <li>Fixed the header in several places.</li> <li>Fixed bad section references in section 17.2 through 17.4 and updated these sections to point to additional help on the W-8 form.</li> <li>Updated bad section references in section 17.7.</li> <li>Expanded section 17.6.</li> </ol>
12/23/04	1.22	<ol style="list-style-type: none"> <li>Updated section 4 to expand table and add more text.</li> </ol>
12/29/04	1.23	<ol style="list-style-type: none"> <li>Updated wording in section 9.</li> <li>Fixed typos in section 4.</li> <li>Added section 13 entitled “What About the Rulings of the federal courts on these issues?”</li> </ol>
1/1/05	1.24	<ol style="list-style-type: none"> <li>Replaced table 2 in section 14 with an updated version.</li> <li>Fixed a bad header at the beginning of the book.</li> <li>Reformatted table of contents.</li> <li>Updated section 2.</li> </ol>
1/03/04	1.25	<ol style="list-style-type: none"> <li>Updated table 4-1 in section 4 and expanded the section.</li> <li>Added hyperlinks to several statute references.</li> </ol>
1/5/04	1.26	<ol style="list-style-type: none"> <li>Added section 15.2.</li> <li>Added section 15.3.</li> </ol>
1/11/05	1.27	<ol style="list-style-type: none"> <li>Added section 15.4 entitled: “Withholding on nonresident aliens”.</li> <li>Added section 15.8 entitled: “Responding to IRS Levies upon pay of employees.”</li> <li>Renamed section 15.3.6 and formatted as a table to make prettier.</li> <li>Expanded copyright license agreement at the beginning.</li> </ol>
1/12/05	1.28	<ol style="list-style-type: none"> <li>Added footnote to title of section 15.4.</li> <li>Fixed several typos.</li> <li>Fixed contradictions in section 9.</li> <li>Fixed errors in the quote from Carter Coal Co.</li> <li>Fixed problems in the Table of Authorities.</li> </ol>



**Revision History**

<b>Date</b>	<b>Version</b>	<b>Description</b>
1/13/05	1.29	1. Replaced the quote from Carter Coal Co. throughout the book because it was inaccurate.
1/28/05	1.30	1. Expanded section 4. to add a diagram of how the federal tax scheme works. Also modified the table to change the “taxable activity” for the federal zone. 2. Completely redid the table in section 5.
2/4/05	1.31	1. Fixed typos in section 15.4. 2. Considerably expanded table 4 in section 7. 3. Improved section 15.1. 4. Moved section 14 to section 14.1. 5. Improved the table in section 14.1.
3/2/05	1.32	1. Replaced all references to “tax laws” with “Internal Revenue Code” throughout the booklet. 2. Completely revised section 17.6, the amended W-4. 3. Updated section 17.3, the Amended W-8BEN. 4. Expanded section 4. 5. Expanded section 5. 6. Added section 6 entitled: “Why both state and federal income taxation are entirely voluntary.
3/7/05	1.33	1. Expanded section 4. 2. Expanded section 5. 3. Updated section 6. 4. Expanded section 2. 5. Fixed several spelling errors. 6. Updated section 13. 7. Updated section 15.5. 8. Expanded section 14. 9. Expanded section 3 and renamed it.
3/16/05	1.34	1. Updated figure 4-1 in section 4. 2. Expanded section 4.
3/17/05	1.35	1. Updated section 4.
3/21/05	1.36	1. Removed Cook v. Tait from section 18.8. 2. Fixed bad case cite numbers for Cook v. Tait throughout the document. 3. Added section 15.4 entitled: “Do NOT use Forms W-7 and W-9”!
3/29/05	1.37	1. Updated section 15.6. 2. Updated section 15.4. 3. Added section 15.11. 4. Renamed section 5.12. 5. Updated section 15.6. 6. Updated section 4. 7. Added text to section 15.5. 8. Added to section 1 a link to the rebutted version of the IRS pamphlet: “The Truth About Frivolous Tax Arguments”. 9. Corrected section 6 table, notes column. Also expanded the section.
4/1/05	1.38	1. Updated section 15.4. 2. Added section 18.12.
4/11/05	1.39	1. Expanded section 6 and renamed the section.
4/12/05	1.40	1. Added section 15.9 and all subsections. 2. Added section 18.13: New Hire Paperwork Attachment. 3. Updated section 6 to add a quote from Arizona Revised Statutes and to discuss “presumptions” about residence.
4/19/05	1.41	1. Updated section 15.3. 2. Modified section 15.9.1 to remove suggestions to put bogus numbers on forms.

## Revision History

Date	Version	Description
5/1/05	1.42	<ol style="list-style-type: none"> <li>Added to section 6 a cite from the Bible Dictionary defining “Tribute”.</li> <li>Renamed section 18.13.</li> <li>Corrected typos in section 18.13.</li> <li>Expanded and reworded section 3.</li> </ol>
6/24/05	1.43	<ol style="list-style-type: none"> <li>Updated section 6 to add a citizenship table.</li> <li>Updated the beginning.</li> <li>Fixed several typos throughout the document.</li> </ol>
7/14/05	1.44	<ol style="list-style-type: none"> <li>Expanded and updated section 6 on domicile.</li> <li>Fixed problems in the tables of authorities.</li> </ol>
7/28/05	1.45	<ol style="list-style-type: none"> <li>Renamed title of section 15.9.1.</li> <li>Added section 15.10: Frequently Asked Questions.</li> <li>Modified section 4.</li> <li>Added a title to the Table of Authorities at the beginning.</li> <li>Replaced Appendix B, Test for Federal Tax Professionals, with “Test for Federal Tax Professional”, so that it is shorter and easier to answer for private employers.</li> </ol>
8/2/05	1.46	<ol style="list-style-type: none"> <li>Added section 15.10.5.</li> <li>Updated section 6.</li> <li>Added section 15.5.6.</li> <li>Moved section 15.10 to section 15.13.</li> </ol>
8/14/05	1.47	<ol style="list-style-type: none"> <li>Improved and expanded section 6</li> </ol>
9/10/05	1.48	<ol style="list-style-type: none"> <li>Expanded section 9.</li> <li>Moved form at end of 15.13.5 back to section 15.12.</li> <li>Added section 15.3.6.</li> <li>Added section 15.13.7.</li> <li>Updated section 15.5.3.</li> <li>Added statute references to section 6.</li> </ol>
9/15/05	1.49	<ol style="list-style-type: none"> <li>Updated section 13 to add references about domicile.</li> <li>Added to section 15.3 a quote from <i>The Institutes of Biblical Law</i>.</li> <li>Expanded section 15.6 to add new regulations to clarify the points made.</li> <li>Added a new link to section 3.</li> <li>Added section 15: Social Security.</li> </ol>
9/17/05	1.50	<ol style="list-style-type: none"> <li>Updated section 19.13 to change Domicile block.</li> <li>Added section 16.1: General requirements of withholding on “wages” in the I.R.C.</li> <li>Added section 16.2: “What to expect if you call up the I.R.S. to ask them what to do.</li> <li>Added section 16.3: Involuntary W-2 withholding.</li> <li>Modified section 16.13 to add mention of 26 CFR 31.3402(f)(5)-1.</li> <li>Added section 16.4: Employer liability and Failure to Withhold.</li> </ol>
9/22/05	1.51	<ol style="list-style-type: none"> <li>Added section 16.2: The W-4 Form.</li> <li>Updated section 16.1.</li> <li>Broke chapter 16 into three chapters and much better organized it.</li> <li>Added hyperlinks to most statute references throughout the document.</li> <li>Improved formatting.</li> </ol>
9/23/05	1.52	<ol style="list-style-type: none"> <li>Expanded section 17.7 to add reference to IRS Publication 515.</li> <li>Expanded section 17.1 to add references to IRS Publications 515 and 919.</li> <li>Expanded section 17.4.</li> <li>Added section 16.7: IRS Form 8233.</li> <li>Added section 16.8: The I-9 Form.</li> </ol>
9/28/05	1.53	<ol style="list-style-type: none"> <li>Updated section 16.4 to add mention of 26 CFR 31.3401(a)(11)-1(a).</li> </ol>
10/2/05	1.54	<ol style="list-style-type: none"> <li>Moved section 17.2 to 16.4.</li> <li>Added section 11.</li> <li>Considerably expanded section 10.</li> </ol>

## Revision History

Date	Version	Description
10/3/05	1.55	<ol style="list-style-type: none"><li>1. Renamed section 17.4.</li><li>2. Renamed all references to “Socialist Security Number” to “Social Security Number”.</li><li>3. Added a “List of Tables” to the beginning.</li><li>4. Renumbered all the tables throughout the document.</li><li>5. Added a “List of Figures” to the beginning.</li><li>6. Renumbered all the figures throughout the document.</li><li>7. Fixed several errors in the Table of Authorities at the beginning.</li><li>8. Moved section 10 to section 2 and section 11 to section 3.</li></ol>
10/4/04	1.56	<ol style="list-style-type: none"><li>1. Moved section 9 to section 3.</li><li>2. Moved section 14 to section 4.</li><li>3. Expanded the end of section 2 and reworded end.</li><li>4. Expanded section 3 end.</li></ol>
10/15/05	1.57	<ol style="list-style-type: none"><li>1. Updated section 17.7.3. Vastly better.</li><li>2. Broke section 10 into several subsections to make it more organized. Also rearranged the information under the subsections to make it more logical.</li><li>3. Moved section 11 to section 17.2.</li></ol>
10/18/05	1.58	<ol style="list-style-type: none"><li>1. Updated section 16.7.2 to add mention of 26 CFR 31.3401(a)-6(a).</li></ol>
10/29/05	1.59	<ol style="list-style-type: none"><li>1. Corrected expired weblink for all references to IRM Section 5.14.10.2.</li><li>2. Added to section 17.2 a reference to 26 CFR 31.3401(a)-6(a).</li><li>3. Added a weblink to the end of section 16.9.</li><li>4. Added several additional items to the table of authorities at the beginning.</li><li>5. Expanded the end of section 11.</li><li>6. Added weblinks to several more authorities throughout the document.</li><li>7. Improved formatting in section 22.8.</li><li>8. Added a link to the end of section 17.7 to the new pamphlet on “includes”.</li><li>9. Added section 2: “Public” v. “Private” employment</li></ol>
11/5/05	1.60	<ol style="list-style-type: none"><li>1. Deleted redundant information from section 7 that was duplicated earlier in section 2. Also expanded the section.</li><li>2. Improved section 3.</li><li>3. Improved section 16 considerably.</li></ol>
11/22/05	1.61	<ol style="list-style-type: none"><li>1. Removed headers and put all information about book and page number in footer.</li><li>2. Updated section 1 to add a link to a synopsis of this information.</li><li>3. Expanded and improved section 2.</li><li>4. Updated section 17.1.</li><li>5. Expanded section 18.3.</li><li>6. Improved section 8.</li></ol>
12/6/05	1.62	<ol style="list-style-type: none"><li>1. Added section 11.11.</li><li>2. Corrected several bad links throughout the document.</li></ol>
12/30/05	1.63	<ol style="list-style-type: none"><li>1. Corrected typo in title of section 20.3.2.</li><li>2. Updated section 20.3.3.</li><li>3. Updated section 23.8.</li><li>4. Added an index to the beginning of the document and indexed several entries throughout the document.</li><li>5. Changed the header at the beginning of the document.</li><li>6. Added a few additional entries to the table of contents.</li><li>7. Fixed page numbers throughout document.</li><li>8. Updated section 23.10.</li><li>9. Updated section 17.7.2 to add information about backup withholding and reporting.</li></ol>
1/8/06	1.64	<ol style="list-style-type: none"><li>1. Expanded section 2 to add a supreme court cite and a link to a new piece of evidence.</li></ol>

## Revision History

Date	Version	Description
1/24/06	1.65	<ol style="list-style-type: none"> <li>Expanded section 11.10.</li> <li>Updated W-8BEN Modified in section 23.3.</li> <li>Updated section 17.7.3 by adding item 3 to the instructions.</li> <li>Corrected some typos.</li> </ol>
1/30/06	1.66	<ol style="list-style-type: none"> <li>Fixed some typos in section 3.</li> <li>Improved section 5.</li> <li>Expanded and improved section 2.</li> <li>Updated Table 5 in section 9 to replace “Direct tax” with “Indirect excise tax” under item 3 in the left column.</li> </ol>
2/9/2006	1.67	<ol style="list-style-type: none"> <li>Expanded section 17.7.1.</li> <li>Expanded section 17.7.2.</li> <li>Expanded section 17.7.3.</li> <li>Fixed a few bad regulation references.</li> <li>Added links to several new statute references.</li> <li>Fixed errors in the table of authorities.</li> <li>Considerably expanded section 17.9 and added several subsections.</li> <li>Revised section 23.8.</li> </ol>
2/11/06	1.68	<ol style="list-style-type: none"> <li>Revised section 9.</li> <li>Added links to several additional references.</li> <li>Improved formatting throughout document.</li> <li>Updated section 17.7.3.</li> <li>Added an additional question to section 17.7.6.</li> <li>Fixed several bad page footers in chapter 23.</li> <li>Expanded section 20.2.1.</li> <li>Expanded section 20.3.5.</li> <li>Added section 20.2.2.</li> <li>Corrected several spelling errors.</li> </ol>
3/3/06	1.69	<ol style="list-style-type: none"> <li>Corrected typos in the quote from Butcher’s in Section 3.</li> <li>Replaced two occurrences of “PositiveLaw.pdf” with “Consent.pdf”.</li> <li>Expanded section 16 and improved it.</li> <li>Considerably improved section 8 and renamed it.</li> <li>Added section 11 entitled “Taxpayer v. Nontaxpayer: Which One are You?”</li> <li>Changed Preface.</li> <li>Replaced all occurrences of “elected or appointed” with “public office”.</li> <li>Expanded section 11.</li> </ol>
3/12/06	1.70	<ol style="list-style-type: none"> <li>Expanded section 19.7</li> <li>Revised and improved section 19.2.</li> <li>Replaced all occurrences of “elected or appointed employee” with “public office”.</li> <li>Added section 19: Information Returns.</li> <li>Moved section 18.5 to section 19.1.</li> <li>Added section 18.6.3.</li> <li>Updated section 18.6.4.3.</li> </ol>
3/17/06	1.71	<ol style="list-style-type: none"> <li>Considerably improved section 2.</li> <li>Added a link to a new form to section 19.</li> </ol>
3/24/06	1.72	<ol style="list-style-type: none"> <li>Expanded section 20.7 to add reference to 26 CFR §1.871-7(a)(4).</li> <li>Changed formatting on footnotes to make them prettier.</li> <li>Put links at the end of section 14.</li> <li>Updated section 18.6.3.</li> <li>Expanded section 21.1.</li> </ol>
3/28/06	1.73	<ol style="list-style-type: none"> <li>Replaced all occurrences of “IRS Deposition Questions” with “Tax Deposition Questions”.</li> <li>Replaced “Requirement for Positive Law” to “Requirement for Consent”.</li> </ol>
4/17/06	1.74	<ol style="list-style-type: none"> <li>Deleted information from the Preface.</li> <li>Fixed formatting problems in section 25.13.</li> </ol>

**Revision History**

<b>Date</b>	<b>Version</b>	<b>Description</b>
5/6/06	1.75	<ol style="list-style-type: none"> <li>1. Expanded the table at the end of section 1.</li> <li>2. Expanded section 19.1.</li> <li>3. Expanded section 19.2.</li> <li>4. Expanded section 19.3.</li> <li>5. Expanded section 19 to add table to end</li> </ol>
5/28/06	1.76	<ol style="list-style-type: none"> <li>1. Updated section 3.</li> <li>2. Updated section 9.</li> <li>3. Updated section 11.</li> <li>4. Updated table 15 in section 20.2</li> <li>5. Replaced most occurrences of “elected or appointed officers” with “public officials”.</li> <li>6. Added section 12.13.</li> <li>7. Expanded the end of section 12.6.</li> <li>8. Updated table 5 in section 9.</li> </ol>
7/21/06	1.77	<ol style="list-style-type: none"> <li>1. Expanded section 12.1.</li> <li>2. Expanded section 12.6.</li> <li>3. Renamed section 12.11 and expanded it.</li> </ol>
8/4/06	1.78	<ol style="list-style-type: none"> <li>1. Added section 12.14.</li> <li>2. Expanded section 12.6.</li> </ol>
9/25/06	1.79	<ol style="list-style-type: none"> <li>1. Updated section 17 and all other references to diversity of citizenship.</li> <li>2. Updated section 8.</li> <li>3. Corrected table formatting in section 20.7.</li> <li>4. Expanded sections 12.2 and 12.6.</li> </ol>
10/8/06	1.80	<ol style="list-style-type: none"> <li>1. Expanded section 9.</li> <li>2. Expanded section 12.10.</li> <li>3. Expanded section 12.3 to add a quote from Am.Jur.</li> <li>4. Expanded section 12.9.</li> <li>5. Renamed section 12.6 and expanded it to add the “render to Caesar” quote.</li> <li>6. Expanded section 12.14.</li> </ol>
10/27/06	1.81	<ol style="list-style-type: none"> <li>1. Expanded section 3 to add reference to 26 CFR §31.3121(b)-3.</li> <li>2. Expanded section 25.3.</li> <li>3. Expanded section 18.6.1 to add a cite from 26 CFR 31.3121(b)-3.</li> <li>4. Improved formatting throughout document.</li> <li>5. Added additional elements to the tables of authorities.</li> </ol>
11/20/06	1.82	<ol style="list-style-type: none"> <li>1. Expanded section 12.2</li> <li>2. Expanded section 12.1.</li> <li>3. Expanded section 12.14.</li> <li>4. Updated section 11 to refer to “Correcting IRS Form W-2’s” instead of “About IRS Form 4852”.</li> <li>5. Updated section 21.1 to add reference to IRS Form 1042 and replace “About IRS Form 4852” with “Correcting Erroneous IRS Form W-2”.</li> <li>6. Added section 18.6.4.5.</li> <li>7. Expanded section 19.3 to point to new article on correcting erroneous 1042’s.</li> </ol>
12/12/06	1.83	<ol style="list-style-type: none"> <li>1. Updated section 18.2.</li> <li>2. Expanded section 17 to add a reference to slavery.</li> <li>3. Revised section 18.2 to redefine sources of reasonable belief.</li> <li>4. Changed the link in section 20.3 to the “includes” pamphlet.</li> <li>5. Updated section 12.5.</li> <li>6. Improved formatting throughout document.</li> </ol>



**Revision History**

<b>Date</b>	<b>Version</b>	<b>Description</b>
12/26/06	1.84	<ol style="list-style-type: none"> <li>1. Updated section 3.</li> <li>2. Updated the preface.</li> <li>3. Modified section 9.</li> <li>4. Modified section 20.2.</li> <li>5. Replaced all occurrences of “living in” with “domiciled in” throughout the document.</li> <li>6. Corrected footer problems in the last few sections.</li> <li>7. Replaced all occurrences of 26 U.S.C. §7408(c ) with 7408(d).</li> </ol>
1/9/07	1.85	<ol style="list-style-type: none"> <li>1. Updated preface.</li> <li>2. Improved formatting throughout the document.</li> <li>3. Modified section 12.14.</li> <li>4. Expanded section 12.7.</li> <li>5. Updated section 2.</li> <li>6. Updated section 20.2.</li> <li>7. Updated section 20.4.</li> </ol>
1/13/07	1.86	<ol style="list-style-type: none"> <li>1. Updated section 12.5 to add a quote to beginning.</li> <li>2. Modified section 9.</li> <li>3. Corrected spelling errors throughout document.</li> <li>4. Reformatted all the forms in Section 25.</li> <li>5. Added section 25.14: Form SS-8.</li> <li>6. Improved section 21.1.</li> <li>7. Modified section 18.6.2.</li> <li>8. Normalized the page formatting throughout the document.</li> <li>9. Expanded section 18.6.1.</li> <li>10. Added Section 25.15.</li> <li>11. Deleted section 21.4.</li> </ol>
1/28/07	1.87	<ol style="list-style-type: none"> <li>1. Expanded section 11.</li> <li>2. Expanded section 12.4.</li> <li>3. Modified section 12.8.</li> <li>4. Expanded section 12.14.</li> </ol>
1/31/07	1.88	Modified and expanded section 11 to make it much clearer.
2/10/07	1.89	<ol style="list-style-type: none"> <li>1. Improved end of section 10.</li> <li>2. Updated section 12.8.</li> </ol>
4/14/07	1.90	<ol style="list-style-type: none"> <li>1. Expanded section 12.9.</li> <li>2. Revised section 12.2</li> <li>3. Expanded section 12.6.</li> <li>4. Replaced all occurrences of IRM Section 5.1.11.6.10 with IRM Section 5.1.11.6.8.</li> </ol>
5/11/07	1.91	<ol style="list-style-type: none"> <li>1. Replaced all occurrences of “Public official” with “public officer”.</li> <li>2. Expanded the end of section 8 to add another link and corrected IRS Due Process Meeting link.</li> <li>3. Expanded end of section 14 to add another link.</li> </ol>
5/25/07	1.92	<ol style="list-style-type: none"> <li>1. Added section 3.</li> </ol>
6/16/07	1.93	<ol style="list-style-type: none"> <li>1. Replaced Appendix B with new version.</li> <li>2. Added Correcting Erroneous Information Returns, Form 04.012 throughout the document.</li> <li>3. Added section 19.6.7.</li> <li>4. Expanded end of section 11 to add reference to the new “Test for State Tax Professionals”.</li> <li>5. Expanded end of section 10 to add a reference to Appendix B.</li> <li>6. 6. Renamed all occurrences of “Admissions Relating to Alleged Liability” to “Test for Federal Tax Professionals”.</li> </ol>

**Revision History**

<b>Date</b>	<b>Version</b>	<b>Description</b>
6/19/07	1.94	<ol style="list-style-type: none"><li>1. Expanded section 20.</li><li>2. Expanded section 20.1.</li><li>3. Added several new items to the table of authorities.</li><li>4. Expanded end of section 1 to add words of warning and instructions.</li><li>5. Updated section 26.9.</li><li>6. Updated section 26.10.</li><li>7. Updated section 26.12.</li><li>8. Updated section 26.13.</li><li>9. Renamed section 23.</li><li>10. Expanded section 3 to add a link to “Government Instituted Slavery Using Franchises.”.</li><li>11. Updated section 19.6.1.</li><li>12. Updated section 21.2.</li><li>13. Expanded section 21.5.</li><li>14. Moved a portion of section 21 to new section 22.4.</li><li>15. Renamed section 7.</li><li>16. Renamed section 21.</li><li>17. Expanded table 1 in section 1.</li><li>18. Split section 21.7 into several subsections and added sections 21.7.1 and 21.7.4.</li><li>19. Created section 21.8 from end of section 21.7.</li><li>20. Considerably expanded section 21.1.</li><li>21. Expanded section 2.</li></ol>
8/8/07	1.95	<ol style="list-style-type: none"><li>1. Expanded section 13.8.</li><li>2. Expanded section 12.</li><li>3. Corrected spelling errors.</li><li>4. Expanded section 13.6.</li></ol>
8/28/07	1.96	<ol style="list-style-type: none"><li>1. Added section 4.</li></ol>
10/4/07	1.97	<ol style="list-style-type: none"><li>1. Added form numbers to all links dealing with “Correcting Erroneous Information Returns”</li><li>2. Expanded section 4.12.</li><li>3. Updated section 20.6.1.</li><li>4. Renamed section 14.9.</li><li>5. Renamed and replaced section 27.11 to “Tax Form Attachment” and replaced the section with a new form.</li><li>6. Updated the Disclaimer.</li><li>7. Added section 27.16 entitled “Affidavit of Citizenship, Domicile, and Tax Status”.</li><li>8. Swapped section 21.2 and 21.3.</li><li>9. Added section 23.2: Handling questions about Social Security Numbers and Taxpayer Identification Numbers.</li><li>10. Swapped sections 21.2 and 21.3.</li><li>11. Expanded section 20.1.</li><li>12. Expanded Section 11 to add a cite from Federalist Paper #39.</li><li>13. Expanded section 11.</li><li>14. Expanded section 14.12.</li><li>15. Expanded section 14.1.</li></ol>
11/3/07	1.98	<ol style="list-style-type: none"><li>1. Moved section 2 to section 4.</li><li>2. Inserted subsections under section 3.</li><li>3. Added section 3.3.</li><li>4. Corrected several spelling errors.</li><li>5. Expanded section 16.</li><li>6. Expanded section 14.9.</li></ol>

## Revision History

Date	Version	Description
11/25/07	1.99	<ol style="list-style-type: none"><li>1. Added section 15: Legal Authorities Proving that Income Taxes are Voluntary for Most Americans.</li><li>2. Added section 19: Responding to Criticism of this Book.</li><li>3. Expanded section 22.1.</li><li>4. Corrected grammar errors.</li><li>5. Expanded section 22.5.</li><li>6. Removed several references to article “Why Domicile and Income Taxes are Voluntary”.</li><li>7. Normalized formatting throughout the table of authorities and corrected several bad entries.</li><li>8. Expanded section 22.</li><li>9. Corrected errors in the Table of Authorities at the beginning.</li><li>10. Replaced form 16 in section 27.16.</li><li>11. Corrected formatting in several footnotes.</li><li>12. Added to section 27 introduction.</li></ol>
12/18/07	2.00	<ol style="list-style-type: none"><li>1. Added a quote from Sinking Fund to Section 4.</li><li>2. Corrected inconsistencies and errors in the Table of Authorities.</li><li>3. Updated section 2.</li><li>4. Expanded section 18.</li><li>5. Renamed section 18.</li><li>6. Replaced remaining references to “IRC” with “26 U.S.C.”.</li><li>7. Corrected several more problems with the Table of Authorities.</li><li>8. Added a “Rules” section to the Table of Authorities.</li><li>9. Added a “Scriptures” section to the Table of Authorities.</li><li>10. Improved formatting of the List of Tables.</li><li>11. Added section 3.6.</li><li>12. Updated sections 3 and 3.1.</li><li>13. Expanded section 14.9.</li><li>14. Expanded section 14.14.</li></ol>
3/21/08	2.01	<ol style="list-style-type: none"><li>1. Expanded and improved section 18.</li><li>2. Added section 27.17: Why it is illegal for me to request or use a “Taxpayer Identification Number”.</li><li>3. Expanded section 14.9.</li><li>4. Renamed section 14.6 and expanded it.</li><li>5. Expanded section 23.2.</li><li>6. Updated all quotes from Federal Rule of Civil Procedure 17 to the latest version.</li><li>7. Expanded section 13.</li></ol>
4/22/08	2.02	<ol style="list-style-type: none"><li>1. Broke section 1 into three subsections, reformatted it, and replaced the table with a list.</li><li>2. Replaced all red text with black text.</li><li>3. Added several more items to the table of authorities at the beginning.</li><li>4. Expanded section 24.3.1.</li><li>5. Expanded section 24.2.1.</li><li>6. Added section 24.3.6.</li><li>7. Expanded section 14.14.</li><li>8. Expanded section 14.2.</li><li>9. Added section 20.6.4.4.</li><li>10. Expanded section 3.6.</li><li>11. Added section 20.6.3.</li><li>12. Revised section 20.6.4.</li><li>13. Updated sections 11 and 12.</li></ol>

## Revision History

Date	Version	Description
6/17/08	2.03	<ol style="list-style-type: none"><li>1. Expanded section 14.2.</li><li>2. Renamed section 15.</li><li>3. Updated table in section 21.</li><li>4. Added several new entries to the Table of Authorities.</li><li>5. Revised section 20.5.</li><li>6. Updated section 14.12.</li><li>7. Updated FORM 8 in section 27.8.</li><li>8. Completed revised FORM 16 in section 27.16.</li><li>9. Added section 20.2.</li><li>10. Updated FORM 17 in section 27.17.</li></ol>
10/11/08	2.04	<ol style="list-style-type: none"><li>1. Expanded the end of section 9.</li><li>2. Updated section 13.</li><li>3. Expanded section 15.</li><li>4. Expanded section 14.1.</li><li>5. Updated section 8.</li><li>6. Added more entries to the Table of Authorities.</li><li>7. Added section 21.1.</li><li>8. Updated sections 3.1 and 20.7.2.</li></ol>
12/30/08	2.05	<ol style="list-style-type: none"><li>1. Added a quote to the beginning of section 4.</li><li>2. Updated section 3.5.</li><li>3. Updated table in sections 3.2, and 14.8.</li><li>4. Updated tables in sections 22.2 and 22.6.</li><li>5. Expanded section 22.7.3.</li><li>6. Added section 20.7.9.</li><li>7. Added section 14.12 and placed old sections 14.11 and 14.13 underneath it.</li><li>8. Moved Section 14.11 to section 14.11.1.</li><li>9. Updated section 19.2.</li><li>10. Added section 14.11: How do “transient foreigners” and “nonresidents” protect themselves in state court?</li><li>11. Replaced all occurrences of “Why you are a “national” or “state national” and not a “U.S. citizen”” with “Why you are a “national”, “state national”, and Constitutional but not Statutory Citizen”.</li></ol>
6/16/09	2.06	<ol style="list-style-type: none"><li>1. Updated section 14.12.5.</li><li>2. Renamed section 14.12 and expanded it.</li><li>3. Expanded the end of section 14.12.4.</li><li>4. Updated all exhibit numbers from the SEDM Exhibits page.</li><li>5. Added section 3.7.</li><li>6. Added section 2: Overview of the Income Taxation Process.</li><li>7. Expanded section 15.2.</li><li>8. Deleted sections 28.5 through 28.7: Form W-4, corresponding with Forms 5 through 7. Our readers SHOULD NOT be using any variation of the W-4 and must all be nonresident aliens but not “individuals”.</li><li>9. Expanded section 5.</li><li>10. Added section 15.2</li><li>11. Added Section 15.3: The Social Contract/Compact.</li><li>12. Updated section 21.7.5.4.</li><li>1. Added section 24.6: Avoiding Enumeration with E-Verify</li><li>13. Added section 21.9.2: How to Fill Out the I-9 Form as a “non-citizen national” and “nonresident alien”.</li></ol>

**Revision History**

<i>Date</i>	<i>Version</i>	<i>Description</i>
11/7/10	2.07	<ol style="list-style-type: none"><li>1. Deleted Section 27: Certificate of Service.</li><li>2. Updated section 4.1: The Four “United States”</li><li>3. Replaced all instances of “Swain’s” with “Swains”.</li><li>4. Replaced all occurrences of “Psalms” with “Psalm”.</li><li>5. Expanded section 17 and broke it into three subsections.</li><li>6. Expanded section 15.6.</li><li>7. Expanded section 2.</li><li>8. Updated sections 15.2 and 15.3.</li><li>9. Added section 4.9.</li><li>10. Updated sections 15.3 and 15.14.1.</li><li>11. Added Section 4.1: The Four “United States”.</li><li>12. Broke section 4.10 into subsections (Citizenship Status on Government Forms) and added section 4.10.1.</li><li>13. Added section 15.10.</li></ol>



## TABLE OF CONTENTS

<b>REVISION HISTORY .....</b>	<b>8</b>
<b>TABLE OF CONTENTS .....</b>	<b>20</b>
<b>LIST OF TABLES .....</b>	<b>23</b>
<b>LIST OF FIGURES .....</b>	<b>24</b>
<b>TABLE OF AUTHORITIES .....</b>	<b>24</b>
<b>INDEX .....</b>	<b>50</b>
<b>1. Introduction .....</b>	<b>52</b>
1.1 Purpose .....	52
1.2 Abbreviated Path to Freedom .....	53
1.3 Resources for Further Reading and Research .....	54
<b>2. Overview of the Income Taxation Process .....</b>	<b>55</b>
<b>3. Nature of the Internal Revenue Code, Subtitle A Income Tax .....</b>	<b>62</b>
<b>4. Citizenship, Domicile, and Tax Status Options .....</b>	<b>69</b>
4.1 The Four “United States” .....	69
4.2 Statutory v. Constitutional contexts .....	71
4.3 Citizenship status v. tax status .....	73
4.4 Effect of Domicile on Citizenship Status .....	76
4.5 Meaning of Geographical “Words of Art” .....	77
4.6 Citizenship and Domicile Options and Relationships .....	78
4.7 Statutory Rules for Converting Between Various Domicile and Citizenship Options Within Federal Law79	
4.8 Effect of Federal Franchises and Offices Upon Your Citizenship and Standing in Court .....	81
4.9 Federal Statutory Citizenship Statuses Diagram .....	85
4.10 Citizenship Status on Government Forms .....	88
4.10.1 Table of options and corresponding form values .....	88
4.10.2 How to describe your citizenship on government forms .....	90
<b>5. “Public” v. “Private” employment: You really work for Uncle Sam and not Your Private Employer If You Receive Federal Benefits .....</b>	<b>94</b>
<b>6. Private Employers Aren’t Authorized by Law to Act as a Federal “withholding agent” .....</b>	<b>105</b>
<b>7. Who are “Employers” under the Internal Revenue Code? .....</b>	<b>112</b>
<b>8. Legal Requirements Pertaining to Private Employers .....</b>	<b>113</b>
<b>9. Involuntary taxes on one’s own labor are slavery in violation of the Thirteenth Amendment .....</b>	<b>117</b>
<b>10. We don’t pay “taxes” to the federal government, we pay “protection money” and subsidize socialism .....</b>	<b>125</b>
<b>11. For people in States of the Union, the Internal Revenue Code is not “law”, but instead is only “code” and a state sponsored religion .....</b>	<b>128</b>
<b>12. Federal Tax Scheme .....</b>	<b>134</b>
<b>13. State Tax Scheme .....</b>	<b>148</b>
<b>14. “Taxpayer” v. “Nontaxpayer”: Which one are you? .....</b>	<b>156</b>
<b>15. Why “Domicile” and Becoming a “Taxpayer” Require Your Consent .....</b>	<b>166</b>
15.1 Definition .....	166
15.2 The three sources of government civil jurisdiction .....	170
15.3 The Social Contract/Compact .....	173
15.4 “Domicile”= “allegiance” and “protection” .....	179
15.5 Domicile is a First Amendment choice of political affiliation .....	183
15.6 “Domicile” and “residence” compared .....	185
15.7 Choice of Domicile is a voluntary choice .....	189

15.8	Divorcing the “state”: Persons with no domicile, who create their own “state”, or a domicile in the Kingdom of Heaven.....	191
15.9	You can only have one Domicile and that place and government becomes your main source of protection.....	198
15.10	Effect of domicile on citizenship and synonyms for domicile.....	199
15.11	Effect of domicile on CIVIL STATUTORY “status” .....	201
15.12	It is idolatry for a Christian to have a domicile within a man-made government or anything other than God’s Kingdom .....	206
15.13	Legal presumptions about domicile.....	213
15.14	How do “transient foreigners” and “nonresidents” protect themselves in state court?.....	215
15.15	How the government kidnaps your identity and your domicile and moves it to the federal zone or interferes with your choice of domicile .....	219
15.15.1	Domicile on government, financial institution, and private employer forms.....	221
15.15.2	How the tax code compels choice of domicile.....	228
15.15.3	How the Legal Encyclopedia compels choice of domicile.....	229
15.15.4	How governments compel choice of domicile: Government ID.....	230
15.15.5	How employers and financial institutions compel choice of domicile.....	237
15.16	Summary and Conclusions .....	240
<b>16.</b>	<b>Legal Authorities Proving that Consent is Required in Order to Become a “taxpayer” .....</b>	<b>244</b>
<b>17.</b>	<b>Why states of the Union are “Foreign Countries” and “foreign states” with respect to most federal jurisdiction .....</b>	<b>252</b>
17.1	The two contexts: Constitutional v. Statutory.....	252
17.2	Evidence in support .....	252
17.3	Rebutted arguments against our position .....	256
<b>18.</b>	<b>The money you pay to government is an illegal bribe to public officials.....</b>	<b>265</b>
<b>19.</b>	<b>Social Security: The legal vehicle for extending Federal Jurisdiction outside the federal zone using Private/contract law .....</b>	<b>268</b>
<b>20.</b>	<b>Successfully Responding to Criticism of this Book .....</b>	<b>277</b>
20.1	What about IRS Statements and Publications?.....	277
20.2	What about the rulings of the federal courts on these issues?.....	280
20.3	Summary of Flawed Arguments .....	282
20.4	Rebutted Version of the IRS Pamphlet “The Truth About Frivolous Tax Arguments” .....	282
20.5	Rebutted Version of Congressional Research Service Report 97-59A entitled “Frequently Asked Questions Concerning the Federal Income Tax” .....	282
20.6	Rebutted Version of Dan Evans “Tax Resister FAQ” .....	282
<b>21.</b>	<b>Tax Withholding and Employment forms .....</b>	<b>283</b>
21.1	General Techniques for filling out withholding forms .....	283
21.2	Put “Not Subject” Rather than “Exempt” on government forms .....	283
21.3	Modifications to Withholding Forms are Completely Legal .....	289
21.4	The W-4 Form .....	293
21.5	W-4 Exempt: Why most Americans domiciled in the states are NOT “Exempt Individuals” under the I.R.C. ....	296
21.6	DO NOT Use Forms W-7 and W-9!.....	298
21.7	IRS Form W-8BEN .....	299
21.7.1	Why Must We Use It? .....	300
21.7.2	Citizenship, Domicile, and Tax Status Options Summary .....	303
21.7.3	Withholding on Nonresident Aliens.....	309
21.7.4	Why the government agrees with this article about the liabilities of “nonresident aliens” .....	311
21.7.5	Traps to Avoid on This Deceptive Form-WATCH OUT!.....	315
21.7.6	How to Complete IRS Form W-8BEN .....	328
21.7.7	Examples.....	332
21.7.8	Opening Bank Accounts as a Nonresident Alien Not Engaged in a “trade or business” without a “Taxpayer Identification Number”.....	332
21.7.9	Backup withholding.....	337
21.7.10	Frequently Asked Questions .....	339
21.7.11	Saving and reusing completed forms .....	341
21.7.12	Further reading and research on withholding.....	341
21.8	IRS Form 8233 .....	342

21.9	The I-9 Form.....	343
21.9.1	Background.....	343
21.9.2	How to Fill Out the I-9 Form as a “non-citizen national” and “nonresident alien” .....	344
21.9.3	By What Authority? .....	346
21.9.4	To Whom It Properly Applies .....	347
21.9.5	“Hire” Means “Knowingly” .....	348
21.9.6	The Double Edged Sword .....	349
21.9.7	Hearings For Violations .....	349
21.9.8	Penalties.....	350
21.9.9	Summary .....	351
<b>22.</b>	<b>Information Returns: W-2, 1042-S, and 1099 .....</b>	<b>352</b>
22.1	The Information Return Scam .....	354
22.2	IRS Form W-2 .....	363
22.3	IRS Form 1042-S.....	365
22.4	IRS Form 1099 .....	367
<b>23.</b>	<b>Legal Requirements for Withholding and Reporting by Private Employers.....</b>	<b>367</b>
23.1	General requirements for withholding on “wages” in the I.R.C. ....	368
23.2	What is the proper federal tax status of private, nonfederal businesses? .....	373
23.3	What to expect if you call up the IRS to ask them what to do .....	391
23.4	Involuntary withholding ONLY applies to federal workers .....	392
23.5	“Employer” Liability and Failure to Withhold .....	395
23.6	Lawful Withholding Options for Private Employers .....	397
23.7	Withholding and reporting on Nonresident aliens (NRAs).....	402
23.7.1	IRS Propaganda on NRA withholding .....	402
23.7.2	Specific Withholding Statutes and regulations .....	405
23.7.3	Backup withholding.....	408
23.8	Computing Taxable Income to determine whether withholding is even necessary .....	410
23.9	Withholding and taxation of Ministers and Church Employees .....	419
23.10	Responding to IRS Levies upon the pay of employees .....	420
23.11	Techniques for doing credit checks without Social Security Numbers .....	422
<b>24.</b>	<b>Guidance to Workers in how to deal with private employers on withholding issues.....</b>	<b>423</b>
24.1	General guidance to workers for dealing with companies, payroll, and HR people to stop withholding .....	423
24.2	Handling questions about Social Security Numbers and Taxpayer Identification Numbers or compelled use of these numbers .....	427
24.3	Responding to HR and Payroll traps and excuses.....	428
24.3.1	Techniques for private workers “coerced” by scared or misinformed employers into using the W-4 .....	428
24.3.2	Dishonest tactics used by unscrupulous private employers operating in BAD faith.....	429
24.3.3	The “inflexible payroll/HR software” or “payroll provider” trap.....	431
24.3.4	“The IRS or someone else says to withhold” trap .....	433
24.3.5	“Our Payroll compliance book and/or training say you can’t do this” scam.....	435
24.3.6	Geographic diversity of payroll or HR providers .....	436
24.3.7	Dealing with CPAs, CFO’s, and Attorney “experts”.....	436
24.4	Avenues of Redress for workers who have been fired over withholding issues .....	437
24.5	Dealing with the IRS and statements by the IRS when talking with Private Employers .....	437
24.6	Avoiding Enumeration for Companies that Use E-Verify System .....	438
<b>25.</b>	<b>Frequently Asked Questions About Tax Withholding and Reporting.....</b>	<b>440</b>
25.1	General Questions.....	440
25.1.1	QUESTION #1.1: Can I hire a lawyer or tax expert to handle this for me? .....	440
25.2	Employer Questions .....	441
25.2.1	QUESTION #2.1: I’m a private employer and when I follow this pamphlet by not providing SSNs on 1099 and W-2 Forms I send to the IRS, they reject my paperwork. What can I do? .....	441
25.2.2	QUESTION #2.2: My worker says he is a nonresident alien not involved in a “trade or business” and my payroll reference materials say I have to treat him just like everyone else using the W-4. Is that right? .....	444
25.3	Worker Questions .....	446
25.3.1	QUESTION #3.1: What if the company requires or demands a Taxpayer Identification Number or that I give them an SSN in place of one? .....	446
25.3.2	QUESTION #3.2: Is there a less confrontational or risky way to handle taxes so I don’t have to drag my private employer into the dispute with the IRS? .....	447
25.3.3	QUESTION #3.3: Are independent contractors “private employers”? And what about insurance in relation to withholding? .....	447
25.3.4	QUESTION #3.4: What if my private employer asks for my work papers when presented with the form W-8BEN because he thinks only “aliens” can file this form? .....	448

## Table of Contents

25.3.5	QUESTION #3.5: My private employer says I HAVE to participate in Social Security. How can I prove this isn't true?	449
25.3.6	QUESTION #3.6: My private employer says the only thing they will accept is a signed W-4 with no attachments and that if I don't submit it, I will be fired or not hired.	450
<b>26.</b>	<b>Where to go for further information and/or to rebut this pamphlet</b>	<b>451</b>
<b>27.</b>	<b>APPENDIX A: PRIVATE WORKER WITHHOLDING FORMS</b>	<b>452</b>
27.1	FORM 1: Stop Withholding Affidavit	452
27.2	FORM 2: W-8: Certificate of Foreign Status with Attachment	453
27.3	FORM 3: Modified W-8BEN: Certificate of Foreign Status for United States Tax Withholding with Attachment	454
27.4	FORM 4: W-8BEN: Certificate of Foreign Status for United States Tax Withholding	455
27.5	FORM 5: Payroll Withholding Form Attachment (Long version)	456
27.6	FORM 6: Payroll Withholding Form Attachment (Short version)	457
27.7	FORM 7: Attachment to Consultant/Independent Contractor agreement	458
27.8	FORM 8: Tax Form Attachment	459
27.9	FORM 9: Substitute IRS Form W-9	460
27.10	FORM 10: New Hire Paperwork Attachment	461
27.11	FORM 11: IRS FORM SS-8	462
27.12	FORM 12: Sample Private Employer/Employee Withholding Agreement	463
27.13	FORM 13: Affidavit of Citizenship, Domicile, and Tax Status	464
27.14	FORM 14: Why It is Illegal for Me to Request or Use A Taxpayer Identification Number	465
<b>28.</b>	<b>APPENDIX B: TEST FOR FEDERAL TAX PROFESSIONALS</b>	<b>466</b>

## LIST OF TABLES

Table 1:	Rules for converting private property to a public use or a public office	58
Table 2:	Geographical terms used throughout this page	69
Table 3:	"Citizenship status" vs. "Income tax status"	74
Table 4:	Affect of domicile on citizenship status	76
Table 5:	Meaning of geographical "words of art"	77
Table 6:	Tabular Summary of Citizenship Status on Government Forms	89
Table 8:	Two methods for taxation	96
Table 9:	Statutes authorizing "withholding agents"	107
Table 10:	"Taxpayer" v. "Negro slave"	118
Table 11:	Percent Ownership of Person and Labor	121
Table 12:	Two jurisdictions within the I.R.C.	142
Table 13:	Federal and California state income tax filing requirements for natural persons by residency and citizenship	153
Table 14:	Taxable persons under I.R.C.	168
Table 15:	Effect of domicile on citizenship status	199
Table 16:	Comparison of Republic State v. Corporate State	217
Table 17:	Example forms that determine domicile	226
Table 18:	Things IRS is NOT responsible or accountable for	278
Table 19:	"Citizenship status" vs. "Income tax status"	304
Table 20:	Affect of domicile on citizenship status	306
Table 21:	Meaning of geographical "words of art"	307
Table 22:	Further reading and research on withholding	342
Table 23:	Summary of Information Returns	354
Table 24:	Statutes authorizing "withholding agents"	369
Table 25:	"Citizenship status" vs. "Income tax status"	375
Table 26:	Attributes of Nonresident aliens	377
Table 27:	"Citizenship status" vs. "Income tax status"	399
Table 28:	Federal/State tax withholding options	401
Table 29:	Summary of Source Rules for Income of Nonresident Aliens	413
Table 30:	Taxable sources of income under Internal Revenue Code	414
Table 31:	Responding to comments by private employers upon the submission of withholding paperwork	424

Table 32: Treachery by higher-ups.....	437
--	-----

**LIST OF FIGURES**

Figure 1: Citizenship and domicile options and relationships .....	78
Figure 2: Federal Statutory Citizenship Statuses Diagram .....	85
Figure 3: Employment arrangement of those involved in a "trade or business".....	146
Figure 4: Citizenship and domicile options and relationships .....	308
Figure 5: Form I-9, Section 1 Citizenship Status .....	344
Figure 6: Form I-9 Instructions, (Rev. 08/07/09) .....	345

**TABLE OF AUTHORITIES**

**Constitutional Provisions**

13th Amendment .....	121, 122, 124, 125
14th Amend., Sect. 1 .....	74, 89, 304
14th Amendment Section 3 .....	252
Art. 1, Sec. 8.....	254
Art. 1, Sec. 8, U.S.C.A.Const.....	258
Article 1, Section 10.....	147, 289, 392
Article 1, Section 2, Clause 2 .....	390
Article 1, Section 2, Clause 3 .....	134, 136, 298, 401, 411
Article 1, Section 3, Clause 3 .....	390
Article 1, Section 8.....	201
Article 1, Section 8, Clause 1 .....	142, 254, 411
Article 1, Section 8, Clause 17 .....	138, 142, 143, 178, 258, 272, 280, 376
Article 1, Section 8, Clause 3 .....	97, 142, 254, 258, 262, 272, 298, 410, 411
Article 1, Section 8, Clause 4 .....	258
Article 1, Section 8, Clause 5 .....	262
Article 1, Section 8, Clause 6 .....	254, 272
Article 1, Section 8, Clause 7 .....	254, 262, 272
Article 1, Section 8, Clauses 1 and 3 .....	57
Article 1, Section 8, Clauses 11-16 .....	258
Article 1, Section 9, Clause 4 .....	134, 136, 298, 401
Article 1, Section 9, Clause 4 .....	411
Article 4, Section 2, Clause 3 .....	254, 272
Article 4, Section 3, Clause 2 .....	273
Article 4, Section 3, Clause 3 .....	272
Article 4, Section 4.....	150
Article 4, Section 4, Clause 1 .....	266
Article II, Section 1, Clause 5 .....	390
Article III.....	219
Article III, Section 2.....	269
Article IV .....	219, 280
Bill of Rights .....	260, 268, 269, 279, 411, 420
Const. Art. 1, Section 8, Clause 3.....	415
Const., Art. I, 8.....	255
Declaration of Independence .....	2, 109, 122, 125, 128, 130, 133, 189, 193, 221, 230
Declaration of Independence, 1776.....	55, 193
Federalist Paper #15, § 6 .....	116
Federalist Paper #39, James Madison .....	140
Federalist Paper No. 45 (Jan. 1788) .....	260
Federalist Paper No. 79 .....	104, 388
Fifth Amendment .....	57, 59, 96, 114, 119, 149, 189, 268, 283, 290, 393, 402, 420, 422, 443



## Table of Contents

Fifth Amendment Takings Clause.....	355
Fifth, Sixth, and Seventh Amendments.....	2
First Amendment.....	2, 130, 132, 133, 185, 189, 203, 220, 226, 227, 229, 240, 241, 242, 268, 290, 326, 429
Fourteenth Amendment.....	57, 72, 80, 84, 91, 172, 375, 399
Ninth and Tenth Amendments .....	411
Sixteenth Amendment .....	84, 108, 110, 132, 138, 260, 390
Sixth Amendment.....	131
The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961) .....	149, 255, 325
The Federalist, No. 46 .....	188
Thirteenth Amendment.....	60, 99, 104, 114, 118, 127, 149, 176, 199, 242, 254, 272, 289, 290, 291, 326, 411, 443
U.S. Constitution, Fifth Amendment.....	356
United States Constitution, Fifth Amendment .....	57
USA Constitution .....	91

## Statutes

1 U.S.C. §204 .....	128, 131, 268, 269, 422, 425
12 Stat. 432.....	84
15 U.S.C. §2 .....	199
17 Stat. 401.....	84
18 U.S.C. §112 .....	196
18 U.S.C. §1201 .....	143, 269
18 U.S.C. §1581 .....	60, 96, 114, 118, 149, 199, 254, 272
18 U.S.C. §1583 .....	96, 199, 290
18 U.S.C. §1589 .....	96, 114, 265
18 U.S.C. §1589(2) .....	291
18 U.S.C. §1589(3) .....	254, 272
18 U.S.C. §1593 .....	118
18 U.S.C. §1951 .....	104, 199, 242, 394
18 U.S.C. §1956 .....	104
18 U.S.C. §208 .....	132, 150, 281, 358
18 U.S.C. §210 .....	357
18 U.S.C. §2315 .....	295, 373
18 U.S.C. §2331(1)(B)(iii) .....	203
18 U.S.C. §2381 .....	241
18 U.S.C. §242 .....	96
18 U.S.C. §247 .....	96
18 U.S.C. §3 .....	104, 114
18 U.S.C. §3491 .....	177
18 U.S.C. §597 .....	131
18 U.S.C. §654 .....	57, 247, 356, 370
18 U.S.C. §876 .....	96, 162
18 U.S.C. §880 .....	96
18 U.S.C. §911 .....	248, 369, 370, 397
18 U.S.C. §912 .....	60, 248, 285, 286, 356, 357, 361, 370, 395, 397
19 Stat. 419.....	84
22 U.S.C. §288 .....	332
26 U.S.C. §§6901 and 6903 .....	145
26 U.S.C. §§7206 and 7207 .....	359
26 U.S.C. §§7701(a)(14) and 1313 .....	181
26 U.S.C. §§7701(a)(39), and 7408(d).....	236
26 U.S.C. §§7701(a)(9) and (a)(10) .....	318
26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d) .....	76, 200, 306
26 U.S.C. §1 .....	136, 137, 138, 271
26 U.S.C. §1313 .....	156

## Table of Contents

26 U.S.C. §1402 .....	379
26 U.S.C. §1402(b) .....	248, 302, 314, 371, 385, 407
26 U.S.C. §1461 .....	109, 145, 160, 364
26 U.S.C. §162 .....	100, 113, 160, 248, 271, 330, 371
26 U.S.C. §3121(e).....	91, 93, 142, 316
26 U.S.C. §32 .....	271
26 U.S.C. §32(c )(1)(E).....	382
26 U.S.C. §3401 .....	66
26 U.S.C. §3401(a).....	407
26 U.S.C. §3401(a)(4).....	396
26 U.S.C. §3401(a)(6).....	106, 248, 302, 371, 386, 405
26 U.S.C. §3401(a)(6).....	313
26 U.S.C. §3401(c ).....	296, 439
26 U.S.C. §3401(d) .....	343, 373, 396
26 U.S.C. §3402 .....	357, 397
26 U.S.C. §3402(a).....	371
26 U.S.C. §3402(e).....	372
26 U.S.C. §3402(f)(6).....	380
26 U.S.C. §3402(n) .....	295
26 U.S.C. §3402(p) .....	293, 295, 357, 377, 431, 442
26 U.S.C. §3402(p)(3)(A) .....	246
26 U.S.C. §3406 .....	249, 337, 338, 371, 408, 409
26 U.S.C. §3406(b) .....	338, 408
26 U.S.C. §3406(g) .....	312, 384, 405
26 U.S.C. §3504 .....	267
26 U.S.C. §414(q)(8).....	381
26 U.S.C. §4374 .....	137
26 U.S.C. §4401(c ).....	137
26 U.S.C. §4403 .....	137
26 U.S.C. §4611 .....	416
26 U.S.C. §4612 .....	142
26 U.S.C. §4612(a)(4)(A).....	416
26 U.S.C. §5005 .....	137
26 U.S.C. §501 .....	419
26 U.S.C. §5043 .....	137
26 U.S.C. §5054 .....	137
26 U.S.C. §5703 .....	137
26 U.S.C. §6012 .....	160, 377, 417
26 U.S.C. §6012(a) [1954 code].....	315, 386
26 U.S.C. §6013(g) .....	381
26 U.S.C. §6013(g) and (h) .....	75, 79, 305
26 U.S.C. §6013(g) or (h).....	168, 194, 369
26 U.S.C. §6014 .....	165
26 U.S.C. §6041 .....	160, 247, 312, 325, 329, 333, 338, 340, 352, 366, 367, 370, 408
26 U.S.C. §6041(a).....	62, 65, 160, 354
26 U.S.C. §6042 .....	338, 408
26 U.S.C. §6042(b)(2)(A)(ii) .....	380
26 U.S.C. §6044 .....	338, 408
26 U.S.C. §6049 .....	338, 408
26 U.S.C. §6065 .....	159, 435
26 U.S.C. §6091 .....	228
26 U.S.C. §6091(b)(1)(B)(iv).....	380
26 U.S.C. §61 .....	340, 365, 411
26 U.S.C. §6103(b)(1).....	397
26 U.S.C. §6109 .....	115, 149, 298
26 U.S.C. §6109(d) .....	412
26 U.S.C. §63(a).....	162

## Table of Contents

26 U.S.C. §6331 .....	421
26 U.S.C. §6331(a).....	397, 421
26 U.S.C. §6364 .....	246
26 U.S.C. §6671 .....	82
26 U.S.C. §6671(b) .....	2, 82, 145, 147, 270, 362, 428
26 U.S.C. §6700 .....	2
26 U.S.C. §6702 .....	360
26 U.S.C. §684(b)(2).....	383
26 U.S.C. §6903 .....	102, 270, 272
26 U.S.C. §7001 .....	142, 410
26 U.S.C. §7201 .....	120
26 U.S.C. §7203 .....	120
26 U.S.C. §7206 .....	352, 357, 397
26 U.S.C. §7206 and 7207 .....	247, 355, 370
26 U.S.C. §7207 .....	352, 357, 397
26 U.S.C. §7214(a)(2).....	252
26 U.S.C. §7343 .....	82, 145, 147, 161, 270, 362
26 U.S.C. §7408(d) .....	76, 103, 116, 200, 222, 306
26 U.S.C. §7426 .....	161
26 U.S.C. §7433 .....	165, 252
26 U.S.C. §7434 .....	247, 352, 353, 359, 364, 370, 424
26 U.S.C. §7448(j)(1)(B)(vi).....	228
26 U.S.C. §7501 .....	396
26 U.S.C. §7501(a).....	397
26 U.S.C. §7608 .....	251
26 U.S.C. §7608(a).....	251
26 U.S.C. §7608(b) .....	251
26 U.S.C. §7621 .....	261
26 U.S.C. §7701 .....	235, 369, 425
26 U.S.C. §7701(a)(10).....	118
26 U.S.C. §7701(a)(14).....	61, 135, 156, 180, 194, 202, 205, 287, 352
26 U.S.C. §7701(a)(16).....	58, 107, 239, 250, 267, 356, 369
26 U.S.C. §7701(a)(26) 82, 100, 108, 110, 135, 142, 144, 147, 152, 160, 194, 247, 261, 271, 284, 287, 298, 309, 311, 313, 318, 330, 342, 352, 367, 370, 387, 403, 410, 444	
26 U.S.C. §7701(a)(30) . 80, 106, 115, 142, 147, 149, 152, 156, 194, 200, 214, 222, 298, 299, 306, 316, 322, 331, 369, 400	
26 U.S.C. §7701(a)(31) .....	66, 147, 162, 248, 285, 338, 358, 371, 386, 406, 409, 417
26 U.S.C. §7701(a)(31) .....	314
26 U.S.C. §7701(a)(39).....	76, 80, 103, 116, 118, 143, 147, 200, 222, 306
26 U.S.C. §7701(a)(4).....	214
26 U.S.C. §7701(a)(9) .....	147, 148, 376, 402
26 U.S.C. §7701(a)(9) and (a)(10)106, 156, 162, 163, 167, 188, 200, 215, 221, 244, 262, 276, 286, 300, 306, 309, 314, 316, 318, 328, 330, 335, 336, 339, 341, 343, 366, 369, 446	
26 U.S.C. §7701(b)(1)(A)66, 74, 76, 79, 91, 116, 152, 153, 163, 168, 169, 194, 200, 201, 215, 238, 244, 249, 300, 304, 306, 315, 316, 322, 328, 369, 371, 375, 399, 412, 445, 449	
26 U.S.C. §7701(b)(1)(B)79, 90, 168, 194, 200, 201, 215, 249, 296, 304, 306, 319, 328, 371, 375, 376, 391, 399, 400, 415, 445	
26 U.S.C. §7701(b)(3).....	328
26 U.S.C. §7701(b)(4)(B).....	79, 168, 194, 222, 369
26 U.S.C. §7701(b)(5).....	292, 297, 358, 401
26 U.S.C. §7701(c ).....	392
26 U.S.C. §7805 .....	138, 246
26 U.S.C. §861 .....	387, 400, 410, 411, 414, 415
26 U.S.C. §861(a)(3)(C)(i).....	248, 302, 313, 342, 371, 385, 406, 412
26 U.S.C. §861(a)(3)(c)(ii).....	106
26 U.S.C. §864 .....	147, 312, 416
26 U.S.C. §864(b)(1).....	353
26 U.S.C. §864(b)(1)(A) .....	302

## Table of Contents

26 U.S.C. §871 .....	248, 301, 310, 338, 341, 366, 371, 377, 382, 389, 390, 403, 409, 416
26 U.S.C. §871(a).....	143, 144, 301, 389, 416
26 U.S.C. §871(a)(3) .....	162
26 U.S.C. §871(b )(1).....	248, 371
26 U.S.C. §871(d)(1).....	382
26 U.S.C. §872(b)(3)(A) .....	381
26 U.S.C. §873(a).....	381
26 U.S.C. §873(b)(3).....	380
26 U.S.C. §877(a).....	321
26 U.S.C. §892(a)(1) .....	197
26 U.S.C. §897(a)(1)(A).....	382
26 U.S.C. §911 .....	76, 106, 142, 152, 163, 200, 229, 244, 248, 260, 305, 306, 316, 318, 369, 371, 414, 415
26 U.S.C. §911(d)(3).....	229, 369
26 U.S.C. §926(b) .....	382
28 U.S.C. §1332 .....	269, 273, 274
28 U.S.C. §1332(e).....	269
28 U.S.C. §144 .....	276, 281, 358
28 U.S.C. §1603(b)(3).....	169
28 U.S.C. §1605(a)(2) .....	242
28 U.S.C. §1605(b)(3).....	325
28 U.S.C. §1746(1) .....	429
28 U.S.C. §1783 .....	177
28 U.S.C. §1786(1) .....	292
28 U.S.C. §2201 .....	159
28 U.S.C. §2201(a).....	205
28 U.S.C. §2679(c ).....	151
28 U.S.C. §297 .....	253
28 U.S.C. §3002(15)(A) .....	67, 81, 101, 145, 147, 155, 222, 267, 270, 280
28 U.S.C. §455 .....	276, 281, 358
28 U.S.C. Part IV, Chapter 97 starting at section 1602 .....	176
3 Stat. 587, sect. 7 .....	173
3 Stat. at L. 216, chap. 60 .....	144
31 U.S.C. §321 .....	59
31 U.S.C. §5331 .....	160
4 U.S.C. §§110-113.....	143
4 U.S.C. §105 through 111.....	150
4 U.S.C. §106 .....	143, 150
4 U.S.C. §110(d) .. 67, 72, 76, 77, 80, 106, 112, 118, 147, 148, 150, 156, 162, 167, 188, 200, 215, 217, 241, 244, 262, 286, 300, 306, 307, 309, 314, 316, 318, 328, 330, 341 .....	
4 U.S.C. §72.....	99, 106, 142, 147, 163, 261, 288, 357, 376
40 U.S.C. §255 .....	135, 272
40 U.S.C. §3111 and 3112 .....	272
42 U.S.C. §1981 .....	272
42 U.S.C. §1983 .....	402
42 U.S.C. §1994 .....	60, 104, 114, 118, 149, 199, 242, 254, 272, 361
42 U.S.C. §408 .....	68, 115, 290
42 U.S.C. §418 .....	250
42 U.S.C. Chapter 7, Subchapter XVIII .....	126
44 U.S.C. §1501(a)(1) .....	249
44 U.S.C. §1505(a)(1) .....	134, 145, 147, 148, 244, 270, 411
5 U.S.C. §2105(a).....	439
5 U.S.C. §5517 .....	135, 143, 148, 241, 402
5 U.S.C. §552 .....	244
5 U.S.C. §552(a)(1) .....	145
5 U.S.C. §552(a)(2) .....	213, 214
5 U.S.C. §552a .....	100, 423
5 U.S.C. §552a(a)(13) .....	269

## Table of Contents

5 U.S.C. §552a(a)(2) .....	76, 92, 98, 194, 200, 213, 306, 318, 331
5 U.S.C. §553(a).....	249
5 U.S.C. §553(a)(1) .....	134, 244, 270
5 U.S.C. §553(a)(2) .....	134, 145, 147, 148, 244, 270
5 U.S.C. §556(d) .....	228
50 U.S.C. §841 .....	362
68A Stat. 917.....	246
8 U.S.C. § 1101 .....	320
8 U.S.C. §§1101(a)(21) and 1452 .....	217
8 U.S.C. §1101(a)(2).....	163
8 U.S.C. §1101(a)(21).. 79, 80, 89, 91, 93, 153, 169, 171, 191, 194, 200, 201, 300, 304, 306, 319, 320, 321, 373, 375, 399, 415, 445	
8 U.S.C. §1101(a)(22).....	319, 415
8 U.S.C. §1101(a)(22)(A).....	74
8 U.S.C. §1101(a)(22)(B).....	168, 200, 201, 304, 306, 320, 373, 375, 399
8 U.S.C. §1101(a)(3) .....	449
8 U.S.C. §1101(a)(38) .....	93
8 U.S.C. §1324(a)(3)(A).....	268
8 U.S.C. §1324a .....	347, 348, 349, 350, 351
8 U.S.C. §1324a (1).....	348
8 U.S.C. §1324a(a)(1) .....	347
8 U.S.C. §1324a(a)(3) .....	349
8 U.S.C. §1324a(a)(7) .....	347
8 U.S.C. §1324a(b)(1)(B)(i) .....	346
8 U.S.C. §1324a(e)(3) .....	349
8 U.S.C. §1324a(f)(1).....	350
8 U.S.C. §1324b(a)(3)(A).....	150
8 U.S.C. §1401 . 66, 74, 76, 80, 89, 91, 93, 116, 152, 153, 154, 163, 168, 169, 194, 200, 222, 244, 273, 300, 304, 306, 316, 318, 321, 322, 345, 369, 375, 397, 399, 414, 415, 444	
8 U.S.C. §1408 .....	217, 304, 306, 320, 375, 399, 414
8 U.S.C. §1421 .....	79
8 U.S.C. §1448 .....	182
8 U.S.C. §1452 .....	74, 76, 79, 80, 89, 93, 169, 171, 194, 200, 304, 306, 373, 375, 391, 399
8 U.S.C. §1452(b) .....	373
8 U.S.C. 1401 .....	91, 153
86 Stat. 944.....	246
9 U.S.C. §1 .....	262
Administrative Procedures Act, 5 U.S.C. §553(a).....	134
Administrative Procedures Act, 5 U.S.C. §556(d) .....	2
Assimilated Crimes Act.....	217
Assimilated Crimes Act, 18 U.S.C. §13 .....	151
Buck Act, 4 U.S.C. §105-111 .....	148
Buck Act, 4 U.S.C. §106.....	135, 241, 402
California Election Code, Section 349 .....	188
California Rev.Tax.Code §17018.....	67
California Rev.Tax.Code §6017.....	67
California Revenue and Taxation Code, Section 17017.....	234
California Revenue and Taxation Code, Section 17018.....	234, 307
California Revenue and Taxation Code, Section 6017.....	307
California Vehicle Code.....	233
California Vehicle Code, Section 12502 .....	236
California Vehicle Code, Section 12505 .....	233, 236
California Vehicle Code, Section 12511 .....	235
California Vehicle Code, Section 12805 .....	235
California Vehicle Code, Section 14607 .....	231
California Vehicle Code, Section 14607.6.....	233
California Vehicle Code, Section 516.....	233, 234

## Table of Contents

Canadian Immigration and Refugee Protection Act, Section 46.....	316
Canadian Income Tax Act.....	315
Canadian Income Tax Act, Section 2.....	315
Classification Act of 1923, 42 Stat. 1488.....	372
Classification Act of 1923, 42 Stat. 1988.....	110, 155
Corporation Excise Tax Act of 1909.....	84
Declaratory Judgments Act.....	205
Declaratory Judgments Act, 28 U.S.C. §2201(a).....	61
Declaratory Judgments Act, 28 U.S.C. 2201(a).....	281
District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34.....	200
Federal Register Act, 44 U.S.C. §1505(a)(1).....	134
Foreign Agents Registration Act of 1938.....	266
Foreign Sovereign Immunities Act, 28 U.S.C. §1605.....	172
Foreign Sovereign Immunities Act, 28 U.S.C. §1605(a)(2).....	168
Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapt. 97.....	196
Freedom of Information Act (FOIA).....	266
I.R.C. ....	66
I.R.C. Section 1.....	113
I.R.C. Section 162.....	229
I.R.C. Section 32.....	113
I.R.C. Section 61.....	110
I.R.C. Subtitle A.....	158, 205, 248, 273, 369, 370, 393
I.R.C. Subtitle C.....	370
I.R.C. Subtitles A and C.....	300
Immigration Act 1917. §3, 8 U.S.C.A. §136 (e, p).....	186
Internal Revenue Code 60, 67, 91, 99, 100, 105, 106, 107, 108, 109, 112, 113, 121, 123, 126, 130, 138, 156, 157, 158, 260, 261, 262, 263, 269, 286, 352, 356.....	
Internal Revenue Code of 1986, Section 7428.....	205
Internal Revenue Code Sections 7701(a)(39) and 7408(d).....	244
Internal Revenue Code Subtitle A.....	55, 242
Internal Revenue Code, 26 U.S.C. ....	91
Internal Revenue Code, Subtitle A.....	100, 102, 103, 158, 160, 245, 284, 285, 353, 354
Internal Revenue Code, Subtitles A and C.....	369
IRC §§1441, 1442, 1443.....	250
IRC and 26 U.S.C.- Internal Revenue Code.....	251
IRC Sections 1, 32, and 162.....	98
Omnibus Taxpayer Bill of Rights Act.....	358
Privacy Act, 5 U.S.C. §552a.....	423
Privacy Act, 5 U.S.C. §552a(a)(13).....	98, 162
Religious Freedom Restoration Act, 42 U.S.C. Chapter 21B.....	197
Revenue Act of 1894.....	135
Rules of Decision Act, 28 U.S.C. §1652.....	151, 274
Section 7428 of the Internal Revenue Code of 1986.....	61
Social Security Act.....	66, 67, 103
Statutes at Large, 53 Stat 1, Section 4.....	130
Tariff Act of 1930.....	205
Technical and Miscellaneous Revenue Act of 1988.....	358
The Social Security Act.....	102
Title 26: Internal Revenue Code.....	269
Title 28 of the U.S. Code.....	253
Title 31 of the U.S. Code.....	332
Title 42 of the U.S. Code.....	275
Title 42: Social Security.....	269
Title 48 of the U.S. Code.....	148
Title 48 United States Code.....	261
Title 5.....	273
Title 5 of the U.S. Code.....	99

## Table of Contents

Title 50: The Military Selective Service Act (military draft) .....	269
U.C.C. §-201(c) .....	373
U.S. Code .....	269
UCC-1-308.....	202
USA Patriot Act .....	340
Victory Tax Act.....	293

## Regulations

20 CFR §422.103 .....	330
20 CFR §422.103(d).....	68, 163
20 CFR §422.104 .....	91, 222
26 CFR §1.1-1 .....	91, 156, 324
26 CFR §1.1-1(a)(2)(ii) .....	75, 76, 200, 248, 298, 304, 305, 306, 324, 371, 375, 399
26 CFR §1.1-1(b) .....	138
26 CFR §1.1-1(c) .....	79, 80, 93, 116, 168, 316, 328, 345, 414, 444
26 CFR §1.1-1(c)-1 .....	66
26 CFR §1.1-1(c).....	445
26 CFR §1.1401(e)(1)-1 .....	420
26 CFR §1.1402(a)-11.....	420
26 CFR §1.1402(c)-5.....	420
26 CFR §1.1402(c)-7.....	420
26 CFR §1.1402(e)-2A.....	420
26 CFR §1.1402(e)-5A.....	420
26 CFR §1.1402(h)-1 .....	420
26 CFR §1.1441-1 .....	320
26 CFR §1.1441-1 .....	317
26 CFR §1.1441-1(c) .....	248, 371
26 CFR §1.1441-1(c) (3).....	74, 75, 76, 93, 152, 194, 200, 213, 304, 305, 306, 318, 338, 375, 399, 409, 414, 415
26 CFR §1.1441-1(c) (3)(i) .....	79, 200, 304, 306, 318, 320, 321, 375, 399
26 CFR §1.1441-1(c) (3)(ii) .....	75, 76, 79, 200, 305, 306
26 CFR §1.1441-2 .....	109
26 CFR §1.1441-6(c)(1).....	301, 333
26 CFR §1.1441-7 .....	250
26 CFR §1.1461-1 .....	394
26 CFR §1.1461-1(c) .....	365
26 CFR §1.162-7(a).....	412
26 CFR §1.3401(c)-1.....	411
26 CFR §1.469-9 .....	342
26 CFR §1.469-9(b)(4).....	412
26 CFR §1.6012-1(a).....	168
26 CFR §1.6012-3(b)(2)(i).....	323
26 CFR §1.6049-5(c)(1) or (4) .....	338, 408
26 CFR §1.6151-1 .....	164
26 CFR §1.864-7(b)(2).....	322
26 CFR §1.864-7(d)(1)(i)(b) .....	322
26 CFR §1.871-1(a).....	168, 194
26 CFR §1.871-1(b)(1)(i) .....	66, 194, 248, 310, 325, 371, 433
26 CFR §1.871-2 .....	79, 225, 328
26 CFR §1.871-2(a).....	201
26 CFR §1.871-4 .....	215, 321
26 CFR §1.871-4(b) .....	79
26 CFR §1.871-4(c) (ii).....	79
26 CFR §1.871-5 .....	215, 319
26 CFR §1.871-7(a)(4) .....	314, 406
26 CFR §1.872-2 .....	341, 366, 389
26 CFR §1.872-2(b)(1).....	323



## Table of Contents

26 CFR §1.872-2(f) .....	106, 248, 371, 385, 389, 406
26 CFR §1.872-2(f) .....	314
26 CFR §1441-1(c)(3)(i) .....	449
26 CFR §1441-6(c)(1) .....	330
26 CFR §301.6109-1(b) .....	91, 115, 116, 249, 299, 338, 409
26 CFR §301.6109-1(b)(1) .....	249
26 CFR §301.6109-1(d)(3) .....	75, 298, 305, 330
26 CFR §301.6361-1 .....	66
26 CFR §301.6361-4 .....	249
26 CFR §301.7513-1(b)(1) and (b)(2) .....	251
26 CFR §301.7701(b)-1(d) .....	75, 305
26 CFR §301.7701-16 .....	250
26 CFR §301.7701-5 .....	222, 241
26 CFR §301.7701-5 .....	242
26 CFR §31.3102 -1 .....	396
26 CFR §31.3114 -4 .....	396
26 CFR §31.3121(b)(8)-1 .....	420
26 CFR §31.3121(b)(8)-2 .....	420
26 CFR §31.3121(b)-3(c) .....	300
26 CFR §31.3121(d)-2 .....	135
26 CFR §31.3401(a)(6)-1 .....	387
26 CFR §31.3401(a)(6)-1(b) .....	248, 301, 371, 405
26 CFR §31.3401(a)(6)-1A(c) .....	323
26 CFR §31.3401(a)(8)(B)-1(a) .....	415
26 CFR §31.3401(a)(9)-1 .....	420
26 CFR §31.3401(a)-3 .....	66, 247, 442
26 CFR §31.3401(a)-3 .....	60, 295, 357, 363, 372, 373, 388, 412, 429, 445
26 CFR §31.3401(a)-3(a) .....	277, 357, 365, 377, 392, 397
26 CFR §31.3401(a)-3(b) .....	432
26 CFR §31.3401(a)-6 .....	312, 384
26 CFR §31.3401(a)-6-1 .....	107
26 CFR §31.3401(c)-1 .....	108, 112, 135, 145, 270, 292, 295, 296, 373, 388, 412, 428, 433, 439
26 CFR §31.3401(c)-1 .....	388
26 CFR §31.3401(d)-1 .....	395
26 CFR §31.3401(f)(2)-1 .....	393
26 CFR §31.3402(c)-1 .....	392
26 CFR §31.3402(f)(2)-1 .....	392
26 CFR §31.3402(f)(5)-1 .....	289
26 CFR §31.3402(n)-1 .....	295
26 CFR §31.3402(p)-1 .....	60, 66, 247, 357
26 CFR §31.3402(p)-1(a) .....	160
26 CFR §31.3402(p)-1(b)(2) .....	246, 393
26 CFR §31.3403 -1 .....	395
26 CFR §31.3406(a)-1(a) .....	337, 408
26 CFR §31.3406(g)-1(e) .....	312
26 CFR §31.3406-0 through 26 CFR §31.3406(j)-1 .....	337, 408
26 CFR §341.3406(g)-1(e) .....	384, 405
26 CFR §509.103(b)(3) .....	324
26 CFR §509.108(a)(1) .....	324
26 CFR §601.201(k)(2) .....	358
26 CFR §601.702 .....	244
26 CFR §601.702(a)(2)(ii) .....	148
26 CFR §871-1(b)(1)(i) .....	403
26 CFR 31.3402(p)-1(b) .....	245
26 CFR Part 1 .....	279
26 CFR Part 301 .....	279
26 CFR Part 601 .....	278, 279

## Table of Contents

31 CFR §103.30(d)(2).....	160, 417
31 CFR §215.2(h)(1)(i) .....	249
31 CFR §215.2(n)(1) .....	246
31 CFR §306.10 .....	334, 340, 441, 444, 450
31 CFR §306.10, Footnote 10 .....	334, 336
31 CFR Subpart B-Standard Agreement 215.6 .....	250
8 CFR §274a .....	347
8 CFR §274a.1.....	351
8 CFR §274a.1(k).....	351
8 CFR §274a.1(k)(2) .....	349
Federal Register.....	53, 244, 270
Part 215 of 31 CFR.....	250

## Rules

Fed. R. Crim. P. 12.....	282
Fed.R. Civil P.4.....	186
Fed.R.Civ.Proc. 17(b).....	222
Federal Rule of Civil Procedure 17(b) .....	67, 81, 103, 109, 118, 172, 214, 223, 235, 236, 274, 276, 277
Federal Rule of Civil Procedure 54(c ), prior to Dec. 2002.....	261
Federal Rule of Evidence 611(c ) .....	289
Federal Rule of Evidence 802 .....	62
Federal Rule of Evidence 902 .....	429

## Cases

Ableman v. Booth, 62 U.S. 506, 516 (1858).....	256
Aboud v. Detroit Bd. of Ed., 431 U.S. 209, 97 S.Ct. 1782, 52 L.Ed.2d. 261, 95 L.R.R.M. (BNA) 2411, 81 Lab. Cas. (CCH) ¶ 55041 (1977).....	183
Aboud v. Detroit Board of Education, 431 U.S. 209 (1977) .....	189
Afroyim v. Rusk, 387 U.S. 253 (1967) .....	170
Alden v. Maine, 527 U.S. 706 (1999) .....	185, 262, 272, 275
Altman & Co. v. United States, 224 U.S. 583, 600 , 601 S., 32 S.Ct. 593 .....	264
American Banana Co. v. U.S. Fruit, 213 U.S. 347 at 357-358.....	287
American Banana Co. v. United Fruit Co., 213 U.S. 347, 356 , 29 S.Ct. 511, 16 Ann.Cas. 1047 .....	263
Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936).....	163, 254, 255, 258, 309, 403
Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936) .....	130
Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 56 S.Ct. 466 (1936).....	68
Augustus Co., for Use of Bourgeois v. Manzella, 19 N.J.Misc. 29, 17 A.2d. 68, 70 .....	186
Bailey v. Alabama, 219 U.S. 219 (1911).....	440
Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio.St. 16., 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905).....	262
Balzac v. Porto Rico, 258 U.S. 298 (1922) .....	203, 218
Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839).....	255
Barbier v. Connolly, 113 U.S. 31 ; S. C. 5 Sup.Ct. Rep. 357 .....	259
Barney v. Baltimore, 6 Wall. 280, 18 L.Ed. 825 .....	256
Bartholomew v. United States, 740 F.2d. 526, 532 n. 3 (7th Cir. 1984) .....	278
Bente v. Bugbee, 137 A. 552, 103 N.J. Law. 608 (1927).....	137, 158
Blair v. Commissioner, 300 U.S. 5, 9 , 10 S., 57 S.Ct. 330, 331.....	142
Board of County Comm'rs v. Umbehr, 518 U.S. 668, 674, 116 S.Ct. 2342, 135 L.Ed.2d. 843 (1996).....	206
Botta v. Scanlon, 288 F.2d. 504, 508 (1961).....	158, 281
Boulez v. C.I.R., 258 U.S.App. D.C. 90, 810 F.2d. 209 (1987) .....	278
Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967) .....	80, 188, 327
Bowers v. Kerbaugh-Empire Co., 271 U.S. 170, 174, (1926).....	84
Boyd v. State of Nebraska, 143 U.S. 135 (1892) .....	192, 237, 238
Bridgeport v. New York & N. H. R. Co., 36 Conn. 255, 4 Arn.Rep. 63 .....	64

## Table of Contents

Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973).....	67, 103
Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d. 689, 695.....	143
Brown v. Keene, 8 Pet. 112, 115 (1834) .....	194
Budd v. People of State of New York, 143 U.S. 517 (1892).....	58, 102, 125, 248, 271, 355, 370
Buffington v. Day, 11 Wall. 113, 78 U.S. 122 (1871).....	267
Bullock v. Latham, 306 F.2d. 45 (1962) .....	161
Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325 .....	335, 338, 369, 392, 409, 440
Burk-Waggoner Oil Association v. Hopkins, 269 U.S. 110, 111 , 114 S., 46 S.Ct. 48, 49.....	142
Burnet v. Brooks, 288 U.S. 378, 396 , 53 S.Ct. 457, 461, 86 A.L.R. 747 .....	264
Burnet v. Brooks, 288 U.S. 378, 396 , 53 S.Ct. 457, 86 A.L.R. 747 .....	257, 395, 434
Burnet v. Harmel, 287 U.S. 103, 110 , 53 S.Ct. 74, 77 .....	142
Butchers' Union Co. v. Crescent City Co., 111 U.S. 746 (1884).....	109
Butchers' Union Co. v. Crescent City Co., 111 U.S. 746, 756 (1884) .....	344
C.I.R. v. Trustees of L. Inv. Ass'n, 100 F.2d. 18 (1939) .....	61
C.I.R. v. Trustees of L. Inv. Ass'n, 100 F.2d.18 (1939) .....	160
Caha v. U.S., 152 U.S. 211 (1894).....	203
Calder v. Bull, 3 U.S. 386 (1798).....	96
Camden v. Allen, 2 Dutch., 398.....	61
Campbell v. Albers, 313 Ill.App. 152, 39 N.E.2d. 672, 676 .....	169
Carlisle v. U.S. (1872) 16 Wall. 147, 155 .....	187
Carter v. Carter Coal Co., 298 U.S. 238 (1936) .....	149, 197, 395, 434
Carter v. Carter Coal Co., 298 U.S. 238, 294 , 56 S.Ct. 855, 865 .....	263
Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936) .....	107, 140, 163, 255, 257, 299, 309, 403
Carter v. Carter Coal Co., supra, 298 U.S. 238 , at page 295, 56 S.Ct. 855, 865 .....	264
Caterpillar Tractor Co. v. United States, 589 F.2d. 1040, 1043, 218 Ct.Cl. 517 (1978) .....	278
Caterpillar Tractor v. United States, 589 F.2d. 1040, 1043, 218 Ct.Cl. 517 (1978).....	278
Cereghino v. State By and Through State Highway Commission, 230 Or. 439, 370 P.2d. 694, 697.....	56
Chae Chan Ping v. U.S. (1889) 130 U.S. 581, 603, 604, 9 Sup.Ct. 623.....	187
Chae Chan Ping v. U.S., 130 U.S. 581 (1889) .....	80, 81, 191, 327
Charbonnet v. United States, 455 F.2d. 1195, 1199- 1200 (5th Cir.1972) .....	278
Chicago ex rel. Cohen v. Keane, 64 Ill 2d 559, 2 Ill Dec 285, 357 N.E.2d. 452.....	63
Chicago Park Dist. v. Kenroy, Inc., 78 Ill 2d 555, 37 Ill Dec 291, 402 N.E.2d. 181 .....	63
Children's Hospital, 261 U.S. 525, 544 , 43 S.Ct. 394, 24 A.L.R. 1238.....	197
Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 1 L.Ed. 440 (1793).....	185
Chisholm, Ex'r. v. Georgia, 2 Dall. (U.S.) 419, 1 L.Ed. 454, 457, 471, 472 (1794).....	237
Chy Lung v. Freeman, 92 U.S. 276.....	259
City of Boerne v. Florez, Archbishop of San Antonio, 521 U.S. 507 (1997).....	99, 355, 370, 440
City of Dallas v. Mitchell, 245 S.W. 944 (1922).....	189
Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973).....	67, 103
Clafin v. Houseman, 93 U.S. 130, 136 (1876) .....	256
Clafin v. Houseman, 93 U.S. 130, 136 (1878) .....	252
Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) .....	172
Cleveland Bed. of Ed. v. LaFleur (1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215.....	129
Clyatt v. U.S., 197 U.S. 207 (1905) .....	117, 255, 272
Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265, 5 L.Ed. 257 (1821).....	72, 139, 151, 177
Colautti v. Franklin, 439 U.S. at 392-393, n. 10 .....	335
Com. of Mass. v. Secretary of Health and Human Services, 899 F.2d. 53, C.A.1 (Mass.) (1990).....	206
Connick v. Myers, 461 U.S. 138, 147 (1983).....	67, 103
Cook v. Hudson, 511 F.2d. 744, 9 Empl. Prac. Dec. (CCH) ¶ 10134 (5th Cir. 1975).....	183
Cook v. Tait, 265 U.S. 47 (1924) .....	74, 244, 304, 375, 399, 414, 415
Cooke v. United States, 91 U.S. 389, 398 (1875).....	172
Coppage v. Kansas, 236 U.S. 1 (1915).....	344
Corporation Tax Law of 1909 .....	84
Cotton v. United States, 11 How. 229, 231 (1851).....	361
Crooks v. Harrelson, 282 U.S. 55, 59 , 51 S.Ct. 49, 50.....	142
Cruden v. Neale, 2 N.C., 2 S.E. 70 (1796) .....	170, 193
CWT Farms Inc. v. Commissioner of Internal Revenue, 755 F.2d. 790 (11th Cir. 03/19/1985) .....	278

## Table of Contents

Davidson v. New Orleans, 96 U.S. 97, 102.....	205
Davis v. Davis. TexCiv-App., 495 S.W.2d. 607. 611 .....	56
Delaware &c. R. Co. v. Pennsylvania, 198 U.S. 341, 358 .....	204
Delaware, L. & W.R. Co. v. Petrowsky, 2 Cir., 250 F. 554, 557 .....	199
Delaware, L.&W.R.Co. v. Petrowsky, C.C.A.N.Y., 250 F. 554, 557 .....	199
Donovan v. United States, 139 U.S. App. D.C. 364, 433 F.2d. 522 (D.C.Cir.), cert. denied, 401 U.S. 944, 91 S.Ct. 955, 28 L.Ed.2d. 225 (1971).....	278
Downes v. Bidwell, 182 U.S. 244 (1901).....	144, 151, 178, 257, 260
Doyle v. Mitchell Brothers Co., 247 U.S. 179, 185 .....	84
Dred Scott v. Sandford 60 U.S. (19 How.) 393,595 (1857) .....	208
Dred Scott v. Sandford, 60 U.S. 393 (1856).....	176, 189
Dred Scott v. Sandford, 60 U.S. 393, 1856 WL 8721 (1856).....	205
Dred Scott v. Sandford, 60 U.S. 393, 1856 WL 8721 (U.S.1856).....	271
Dred Scott v. Sandford, 60 U.S. 393, 508-509 (1856) .....	57
Dunphy v. United States [529 F.2d. 532, 208 Ct.Cl. 986 (1975)] .....	278
Earley v. Hershey Transit Co., 55 F.Supp. 981, D.C.PA. (1944) .....	199
Earley v. Hershey Transit Co., D.C. Pa., 55 F.Supp. 981, 982.....	199
Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972).....	61, 66, 161, 181, 205, 286, 287
Edgewater Realty Co. v. Tennessee Coal, Iron & Railroad Co., D.C.Md., 49 F.Supp. 807, 809.....	199
Edwards v. Cuba Railroad, 268 U.S. 628, 633 .....	84
Einhorn v. Dewitt, 618 F.2d. 347 (5th Cir. 06/04/1980) .....	278
Eisner v. Macomber, 252 U.S. 189 (1920).....	400
Eisner v. Macomber, 252 U.S. 189, 207 .....	84
El Dia, Inc. v. Rossello, 165 F.3d. 106, 109 (1st Cir.1999).....	206
Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360.....	64
Erie R. Co. v. Tompkins, 304 U.S. 64 (1938) .....	273, 281
Evans v. Gore, 253 U.S. 245 (1920).....	358
Everson v. Bd. of Ed., 330 U.S. 1, 15 (1947).....	132
Ex parte Shaw, 145 U.S. 444, 12 S.Ct. 935, 36 L.Ed. 768 .....	186, 200
Federal Crop Insurance vs. Merrill, 33 U.S. 380 at 384 (1947) .....	251
Fiorentino v. United States, 607 F.2d. 963, 968, 221 Ct.Cl. 545 (1979), cert. denied, 444 U.S. 1083, 100 S.Ct. 1039, 62 L.Ed.2d. 768 (1980).....	278
First Carolinas Joint Stock Land Bank of Columbia v. New York Title & Mortgage Co., D.C.S.C., 59 F.2d. 35j0, 351 .	199
Flint v. Stone Tracy Co., 220 U.S. 107 (1911).....	65, 83
Flora v. U.S., 362 U.S. 145 (1960).....	59, 65, 164
Foley Brothers, Inc. v. Filardo, 336 U.S. 281 (1949).....	203
Fong Yue Ting v. United States, 149 U.S. 698 (1893).....	80, 171, 179, 188, 192, 213, 327
Fong Yue Ting v. United States, 149 U.S. 698 , 705 et seq., 13 S.Ct. 1016 .....	149, 257, 264, 395, 434
Fowler v. Fowler, 156 Fla. 316, 22 So.2d. 817, 818 .....	186
Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) .....	335, 440
Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847) .....	258
Frost & Frost Trucking Co. v. Railroad Comm'n of California, 271 U.S. 583.....	361
Fulton Light, Heat & Power Co. v. State, 65 Misc.Rep. 263, 121 N.Y.S. 536.....	55
Gardner v. Broderick, 392 U.S. 273, 277 -278 (1968) .....	67, 103
Gelpcke v. City of Dubuque, 68 U.S. 175, 1863 WL 6638 (1863) .....	205
Georgia Dep't of Human Resources v. Sistrunk, 249 Ga 543, 291 SE2d 524 .....	63
Gibbons v. Ogden, 22 U.S. 21 (1824) .....	259
Glass v. Sloop Betsey, 3 U.S. 6, 3 Dall. 6, 1 L.Ed. 485 (1794).....	170
Goodrich v. Edwards, 255 U.S. 527, 535 .....	84
Government of Canal Zone v. Burjan, 596 F.2d. 690 .....	281, 282
Government of Canal Zone v. Burjan, 596 F.2d. 690, 694 (5th Cir. 1979).....	281
Government of Canal Zone v. Burjan, 596 F.2d. at 694 .....	281, 282
Government of the Canal Zone v. Burjan, 596 F.2d. at 693.....	282
Graves v. People of State of New York, 306 U.S. 466 (1939) .....	254, 258
Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581 .....	130
Great IRS Hoax .....	76, 200, 306
Great IRS Hoax, Form #11.302, Section 5.6.20.....	302

## Table of Contents

Great Northern Life Ins. Co. v. Read, 322 U.S., at 53.....	275
Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) .....	149, 255, 325
Gregory v. Ashcroft, 501 U.S. 452, 461 (1991) .....	275
Gulf Refining Co. v. Cleveland Trust Co., 166 Miss. 759, 108 So. 158, 160 .....	64
Hale v. Henkel, 201 U.S. 43 at 47 (1906) .....	124
Hale v. Henkel, 201 U.S. 43, 74 (1906) .....	98
Hall, 440 U.S., at 414 -418.....	274
Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724. 140, 163, 255, 257, 299, 309, 395, 403 .....	
Hanauer v. Woodruff, 82 U.S. (15 Wall.) 439 (1872).....	190
Hanson v. P.A. Peterson Home Ass'n, 35 Ill.App2d 134, 182 N.E.2d. 237, 240.....	201
Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965) .....	361
Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964).....	99, 355, 370, 440
Heiner v. Donnan, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed. 772 (1932) .....	324
Henderson v. Mayor of New York, 92 U.S. 263 .....	259
Hepburn v. Ellzey, 2 Cranch, 445, 2 L.Ed. 332.....	256
Higley v. Commissioner of Internal Revenue, 69 F.2d. 160 (1934).....	137, 158
Hoeper v. Tax Comm'n, 284 U.S. 206, 52 S.Ct. 120, 76 L.Ed. 248 (1931) .....	324
Holmstrom v. PPG Industries, 512 F.Supp 552, 554 DC.WD.Pa. 1981.....	250
Hooe v. Jamieson, 166 U.S. 395 , 41 L.Ed. 1049, 17 Sup.Ct. Rep. 596.....	256
Hooven and Allison v. Evatt, 324 U.S. 653 (1945) .....	72
Housing Authority of Cherokee National of Oklahoma v. Langley, Okl., 555 P.2d. 1025, 1028.....	57
Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991) .....	61, 205
In Chicago &c. R. Co. v. Chicago, 166 U.S. 226 .....	204
In re Ayers, 123 U. S., at 505 .....	274
In re Campbell's Guardianship, 216 Minn. 113, 11 N.W.2d. 786, 789 .....	185
In re Erickson, 18 N.J.Misc. 5, 10 A.2d. 142, 146 .....	186
In re Jones, 341 Pa. 329, 19 A.2d. 280. 282.....	186
In re Meador, 1 Abb.U.S. 317, 16 F.Cas. 1294, D.C.Ga. (1869).....	68
In re Riley's Will, 266 N.Y.S. 209, 148 Misc. 588.....	186
Indiana State Ethics Comm'n v. Nelson (Ind App) 656 N.E.2d. 1172 .....	63
International Shoe Co. v. Washington, 326 U.S. 310 (1945) .....	172, 176
Irwin v. Gavit, 268 U.S. 161, 167 .....	84
James v. Bowman, 190 U.S. 127, 139 (1903) .....	99, 355, 370, 440
Jaramillo v. Romero, 1 N.Mex. 190, 194 .....	117
Jersey City v. Hague, 18 NJ 584, 115 A.2d. 8.....	63
Jones v. United States, 137 U.S. 202, 212 , 11 S.Ct. 80 .....	149, 257, 264, 395, 434
Jonesboro Trust Co. v. Nutt, 118 Ark. 368, 176 S.W. 322, 324.....	199
Juilliard v. Greenman, 110 U.S. 421 (1884).....	167
Juilliard v. Greenman: 110 U.S. 421 (1884).....	189
Katz v. Brandon, 156 Conn. 521, 245 A.2d. 579, 586 .....	56, 95
Kelley v. Johnson, 425 U.S. 238, 247 (1976).....	67
Kemp v. Kemp, 16 N.Y.S.2d. 26, 34, 172 Misc. 738.....	186
Kinney v. Weaver, 111 F.Supp.2d 831, E.D.Tex. (2000).....	206
Kleindienst v. Mandel, 408 U.S. 753 (1972).....	80, 188, 327
Kurilla v. Roth, 132 N.J.L. 213, 38 A.2d. 862,864 .....	186
Labberton v. General Cas. Co. of America, 53 Wash.2d 180, 332 P.2d. 250, 252, 254.....	56
Lake v. Lake, 817 F.2d. 1416, 1421 (9th Cir. 1987) .....	177
Lansing v. Smith, 21 D. 89., 4 Wendel 9 (1829).....	170
Lathrop v. Donohue, 367 U.S. 820, 81 S.Ct. 1826, 6 L.Ed.2d. 1191 (1961).....	183
Leary v. United States, 395 U.S. 6, 29-53, 89 S.Ct. 1532, 1544-1557, 23 L.Ed.2d 57 (1969).....	324
Lewis v. U.S., 680 F.2d. 1238, 1241 (1982) .....	266
License Cases, 5 How. 583 .....	173
License Tax Cases, 72 U.S. 462 (1866) .....	84
License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) .....	68, 111, 164, 254, 258
Loan Association v. Topeka, 20 Wall. 655 (1874).....	62, 94, 97
Long v. Rasmussen, 281 F. 236 (1922).....	61, 66



## Table of Contents

Long v. Rasmussen, 281 F. 236, 238 (1922).....	161, 166, 281
Lord v. Equitable Life Assur. Soc., 194 N.Y. 212, 81 N.E. 443, 22 L.R.A.,N.S., 420 .....	64
Loughborough v. Blake, 5 Wheat. 317, 5 L.Ed. 98.....	144
Louisiana v. Jumel, 107 U.S. 711, 727-728 (1883).....	275
Luhring v. Glotzbach, 304 F.2d. 560 (4th Cir. 05/28/1962).....	278
Luther v. Borden, 48 U.S. 1 (1849).....	185, 276
Madlener v. Finley (1st Dist) 161 Ill App 3d 796, 113 Ill Dec 712, 515 N.E.2d. 697 .....	63
Marbury v. Madison, 5 U.S. 137, 163 (1803) .....	70
Matter of Mayor of N.Y., 11 Johns., 77 .....	61
McCloud v. Testa, 97 F.3d. 1536, 12 I.E.R. Cas. (BNA) 1833, 1996 FED App. 335P (6th Cir. 1996).....	184
Merchants' L. & T. Co. v. Smietanka, 255 U.S. 509, 219 .....	84
Messick v. Southern Pa. Bus Co., D.C.Pa., 59 F.Supp. 799, 800.....	199
Meyer v. Nebraska, 262 U.S. 390, 399 (1923).....	344
Michigan Employment Sec. Commission v. Patt, 4 Mich.App. 228, 144 N.W.2d. 663, 665.....	95
Miles v. Safe Deposit Co., 259 U.S. 247, 252-253.....	84
Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954).....	156, 179, 228, 230, 321
Milliken v. Meyer, 311 U.S. 457, 463 (1940) .....	176
Milwaukee v. White, 296 U.S. 268 (1935).....	220
Minor v. Happersett, 21 Wall. 162, 166-168 (1874) .....	180, 199
Miranda v. Arizona, 384 U.S. 436, 491.....	250
Missouri Pacific Railway v. Nebraska, 164 U.S. 403, 417.....	205
Montana Power Co. v. Bokma, Mont., 457 P.2d. 769, 772, 773.....	56
Morrissey v. Commissioner, 296 U.S. 344, 356, 56 S.Ct. 289, 294.....	142
Mt. Hope Cemetery v. Boston, 158 Mass. 509, 519.....	205
Munn. v. Illinois, 94 U.S. 113 (1876) .....	173
Murray v. City of Charleston, 96 U.S. 432 (1877).....	250
N.Y. v. re Merriam 36 N.E. 505; 141 N.Y. 479; affirmed 16 S.Ct. 1073; 41 L.Ed. 287.....	270
New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885) .....	259
New Orleans v. Winter, 1 Wheat. 91, 4 L.Ed. 44.....	256
New York Times v. Sullivan, 376 U.S. 254 (1964) .....	280
New York v. United States, 505 U.S. 142, 112 S.Ct. 2408, 120 L.Ed.2d 120 (1992).....	149
New York, 505 U.S., at 188 .....	274
Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100.....	335, 338, 369, 392, 409, 440
Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989) .....	194
Ngiraingas v. Sanchez, 495 U.S. 182 (1990).....	361
Nikulnikoff v. Archbishop, etc., of Russian Orthodox Greek Catholic Church, 142 Misc. 894, 255 N.Y.S. 653, 663.....	127
Nishimur Ekiu v. United States, 142 U.S. 651, 659, 12 S.Ct. 336 .....	257, 395, 434
North Mississippi Communications v. Jones, 792 F.2d. 1330, 1337 (5th Cir.1986).....	206
Northern Liberties v. St. John's Church, 13 Pa. St., 104.....	61
Nowell v. Nowell, Tex.Civ.App., 408 S.W.2d. 550, 553 .....	143
Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909) .....	80, 188, 327
O'Connor v. Ortega, 480 U.S. 709, 723 (1987).....	67, 103
Olmstead v. United States, 277 U.S. 438, 478 (1928).....	2, 98, 243
Olmstead v. United States, 277 U.S. 438, 485 (1928).....	279
O'Malley v. Woodrough, 307 U.S. 277 (1939) .....	358
O'Neill v. United States, 231 Ct.Cl. 823, 826 (1982) .....	172
Ortiz-Pinero v. Rivera-Arroyo, 84 F.3d. 7 (1st Cir. 1996) .....	184
Pack v. Southwestern Bell Tel. & Tel. Co., 215 Tenn. 503, 387 S.W.2d. 789, 794.....	56, 95
Papasan v. Allain, 478 U.S. 265 (1986) .....	130
Parrish v. Nikolits, 86 F.3d. 1088 (11th Cir. 1996).....	183, 184
Paul v. Virginia, 8 Wall (U.S.) 168, 19 L.Ed. 357 (1868).....	81
Penhallow v. Doane, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925 .....	263
People ex re. Atty. Gen. v. Naglee, 1 Cal. 234 (1850) .....	255
People v. Rehman, 253 C.A.2d 119, 61 Cal.Rptr. 65, 85 .....	273
People v. Utica Ins. Co.. 15 Johns., N.Y., 387, 8 Am.Dec. 243 .....	64
Perry v. U.S., 294 U.S. 330 (1935).....	130
Perry v. United States, 294 U.S. 330, 353 (1935) .....	189

## Table of Contents

Pierce v. Emery, 32 N.H. 484.....	64
Pierce v. United States, 7 Wall (74 U.S. 169) 666 (1869).....	434
Plessy v. Ferguson, 163 U.S. 537, 542 (1896) .....	118
Poe v. Seaborn, 282 U.S. 101, 109 , 110 S., 51 S.Ct. 58.....	142
Pollock v. Farmer's Loan & T. Co., 157 U.S. 429, 29 L.Ed. 759, 15 Sup.St.Rep. 673, 158 U.S. 601, 39 L.Ed. 1108, 15 Sup.Ct. Rep. 912.....	84
Pollock v. Farmers' Loan & Trust Co., 158 U.S. 601.....	83
Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429, 158 U.S. 601 (1895).....	127, 135
Pope v. Board of Election Com'rs, 370 Ill. 196, 18 N.E.2d. 214, 216.....	186
Pray v. Northern Liberties, 31 Pa.St., 69.....	61
Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837).....	81, 101, 235
Public Workers v. Mitchell, 330 U.S. 75, 100, 67 S.Ct. 556, 569, 91 L.Ed. 754 (1947).....	206
Public Workers v. Mitchell, 330 U.S. 75, 101 (1947).....	67, 103
Puerto Rico Aqueduct and Sewer Authority, 506 U.S., at 146.....	274
Radich v. Hutchins (1877) 95 U.S. 210.....	187
Raffaele v. Granger, 196 F.2d. 620 (1952).....	161
Railroad Co. v. Husen, 95 U.S. 474 .....	259
Railroad Company v. Jackson, 7 Wall. 262 .....	204
Railway Emp. Dept. v. Hanson, 351 U.S. 225, 76 S.Ct. 714, 100 L.Ed. 1112 (1956) .....	183
Reese v. Reese, 179 Misc. 665, 40 N.Y.S.2d. 468, 472 .....	185
Ringe Co. v. Los Angeles County, 262 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186.....	56, 95
Roboz v. Kennedy, 219 F.Supp. 892 (D.D.C. 1963), p. 24.....	227
Rothensis v. Ullman, 110 F.2d. 590(1940).....	161
Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005).....	205
Rutan v. Republican Party of Illinois, 497 U.S. 62, 110 S.Ct. 2729, 111 L.Ed.2d. 52, 5 I.E.R. Cas. (BNA) 673 (1990).....	183
Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990).....	67, 103
Rutan v. Republican Party of Illinois, 497 U.S. 62, 110 S.Ct. 2729, U.S.Ill. (1990) .....	206
Sandham v. Nye, 9 Misc.ReP. 541, 30 N.Y.S. 552 .....	64
Schechter Poultry Corp. v. United States, 295 U.S. 495, 549 , 550 S., 55 S.Ct. 837, 97 A.L.R. 947.....	197
Schlesinger v. Wisconsin, 270 U.S. 230, 46 S.Ct. 260, 70 L.Ed. 557 (1926) .....	324
Schmitt v. U.S., 140 B.R. 571 (Bank W.D. Okl. 1992).....	161
Schwarzenegger v. Fred Martin Motor Co., 374 F.3d. 797, 802 (9th Cir. 2004) .....	177
Scott v. Jones, 5 How. 343, 12 L.Ed. 181 .....	257
Seminole Tribe, 517 U.S., at 58 .....	274
Sharpless v. Mayor, supra; Hanson v. Vernon, 27 Ia., 47 .....	61
Simpson v. Sheahan, 104 F.3d. 998, C.A.7 (Ill.) (1997) .....	206
Sinking Fund Cases, 99 U.S. 700 (1878) .....	62, 114, 360, 434
Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394(1873).....	72
Sloan v. Comm'r, 53 F.3d. 799 (7th Cir. 1995), cert. denied, 516 U.S. 897 (1995).....	161
Smith v. Allwright, 321 U.S. 649, 644 .....	361
Smith v. Lummus, 149 Fla. 660, 6 So.2d. 625, 627, 628 .....	169
Smith v. Smith, 206 Pa.Super. 310, 213 A.2d. 94.....	156, 169, 171
Socialism: The New American Civil Religion, Form #05.016.....	288
South Carolina v. Regan, 465 U.S. 367 (1984) .....	161
Southern Pacific Co. v. Lowe, 247 U.S. 330, 335.....	84
Southwestern Greyhound Lines v. Craig. 182 Okl. 610, 80 P.2d. 221, 224.....	186
Speiser v. Randall, 357 U.S. 513, 526, 78 S.Ct. 1332, 1342, 2 L.Ed.2d. 1460 (1958).....	206
Sperry Products v. Association of American Railroads, C.C.A.N.Y., 132 F.2d. 408, 411.....	186, 201
Spooner v. McConnell, 22 F. 939, 943.....	170
Spreckels Sugar Refining Co. v. McClain, 192 U.S. 297 (1904) .....	328
St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469 .....	130
Standard Stoker Co. v. Lower, D.C.Md., 46 F.2d. 678, 683 .....	199
State ex rel. Nagle v. Sullivan, 98 Mont 425, 40 P2d 995, 99 ALR 321 .....	63
State Tax on Foreign-Held Bonds, 15 Wall. 300 .....	204
State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.....	64
State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.....	64
State v. Noble, 90 N.M. 360, 563 P.2d. 1153, 1157.....	114



## Table of Contents

State v. Topeka Water Co., 61 Kan. 547, 60 P. 337 .....	64
State. See Robertson v. Cease, 97 U.S. 646, 648-649 (1878).....	194
Stenberg v. Carhart, 530 U.S. 914 (2000) .....	335, 440
Stone v. Mississippi, 101 U.S. 818.....	259
Stratton's Independence v. Howbert, 231 U.S. 399, 415 .....	84
Talbot v. Janson, 3 U.S. 133 (1795).....	173, 181, 198
Tappan v. Merchants' National Bank, 19 Wall. 490, 499.....	204
Terry v. Bothke, 713 F.2d. 1405, at 1414 (1983) .....	137, 158
The Antelope, 23 U.S. 66, 10 Wheat 66, 6 L.Ed. 268 (1825) .....	111, 114, 393
The Chinese Exclusion Case, 130 U.S. 581, 604 , 606 S., 9 S.Ct. 623 .....	263
The Chinese Exclusion Case, 130 U.S. 581, 609 (1889).....	80, 188, 327
The Collector v. Day, 11 Wall. 113, 124.....	257
Thorpe v. R. & B. Railroad Co., 27 Vt. 143.....	173
Tot v. United States, 319 U.S. 463, 468-469, 63 S.Ct. 1241, 1245-1246, 87 L.Ed. 1519 (1943).....	324
Town of Cady v. Alexander Const. Co., 12 Wis.2d 236, 107 N.W.2d. 267, 270.....	150, 169
Transatlanica Italiana v. Elting, C.C.A.N.Y., 74 F.2d. 732, 733.....	186
Trustees of Dartmouth College v. Woodward, 4 Wheat. 518, 561-562 (1819).....	361
Turner v. United States, 396 U.S. 398, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d 610 (1970) .....	324
U.S. v. Butler, 297 U.S. 1 (1936) .....	94
U.S. v. Cruikshank, 92 U.S. 542, 1875 WL 17550 (U.S.,1875).....	140
U.S. v. Lopez, 514 U.S. 549 (1995) .....	135, 149, 255, 325
U.S. v. Spelar, 338 U.S. 217 at 222.....	203
U.S. v. Whiteridge, 231 U.S. 144, 34 S.Sup. Ct. 24 (1913) .....	84
U.S. v. Will, 671 F.2d. 963 (1982).....	278
Udny v. Udny (1869) L. R. 1 H.L.Sc. 441 .....	202
Union Refrigerator Transit Company v. Kentucky, 199 U.S. 194 (1905).....	205
United States v. Black Cloud, 590 F.2d. 270 (8th Cir. 1979).....	281
United States v. Bostwick, 94 U.S. 53, 66 (1877).....	172
United States v. Bowers, 660 F.2d. 527, 531 (5th Cir. 1981).....	281
United States v. Bowers, 660 F.2d. at 530-31 .....	282
United States v. Boylan (CA1 Mass) 898 F.2d. 230, 29 Fed Rules Evid Serv 1223 .....	63
United States v. Cooper Corporation, 312 U.S. 600 (1941).....	167
United States v. Cruikshank, 92 U.S. 542 (1875).....	171, 188
United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936) .....	265
United States v. Guest, 383 U.S. 745 (1966).....	99, 355, 370, 440
United States v. Harris, 106 U.S. 629, 639 (1883) .....	99, 355, 370
United States v. Hatter, 121 S.Ct 1782 (2001) .....	358
United States v. Holzer (CA7 Ill) 816 F.2d. 304.....	63
United States v. Jones, 480 F.2d. 1135.....	281, 282
United States v. Levy, 533 F.2d. 969 (1976).....	138
United States v. Lopez, 514 U.S., at 583.....	274
United States v. Malinowski, 347 F.Supp. 352 (1992).....	250
United States v. Maurice, 26 F. Cas. 1211, 1216 (No. 15,747) (CC Va. 1823) .....	361
United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926) .....	172
United States v. Phellis, 257 U.S. 156, 169.....	84
United States v. Powell, 498 F.2d. 890, 891 (9th Cir. 1974).....	281
United States v. Reese, 92 U.S. 214, 218 (1876).....	99, 355, 370, 440
United States v. Supplee-Biddle Co., 265 U.S. 189, 194 .....	84
United States v. Winstar Corp. 518 U.S. 839 (1996) .....	172
United States v. Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456, 42 L.Ed. 890 (1898) .....	187, 203
Utah Farm Bureau Ins. Co. v. Utah Ins. Guaranty Ass'n, Utah, 564 P.2d. 751, 754 .....	64
Van Brocklin v. Tennessee, 117 U.S. 151, 154 (1886) .....	361
Vickery v. Jones, 100 F.3d. 1334 (7th Cir. 1996), cert. denied, 117 S.Ct. 1553, 137 L.Ed.2d. 701 (U.S. 1997).....	183
Virginia Canon Toll Road Co. v. People, 22 Colo. 429, 45 P. 398 37 L.R.A. 711 .....	64
Vlandis v. Kline (1973) 412 U.S. 441, 449, 93 S.Ct 2230, 2235 .....	129
Vlandis v. Kline, 412 U.S. 441 (1973) .....	268, 324
Wall v. Parrot Silver & Copper Co., 244 U.S. 407.....	130

## Table of Contents

Wallace v. Jaffree, 472 U.S. 69 (1985) .....	132
Ward v. Ward, 115 W.Va. 429, 176 S.E. 708, 709 .....	186
Weiss v. Wiener, 279 U.S. 333, 49 S.Ct. 337.....	142
Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945) .....	335, 440
Wheeler v. Burgess, 263 Ky. 693, 93 S.W.2d. 351, 354 .....	199
Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020 .....	64
Wildenhus' Case (1887) 120 U.S. 1, 7 Sup.Ct. 385.....	187
Will v. Michigan Dept. of State Police, 491 U.S. 58, 109 S.Ct. 2304 (U.S.Mich.,1989) .....	180
Wooley v. Maynard, 430 U.S. 703 (1977) .....	189
Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d. 1199 (9th Cir. 01/12/2006) .....	177
Yick Wo v. Hopkins, 118 U.S. 356 (1886) .....	167, 189
Yick Wo v. Hopkins, 118 U.S. 356, 369 , 6 S. Sup. Ct. 1064, 1071 .....	71
Zimmerman v. Zimmerman, 175 Or. 585, 155 P.2d. 293, 295 .....	185

## Other Authorities

1 J. Bouvier, A Law Dictionary Adapted to the Constitution and Laws of the United States of America 318-319 (11th ed. 1866).....	361
1 Messages and Papers of the Presidents, p. 194.....	264
1040 Instruction Booklet .....	369
106 A.L.R. Fed. 396 .....	183
107 A.L.R. Fed. 21 .....	183
108 A.L.R. Fed. 117 .....	183
109 A.L.R. Fed. 9 .....	183
19 Corpus Juris Secundum (C.J.S.), Corporations §884 .....	270
19 Corpus Juris Secundum (C.J.S.), Corporations, §884 .....	151
19 Corpus Juris Secundum, Corporations, §883 .....	81
19 Corpus Juris Secundum, Corporations, §886 .....	116, 235
2 Bouv. Inst. n. 2279, 2327; 4 T. R. 657 .....	55
2002 Quick Reference Guide to Payroll Compliance.....	391
2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54.....	290, 386, 389, 435
2003 IRS Published Products Catalog.....	400
2003 IRS Published Products Catalog, p. F-15 .....	143
2003 IRS Published Products Catalog, p. F-3 .....	400
28 Corpus Juris Secundum, Domicile, §4 Domicile and Resident Distinguished .....	228
28 Corpus Juris Secundum, Domicile, §5 Necessity and Number .....	228
28 Corpus Juris Secundum, Domicile, §9 Domicile by Operation of Law .....	229
3 H. Stephen, Commentaries on the Laws of England 166, 168 (1st Am. ed. 1845) .....	361
44 Cong.Rec. 3344-3345.....	391
44 Cong.Rec. 4420 .....	132
5 Elliot's Debates, 212.1 .....	263
63C Am.Jur.2d, Public Officers and Employees, §247 .....	63, 101
8 Stat., European Treaties, 80.....	263
8 U.S.Sen.Reports Comm. on Foreign Relations, p. 24 .....	264
81A Corpus Juris Secundum (C.J.S.), United States, §29 .....	151, 254
86 Corpus Juris Secundum (C.J.S), Territories §1 .....	253
97 L.Ed.2d. 903 .....	183
A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, p. 27, §74.....	248, 371
A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, pp. 3-4, §2 .....	83
About E-Verify, Form #04.107 .....	93
About IRS Form W-8BEN, Form #04.202.....	79, 90, 92, 239, 296, 299, 339, 410, 455
About SSN's and TIN's on Government Forms and Correspondence, Form #05.012.....	54, 330, 342, 427, 445
About SSN's and TIN's on Government Forms and Correspondence, Form #07.004.....	331
ACTA Agreement .....	217

## Table of Contents

Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001 .....	73, 91, 92, 219, 302, 333, 334, 339, 409, 410, 464
Agreements on Coordination of Tax Administration (ACTA).....	151
Alexander Fraser Tyler, "The Decline and Fall of the Athenian Republic" .....	127
Amended IRS Form W-8BEN .....	315, 317, 319, 330, 333
AMENDED IRS Form W-8BEN .....	332, 333, 338, 339, 409, 410
American Jurisprudence 2d, Constitutional law, §546: Forced and Prohibited Associations .....	184
American Jurisprudence 2d, Evidence, §181 .....	129
American Jurisprudence, 2d, United States, Section 42: Interest on Claim .....	272
An Inquiry into the Nature and Causes of the Wealth of Nations (1776), Adam Smith .....	94
Anderson's Manual for Notaries Public, Ninth Edition, 2001, ISBN 1-58360-357-3 .....	239
Babylon the Great is Falling.....	157
Backup Withholding "B" Processes .....	339, 410
Bivens Action.....	177
Black's Law Dictionary, Fifth Edition, p. 1095 .....	56
Black's Law Dictionary, Fifth Edition, p. 470 .....	57
Black's Law Dictionary, Fourth Edition, p. 310 .....	199
Black's Law Dictionary, Fourth Edition, p. 311 .....	199
Black's Law Dictionary, Fourth Edition, pp. 786-787 .....	64
Black's Law Dictionary, Revised Fourth Edition, p. 1473.....	186
Black's Law Dictionary, Sixth Edition, p. 1099.....	348
Black's Law Dictionary, Sixth Edition, p. 1162.....	130
Black's Law Dictionary, Sixth Edition, p. 1196.....	64
Black's Law Dictionary, Sixth Edition, p. 1230.....	101, 388
Black's Law Dictionary, Sixth Edition, p. 1231.....	56, 95
Black's Law Dictionary, Sixth Edition, p. 1232.....	56, 95
Black's Law Dictionary, Sixth Edition, p. 1309.....	201
Black's Law Dictionary, Sixth Edition, p. 1387.....	150, 169
Black's Law Dictionary, Sixth Edition, p. 1457.....	95
Black's Law Dictionary, Sixth Edition, p. 1498.....	191, 201, 319
Black's Law Dictionary, Sixth Edition, p. 269.....	105
Black's Law Dictionary, Sixth Edition, p. 276.....	274
Black's Law Dictionary, Sixth Edition, p. 281.....	173, 182
Black's Law Dictionary, Sixth Edition, p. 485.....	157, 169, 171
Black's Law Dictionary, Sixth Edition, p. 498.....	253, 254
Black's Law Dictionary, Sixth Edition, p. 557.....	136
Black's Law Dictionary, Sixth Edition, p. 581.....	335, 338, 369, 392, 409, 440
Black's Law Dictionary, Sixth Edition, p. 585.....	136
Black's Law Dictionary, Sixth Edition, p. 647.....	253
Black's Law Dictionary, Sixth Edition, p. 648.....	151, 253
Black's Law Dictionary, Sixth Edition, p. 66.....	373
Black's Law Dictionary, Sixth Edition, p. 7.....	186
Black's Law Dictionary, Sixth Edition, p. 747.....	267
Black's Law Dictionary, Sixth Edition, p. 755.....	136
Black's Law Dictionary, Sixth Edition, p. 782.....	186
Black's Law Dictionary, Sixth Edition, p. 826.....	344
Black's Law Dictionary, Sixth Edition, pp. 1397-1398 .....	64
Black's Law Dictionary, Sixth Edition, p. 1025 .....	179
Bouv. Law Dict (1870).....	170
Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF) .....	251
Canadian Revenue Agency Pamphlet IT-221R3.....	315
Certificate/Proof/Affidavit of Service, Form #01.002.....	450, 457, 458, 460, 461
Citizenship, Domicile, and Tax Status Options, Form #10.003 .....	69, 219
Conduct and Belief: Public Employees' First Amendment Rights to Free Expression and Political Affiliation. 59 U Chi LR 897, Spring, 1992 .....	184
Conflicts in a Nutshell, David D. Siegel and Patrick J. Borchers, ISBN 0-314-160669-3, 3rd Edition, West Group, p. 16207	
Conflicts in a Nutshell, David D. Siegel and Patrick J. Borchers, ISBN 0-314-160669-3, 3rd Edition, West Group, p. 24227	
Confucius, 500 B.C. ....	362

## Table of Contents

Congressional Globe, 41st Congress, 2d Session, 3993 (1870) .....	135
Congressional Record-Senate, Volume 77- Part 4, June 10, 1933, Page 12522 .....	212
Congressional Research Service Report 97-59A.....	108, 113, 282
Congressman Zoe Lofgren Letter, SEDM Exhibit #04.003 .....	151
Cooley, Law of Taxation, Fourth Edition, pp. 88-89 .....	180
Corporatization and Privatization of the Government, Form #05.024 .....	76, 200, 215, 306
Corpus Juris Secundum Legal Encyclopedia, Domicile, §20.....	210
Corpus Juris Secundum Legal Encyclopedia, Domicile, §31.....	210
Correcting Erroneous Information Returns, Form #04.001 .....	65, 160, 424
Correcting Erroneous IRS Form 1042's, Form #04.003 .....	65, 160, 366, 424
Correcting Erroneous IRS Form 1098's, Form #04.004 .....	65, 160, 424
Correcting Erroneous IRS Form 1099's, Form #04.005 .....	65, 160, 367, 424, 432
Correcting Erroneous IRS Form W-2's, Form #04.006 .....	65, 160, 365, 394, 424
Cynthia Mills Letter, SEDM Exhibit #09.023.....	134
De Facto Government Scam, Form #05.043 .....	176
Defending Your Right to Travel, Form #06.010 .....	237
Delegation of Authority Order from God to Christians, Form #13.007 .....	196
Delegation of Authority Order from God to Christians, Form #13.007, Section 3.3 .....	223
Demand for Verified Evidence of "Trade or Business" Activity: Currency Transaction Report (CTR), Form #04.008 ...	161
Demand for Verified Evidence of "Trade or Business" Activity: Information Return, Form #04.007 .....	353, 409, 424
Department of State Form I-9 .....	91
Dept. of State DS-11 Form.....	230
Dick Simkanin.....	265
Do You Have a Right to Police Protection?.....	180
Example IRS Form W-8BEN.....	332
Executive Order 10289.....	261
Family Guardian Website, Taxation page .....	54
Federal and State Tax Withholding Options for Private Employers .....	65
Federal and State Tax Withholding Options for Private Employers, sections 19.1 through 19.4 .....	302
Federal Courts and the IRS' Own IRM Say IRS is NOT RESPONSIBLE for Its Actions or its Words or For Following Its Own Written Procedures .....	442
Federal Enforcement Authority in States of the Union, Form #05.032 .....	53, 256
Federal Forms and Publications .....	165, 329
Federal Forms, Publications, and Notices .....	425, 462
Federal Jurisdiction, Form #05.018.....	70
Federal Jurisdiction, Form #05.018, Sections 3 through 3.4 .....	69
Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002 .....	92, 219, 269
Federal Tax Withholding, Form #04.102 .....	52, 54, 302, 332, 423
Federal Thrift Savings Plan (TSP) Pamphlet OC-96-21 .....	385
Federal Thrift Savings Plan (TSP) retirement system pamphlet OC-96-21 .....	313
Federal Thrift Savings Program Pamphlet OC-96-21 .....	407
First Amendment Law, Barron-Dienes, West Publishing, ISBN 0-314-22677-X, p. 432.....	226
First Amendment Law, Barron-Dienes, West Publishing, ISBN 0-314-22677-X, pp. 266-267 .....	189
Flawed Tax Arguments to Avoid, Form #08.004.....	54, 55, 282
Flawed Tax Arguments to Avoid, Form #08.004, Section 5.10 .....	358
Flawed Tax Arguments to Avoid, Form #08.004, Section 6.7 .....	90
Form 1040 .....	59
Form 1040, 1040A, 1040-EZ, or 1040X .....	360
Form 1040: Substitute For Return (SFR) .....	159
Form 1099-MISC .....	367
Form 12616 .....	159
Form 12616: Correspondence Examination History Sheet .....	159
Form 13496: IRC Section 6020(b) Certification .....	159
Form 2678 .....	250
Form 3198: Special Handling Notice .....	159
Form 4549: Income Tax Examination Changes .....	159
Form 4700: Examination Work Papers .....	159

## Table of Contents

Form 5344: Examination Closing Record .....	159
Form 5546: Examination Return Charge-Out .....	159
Form 5564: Notice of Deficiency Waiver .....	159
Form 5600: Statutory Notice Worksheet.....	159
Form 8655 Reporting Agent Authorizing Certificate.....	250
Form 886-A: Explanation of Terms .....	159
Form I-9 .....	343, 349, 351, 438
Form W-8BEN .....	300, 367
Form W-8ECI.....	300, 367
Form W-8EXP .....	300, 367
Government Burden of Proof, Form #05.025.....	369
Government Conspiracy to Destroy the Separation of Powers Doctrine, Form #05.023 .....	70
Government Conspiracy to Destroy the Separation of Powers, Form #05.023 .....	55, 72, 169, 178, 268
Government Instituted Slavery Using Franchises, Form #05.03054, 62, 84, 103, 196, 218, 300, 338, 352, 353, 356, 361, 409	
Government is a Pagan Cult and We've all Been drinking the Kool-Aid .....	133
Great IRS Hoax, Form #11.302.....	191, 290, 441
Great IRS Hoax, Form #11.302, Chapter 6 .....	84
Great IRS Hoax, Form #11.302, Chapters 2 and 6 .....	191
Great IRS Hoax, Form #11.302, Chapters 3 through 5 .....	53
Great IRS Hoax, Form #11.302, Section 4.10 .....	149, 201
Great IRS Hoax, Form #11.302, Section 4.9 .....	77
Great IRS Hoax, Form #11.302, Section 5.6.13 .....	134, 135, 267, 302
Great IRS Hoax, Form #11.302, Section 5.6.15 .....	59, 158, 302, 411
Great IRS Hoax, Form #11.302, Section 5.6.7 .....	302, 412
Great IRS Hoax, Form #11.302, Section 6.5.20 .....	84
Great IRS Hoax, Form #11.302, Sections 3.9.1 through 3.9.1.28 .....	77, 307
Great IRS Hoax, Form #11.302, Sections 4.3.5 and 4.3.12 .....	212
Great IRS Hoax, Form #11.302, Sections 5.4 through 5.4.6 .....	443
Great IRS Hoax, Form #11.302, Sections 5.4.6 through 5.4.13 .....	443
Guide to Freedom of Information Act, Social Security Administration.....	93
Handbook of Common Law Pleading .....	218
Hoverdale Letter, SEDM Exhibit #09.023 .....	65
How Scoundrels Corrupted our Republican Form of Government .....	133
How the Government Defrauds You Out of Legitimate Deductions for the Market Value of Your Labor, Form #05.026125	
How to Apply for a Passport as a "National", Form #09.007 .....	231, 346
I-9 Amended, Form #06.028 .....	346
I-9 Form .....	438
I-9 Form Amended, Form #06.028.....	90, 91
Income Tax Withholding and Reporting Course, Form #12.004 .....	54, 302, 339, 368, 410
Information Return FOIA: "Trade or Business", Form #03.023 .....	359, 363
Instructions for Form W-8BEN, IRS Catalog Number 25576H .....	328, 329
Internal Revenue Audit Manual (1975).....	164
Internal Revenue Manual .....	177
Internal Revenue Manual, Section 3.5.20.19.....	360
Internal Revenue Manual, Section 35.18.10.1 .....	380
Internal Revenue Manual, Section 4.10.7.2.8.....	358, 412, 433
Internal Revenue Manual, Section 4.10.7.2.9.8.....	2, 273
Internal Revenue Manual, Section 5.1.11.6.8.....	164
IRM 1.1.1.1 (02-26-1999) .....	288
IRM 4.10.7.2.8 .....	278, 433
IRM 4.10.7.2.8 (05-14-1999) .....	326
IRM 5.14.10.2 .....	245
IRM 5.14.10.2 (09-30-2004) .....	108, 299, 301, 309, 370, 373, 395, 403, 433, 441
IRM Part 5, Chapter 1, Section 7 (IRM 5.1.7.) .....	246
IRM Section 1.1.1.1 .....	2
IRM Section 4.10.7.2.8 .....	278, 419
IRS "Questionable W-4 Program" .....	247



## Table of Contents

IRS 1040 Form .....	158
IRS 1040 returns.....	143
IRS Document 6209 .....	158, 357
IRS Document 7130 .....	152, 369
IRS Due Process Meeting Handout, Form #03.008 .....	134, 245, 370
IRS Form 1040 .....	59, 65, 76, 152, 200, 241, 242, 306, 353, 369
IRS Form 1040 or 1040NR .....	160
IRS Form 1040 plus 2555 .....	76, 200, 306
IRS Form 1040NR .....	76, 200, 306, 353
IRS Form 1042 .....	366
IRS Form 1042-S .....	103, 326, 340, 365, 366
IRS Form 1042-S Instructions.....	334
IRS Form 1042-S Instructions, p. 14.....	103, 341
IRS Form 1078 .....	79, 321
IRS Form 1096 .....	367
IRS Form 1099 .....	367
IRS Form 1099-MISC Instructions, 2005, p. 1 .....	367
IRS Form 1099-R .....	367
IRS Form 23C .....	159
IRS Form 2678 .....	267
IRS Form 4852 .....	364, 429
IRS Form 668W .....	421
IRS Form 8233 .....	11, 342, 401, 402
IRS Form 8840 .....	321
IRS Form SS-8, FORM #14 .....	425
IRS Form W-2 .....	58, 352, 357, 360, 363, 364, 397
IRS Form W-2c .....	363
IRS Form W-3 .....	363
IRS Form W-4 .....	58, 60, 245, 247, 300, 352, 357, 363, 396, 397
IRS Form W-8 .....	400
IRS Form W-8 Instructions for Requester of Forms W-8BEN, W-8ECI, W-8Exp, and W-8IMF, Catalog 26698G.....	329
IRS form W-8BEN .....	333
IRS Form W-8BEN .....	79, 300, 302, 318, 333, 334, 337, 342, 390
IRS Form W-8BEN Instructions .....	325, 335
IRS Form W-8BEN, block 3 .....	79
IRS Form W-8BEN, Block 3 .....	90
IRS Form W-8EXP .....	197
IRS Forms 1042-S, W-2, and 1099 .....	325
IRS Forms 1096 and W-3 .....	359
IRS Forms 4549 and 5564 .....	159
IRS Forms W-2 and W-4 .....	59
IRS Forms W-2, 1042-S, 1098, 1099, 4852 .....	352
IRS Forms W-2, 1042-s, 1098, 1099, and K-1 .....	247, 370
IRS Forms W-2, 1042-s, 1098, and 1099 .....	62
IRS Forms W-2, 1042-S, 1098, and 1099 .....	359
IRS Forms W-4 or W-9 .....	245
IRS Humbug: IRS Weapons of Enslavement.....	391
IRS Internal Revenue Manual .....	326
IRS Pub 17 .....	414, 415
IRS Pub 519 .....	401, 414, 415, 416
IRS Pub. 519 .....	321
IRS Publication 1 .....	166
IRS Publication 15, Circular E: Employer's Tax Guide.....	105, 112
IRS Publication 515 .....	197, 314, 367, 402
IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities .....	367
IRS Publication 515, Year 2000, p. 3 .....	300, 339, 409
IRS Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Corporations .....	322

## Table of Contents

IRS Publication 519, Year 2000, p. 26 .....	403, 419
IRS Publication 519, Year 2005 .....	326
IRS Publication 519: Tax Guide for Aliens.....	322
IRS Publication 519: Tax Guide for Aliens, Year 2007, p. 43 .....	320
IRS Publication 519: U.S. Tax Guide for Aliens, year 2000, p. 14 .....	418
IRS Publication 583 .....	367
IRS Published Products .....	147
It's an Illusion, John Harris .....	219
Jesus Is an Anarchist .....	196
Law of Nations, Vattel, p. 87 .....	328
Laws of the Bible, Form #13.001 .....	219
Legal Basis for the term "Nonresident Alien", Form #05.036 .....	300
Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001 ..	53, 91, 193, 213, 237, 243
Legal Notice to Correct Fraudulent Tax Status, Reporting, and Withholding, Form #04.401 .....	450
Letter of Disqualification .....	233
Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1 .....	104
Meaning of the Words "includes" and "including", Form #05.014 .....	70
Meaning of the Words "Includes" and "Including" .....	340, 362, 391, 396, 419, 425, 446
Minimum Contacts Doctrine .....	172
New Hire Paperwork Attachment, Form #04.203 .....	333
Nonresident Alien Position, Form #05.020 .....	54, 66, 80, 256, 300, 317, 319, 336, 369
Nonresident Alien Position, Form #05.020, Sections 6 and 7 .....	69
NRA Withholding .....	309
Our Government Has Become Idolatry and a False Religion .....	351
Path to Freedom, Form #09.015 .....	54
Political Jurisdiction, Form #05.004 .....	281
Practical Guide to Tax Issues in Employment.....	435
President Ronald W. Reagan.....	156
Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017 .....	62, 219, 288, 324, 340, 366
Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.007 .....	70
Principles of Payroll Administration; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price .....	444
Principles of Payroll Administration; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price, CPP; RIA, 117 West Stevens Ave; Valhalla, NY 10595; ISBN 0-7913-5230-7 .....	329
Proof That There is a "Straw Man", Form #05.042 .....	82, 362
Public Employees and the First Amendment Petition Clause: Protecting the Rights of Citizen-Employees Who File Legitimate Grievances and Lawsuits Against Their Government Employers. 90 NW ULR 304, Fall, 1995 .....	184
Publication 15.....	368
Publication 15, Circular E .....	106, 113
Publication 515.....	302, 368
Publication 919.....	368
RACS 006 Report.....	159
Readings on the History and System of the Common Law, Roscoe Pound, Second Edition, 1925, p. 4 .....	204
Reasonable Belief About Income Tax Liability, Form #05.007.....	71, 73, 91, 279, 291, 425
Rebutted Version of Congressional Research Service Report 97-59A: Frequently Asked Questions Concerning the Federal Income Tax, Form #08.006 .....	282
Rebutted Version of Dan Evan's "Tax Resister FAQs", Form #08.007 .....	283
Rebutted Version of the IRS pamphlet: "The Truth About Frivolous Tax Arguments", Form #08.005.....	55, 282
Reliability of Information on Taxpayers Claiming Many Withholding Allowances or Exemption from Federal Income Tax Withholding, GAO-03-913R .....	250
Requirement for Consent, Form #05.003 .....	134, 165, 230, 268, 309
Resignation of Compelled Social Security Trustee .....	53, 65, 68, 161, 163, 269, 274, 336, 337, 427, 449
Restatement, Second, Contracts, §3 .....	373
Revenue Act of 1939, 53 Stat. 1, SEDM Exhibit #05.027 .....	130
Rules of Presumption and Statutory Interpretation, Litigation Tool #01.006 .....	219, 362
Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34.....	129, 324
Second Plank of the Communist Manifesto .....	361



## Table of Contents

SEDM Form #05.030 .....	217
SEDM Forms Page.....	92
SEDM Jurisdictions Database, Litigation Tool #09.008 .....	172
SEDM Liberty University, Section 4 .....	53, 103
Self Government Federation: Articles of Confederation, Form #13.002 .....	193
Senator Sam Ervin, during Watergate hearing .....	362
Separation of Powers Doctrine .....	256
Social Security Form SS-5 .....	65
Social Security Program Operations Manual (POMS), Section RM 00299.005 Form SSA-L669 Request for Evidence in Support of an SSN Application — U.S.-Born Applicant .....	93
Social Security Program Operations Manual System (POMS), Section RS 02650.040.....	192
Socialism: The New American Civil Religion, Form #05.016.....	127, 133, 363
Sovereignty and Freedom: Section 7, Self Government .....	218
Sovereignty Forms and Instructions Manual, Form #10.005, Section 2.5.3.13.....	193
Sovereignty Forms and Instructions Online, Form #10.004.....	54
Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic .....	77, 307
Sovereignty Forms and Instructions Online, Form #10.004, Forms, Section 6.....	445
Sovereignty Forms and Instructions Online, Form #10.004, Instructions, Step 3.13 .....	193
Sovereignty Forms and Instructions Online, Form #10.004, Instructions, Step 4.13: Stop Employer Withholding of Income Taxes .....	302
SS-5 form .....	93, 269, 277
SS-5 form, block 5 .....	93
SSA Form 521 .....	53, 68
Standard IRS Form W-8BEN.....	315, 317, 329, 339, 409
STANDARD IRS Form W-8BEN .....	333
Standard IRS Form W-8BEN Instructions .....	330
Starting a Business and Keeping Records, Rev. May 2002, p. 8.....	367
State Income Taxes, Form #05.031 .....	54, 67, 155, 368
Tax Deposition Questions, Form #03.016.....	451
Tax Deposition Questions, Form #03.016, Section 2 .....	125
Tax Form Attachment, Form #04.201 .....	73, 92, 277, 287, 333, 459
Tax Fraud Prevention Manual, Form #06.008 .....	2, 272, 297
Tax Procedure and Tax Fraud, Patricia Morgan, 1999, ISBN 0-314-06586-5.....	358
Tax Procedure and Tax Fraud, Patricia Morgan, 1999, ISBN 0-314-06586-5, West Group.....	279
Tax Withholding and Reporting Forms, Section 1.4.....	368, 452
Tax Withholding and Reporting: What the Law Says, Form #04.103 .....	54, 302, 368
Test for Federal Tax Professionals .....	391
Test for State Tax Professionals .....	156
The “Trade or Business” Scam.....	54, 69, 135, 147, 315, 432, 447
The “Trade or Business” Scam, Form #05.001 .....	82, 102, 160, 179, 238, 247, 284, 339, 362, 370, 409, 442, 444, 462
The “Trade or Business” Scam, Form #05.001, Section 2 .....	356
The “Trade or Business” Scam, Section 11 .....	356
The Government “Benefits” Scam, Form #05.040.....	362
The Institutes of Biblical Law, Rousas John Rushdoony, 1973, The Craig Press, Library of Congress Catalog Card Number 72-79485, pp. 4-5 .....	127
The Institutes of Biblical Law, Rousas Rushdoony, 1973, The Presbyterian and Reformed Publishing Company, Library of Congress Catalog Card Number 72-79485, p. 502 .....	297
The Law of Nations, Book 1, Section 223, Vattel.....	174
The Law of Nations, p. 87, E. De Vattel, Volume Three, 1758, Carnegie Institution of Washington .....	238
The Law of Nations, Vattel, Book 1, Chapter 19, Section 213, p. 87 .....	187
The Money Scam, Form #05.041 .....	362
The Payroll Source, 2002; American Payroll Association; Michael P. O'Toole, Esq.; ISBN 1-930471-24-6 .....	329, 444
The Social Contract or Principles of Political Right, Jean Jacques Rousseau, 1762 .....	174
The Social Contract or Principles of Political Right, Jean Jacques Rousseau, 1762, Book IV, Chapter 2.....	175
The Unlimited Liability Universe .....	133
Thomas Jefferson to Charles Hammond, 1821. ME 15:331.....	71
Thomas Jefferson to Charles Hammond, 1821. ME 15:332.....	71

## Table of Contents

Thomas Jefferson to Gideon Granger, 1800. ME 10:168 .....	71
Thomas Jefferson to Thomas Ritchie, 1820. ME 15:297 .....	71
Thomas Jefferson: 1st Inaugural, 1801. ME 3:320.....	99
Thomas Jefferson: Autobiography, 1821. ME 1:121 .....	71
Treasury Financial Management Service (FMS) Website.....	126
Treasury Order 150-01 .....	261
Treatise on Government, Joel Tiffany, p. 49, Section 78 .....	141, 256
Treatise on the Law of Domicil, M.W. Jacobs, 1887; Little Brown and Company; §57, pp. 93-98 .....	169
Treatise on the Law of Domicil, M.W. Jacobs, 1887; Little, Brown, and Company, pp. 174-175 .....	208
Treatise on the Law of Public Offices and officers, p. 609, §909; Floyd Mechem, 1890 .....	270
TSP Pamphlet OC-96-21, <a href="http://tsp.gov/forms/index.html">http://tsp.gov/forms/index.html</a> , p. 2. ....	313
TSP Pamphlet OC-96-21, <a href="http://tsp.gov/forms/index.html">http://tsp.gov/forms/index.html</a> , p. 3 .....	313
U.S. Attorney Manual, Section 666.....	281
U.S. Master Compensation Tax Guide (Fourth Edition) .....	435
United States Attorney Manual, Section 666 .....	281
United States Government Accounting Office .....	250
USA Passport Application Attachment, Form #06.007.....	92, 346
USCIS Website .....	343
Vatt. Law Nat. pp. 92, 93 .....	192, 213
Voter Registration Attachment, Form #06.003 .....	53, 92
W. Anderson, A Dictionary of Law 261 (1893).....	361
W-2 Form .....	397
W-2C forms.....	360
W-8 Form.....	339
W-8BEN Form .....	433
Washington Mutual Policy Document, 3/22/2007 .....	334
We The People Are The American Government, Nancy Levant .....	237
What Happened to Justice?, Form #06.012 .....	219, 362
When Freedoms Conflict: Party Discipline and the First Amendment. 11 JL & Pol 751, Fall, 1995 .....	184
Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013. 54, 66, 82, 91, 298, 326, 332, 336, 337, 339, 340, 446 .....	
Why Domicile and Becoming a “taxpayer” Require Your Consent, Form #05.002 .....	70
Why Domicile and Becoming a “Taxpayer” Require Your Consent .....	157, 300, 331, 337
Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002.....	319
Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205338, 409, 427, 438, 444, 446, 465 .....	
Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037 .....	177, 218, 224, 300
Why the Government Can’t Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011 .....	59, 62, 159
Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen 207, 256, 274, 300, 317, 319, 331, 373, 400, 433 .....	
Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.00670, 72, 80, 362, 444 .....	
Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006, Section 13.1 ....	90
Why You Aren’t Eligible for Social Security, Form #06.001 .....	90, 427
Why You Shouldn’t Cite Federal Statutes as Authority for Protecting Your Rights .....	67
Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.008 ...	82, 105, 113, 240, 300, 319, 370
Withholding of Tax on Nonresident Aliens and Foreign Corporations, IRS Publication 515.....	309
Wrong Party Notice, Form #07.105 .....	65, 68
You’re Not a “citizen” under the Internal Revenue Code .....	213, 316, 331
You’re Not a “resident” under the Internal Revenue Code .....	213, 300, 317, 331
Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008.....	206, 239, 338, 409
Your Rights as a Nontaxpayer, Form #08.008 .....	166

## Scriptures

1 Cor. 7:23.....	117
------------------	-----

## Table of Contents

1 John 2:15 .....	207
1 John 3:1 .....	210
1 John 3:10 .....	210
1 John 5:19 .....	209
1 John 5:2 .....	210
1 Kings 11:9-13 .....	195
1 Peter 2:1 .....	207
1 Sam. 14:24 .....	182
1 Sam. 8:4-20 .....	183
1 Tim. 5:18 .....	111
2 Cor. 5:20 .....	210
2 Cor. 5:6-8 .....	209
2 Peter 3:7 .....	206
2 Tim. 1:8-9 .....	227
Colossians 4:1 .....	117
Deut. 19:16-21 .....	361
Deut. 31:17 .....	212
Deut. 31:18 .....	212
Deut. 32:20 .....	212
Deut. 32:5 .....	211
Deut. 6:13 .....	182
Deuteronomy 10:14 .....	194
Eccl. 2:18-23 .....	187
Eph. 2:10 .....	227
Eph. 2:4-6 .....	227
Eph. 5:11 .....	223
Esther 3:8-9 .....	195, 208
Exodus 10:16 .....	361
Exodus 18:20 .....	288
Exodus 20:15 .....	127
Exodus 22:20 .....	212
Exodus 23:32-33 .....	179
Exodus 34:10-16 .....	212
Exodus, 23:1 .....	361
Gal. 5:1 .....	117
Gal. 5:18 .....	195
Galatians 5:1 .....	213
Gn. 14 .....	198
Hebrews 11:13 .....	149, 207
Hos. 12:7, 8 .....	287
Hosea 4:6 .....	288
Isaiah 33:22 .....	195, 211
Isaiah 40:23 .....	128
Isaiah 42:21-25 .....	288
Isaiah 45:12 .....	194
Isaiah 52:3 .....	181
Isaiah 9:6 .....	211
James 1:27 .....	209
James 3:16 .....	252
James 4:3-4 .....	157
James 4:4 .....	157, 207
James 4:6 .....	334
James 5:1-6 .....	111
Jer. 22:13 .....	111
Jeremiah 1:5 .....	227
John 1:2 .....	210
John 12:25 .....	209

## Table of Contents

---

John 14:30-31 .....	209
John 15:18-25 .....	196
John 15:19 .....	209
Joshua 1:8-9 .....	288
Lev. 17:7 .....	212
Lev. 19:13 .....	111
Lev. 22:10-11 .....	212
Luke 16:13 .....	198, 241, 325
Matt. 17:24-27 .....	75, 305
Matt. 22:15-22 .....	195
Matt. 4:8-11 .....	209
Matt. 6:24 .....	103, 178, 196, 238
Matt. 8:19-20 .....	210
Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1 .....	287
Numbers 30:2 .....	182
Philippians 3:20 .....	207
Prov. 11:1 .....	104
Prov. 12:24 .....	412
Prov. 19:9 .....	361
Prov. 21:6 .....	287
Prov. 28:9 .....	434
Prov. 3:30 .....	99
Prov. 3:9 .....	132
Prov. 6:9-11 .....	128
Proverbs 1:10-19 .....	102, 128
Ps 50:18 .....	157
Psalms 139:14-17 .....	227
Psalms 47:7 .....	211
Psalms 7:14-16 .....	2
Psalms 89:11-13 .....	194
Rev. 17:1-2 .....	105
Rev. 17:15 .....	105
Rev. 17:3-6 .....	105
Rev. 17:5 .....	157
Rev. 18:1-8 .....	243
Rev. 18:4-8 .....	105
Rev. 19:19 .....	105, 179, 199
Rom. 13:1-7 .....	211
Romans 12:2 .....	207
Romans 13:9 .....	127
Romans 13:9-10 .....	99
Romans 8:16 .....	210
Romans 9:8 .....	210

**INDEX**

- 1  
2  
3 “Positive law” ..... 130  
4 “We The People” ..... 185  
5 CHRISTIANS  
6 Jesus ..... 241  
7 CITIZENSHIP  
8 “nationals” .... 143, 200, 297, 298, 299, 373, 376, 400,  
9 415, 416, 419  
10 Dual citizenship ..... 254  
11 Natural Born Citizens ..... 154  
12 State nationals ..... 300, 400, 415  
13 U.S. citizen ..... 74, 89, 93, 116, 222, 304, 375, 377  
14 U.S. national ..... 74, 89, 304, 375, 399  
15 DOMICILE  
16 Legal presumptions concerning ..... 213  
17 FORMS  
18 Amended W-8BEN ..... 454  
19 Currency Transaction Reports ..... 417  
20 Form 1040 ..... 150  
21 Form 1099-MISC ..... 417  
22 Form 8300 ..... 417  
23 Form W-8BEN155, 300, 301, 329, 341, 404, 448, 453,  
24 454, 455  
25 I-9 Form ..... 11  
26 IRS Form 1040 ..... 417  
27 IRS Form 8823 ..... 289  
28 IRS Form W-8BEN ..... 289  
29 Modifications to are lawful ..... 289  
30 New Hire Paperwork Attachment ..... 461, 462  
31 Payroll Withholding Form Attachment (long version)  
32 ..... 456  
33 Payroll Withholding Form Attachment (short version)  
34 ..... 457  
35 Proof of service by Mail ..... 461  
36 Stop Withholding Affidavit ..... 452  
37 Substitute W-9 ..... 460  
38 W-2 ..... 445  
39 W-4... 10, 11, 104, 109, 114, 142, 145, 147, 155, 267,  
40 268, 269, 274, 277, 283, 289, 290, 291, 292, 293,  
41 294, 295, 296, 297, 301, 302, 331, 368, 373, 379,  
42 392, 393, 394, 397, 401, 402, 403, 411, 412, 420,  
43 424, 428, 429, 430, 432, 433, 442, 445, 456, 457,  
44 463  
45 W-8 ..... 453  
46 W-8BEN ..... 268, 290, 379, 445, 455  
47 W-9 ..... 10, 298, 299, 446, 460  
48 FOUNDING FATHERS  
49 Founding Fathers ..... 201  
50 Hamilton, Alexander ..... 104, 388  
51 Jefferson, Thomas ..... 208  
52 Madison, James ..... 188, 255, 325  
53 LAWS  
54 California Revenue and Taxation Code ..... 154  
55 Constitution .... 2, 52, 96, 97, 103, 111, 113, 114, 116,  
56 121, 122, 125, 127, 131, 134, 136, 138, 142, 143,  
57 144, 147, 149, 150, 185, 190, 201, 226, 254, 266,  
58 267, 268, 269, 273, 274, 275, 276, 280, 290, 298,  
59 373, 376, 390, 391, 392, 400, 401, 410, 411, 412,  
60 416, 420, 428, 434, 436, 443  
61 I.R.C. .... 2, 11, 96, 107, 110, 113, 133, 134, 135, 141,  
62 142, 144, 147, 148, 155, 229, 267, 268, 281, 293,  
63 296, 297, 298, 299, 365, 368, 369, 391, 393, 394,  
64 397, 400, 403, 404, 410, 411, 412, 414, 415, 416,  
65 417, 418, 419, 422, 443, 447  
66 Internal Revenue Code .2, 9, 10, 52, 96, 98, 106, 107,  
67 108, 109, 110, 112, 113, 116, 125, 126, 128, 129,  
68 130, 133, 134, 135, 137, 138, 141, 142, 145, 147,  
69 148, 150, 154, 159, 201, 268, 269, 270, 271, 272,  
70 275, 276, 277, 279, 280, 290, 292, 295, 296, 297,  
71 298, 299, 311, 343, 364, 368, 369, 376, 384, 389,  
72 390, 391, 396, 397, 400, 402, 403, 411, 412, 414,  
73 416, 417, 420, 421, 422, 424, 425, 429, 433, 434,  
74 435, 436, 446  
75 Internal Revenue Code, Subtitle A 106, 134, 148, 268  
76 state revenue codes ..... 149, 150  
77 Statutes at large ..... 280  
78 Subtitle C of the Internal Revenue Code 135, 248, 371,  
79 376  
80 Treasury Regulations ..... 201, 293, 394, 422  
81 LIBERTY  
82 liberty ..... 362  
83 Nonresident aliens .... 8, 9, 107, 143, 145, 147, 155, 200,  
84 201, 248, 297, 298, 299, 311, 312, 331, 369, 371, 376,  
85 379, 380, 381, 382, 383, 384, 386, 390, 391, 400, 402,  
86 404, 408, 412, 416, 417, 419, 426, 433, 435, 442, 448,  
87 463  
88 POLITICAL SYSTEMS  
89 Communist judges ..... 132  
90 Socialism ..... 126, 127, 128, 133  
91 Socialist ..... 7  
92 Private law ..... 147, 268, 403  
93 Public law ..... 147, 403, 448  
94 PUBLICATIONS  
95 Black’s Law Dictionary .... 94, 95, 105, 114, 115, 127,  
96 136, 143, 201, 253, 267, 274, 296, 373  
97 Great IRS Hoax ..... 2, 94, 105, 117, 133, 443  
98 Great IRS Hoax, Form #11.302 .... 108, 109, 131, 133,  
99 141  
100 Internal Revenue Manual (IRM) ..... 107, 278  
101 IRS Publication 15 ..... 112  
102 IRS Publication 334 ..... 417  
103 IRS Publication 519 ..... 412  
104 IRS Publication 519, Year 2000 ..... 403  
105 IRS Publication 583 ..... 417  
106 IRS Publications ..... 11, 278, 291, 293, 433  
107 IRS Published Products Catalog for 2003 ..... 143  
108 Law of Nations ..... 192, 201  
109 Publication 515 ..... 11, 379  
110 Test for Federal Tax Professional ..... 11

## Index

1	Test for Federal Tax Professionals 422, 432, 434, 436	31	Conflicts of law ..... 265
2	Test for Federal Tax Professionals .....52	32	External sovereignty ..... 263
3	Unreliability of IRS publications.....277	33	Federal and state sovereignty..... 265
4	RELIGION	34	Internal sovereignty ..... 263
5	Bible ... 2, 11, 104, 105, 111, 117, 120, 127, 128, 131,	35	Personal sovereignty, freedom..... 125
6	132, 182, 183, 187, 198, 199, 206, 207, 208, 209,	36	Political power and sovereignty..... 197
7	210, 212, 213, 223, 227, 412, 434	37	Sovereigns ..... 192
8	Book of Revelations .....132	38	Sovereignty .....53, 124, 130
9	Catholic churches .....131	39	STATES
10	Cult..... 130, 131, 132	40	50 states ..... 142, 416
11	Deacons .....131	41	50 Union states .....152, 154, 377
12	Exorcised .....132	42	California.....153, 154, 379
13	Jesus ..... 105, 198, 207, 209, 210, 227, 447	43	state of the Union..107, 110, 115, 143, 150, 153, 155,
14	Pharisees.....212, 391	44	200, 223, 253, 269, 270, 274, 276, 292, 296, 298,
15	Priest/judge.....132	45	299, 331, 332, 351, 391, 414, 415, 418, 449
16	Priests .....133	46	U.S. GOVERNMENT
17	Prophets.....131	47	Congress ..... 110, 167, 189, 377, 391
18	Religion9, 104, 130, 131, 132, 133, 209, 226, 351, 403	48	Department of Health and Human Services (DHHS)
19	Twelve disciples .....131	49	..... 126
20	SOCIAL SECURITY	50	Department of Justice ..... 132, 392
21	Old Age Survivors Disability Insurance.....126	51	Dept. of Treasury..... 394
22	Social Security 8, 11, 12, 98, 115, 116, 118, 123, 126,	52	Executive Branch..... 133
23	135, 268, 269, 270, 271, 272, 276, 277, 283, 290,	53	Executive department ..... 110, 372
24	314, 330, 351, 379, 385, 386, 411, 422, 423, 426,	54	Internal Revenue Service (IRS) ..... 109, 142
25	432, 441, 449	55	Library of Congress .....110, 297, 372
26	Social Security Number..12, 115, 116, 118, 123, 270,	56	Treasury Financial Management Service (FMS).. 126
27	277, 283, 290, 330, 351, 422, 426, 432	57	U.S. Congress ..... 108, 113, 131, 143, 266
28	Vehicle for extending federal jurisdiction .....268	58	U.S. Supreme Court..94, 97, 109, 110, 111, 117, 118,
29	SOVEREIGNTY	59	125, 132, 135, 179, 184, 190, 198, 272, 273, 276,
30	Compared with slavery .....120	60	279, 280, 392, 400, 410, 434
61			

# 1. Introduction

## 1.1 Purpose

This book was written by a concerned American who wanted to inform his private employer or prospective employer about the laws relating to federal and state income taxation. The intention is to educate, not to persecute or threaten either private employees or employers, and to create a good-faith, informed, trusting environment for both employers and employees to learn about what the Internal Revenue Code and the Constitution really require. Most employers we have encountered are quite surprised by the truth about the Internal Revenue Code and our Constitution, in fact. We have also created this book to keep the focus on the most important and relevant facts and law, and to eliminate the fear and superstition that comes from ignorance about the law. We want employers and employees bargaining from a position of strength and knowledge, rather than fear and ignorance.

We will try very hard in this book to focus on law, education, answers, and solutions rather than blame. This book ends in Section 23.4 with a list of possible withholding options. Forms that implement each one of these options are then found in Appendix A. Hopefully, there is something in the book that will satisfy everyone without the need to force anyone to do anything they don't want to do, violate any law, or perjure themselves on a government form.

Those employers in receipt of this document who wish to challenge its conclusions are encouraged to do so by rebutting the evidence found in Appendix B, the *Test for Federal Tax Professionals*, and to send the rebutted version signed under penalty of perjury to the author and to the worker who gave it to you. The authors have yet to receive even one rebuttal, because there is simply no way to refute the truth, but he welcomes feedback and rebuttal so that this book can be improved over time. You can contact the author at:

<http://famguardian.org/contact.htm>

The basis of good-faith dealings we want to establish with this book is full disclosure of *relevant* law, facts, and judicial precedent and complete accountability on both sides of the debate. Consequently, private employers, after having received this book, should respond to the worker who gave it to them officially and in a signed writing. Neither emails nor private meetings nor voice communications are adequate manifestations of intent, but *only* a signed statement or letter are adequate manifestation of the reaction to this document by the private employer. Everything should be out in the open and documented or there will be a tendency to encourage bad faith and underhanded tactics. No communication should be concealed or avoided and all parties should be equally accountable for what they say and do in the process of arriving at a mutually beneficial and equitable payroll tax withholding arrangement that is completely consistent with the laws on taxation. Any attempt to conceal, to refuse to do things in a signed writing, or to refuse to communicate or answer questions about any decisions made shall be interpreted as willful violation of the law by either party.

If termination of employment or termination of intent to hire a prospective worker should occur by a private employer because of the receipt of this document, then a good body of evidence will then be available to demonstrate the basis for the wrongful termination. Termination of a worker or prospective worker based on failure to implement voluntary withholding the way the private employer demands or failure to disclose a social security number is not adequate grounds for termination and in fact is a violation of civil rights and other laws that we will discuss.

If you as either a private employee or private employer find that this book is more information than you have time or interest to handle in your busy daily life, then may we recommend a considerably condensed free synopsis of this information found below:

*Federal Tax Withholding*, Form #04.102  
<http://sedm.org/Forms/FormIndex.htm>

We kindly ask all of our readers to resist the temptation to try to contact us to obtain legal advice or help in stopping withholding. Our About Us page (<http://famguardian.org/aboutus.htm>) Section 12, Item 23 says that we aren't allowed to get involved in giving legal advice or helping people start or stop withholding. Our main goal in this publication is to educate you about what the law requires to make it easier for you to *follow* the law and to prevent others from violating it. This document is not advertising and we don't offer any services, nor are we a business. If you want to be free and



sovereign, then you are going to have to learn how to run your own life, make your own choices, and educate yourself. That approach, in fact, is precisely how and why this book was written in the first place. Sovereignty begins with personal responsibility.

## 1.2 Abbreviated Path to Freedom

**IMPORTANT NOTE:** Knowledge and preparation are the best defense you can have from unlawful enforcement actions by the government. Please ensure that you execute as many of the following steps to achieving sovereignty as you can prior to stopping withholding in order to provide the best protection possible for your rights and liberties. These steps will help to remove you and your property from government jurisdiction and minimize risk exposure:

1. Read everything in this book at least once and try your best to understand it.
2. Go over the questions in Appendix B so that you know why the answer is “Admit” to every question. You are going to use this document to confront those who are violating the law, so you better understand it.
3. Read chapters 3 through 5 of our free Great IRS Hoax, Form #11.302 book. It will give you the excellent background you need to read and understand the law for yourselves without the need of an attorney or expert, and show you what the law says about your rights and responsibilities. Nearly all the problems and violations of law appearing in this book are a direct result of the fact that no one reads or understands the law anymore and you are going to have to be different if you want to avoid all of the consequences of this ignorance related slavery.
4. Read and send in the following two documents to the government to correct your citizenship and “taxpayer” status and restore your sovereignty:
  - 4.1. Resignation of Compelled Social Security Trustee  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>
  - 4.2. Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>
5. Cancel your old passport and get a new passport without a Socialist Security Number using the following procedure:  
<http://famguardian.org/Subjects/Taxes/Citizenship/ApplyingForAPassport.htm>
6. If you are a registered voter, you must UNREGISTER and then REREGISTER using the following form as an attachment in order to correct your citizenship and domicile records with the government:

Voter Registration Attachment, Form #06.003  
<http://sedm.org/Forms/FormIndex.htm>
7. Close all your financial accounts that have federal numbers and reopen them as a nonresident alien without an identifying number. See Section 7 of the following article:  
<http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm>
8. Resubmit all the withholding paperwork at your job according to the instructions in this book WITHOUT a federal identifying number. Provide a copy of SSA Form 521 to your private employer with the number removed proving that you quit the system if you previously gave them a federal identifying number. Warn them that any use of that number constitutes FRAUD beyond that point for which you will file a criminal complaint.

After achieving the above steps, do the following to maintain and protect the sovereignty you established above:

1. Turn off the TV and dedicate yourself to learning how to stay free and sovereign by reading the free materials in the Liberty University at the address below. The price of liberty is eternal vigilance and the main reason people get hurt is because of their own ignorance. Education is the ONLY thing they can't take away from you in the end:  
<http://sedm.org/LibertyU/LibertyU.htm>
2. Whenever asked to sign any kind of government form, ensure you attach the appropriate attachments found in section 4 of the Liberty University in order to avoid being connected to any government franchises that might destroy your rights:  
<http://sedm.org/LibertyU/LibertyU.htm>
3. Whenever anyone tries to allege that any federal law imposes any kind of “duty” upon you, DEMAND that they produce either the statute and the implementing regulation published in the Federal Register OR proof that you are a federal instrumentality exempt from the requirement for implementing regulations published in the Federal Register as required by the following:

Federal Enforcement Authority in States of the Union, Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>

4. If called upon to respond to a tax collection or other government enforcement action, ensure that you carefully avoid all of the flawed arguments documented in the pamphlet below or you may be penalized or sanctioned for entertaining “frivolous” arguments:

*Flawed Tax Arguments to Avoid*, Form #08.004

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

5. When asked for an identifying number, use the information found in the following pamphlet to respond to such requests:

*About SSN's and TIN's on Government Forms and Correspondence*, Form #05.012

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

The steps above are also summarized in greater detail in the following helpful resource below:

*Path to Freedom*, Form #09.015

FORMS PAGE: <http://sedm.org/LibertyU/LibertyU.htm>

DIRECT LINK: <http://sedm.org/Forms/Procs/PathToFreedom.pdf>

### **1.3 Resources for Further Reading and Research**

If you would like to study the subjects covered in this free book in further detail, may we recommend the following additional authoritative sources, and also welcome you to rebut any part of this book after your have read it and studied the subject carefully yourself just as we have:

1. The “Trade or Business” Scam- Describes the Heart of the IRS fraud.  
<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>
2. Government Instituted Slavery Using Franchises, Form #05.030- Excellent pamphlet that describes how franchises work generally, of which the income tax is a subset as an excise tax upon the “trade or business” franchise. Also describes all the legal consequences of participating in franchises upon one’s standing in court.  
<http://sedm.org/Forms/FormIndex.htm>
3. Nonresident Alien Position, Form #05.020- Memorandum of law that describes in detail the approach to federal income taxes of this website.  
<http://sedm.org/Forms/FormIndex.htm>
4. Federal Tax Withholding, Form #04.102- Free abbreviated version of this pamphlet. Give this to busy management types at your private employer who don’t have time to read this whole book.  
<http://sedm.org/Forms/FormIndex.htm>
5. Tax Withholding and Reporting: What the Law Says, Form #04.103- Concise summary of the laws on tax withholding and reporting. Hand this to your private employer payroll dept to educate them quickly.  
<http://sedm.org/Forms/FormIndex.htm>
6. Income Tax Withholding and Reporting Course, Form #12.004- Short Powerpoint presentation that summarizes tax withholding and reporting. Show this to groups of people.  
<http://sedm.org/Forms/FormIndex.htm>
7. State Income Taxes, Form #05.031- Summarizes the relationship of state income taxation to federal income taxation. They are related and interdependent.  
<http://sedm.org/Forms/FormIndex.htm>
8. Liberty University- Free educational materials for regaining your sovereignty as an entrepreneur or private person  
<http://sedm.org/LibertyU/LibertyU.htm>
9. Family Guardian Website, Taxation page- Free website  
<http://famguardian.org/Subjects/Taxes/taxes.htm>
10. Great IRS Hoax, Form #11.302- Free downloadable electronic book  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>
11. Sovereignty Forms and Instructions Online, Form #10.004- Free references and tools to help those who want to escape federal slavery  
<http://famguardian.org/TaxFreedom/FormsInstr.htm>
12. Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013- Free downloadable pamphlet  
<http://sedm.org/Forms/FormIndex.htm>
13. What to Do when the IRS Comes Knocking, Form #09.002- Free downloadable pamphlet  
<http://sedm.org/Forms/FormIndex.htm>

14. Rebutted Version of the IRS pamphlet: “The Truth About Frivolous Tax Arguments”, Form #08.005- Free downloadable pamphlet  
<http://sedm.org/Forms/FormIndex.htm>
15. Flawed Tax Arguments to Avoid, Form #08.004- Free pamphlet  
<http://sedm.org/Forms/FormIndex.htm>

## 2. Overview of the Income Taxation Process

This section provides basic background on how the income tax described in Internal Revenue Code Subtitle A functions. This will help you fit the explanation contained in this memorandum into the overall taxation process. Below is a summary of the taxation process:

1. The purpose for establishing governments is mainly to protect private property. The Declaration of Independence affirms this:

*“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, 1776]*

2. Government protects private rights by keeping “public [government] property” and “private property” separate and never allowing them to be joined together. This is the heart of the separation of powers doctrine: separation of what is private from what is public with the goal of protecting mainly what is private. See:

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

3. All property BEGINS as private property. The only way to lawfully change it to public property is through the exercise of your unalienable constitutional right to contract. All franchises qualify as a type of contract, and therefore, franchises are one of many methods to lawfully convert PRIVATE property to PUBLIC property. The exercise of the right to contract, in turn, is an act of consent that eliminates any possibility of a legal remedy of the donor against the donee:

*“Volunt non fit injuria.*  
*He who consents cannot receive an injury. 2 Bouv. Inst. n. 2279, 2327; 4 T. R. 657; Shelf. on mar. & Div. 449.*

*Consensus tollit errorem.*  
*Consent removes or obviates a mistake. Co. Litt. 126.*

*Melius est omnia mala pati quam malo concentire.*  
*It is better to suffer every wrong or ill, than to consent to it. 3 Co. Inst. 23.*

*Nemo videtur fraudare eos qui sciunt, et consentiunt.*  
*One cannot complain of having been deceived when he knew the fact and gave his consent. Dig. 50, 17, 145.”*  
*[Bouvier’s Maxims of Law, 1856;*  
*SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]*

4. In law, all 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.  
[Black's Law Dictionary, Fifth Edition, p. 1095]

By protecting your constitutional rights, the government is protecting your PRIVATE property. Your rights are private property because they came from God, not from the government. Only what the government creates can become public property. An example is corporations, which are a public franchise that makes officers of the corporation into public officers.

5. The process of taxation is the process of converting "private property" into a "public use" and a "public purpose". Below are definitions of these terms for your enlightenment.

Public use. Eminent domain. The constitutional and statutory basis for taking property by eminent domain. For condemnation purposes, "public use" is one which confers some benefit or advantage to the public; it is not confined to actual use by public. It is measured in terms of right of public to use proposed facilities for which condemnation is sought and, as long as public has right of use, whether exercised by one or many members of public, a "public advantage" or "public benefit" accrues sufficient to constitute a public use. *Montana Power Co. v. Bokma, Mont.*, 457 P.2d. 769, 772, 773.

Public use, in constitutional provisions restricting the exercise of the right to take property in virtue of eminent domain, means a use concerning the whole community distinguished from particular individuals. But each and every member of society need not be equally interested in such use, or be personally and directly affected by it; if the object is to satisfy a great public want or exigency, that is sufficient. *Ringe Co. v. Los Angeles County*, 262 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186. The term may be said to mean public usefulness, utility, or advantage, or what is productive of general benefit. It may be limited to the inhabitants of a small or restricted locality, but must be in common, and not for a particular individual. The use must be a needful one for the public, which cannot be surrendered without obvious general loss and inconvenience. A "public use" for which land may be taken defies absolute definition for it changes with varying conditions of society, new appliances in the sciences, changing conceptions of scope and functions of government, and other differing circumstances brought about by an increase in population and new modes of communication and transportation. *Katz v. Brandon*, 156 Conn. 521, 245 A.2d. 579, 586.

See also Condemnation; Eminent domain.  
[Black's Law Dictionary, Sixth Edition, p. 1232]

"Public purpose. In the law of taxation, eminent domain, etc., this is a term of classification to distinguish the objects for which, according to settled usage, the government is to provide, from those which, by the like usage, are left to private interest, inclination, or liberality. The constitutional requirement that the purpose of any tax, police regulation, or particular exertion of the power of eminent domain shall be the convenience, safety, or welfare of the entire community and not the welfare of a specific individual or class of persons [such as, for instance, federal benefit recipients as individuals]. "Public purpose" that will justify expenditure of public money generally means such an activity as will serve as benefit to community as a body and which at same time is directly related function of government. *Pack v. Southwestern Bell Tel. & Tel. Co.*, 215 Tenn. 503, 387 S.W.2d. 789, 794 .

The term is synonymous with governmental purpose. As employed to denote the objects for which taxes may be levied, it has no relation to the urgency of the public need or to the extent of the public benefit which is to follow: the essential requisite being that a public service or use shall affect the inhabitants as a community, and not merely as individuals. A public purpose or public business has for its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants or residents within a given political division, as, for example, a state, the sovereign powers of which are exercised to promote such public purpose or public business."

[Black's Law Dictionary, Sixth Edition, p. 1231, Emphasis added]

6. The federal government has no power of eminent domain within states of the Union. This means that they cannot lawfully convert private property to a public use or a public purpose within the exclusive jurisdiction of states of the Union:

**“The United States have no constitutional capacity to exercise municipal jurisdiction, sovereignty, or eminent domain, within the limits of a State or elsewhere, except in cases where it is delegated, and the court denies the faculty of the Federal Government to add to its powers by treaty or compact.”**

[Dred Scott v. Sandford, 60 U.S. 393, 508-509 (1856)]

7. The Fifth Amendment prohibits converting private property to a public use or a public purpose without just compensation if the owner does not consent, and this prohibition applies to the Federal government as well as states of the Union. It was made applicable to states of the Union by the Fourteenth Amendment in 1868.

*Fifth Amendment - Rights of Persons*

**No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.**

[United States Constitution, Fifth Amendment]

If the conversion of private property to public property is done without the express consent of the party affected by the conversion and without compensation, then the following violations have occurred:

7.1. Violation of the Fifth Amendment “takings clause” above.

7.2. “Conversion” in violation of 18 U.S.C. §654.

7.3. Theft.

8. Because taxation involves converting private property to a public use, public purpose, and public office, then it involves eminent domain if the owner of the property did not expressly consent to the taking:

***Eminent domain.*** The power to take private property for public use by the state, municipalities, and private persons or corporations authorized to exercise functions of public character. *Housing Authority of Cherokee National of Oklahoma v. Langley, Okl., 555 P.2d. 1025, 1028. Fifth Amendment, U.S. Constitution.*

*In the United States, the power of eminent domain is founded in both the federal (Fifth Amend.) and state constitutions. However, the Constitution limits the power to taking for a public purpose and prohibits the exercise of the power of eminent domain without just compensation to the owners of the property which is taken. The process of exercising the power of eminent domain is commonly referred to as “condemnation”, or, “expropriation”.*

*The right of eminent domain is the right of the state, through its regular organization, to reassert, either temporarily or permanently, its dominion over any portion of the soil of the state on account of public exigency and for the public good. Thus, in time of war or insurrection, the proper authorities may possess and hold any part of the territory of the state for the common safety; and in time of peace the legislature may authorize the appropriation of the same to public purposes, such as the opening of roads, construction of defenses, or providing channels for trade or travel. Eminent domain is the highest and most exact idea of property remaining in the government, or in the aggregate body of the people in their sovereign capacity. It gives a right to resume the possession of the property in the manner directed by the constitution and the laws of the state, whenever the public interest requires it.*

*See also Adequate compensation; Condemnation; Constructive taking; Damages; Expropriation; Fair market value; Just compensation; Larger parcel; Public use; Take.*  
[Black’s Law Dictionary, Fifth Edition, p. 470]

9. The Fifth Amendment requires that any taking of private property without the consent of the owner ***must*** involve compensation. The Constitution must be consistent with itself. The taxation clauses found in Article 1, Section 8, Clauses 1 and 3 cannot conflict with the Fifth Amendment. The Fifth Amendment contains no exception to the requirement for just compensation upon conversion of private property to a public use, even in the case of taxation. This is why all taxes must be indirect excise taxes against people who provide their consent by applying for a license to engage in the taxed activity: The application for the license constitutes constructive consent to donate the fruits of the activity to a public use, public purpose, and public office.
10. There are only ONE condition in which the conversion of private property to public property does NOT require compensation, which is when the owner donates the private property to a public use, public purpose, or public office. To wit:



“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 [e.g. SOCIAL SECURITY, Medicare, and every other public “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)]

The above rules are summarized below:

**Table 1: Rules for converting private property to a public use or a public office**

#	Description	Requires consent of owner to be taken from owner?
1	The owner of property justly acquired enjoys full and exclusive use and control over the property. This right includes <u>the right to exclude government uses</u> or ownership of said property.	Yes
2	He may not use the property to injure the equal rights of his neighbor. 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”.	No
3	He cannot be compelled or required to use it to “benefit” his neighbor. That means he cannot be compelled to donate the property to any franchise that would “benefit” his neighbor such as Social Security, Medicare, etc.	Yes
4	If he donates it to a public use, he gives the public the right to control that use.	Yes
5	Whenever the public needs require, the public may take it without his consent upon payment of due compensation. E.g. “eminent domain”.	No

11. The following two methods are the ONLY methods involving consent of the owner that may be LAWFULLY employed to convert PRIVATE property into PUBLIC property. Anything else is unlawful and THEFT:

11.1. DIRECT CONVERSION: Owner donates the property by conveying title or possession to the government.<sup>1</sup>

11.2. INDIRECT CONVERSION: Owner assumes a PUBLIC status as a PUBLIC officer in the HOLDING of title to the property.<sup>2</sup> All such statuses and the rights that attach to it are creations and property of the government, the use of which is a privilege. The status and all PUBLIC RIGHTS that attach to it conveys a “benefit” for which the status user must pay an excise tax. The tax acts as a rental or use fee for the status, which is government property.

12. You and ONLY you can authorize your private property to be donated to a public use, public purpose, and public office. No third party can lawfully convert or donate your private property to a public use, public purpose, or public office without your knowledge and express consent. If they do, they are guilty of theft and conversion, and especially if they are acting in a quasi-governmental capacity as a “withholding agent” as defined in 26 U.S.C. §7701(a)(16).

12.1. A withholding agent cannot file an information return connecting your earnings to a “trade or business” without you actually occupying a “public office” in the government BEFORE you filled out any tax form.

12.2. A withholding agent cannot file IRS Form W-2 against your earnings if you didn’t sign an IRS Form W-4 contract and thereby consent to donate your private property to a public office in the U.S. government and therefore a “public use”.

<sup>1</sup> An example of direct conversion would be the process of “registering” a vehicle with the Department of Motor Vehicles in your state. The act of registration constitutes consent by original ABSOLUTE owner to change the ownership of the property from ABSOLUTE to QUALIFIED and to convey legal title to the state and qualified title to himself.

<sup>2</sup> An example of a PUBLIC status is statutory “taxpayer” (public office called “trade or business”), statutory “citizen”, statutory “driver” (vehicle), statutory voter (registered voters are public officers).



- 12.3. That donation process is accomplished by your own voluntary self-assessment and ONLY by that method. Before such a self-assessment, you are a “nontaxpayer” and a private person. After the assessment, you become a “taxpayer” and a public officer in the government engaged in the “trade or business” franchise.
- 12.4. In order to have an income tax liability, you must complete, sign, and “file” an income tax return and thereby assess yourself:

“Our system of taxation is based upon voluntary assessment and payment, not distraint.”  
[Flora v. U.S., 362 U.S. 145 (1960)]

- By assessing yourself, you implicitly give your consent to allow the public the right to control that use of the formerly PRIVATE property donated to a public use.
- 12.5. IRS Forms W-2 and W-4 are identified as Tax Class 5: Estate and Gift Taxes. Payroll withholdings are GIFTS, not taxes.

[TITLE 31](#) > [SUBTITLE I](#) > [CHAPTER 3](#) > [SUBCHAPTER II](#) > § 321  
[§ 321. General authority of the Secretary](#)

(d)

(1) The Secretary of the Treasury may accept, hold, administer, and use gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department of the Treasury. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed on order of the Secretary of the Treasury. Property accepted under this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

(2) **For purposes of the Federal income, estate, and gift taxes, property accepted under paragraph (1) shall be considered as a gift or bequest to or for the use of the United States.**

They don't become “taxes” and assessments until you attach the Form W-2 “gift statement” to an assessment called a Form 1040 and create a liability with your own self-assessment signature. IRS has no delegated authority to convert a “gift” into a “tax”. That is why when you file the IRS Form 1040, you must attach the W-2 gift statement. See:

Great IRS Hoax, Form #11.302, Section 5.6.15  
<http://sedm.org/Forms/FormIndex.htm>

- 12.6. The IRS cannot execute a lawful assessment without your knowledge and express consent because if they didn't have your consent, then it would be criminal conversion and theft. That is why every time they do an assessment, they have to call you into their office and present it to you to procure your consent in what is called an “examination”. If you make it clear that you don't consent and hand them the following, they have to delete the assessment because it's only a proposal. See:

Why the Government Can't Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011  
<http://sedm.org/Forms/FormIndex.htm>

There is no way other than the above to lawfully create an income tax liability without violating the Fifth Amendment takings clause. If you assess yourself, you consent to become a “public officer” and thereby donate the fruits of your labor as such officer to a public use and a public purpose.

13. The IRS won't admit this, but this in fact is how the de facto unlawful system currently functions:
- 13.1. You can't unilaterally “elect” yourself into a “public office”, even if you do consent.
- 13.2. No IRS form nor any provision in the Internal Revenue Code CREATES any new public offices in the government.
- 13.3. The I.R.C. only taxes EXISTING public offices lawfully exercised ONLY in the District of Columbia and in all places expressly authorized pursuant to 4 U.S.C. §72.
14. Information returns are being abused in effect as “federal election” forms.
- 14.1. Third parties in effect are nominating private persons into public offices in the government without their knowledge, without their consent, and without compensation. Thus, information returns are being used to impose the obligations of a public office upon people without compensation and thereby impose slavery in violation of the Thirteenth Amendment.

14.2. Anyone who files a false information return connecting a person to the “trade or business”/“public office” franchise who in fact does not ALREADY lawfully occupy a public office in the U.S. government is guilty of impersonating a public officer in criminal violation of 18 U.S.C. §912.

15. The IRS Form W-4 cannot and does not create an office in the U.S. government, but allows EXISTING public officers to elect to connect their private earnings to a public use, a public office, and a public purpose. The IRS abuses this form to unlawfully create public offices, and this abuse of the I.R.C. is the heart of the tax fraud: They are making a system that only applies to EXISTING public offices lawfully exercised in order to:

15.1. Unlawfully create new public offices in places where they are not authorized to exist.

15.2. Destroy the separation of powers between what is public and what is private.

15.3. Institute eminent domain over private labor using false third party reports. Omission in preventing such fraud accomplishes involuntary servitude in violation of the Thirteenth Amendment, 42 U.S.C. §1994, and 18 U.S.C. §1581.

15.4. Destroy the separation of powers between the federal and state governments. Any state employee who participates in the federal income tax is serving in TWO offices, which is a violation of most state constitutions.

15.5. Enslave innocent people to go to work for them without compensation, without recourse, and in violation of the thirteenth amendment prohibition against involuntary servitude. That prohibition, incidentally, applies EVERYWHERE, including on federal territory.

16. The right to control the use of private property donated to a public use to procure the benefits of a franchise is enforced through the Internal Revenue Code, which is the equivalent of the employment agreement for franchisees called “taxpayers”.

The above criteria explains why:

1. You cannot be subject to either employment tax withholding or employment tax reporting without voluntarily signing an IRS Form W-4.

*Title 26: Internal Revenue*

*PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*

*Subpart E—Collection of Income Tax at Source*

*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 §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. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.*

*(b) Form and duration of agreement*

*(2) An agreement under section 3402 (p) shall be effective for such period as the employer and employee mutually agree upon. **However, either the employer or the employee may terminate the agreement prior to the end of such period by furnishing a signed written notice to the other.** Unless the employer and employee agree to an earlier termination date, the notice shall be effective with respect to the first payment of an amount in respect of which the agreement is in effect which is made on or after the first “status determination date” (January 1, May 1, July 1, and October 1 of each year) that occurs at least 30 days after the date on which the notice is furnished. If the employee executes a new Form W-4, the request upon which an agreement under section 3402 (p) is based shall be attached to, and constitute a part of, such new Form W-4.*

---

*26 CFR §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements*

*(a) In general.*

***Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this*

chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)–3).

(b) Remuneration for services.

(1) Except as provided in subparagraph (2) of this paragraph, the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a). For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)–1 and 31.3401(d)–1 for the definitions of “employee” and “employer”.

2. The courts have no authority under the Declaratory Judgments Act, 28 U.S.C. §2201(a) to declare you a franchisee called a “taxpayer”. You own yourself.

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to “whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14).” (See Compl. at 2.) This Court lacks jurisdiction to issue a declaratory judgment “with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986,” a code section that is not at issue in the instant action. See 28 U.S.C. § 2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant’s motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED.*

[Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]

3. The revenue laws may not be cited or enforced against a person who is not a “taxpayer”:

*“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)]

*“And by statutory definition, ‘taxpayer’ includes any person, trust or estate subject to a tax imposed by the revenue act. ...Since the statutory definition of ‘taxpayer’ is exclusive, the federal courts do not have the power to create nonstatutory taxpayers for the purpose of applying the provisions of the Revenue Acts...”*  
[C.I.R. v. Trustees of L. Inv. Ass’n, 100 F.2d. 18 (1939)]

All of the above requirements have in common that violating them would result in the equivalent of exercising eminent domain over the private property of the private person without their consent and without just compensation, which the U.S. Supreme Court said violates the Fifth Amendment takings clause:

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.”

As a consequence of the above considerations, any government officer or employee who does any of the following is unlawfully converting private property to a public use without the consent of the owner and without consideration:

1. Assuming or “presuming” you are a “taxpayer” without producing evidence that you consented to become one. In our system of jurisprudence, a person must be presumed innocent until proven guilty with court admissible evidence. Presumptions are NOT evidence. That means they must be presumed to be a “nontaxpayer” until they are proven with admissible evidence to be a “taxpayer”. See:

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

2. Performing a tax assessment or re-assessment if you haven’t first voluntarily assessed yourself by filing a tax return. See:

Why the Government Can’t Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011  
<http://sedm.org/Forms/FormIndex.htm>

3. Citing provisions of the franchise agreement against those who never consented to participate. This is an abuse of law for political purposes and an attempt to exploit the innocent and the ignorant. The legislature cannot delegate authority to the Executive Branch to convert innocent persons called “nontaxpayers” into franchisees called “taxpayers” without producing evidence of consent to become “taxpayers”.

*“In Calder v. Bull, which was here in 1798, Mr. Justice Chase said, that there were acts which the Federal and State legislatures could not do without exceeding their authority, and among them he mentioned a law which punished a citizen for an innocent act; a law that destroyed or impaired the lawful private [labor] contracts [and labor compensation, e.g. earnings from employment through compelled W-4 withholding] of citizens; a law that made a man judge in his own case; and a law that took the property from A [the worker], and gave it to B [the government or another citizen, such as through social welfare programs]. ‘It is against all reason and justice,’ he added, ‘for a people to intrust a legislature with such powers, and therefore it cannot be presumed that they have done it. They may command what is right and prohibit what is wrong; but they cannot change innocence into guilt, or punish innocence as a crime, or violate the right of an antecedent lawful private [employment] contract [by compelling W-4 withholding, for instance], or the right of private property. To maintain that a Federal or State legislature possesses such powers [of THEFT!] if they had not been expressly restrained, would, in my opinion, be a political heresy altogether inadmissible in all free republican governments.’ 3 Dall. 388.”*  
*[Sinking Fund Cases, 99 U.S. 700 (1878)]*

4. Relying on third party information returns that are unsigned as evidence supporting the conclusion that you are a “taxpayer”. These forms include IRS Forms W-2, 1042-s, 1098, and 1099 and they are NOT signed and are inadmissible as evidence under Federal Rule of Evidence 802 because not signed under penalty of perjury. Furthermore, the submitters of these forms seldom have personal knowledge that you are in fact and in deed engaged in a “trade or business” as required by 26 U.S.C. §6041(a). Most people don’t know, for instance, that a “trade or business” includes ONLY “the functions of a public office”.

### **3. Nature of the Internal Revenue Code, Subtitle A Income Tax**

The income tax described in Subtitle A of the Internal Revenue Code is an excise tax upon a “trade or business”, which is defined as “the functions of a public office” within the United States government:

26 U.S.C. Sec. 7701(a)(26)

*“The term ‘trade or business’ includes the performance of the functions of a public office.”*

A “trade or business” is what the legal profession calls a “franchise”. Participation in all franchises is voluntary, which is why there is no liability statute anywhere in the Internal Revenue Code, Subtitle A that makes the average American “liable” to pay the income tax. For details on franchises, see:

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

A “public office” is a type of employment or agency within the federal government that is created by contract or agreement that you must implicitly or explicitly consent to.

### Public office

“Essential characteristics of a ‘public office’ are:

(1) Authority conferred by law,

(2) Fixed tenure of office, and

(3) Power to exercise some of the sovereign functions of government.

(4) Key element of such test is that “officer is carrying out a sovereign function’.

(5) Essential elements to establish public position as ‘public office’ are:

(a) Position must be created by Constitution, legislature, or through authority conferred by legislature.

(b) Portion of sovereign power of government must be delegated to position,

(c) Duties and powers must be defined, directly or implied, by legislature or through legislative authority.

(d) Duties must be performed independently without control of superior power other than law, and

(e) Position must have some permanency.”

[Black’s Law Dictionary, Sixth Edition, p. 1230]

A person holding a “public office” has a fiduciary duty to the public as a “trustee” of the “public trust”:

“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. 3 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. 4 That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves. 5 and owes a fiduciary duty to the public. 6 It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual. 7 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.8”

[63C Am.Jur.2d, Public Officers and Employees, §247]

If you aren’t engaged in a “public office”, then you can’t be the proper subject of the income tax or truthfully or lawfully be described as THE “person”, “individual”, “employee”, “employer”, “citizen”, “resident”, or “taxpayer” described anywhere in the Internal Revenue Code UNLESS you volunteer by signing an agreement in some form. Yes, you could be described by these terms in their ordinary English usage, but you would not fit the LEGAL meanings of these terms as they are defined in the Internal Revenue Code unless you in fact and in deed engage in a “public office” within the United States government through private contract or agreement that you consent to. Within this publication, we put quotes around words like those above when we wish to refer to the legally defined meaning of a term and exclude the common or ordinary definition. In that sense, the Internal Revenue Code constitutes:

### 1. Private law:

“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

3 State ex rel. Nagle v. Sullivan, 98 Mont 425, 40 P2d 995, 99 ALR 321; Jersey City v. Hague, 18 NJ 584, 115 A.2d. 8.

4 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.

5 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.

6 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 F.2d. 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 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 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).

7 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.

8 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).



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]

## 2. Special law:

**“special law.** One relating to particular persons or things; one made for individual cases or for particular places or districts; one operating upon a selected class, rather than upon the public generally. A private law. A law is “special” when it is different from others of the same general kind or designed for a particular purpose, or limited in range or confined to a prescribed field of action or operation. A “special law” relates to either particular persons, places, or things or to persons, places, or things which, though not particularized, are separated by any method of selection from the whole class to which the law might, but not such legislation, be applied. *Utah Farm Bureau Ins. Co. v. Utah Ins. Guaranty Ass’n*, Utah, 564 P.2d. 751, 754. A special law applies only to an individual or a number of individuals out of a single class similarly situated and affected, or to a special locality. *Board of County Com’rs of Lemhi County v. Swensen*, Idaho, 80 Idaho 198, 327 P.2d. 361, 362. See also Private bill; Private law. Compare General law; Public law.”  
[Black’s Law Dictionary, Sixth Edition, pp. 1397-1398]

## 3. What the courts call a “franchise”, which is a “privilege” or benefit offered only to those who volunteer:

**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/Socialist 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.1918E, 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]



4. An “excise tax” or “privilege tax” upon privileges incident to federal contracts, employment, or agency.

“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 [220 U.S. 107, 152] 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...

Conceding the power of Congress to tax the business activities of private corporations.. the tax must be measured by some standard...”  
[Flint v. Stone Tracy Co., 220 U.S. 107 (1911)]

The IRS itself admitted some of the above in a letter documented below:

Hoverdale Letter, SEDM Exhibit #09.023  
<http://sedm.org/Exhibits/ExhibitIndex.htm>

The rules for administering the “trade or business” franchise followed universally by the IRS and the courts are as follows:

1. The method of conveying consent to participate in the “trade or business” franchise is any one or more of the following:

1.1. Signing and submitting Social Security Form SS-5, the Application for Social Security. See:

[Resignation of Compelled Social Security Trustee](http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf)  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

1.2. Signing and submitting IRS Form W-4, which is the WRONG form for persons NOT engaging in the franchise. See:

[Federal and State Tax Withholding Options for Private Employers](http://famguardian.org/Publications/FedStateWHOptions/FedStateWHOptions.pdf)  
<http://famguardian.org/Publications/FedStateWHOptions/FedStateWHOptions.pdf>

1.3. Signing and submitting IRS Form 1040 and assessing yourself with a liability:

“... the government can collect the tax from a district court suitor by exercising it's power of distraint... but we cannot believe that compelling resort to this extraordinary procedure is either wise or in accord with congressional intent. Our system of taxation is based upon VOLUNTARY ASSESSMENT AND PAYMENT , NOT UPON DISTRAINT” [Footnote 43] If the government is forced to use these remedies(distraint) on a large scale, it will affect adversely the taxpayers willingness to perform under our VOLUNTARY assessment system.  
[Flora v. U.S., 362 U.S. 145, (1959)]

1.4. Failing or refusing to rebut false information returns that connect you to the franchise. [26 U.S.C. §6041](#)(a) says that information returns, such as IRS Forms W-2, 1042S, 1098, and 1099 may ONLY lawfully be filed against those engaged in the “trade or business” franchise. If you don’t rebut these when they are mailed to you, then your failure to rebut is an admission that they are truthful. See:

1.4.1. Correcting Erroneous Information Returns, Form #04.001

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

1.4.2. Correcting Erroneous IRS Form 1042’s, Form #04.003:

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

1.4.3. Correcting Erroneous IRS Form 1098’s, Form #04.004:

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

1.4.4. Correcting Erroneous IRS Form 1099’s, Form #04.005:

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

1.4.5. Correcting Erroneous IRS Form W-2’s, Form #04.006:

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

1.5. Failing to rebut the use of federal identifying numbers on government correspondence sent to you, which constitute a “prima facie” license number to participate in “public rights” and franchises. See:

[Wrong Party Notice, Form #07.105](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

2. Those who do NOT participate in the “trade or business” franchise:

- 2.1. Cannot legally withhold on their earnings. Anyone who withholds upon them against their will is committing THEFT for which they are personally liable.
- 2.2. Do not earn “wages” as legally defined in 26 U.S.C. §3401, 26 CFR §31.3401(a)-3, or 26 CFR §31.3402(p)-1. Therefore, any amount reported on an IRS Form W-2 MUST be ZERO, because it only reports “wages” as legally defined and not as commonly understood or used.
- 2.3. Have their private rights protected by the Constitution but not by most federal law. Most federal law is “foreign” in relation to them:

*“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 [instrumentalities, officers, employees, 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]. 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)]

- 2.4. May not cite any provision of the franchise agreements codified in the I.R.C. and the Social Security Act because they are “foreign law” in relation to them and their estate is a “foreign estate” pursuant to [26 U.S.C. §7701\(a\)\(31\)](#).
- 2.5. If they cite any provision of the franchise agreements, imply their voluntary consent to be bound by them, which is all that is needed to enforce these provisions of “private law”/“contract law” against them.
- 2.6. Are called the following in the context of federal law:

2.6.1. “nontaxpayers”. See:

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

2.6.2. “nonresident aliens not engaged in a ‘trade or business’” as defined in 26 CFR §1.871-1(b)(1)(i) . See:

*Nonresident Alien Position, Form #05.020*  
<http://sedm.org/Forms/FormIndex.htm>

2.6.3. “transient foreigners”

2.6.4. “stateless persons” in relation to the federal courts.

2.6.5. “non-citizen nationals”

2.6.6. American Citizens or “citizens of the United States **OF AMERICA**”. See 1 Stat. 477, in which the U.S. Congress identifies those domiciled in states of the Union as both “American Citizens” and “citizens of the United States **OF AMERICA**”

3. Those who participate in the “trade or business” franchise:

- 3.1. Earn “wages” as legally defined in [26 U.S.C. §3401](#) because they signed a voluntary W-4 “agreement” consenting to call such earnings “wages” pursuant to 26 CFR §31.3401(a)-3, or 26 CFR §31.3402(p)-1. Therefore, any amount reported on an IRS Form W-2 MUST include all earnings subject to the W-4 “agreement”.
- 3.2. If they are individuals, are called the following in the context of federal law:
  - 3.2.1. “taxpayers”
  - 3.2.2. “public officers”
  - 3.2.3. “employees”
  - 3.2.4. “employers”
  - 3.2.5. “citizens” or “citizens of the United States” as defined in [8 U.S.C. §1401](#) and 26 CFR §1.1-1(c )-1, where “United States” means either the federal zone or the U.S. government.
  - 3.2.6. “residents of the United States” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#), , where “United States” means either the federal zone or the U.S. government.
- 3.3. If they are federal territories and possessions:
  - 3.3.1. Must enter an Agreement on Coordination of Tax Administration (ACTA) agreement with the Secretary of the Treasury pursuant to:
    - 3.3.1.1. 26 U.S.C. §6361 through 6365 (which are now repealed)
    - 3.3.1.2. [26 CFR §301.6361-1](#) through [301.6361-5](#)

3.3.2. Are called “States” within federal law, which are territories and possessions of the United States pursuant to [4 U.S.C. §110](#)(d). See also the following for further examples in state law:

*California Revenue and Taxation Code  
Division 2: Other Taxes  
Part 10: Personal Income Tax*

*17018. "State" includes the District of Columbia, and the possessions of the United States.*

*California Revenue and Taxation Code  
Division 2: Other Taxes  
Part 1: Sales and Use Taxes*

*6017. "In this State" or "in the State" means within the exterior limits of the State of California and includes all territory within these limits owned by or ceded to the United States of America.*

3.4. If they are states of the Union, may not lawfully participate in the federal tax system because they do not fit the definition of “State” found in 4 U.S.C. §110(d). See:

*State Income Taxes*, Form #05.031  
<http://sedm.org/Forms/FormIndex.htm>

3.5. May have any provision of the franchise agreements codified in the Internal Revenue Code or the Social Security Act cited against them in court. See:

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

3.6. Become “trustees” of the “public trust” as well as officers of the federal corporation identified in [28 U.S.C. §3002](#)(15)(A).

3.7. Are acting in a representative capacity on behalf of the federal government pursuant to [Federal Rule of Civil Procedure 17](#)(b) as “officers of a federal corporation”.

4. All franchises and “public rights” create federal agency and “public office” to one extent or another, and it is this agency that is the subject of most federal legislation. Nearly all laws passed by Congress pertain only to their own territory, possessions, offices, employees, and franchises. You must therefore become part of the government for them to lawfully regulate the exercise of the franchise.

*“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)]*

5. All privileged activities and franchises are usually licensed by the government and cause a surrender of constitutional rights:

5.1. 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)]

- 5.2. 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.* <sup>FNT</sup> *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.

<sup>FN7</sup> 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)]

6. 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”.

- 6.1. 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) ]

- 6.2. 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.

7. 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:

- 7.1. It is a crime to compel use or disclosure of Social Security Numbers. [42 U.S.C. §408](#).

- 7.2. 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*

<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

- 7.3. 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

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

8. The Social Security Number is property of the government and NOT the person using it. 20 CFR §422.103(d).

- 8.1. The Social Security card confirms this, which says: “Property of the Social Security Administration and must be returned upon request.

8.2. 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.

If you would like to learn more about how the “trade or business” franchise works, see:

*The “Trade or Business” Scam*

<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>

If you would like to know the entire affect of participating in federal franchises upon your standing in a federal court, see Sections 3 through 3.4 of the following entitled “How statutory franchises and ‘public rights’ affect choice of law”:

*Federal Jurisdiction*, Form #05.018

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

#### **4. Citizenship, Domicile, and Tax Status Options**

Pictures really are worth a THOUSAND words. There is no better place we know of to use a picture to describe relationship than in the context of citizenship, domicile, and residency. Below is a table summarizing citizenship status v. Tax status. After that, we show a graphical diagram that makes the relationships perfectly clear. Finally, after the graphical diagram, we present a text summary for all the legal rules that govern transitioning between the various citizenship and domicile conditions described. The content of this entire section is available in a single convenient form that you can use at depositions, as attachments to government forms, and in legal proceedings. You can find this form at:

*Citizenship, Domicile, and Tax Status Options*, Form #10.003

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

##### **4.1 The Four “United States”**

It is very important to understand that there are THREE separate and distinct CONTEXTS in which the term “[United States](#)” can be used, and each has a mutually exclusive and different meaning. These three definitions of “[United States](#)” were described by the U.S. Supreme Court in [Hooven and Allison v. Evatt, 324 U.S. 652 \(1945\)](#):

**Table 2: Geographical terms used throughout this page**

<i>Term</i>	<i># in diagrams</i>	<i>Meaning</i>
United States*	1	The country “United States” in the family of nations throughout the world.
United States**	2	The “federal zone”.
United States***	3	Collective states of the Union mentioned throughout the Constitution.

In addition to the above GEOGRAPHICAL context, there is also a legal, non-geographical context in which the term “United States” can be used, which is the GOVERNMENT as a legal entity. Throughout this page and this website, we identify THIS context as “United States\*\*\*\*” or “United States<sup>4</sup>”. The only types of “[persons](#)” within THIS context are [public offices within in the national and not state government](#). It is THIS context in which “sources within the United States” is used for the purposes of “income” and “gross income” within the Internal Revenue Code, as proven by:

*Nonresident Alien Position*, Form #05.020, Sections 6 and 7

DIRECT LINK: <http://sedm.org/Forms/MemLaw/NonresidentAlienPosition.pdf>

FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>

The reason these contexts are not expressly distinguished in the statutes by the Legislative Branch or on government forms crafted by the Executive Branch is that they are the KEY mechanism by which:

1. Federal jurisdiction is unlawfully enlarged by abusing [presumption](#), which is a violation of due process of law. See:



Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.007

DIRECT LINK: <http://sedm.org/Forms/MemLaw/Presumption.pdf>

FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>

2. The separation of powers between the states and the national government is destroyed, in violation of the legislative intent of the Constitution. See:

Government Conspiracy to Destroy the Separation of Powers Doctrine, Form #05.023

DIRECT LINK: <http://sedm.org/Forms/MemLaw/SeparationOfPowers.pdf>

FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>

3. A "society of law" is transformed into a "society of men" in violation of [Marbury v. Madison, 5 U.S. 137 \(1803\)](#):

*"The government of the United States has been emphatically termed a government of laws, and not of men. It will certainly cease to deserve this high appellation, if the laws furnish no remedy for the violation of a vested legal right."*

[[Marbury v. Madison, 5 U.S. 137, 163 \(1803\)](#)]

4. Exclusively PRIVATE rights are transformed into public rights in a process we call "invisible eminent domain using presumption and words of art".
5. Judges are unconstitutionally delegated undue discretion and "arbitrary power" to unlawfully enlarge federal jurisdiction. See:

Federal Jurisdiction, Form #05.018

DIRECT LINK: <http://sedm.org/Forms/MemLaw/FederalJurisdiction.pdf>

FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>

The way a corrupted Executive Branch or judge accomplish the above is to unconstitutionally:

1. PRESUME that ALL of the four contexts for "United States" are equivalent.
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. 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:

Meaning of the Words "includes" and "including", Form #05.014

DIRECT LINK: <http://sedm.org/Forms/MemLaw/Includes.pdf>

FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>

8. 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.



9. Publish deceptive government publications that are in deliberate conflict with what the statutes define "United States" as 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>

This kind of arbitrary discretion is PROHIBITED by the Constitution, as held by the U.S. Supreme Court:

*"When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, **we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.**"*  
[Yick Wo v. Hopkins, [118 U.S. 356, 369](#), 6 S. Sup. Ct. 1064, 1071]

Thomas Jefferson, our most revered founding father, precisely predicted the above abuses when he said:

*"It has long been my opinion, and I have never shrunk from its expression,... that the germ of dissolution of our Federal Government is in the constitution of the Federal Judiciary--an irresponsible body (for impeachment is scarcely a scare-crow), **working like gravity by night and by day, gaining a little today and a little tomorrow, and advancing its noiseless step like a thief over the field of jurisdiction until all shall be usurped from the States and the government be consolidated into one. To this I am opposed.**"*  
[Thomas Jefferson to Charles Hammond, 1821. ME 15:331]

*"Contrary to all correct example, [the Federal judiciary] are in the habit of going out of the question before them, to throw an anchor ahead and grapple further hold for future advances of power. **They are then in fact the corps of sappers and miners, steadily working to undermine the independent rights of the States and to consolidate all power in the hands of that government in which they have so important a freehold estate.**"*  
[Thomas Jefferson: Autobiography, 1821. ME 1:121]

*"The judiciary of the United States is the subtle corps of sappers and miners constantly working under ground to undermine the foundations of our confederated fabric. They are construing our Constitution from a coordination of a general and special government to a general and supreme one alone. **This will lay all things at their feet, and they are too well versed in English law to forget the maxim, 'boni judicis est ampliare jurisdictionem.'**"*  
[Thomas Jefferson to Thomas Ritchie, 1820. ME 15:297]

*"**When all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another and will become as venal and oppressive as the government from which we separated.**"*  
[Thomas Jefferson to Charles Hammond, 1821. ME 15:332]

*"What an augmentation of the field for jobbing, speculating, plundering, office-building [["trade or business" scam](#)] and office-hunting would be produced by an assumption [[PRESUMPTION](#)] of all the State powers into the hands of the General Government!"*  
[Thomas Jefferson to Gideon Granger, 1800. ME 10:168]

## 4.2 Statutory v. Constitutional contexts

It is very important to understand that there are TWO separate, distinct, and mutually exclusive contexts in which geographical "words of art" can be used at the federal or national level:

1. Constitutional.
2. Statutory.

The purpose of providing a statutory definition of a legal "term" is to supersede and not enlarge the ordinary, common law, constitutional, or common meaning of a term. Geographical words of art include:

1. "State"
2. "United States"
3. "alien"
4. "citizen"
5. "resident"

1 6. "U.S. person"

2 The terms "State" and "United States" within the Constitution implies the constitutional states of the Union and excludes  
3 federal territory, statutory "States" (federal territories), or the statutory "United States" (the collection of all federal  
4 territory). This is an outcome of the separation of powers doctrine. See:

*Government Conspiracy to Destroy the Separation of Powers*, Form #05.023

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

5 The U.S. Constitution creates a public trust which is the delegation of authority order that the U.S. Government uses to  
6 manage federal territory and property. That property includes franchises, such as the "trade or business" franchise. All  
7 statutory civil law it creates can and does regulate only THAT property and not the constitutional States, which are foreign,  
8 sovereign, and statutory "aliens" for the purposes of federal legislative jurisdiction.

9 It is very important to realize the consequences of this constitutional separation of powers between the states and national  
10 government. Some of these consequences include the following:

- 11 1. Statutory "States" as indicated in [4 U.S.C. §110\(d\)](#) and "States" in nearly all federal statutes are in fact federal  
12 territories and the definition does NOT include constitutional states of the Union.
- 13 2. The statutory "United States" defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d) includes federal  
14 territory and excludes any land within the exclusive jurisdiction of a constitutional state of the Union.
- 15 3. Terms on government forms assume the statutory context and NOT the constitutional context.
- 16 4. [Domicile is the origin of civil legislative jurisdiction](#) over human beings. This jurisdiction is called "in personam  
17 jurisdiction".
- 18 5. Since the [separation of powers doctrine](#) creates two separate jurisdictions that are legislatively "foreign" in relation to  
19 each other, then there are TWO types of political communities, two types of "citizens", and two types of jurisdictions  
20 exercised by the national government.

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

- 26 6. A human being domiciled in a state and born or naturalized anywhere in the Union is a statutory "alien" in relation to  
27 the national government and a non-citizen national pursuant to [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#).
- 28 7. You can be a statutory "alien" pursuant to 26 CFR §1.1441-1(c)(3)(i) and a constitutional or Fourteenth Amendment  
29 "Citizen" AT THE SAME TIME. Why? Because the Supreme Court ruled in *Hooven and Allison v. Evatt*, 324 U.S.  
30 653 (1945), that there are THREE different and mutually exclusive "United States", and therefore THREE types of  
31 "citizens of the United States". Here is an example:

32 *"The 1<sup>st</sup> section of the 14<sup>th</sup> article [Fourteenth Amendment], to which our attention is more specifically invited, opens with a definition of*  
33 *citizenship—not only citizenship of the United States[\*\*\*], but citizenship of the states. No such definition was previously found in the*  
34 *Constitution, nor had any attempt been made to define it by act of Congress. It had been the occasion of much discussion in the courts, by*  
35 *the executive departments and in the public journals. It had been said by eminent judges that no man was a citizen of the [\*\*\*] except as he*  
36 *was a citizen of one of the states composing the Union. Those therefore, who had been born and resided always in the District of Columbia*  
37 *or in the territories [STATUTORY citizens], though within the United States[\*\*\*], were not [CONSTITUTIONAL] citizens."*  
38 *[Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394(1873)]*

39 The "citizen of the United States" mentioned in the Fourteenth Amendment is a constitutional "citizen of the  
40 United States", and the term "United States" in that context includes states of the Union and excludes federal  
41 territory. Hence, you would NOT be a "citizen of the United States" within any federal statute, because all such  
42 statutes define "United States" to mean federal territory and EXCLUDE states of the Union. For more details, see:

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006

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

- 43 8. Your job, if you say you are a "citizen of the United States" or "U.S. citizen" on a government form ( a VERY  
44 DANGEROUS undertaking!) is to understand that all government forms presume the statutory and not constitutional  
45 context, and to ensure that you define precisely WHICH one of the three "United States" you are a "citizen" of, and do  
46 so in a way that excludes you from the civil jurisdiction of the national government because domiciled in a "foreign

state". Both foreign countries and states of the Union are legislatively "foreign" and therefore "foreign states" in relation to the national government of the United States. The following form does that very carefully:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

9. Even the IRS says you CANNOT trust or rely on ANYTHING on any of their forms and publications. We cover this in our [Reasonable Belief About Income Tax Liability, Form #05.007](#). Hence, if you are compelled to fill out a government form, you have an OBLIGATION to ensure that you define all "words of art" used on the form in such a way that there is no room for presumption, no judicial or government discretion to "interpret" the form to their benefit, and no injury to your rights or status by filling out the government form. This includes attaching the following forms to all tax forms you submit:

9.1. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

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

#### **4.3     Citizenship status v. tax status**

1 **Table 3: “Citizenship status” vs. “Income tax status”**

#	Citizenship status	Place of birth	Domicile	Accepting tax treaty benefits?	Defined in	Tax Status under 26 U.S.C./Internal Revenue Code			
						“Citizen” (defined in 26 CFR 1.1-1)	“Resident alien” (defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii))	“Nonresident alien INDIVIDUAL” (defined in 26 CFR §1.1441-1(c)(3))	“Nonresident alien NON-individual” (defined in 26 U.S.C. §7701(b)(1)(B))
1	“U.S. citizen” or “Statutory U.S. citizen”	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	NA	8 U.S.C. §1401 8 U.S.C. §1101(a)(22)(A)	Yes (only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924))	No	No	No
2	“U.S. national”	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	NA	8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1408 8 U.S.C. §1452	No (see 26 U.S.C. §7701(b)(1)(B))	No	Yes (see IRS Form 1040NR for proof)	No
3.1	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	State of the Union	NA (ACTA agreement)	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1	No	No	No	Yes
3.2	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	Yes	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1	No	No	Yes	No
3.3	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	No	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1;	No	No	No	Yes
4.1	“alien” or “Foreign national”	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	NA	8 U.S.C. §1101(a)(3)	No	Yes	No	No
4.2	“alien” or “Foreign national”	Foreign country	State of the Union	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.3	“alien” or “Foreign national”	Foreign country	State of the Union	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes
4.4	“alien” or “Foreign national”	Foreign country	Foreign country	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.5	“alien” or “Foreign national”	Foreign country	Foreign country	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes

2

1 NOTES:

- 2 1. A nonresident alien individual who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a resident alien is treated as a “nonresident alien” for the  
3 purposes of withholding under I.R.C. Subtitle C but retains their status as a “resident alien” under I.R.C. Subtitle A. See 26 CFR §1.1441-1(c)(3)(ii).  
4 2. What turns a “nonresident alien NON-individual” into a “nonresident alien individual” is:  
5 2.1. Being an alien and NOT a “national” AND  
6 2.2. Meets one or more of the following two criteria found in 26 CFR §1.1441-1(c)(3)(ii):  
7 2.2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).  
8 2.2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as  
9 determined under 26 CFR §301.7701(b)-1(d).  
10 3. If you were born in a state of the Union and maintain a domicile there, then you are described in item 3.1 of the table.  
11 4. All “taxpayers” are aliens or “nonresident aliens”. You cannot be a “citizen” and a taxpayer at same time. The definition of “individual” found in 26 CFR §1.1441-  
12 1(c)(3) does NOT include “citizens”. The only occasion where a “citizen” can also be an “individual” is when they are abroad under 26 U.S.C. §911 and interface  
13 to the I.R.C. under a tax treaty with a foreign country as an alien pursuant to 26 CFR §301.7701(b)-7(a)(1)

14 *And when he had come into the house, Jesus anticipated him, saying, "What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take*  
15 *customs or [taxes](#), from their sons [citizens and subjects] or from strangers ["[aliens](#)", which are synonymous with "[residents](#)" in the tax code, and exclude "[citizens](#)"?]"*

16 *Peter said to Him, "From strangers ["[aliens](#)"/"[residents](#)" ONLY. See [26 CFR §1.1-1\(a\)\(2\)\(ii\)](#) and [26 CFR §301.6109-1\(d\)\(3\)](#)]."*

17 *Jesus said to him, "Then the sons ["[citizens](#)" of the Republic, who are all sovereign "[nationals](#)" and "[nonresident aliens](#)" under federal law] are free [sovereign over*  
18 *their own person and labor. e.g. [SOVEREIGN IMMUNITY](#)]."*  
19 *[[Matt. 17:24-27](#), Bible, NKJV]*

#### 4.4 Effect of Domicile on Citizenship Status

**Table 4: Affect of domicile on citizenship status**

Description	CONDITION		
	Domicile WITHIN the FEDERAL ZONE and located in FEDERAL ZONE	Domicile WITHIN the FEDERAL ZONE and temporarily located abroad in foreign country	Domicile WITHOUT the FEDERAL ZONE and located WITHOUT the FEDERAL ZONE
Location of domicile	“United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)	“United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)	Without the “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)
Physical location	Federal territories, possessions, and the District of Columbia	Foreign nations ONLY (NOT states of the Union)	Foreign nations states of the Union Federal possessions
Tax Status	“U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>	“U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>	“Nonresident alien” <a href="#">26 U.S.C. §7701(b)(1)(B)</a>
Tax form(s) to file	IRS Form 1040	IRS Form 1040 plus 2555	IRS Form 1040NR: “alien individuals”, “nonresident alien individuals” <u>No filing requirement</u> : “non-citizen nationals”
Status if DOMESTIC national	Citizen <a href="#">8 U.S.C. §1401</a> (Not required to file if physically present in the “United States” because no statute requires it)	Citizen abroad <a href="#">26 U.S.C. §911</a> (Meets presence test)	“non-citizen National” <a href="#">8 U.S.C. §1101(a)(21)</a> <a href="#">8 U.S.C. §1101(a)(22)(B)</a> <a href="#">8 U.S.C. §1408</a> <a href="#">8 U.S.C. §1452</a>
Status if FOREIGN national	“Resident alien” <a href="#">26 U.S.C. §7701(b)(1)(A)</a>	“Resident alien abroad” <a href="#">26 U.S.C. §911</a> (Meets presence test)	“Nonresident alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(ii)</a> “Alien”: <a href="#">8 U.S.C. §1101(a)(3)</a> “Alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(i)</a>

#### NOTES:

1. “United States” is defined as federal territory within 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d), and 4 U.S.C. §110(d). It does not include any portion of a Constitutional state of the Union.
2. The “District of Columbia” is defined as a federal corporation but not a physical place, a “body politic”, or a de jure “government” within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: *Corporatization and Privatization of the Government*, Form #05.024; <http://sedm.org/Forms/FormIndex.htm>.
3. American nationals who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign country, are “nationals” but not “citizens” under federal law. They also qualify as “nonresident aliens” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). See sections 4.11.2 of the *Great IRS Hoax* for details.
4. Temporary domicile in the middle column on the right must meet the requirements of the “Presence test” documented in IRS publications.
5. “FEDERAL ZONE”=District of Columbia and territories of the United States in the above table
6. The term “individual” as used on the IRS Form 1040 means an “alien” engaged in a “trade or business”. All “taxpayers” are “aliens” engaged in a “trade or business”. This is confirmed by 26 CFR §1.1441-1(c)(3), 26 CFR §1.1-1(a)(2)(ii), and [5 U.S.C. §552a\(a\)\(2\)](#). Statutory “U.S. citizens” as defined in [8 U.S.C. §1401](#) are not “individuals” unless temporarily abroad pursuant to [26 U.S.C. §911](#) and subject to an income tax treaty with a foreign country. In that capacity, statutory “U.S. citizens” interface to the I.R.C. as “aliens” rather than “U.S. citizens” through the tax treaty.



## 4.5 Meaning of Geographical “Words of Art”

Because the states of the Union and the federal government are “foreign” to each other for the purposes of legislative jurisdiction, then it also follows that the definitions of terms in the context of all state and federal statutes must be consistent with this fact. The table below was extracted from the *Great IRS Hoax*, Form #11.302, Section 4.9 if you would like to investigate further, and it clearly shows the restrictions placed upon definitions of terms within the various contexts that they are used within state and federal law:

**Table 5: Meaning of geographical “words of art”**

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
“State”	Union state	Federal state	Federal state	Union state	Union state	Union state
“in this State” or “in the State” <sup>9</sup>	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
“State” <sup>10</sup> (State Revenue and taxation code only)	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
“several States”	Union states collectively. <sup>11</sup>	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**

### NOTES:

1. The term “Federal state” or “Federal ‘States’” as used above means a federal territory as defined in [4 U.S.C. §110\(d\)](#) and EXCLUDES states of the Union.
2. The term “Union state” means a “State” mentioned in the United States Constitution, and this term EXCLUDES and is mutually exclusive to a federal “State”.
3. If you would like to investigate the various “words of art” that lawyers in the federal government use to deceive you, we recommend the following:
  - 3.1. *Sovereignty Forms and Instructions Online*, Form #10.004, Cites by Topic: <http://famguardian.org/TaxFreedom/FormsInstr-Cites.htm>
  - 3.2. *Great IRS Hoax*, Form #11.302, Sections 3.9.1 through 3.9.1.28.

<sup>9</sup> 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>

<sup>10</sup> 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>

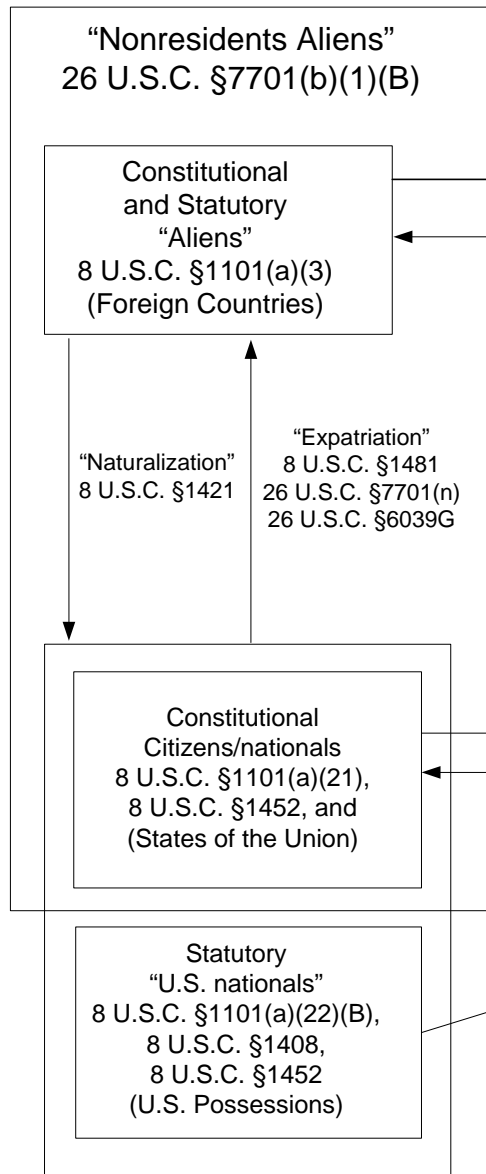
<sup>11</sup> See, for instance, U.S. Constitution Article IV, Section 2.

## 4.6 Citizenship and Domicile Options and Relationships

Figure 1: Citizenship and domicile options and relationships

### NONRESIDENTS

Domiciled within  
States of the Union OR  
Foreign Countries  
Without the "United States"



### INHABITANTS

Domiciled within Federal  
Territory within the  
"United States"  
(e.g. District of Columbia)

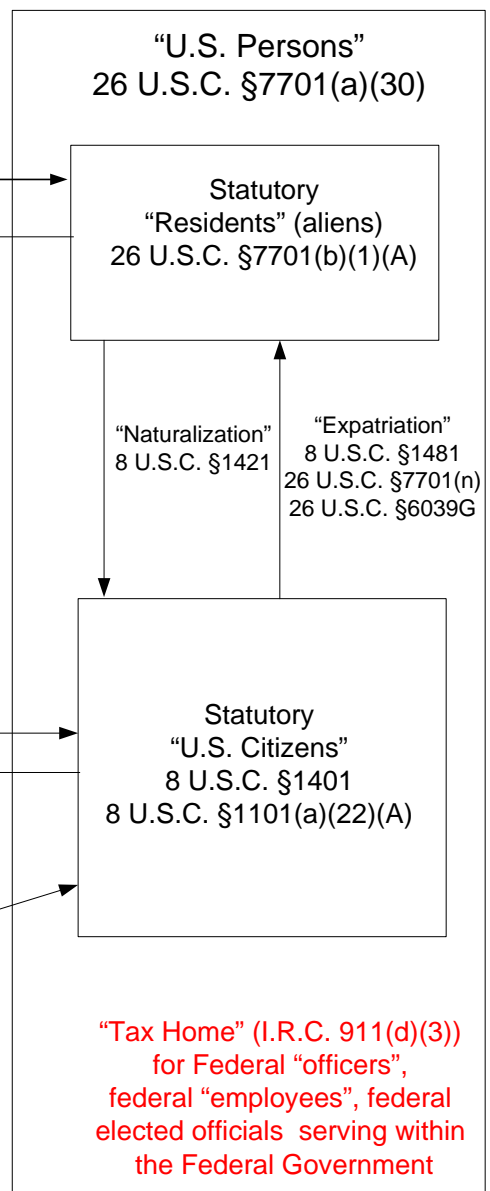
"Declaration of Domicile  
to within the United States"  
26 CFR §1.871-4

26 U.S.C. §7701(n)  
26 U.S.C. §6039G

Change Domicile to  
within "United States"  
IRS Forms 1040 and W-4

Change Domicile to  
without "United States"  
IRS Forms 1040NR and W-8

Change Domicile to  
within "United States"



#### 4.7 Statutory Rules for Converting Between Various Domicile and Citizenship Options Within Federal Law

The rules depicted above are also described in text form using the list below, if you would like to investigate the above diagram further:

1. “Aliens” or “alien individuals”: Those born in a foreign country and not within any state of the Union or within any federal territory.
  - 1.1. “Alien individual” is defined in 26 CFR §1.1441-1(c)(3)(i).
  - 1.2. An alien is defined in 8 U.S.C. §1101(a)(3) as a person who is neither a statutory “U.S. citizen” per 8 U.S.C. §1401 nor a “national of the United States” per 8 U.S.C. §1101(a)(22)..
  - 1.3. An alien with no domicile in the “United States” is presumed to be a “nonresident alien” pursuant to 26 CFR §1.871-4(b).
2. “Residents” or “resident aliens”: An “alien” or “alien individual” with a legal domicile on federal territory.
  - 2.1. “Resident aliens” are defined in 26 U.S.C. §7701(b)(1)(A).
  - 2.2. A “resident alien” is an alien as defined in 8 U.S.C. §1101(a)(3) who has a legal domicile on federal territory that is no part of the exclusive jurisdiction of any state of the Union.
  - 2.3. An “alien” becomes a “resident alien” by filing IRS Form 1078 pursuant to 26 CFR §1.871-4(c)(ii) and thereby electing to have a domicile on federal territory.
3. “Nonresident aliens”: Those with no domicile on federal territory and who are born either in a foreign country, a state of the Union, or within the federal zone.
  - 3.1. Defined in 26 U.S.C. §7701(b)(1)(B).
  - 3.2. Also called a “nonresident”, “stateless person”, or “transient foreigner”.
  - 3.3. A “nonresident alien” is defined as a person who is neither a statutory “citizen” pursuant to 26 CFR §1.1-1(c) nor a statutory “resident” pursuant to 26 U.S.C. §7701(b)(1)(A).
  - 3.4. A person who is a “non-citizen national” pursuant to 8 U.S.C. §1452 and either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) is a “nonresident alien”.
4. “Nonresident alien individuals”: Those who are aliens and who do not have a domicile on federal territory.
  - 4.1. Defined in 26 CFR §1.1441-1(c)(3)(ii).
  - 4.2. Status is indicated in block 3 of the IRS Form W-8BEN under the term “Individual”.
  - 4.3. Excludes “non-citizen nationals as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452.
  - 4.4. Excludes those born within the exclusive jurisdiction of states of the Union who are therefore “non-citizen nationals” under federal law.
5. Convertibility between “aliens”, “resident aliens”, and “nonresident aliens”, and “nonresident alien individuals”:
  - 5.1. A “nonresident alien” is not the legal equivalent of an “alien” in law.
  - 5.2. IRS Form W-8BEN, block 3 has no block to check for those who are “nonresident aliens” but not “nonresident alien individuals”. Thus, the submitter of this form who is a “nonresident alien” and a non-citizen national but not a “nonresident alien individual” is effectively compelled to make an illegal and fraudulent election to become an alien and an “individual” if they do not add a block for “transient foreigner” or “Union State Citizen” to the form. See section 5.3 of the following:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>
  - 5.3. 26 U.S.C. §6013(g) and (h) and 26 U.S.C. §7701(b)(4)(B) authorize a “nonresident alien” who is married to a statutory “U.S. citizen” as defined in 26 CFR §1.1-1(c) to make an “election” to become a “resident alien”.
  - 5.4. It is unlawful for an unmarried “non-citizen national” pursuant to 8 U.S.C. §1452 and either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) to become a “resident alien”. This can only happen by either fraud or mistake.
  - 5.5. An alien may overcome the presumption that he is a “nonresident alien” and change his status to that of a “resident alien” by filing IRS Form 1078 pursuant to 26 CFR §1.871-4(c)(ii) while he is in the “United States”.
  - 5.6. The term “residence” can only lawfully be used to describe the domicile of an “alien”. Nowhere is this term used to describe the domicile of a “non-citizen national” or a “nonresident alien”. See 26 CFR §1.871-2.
  - 5.7. The only way a statutory “alien” under 8 U.S.C. §1101(a)(3) can become both a “non-citizen national” and a “nonresident alien” at the same time is to be naturalized pursuant to 8 U.S.C. §1421 and to have a domicile in either a U.S. possession or a state of the Union.
6. Sources of confusion on these issues:
  - 6.1. One can be a “nonresident alien” pursuant to 26 U.S.C. §7701(b)(1)(B) without being an “individual” or a “nonresident alien individual”. An example would be a human being born within the exclusive jurisdiction of a

- state of the Union who is therefore a “non-citizen national” or “state national” pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 who does not participate in Social Security or use a Taxpayer Identification Number.
- 6.2. The term “United States” is defined in the Internal Revenue Code at 26 U.S.C. §7701(a)(9) and (a)(10).
- 6.3. The term “United States” for the purposes of citizenship is defined in 8 U.S.C. §1101(a)(38).
- 6.4. Any “U.S. Person” as defined in 26 U.S.C. §7701(a)(30) who is not found in the “United States” (federal territory pursuant to 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d)) shall be treated as having an effective domicile within the District of Columbia pursuant to 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d).
- 6.5. The term “United States” is equivalent for the purposes of statutory “citizens” pursuant to 26 CFR §1.1-1(c) and “citizens” as used in the Internal Revenue Code. See 26 CFR §1.1-1(c).
- 6.6. The term “United States” as used in the Constitution of the United States is NOT equivalent to the statutory definition of the term used in:
- 6.6.1. 26 U.S.C. §7701(a)(9) and (a)(10).
- 6.6.2. 8 U.S.C. §1101(a)(38).
- The “United States” as used in the Constitution means the states of the Union and excludes federal territory, while the term “United States” as used in federal statutory law means federal territory and excludes states of the Union.
- 6.7. A constitutional “citizen of the United States” as mentioned in the Fourteenth Amendment is NOT equivalent to a statutory “citizen and national of the United States” as used in 8 U.S.C. §1401. See:
- Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>
- 6.8. In the case of jurisdiction over aliens only, the term “United States” implies all 50 states and the federal zone, and is not restricted only to the federal zone. See:
- 6.8.1. Nonresident Alien Position, Form #05.020  
<http://sedm.org/Forms/FormIndex.htm>
- 6.8.2. Kleindienst v. Mandel, 408 U.S. 753 (1972)

*In accord with ancient principles of the international law of nation-states, the Court in The Chinese Exclusion Case, 130 U.S. 581, 609 (1889), and in Fong Yue Ting v. United States, 149 U.S. 698 (1893), held broadly, as the Government describes it, Brief for Appellants 20, that the power to exclude aliens is “inherent in sovereignty, necessary for maintaining normal international relations and defending the country against foreign encroachments and dangers - a power to be exercised exclusively by the political branches of government . . . .” Since that time, the Court’s general reaffirmations of this principle have [408 U.S. 753, 766] been legion. 6 The Court without exception has sustained Congress’ “plenary power to make rules for the admission of aliens and to exclude those who possess those characteristics which Congress has forbidden.” Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967). “[O]ver no conceivable subject is the legislative power of Congress more complete than it is over” the admission of aliens. Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909). [Kleindienst v. Mandel, 408 U.S. 753 (1972)]*

- 6.8.3. Chae Chan Ping v. U.S., 130 U.S. 581 (1889)

*While under our constitution and form of government the great mass of local matters is controlled by local authorities, the United States, in their relation to foreign countries and their subjects or citizens, are one nation, invested with powers which belong to independent nations, the exercise of which can be invoked for the maintenance of its absolute independence and security throughout its entire territory. The powers to declare war, make treaties, suppress insurrection, repel invasion, regulate foreign commerce, secure republican governments to the states, and admit subjects of other nations to citizenship, are all sovereign powers, restricted in their exercise only by the constitution itself and considerations of public policy and justice which control, more or less, the conduct of all civilized nations. As said by this court in the case of Cohens v. Virginia, 6 Wheat. 264, 413, speaking by the same great chief justice: “That the United States form, for many, and for most important purposes, a single nation, has not yet been denied. In war, we are one people. In making peace, we are one people. In all commercial regulations, we are one and the same people. In many other respects, the American people are one; and the government which is alone capable of controlling and managing their interests in all these respects is the government of the Union. It is their government, and in that character they have no other. America has chosen to [130 U.S. 581, 605] be in many respects, and to many purposes, a nation; and for all these purposes her government is complete; to all these objects, it is competent. The people have declared that in the exercise of all powers given for these objects it is supreme. It can, then, in effecting these objects, legitimately control all individuals or governments within the American territory.”*

[. . .]

*“The power of exclusion of foreigners being an incident of sovereignty belonging to the government of the United States as a part of those sovereign powers delegated by the constitution, the right to its exercise at any time when, in the judgment of the government, the interests of the country require it, cannot be granted away or*

restrained on behalf of any one. The powers of government are delegated in trust to the United States, and are incapable of transfer to any other parties. They cannot be abandoned or surrendered. Nor can their exercise be hampered, when needed for the public good, by any considerations of private interest. The exercise of these public trusts is not the subject of barter or contract."  
[Chae Chan Ping v. U.S., 130 U.S. 581 (1889)]

#### 4.8 Effect of Federal Franchises and Offices Upon Your Citizenship and Standing in Court

Another important element of citizenship is that artificial entities like corporations are statutory but not Constitutional citizens in the context of civil litigation.

"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]

"A corporation is not a citizen within the meaning of that provision of the Constitution, which declares that the citizens of each State shall be entitled to all the privileges and immunities of citizens of the several States."  
[Paul v. Virginia, 8 Wall (U.S.) 168, 19 L.Ed. 357 (1868)]

Likewise, all governments are "corporations" as well.

"Corporations are also of all grades, and made for varied objects; all governments are corporations, created by usage and common consent, or grants and charters which create a body politic for prescribed purposes; but whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise of power, they are all governed by the same rules of law, as to the construction and the obligation of the instrument by which the incorporation is made. One universal rule of law protects persons and property. It is a fundamental principle of the common law of England, that the term freemen of the kingdom, includes 'all persons,' ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2 Inst. 4), and is incorporated into our institutions. The persons of the members of corporations are on the same footing of protection as other persons, and their corporate property secured by the same laws which protect that of individuals. 2 Inst. 46-7. 'No man shall be taken,' 'no man shall be disseised,' without due process of law, is a principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the federal government, by the amendments to the constitution."  
[Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837)]

TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
PART VI - PARTICULAR PROCEEDINGS  
CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE  
SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS  
Sec. 3002. Definitions

(15) "United States" means -  
(A) a Federal corporation;  
(B) an agency, department, commission, board, or other entity of the United States; or  
(C) an instrumentality of the United States.

"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]

Those who are acting in a representative capacity on behalf of the national government as "public officers" therefore assume the same status as their employer pursuant to Federal Rule of Civil Procedure 17(b). To wit:

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[the "United States", in this case, or its officers on official duty representing the 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>]

Persons acting in the capacity as “public officers” of the national government are therefore acting as “officers of a corporation” as described in 26 U.S.C. §6671(b) and 26 U.S.C. §7343 and become “persons” within the meaning of federal statutory law.

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.

TITLE 26 > Subtitle F > CHAPTER 75 > Subchapter D > § 7343  
§7343. Definition of term “person”

The term “person” as used in this chapter **includes an officer or employee of a corporation, or a member or employee of a partnership**, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

Because all corporations are “citizens”, then “public officers” also take on the character of “U.S. citizens” in the capacity of their official duties, regardless of what they are as private individuals. It is also interesting to note that IRS correspondence very conspicuously warns the recipient right underneath the return address the following, confirming that they are corresponding with a “public officer” and not a private individual:

“Penalty for private use \$300.”

Note that all “taxpayers” are “public officers” of the national government, and they are referred to in the Internal Revenue Code as “effectively connected with a trade or business”. The term “trade or business” is defined as “the functions of a public office”:

26 U.S.C. Sec. 7701(a)(26)

“The term ‘trade or business’ includes the performance of the functions of a public office.”

For details on this scam, see:

1. Proof That There is a “Straw Man”, Form #05.042  
<http://sedm.org/Forms/FormIndex.htm>
2. 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>
3. The “Trade or Business” Scam  
<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>
4. Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>

The U.S. Supreme Court has also said it is “repugnant to the constitution” for the government to regulate private conduct. The only way you can lawfully become subject to the government’s jurisdiction or the tax laws is to engage in “public conduct” as a “public officer” of the national government.

“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. Flores*, *Archbishop of San Antonio*, 521 U.S. 507 (1997)]

Note also that ordinary “employees” are NOT “public officers”:

*Treatise on the Law of Public Offices and Officers*  
Book 1: *Of the Office and the Officer: How Officer Chosen and Qualified*  
Chapter I: *Definitions and Divisions*

§2 *How Office Differs from Employment.*-A public office differs in material particulars from a public employment, for, as was said by Chief Justice MARSHALL, "although an office is an employment, it does not follow that every employment is an office. A man may certainly be employed under a contract, express or implied, to perform a service without becoming an officer."

"We apprehend that the term 'office,'" said the judges of the supreme court of Maine, "implies a delegation of a portion of the sovereign power to, and the possession of it by, the person filling the office; and the exercise of such power within legal limits constitutes the correct discharge of the duties of such office. The power thus delegated and possessed may be a portion belonging sometimes to one of the three great departments and sometimes to another; still it is a legal power which may be rightfully exercised, and in its effects it will bind the rights of others and be subject to revision and correction only according to the standing laws of the state. An employment merely has none of these distinguishing features. A public agent acts only on behalf of his principal, the public, whose sanction is generally considered as necessary to give the acts performed the authority and power of a public act or law. And if the act be such as not to require subsequent sanction, still it is only a species of service performed under the public authority and for the public good, but not in the exercise of any standing laws which are considered as roles of action and guardians of rights."

"The officer is distinguished from the employee," says Judge COOLEY, "in the greater importance, dignity and independence of his position; in being required to take an official oath, and perhaps to give an official bond; in the liability to be called to account as a public offender for misfeasance or non-feasance in office, and usually, though not necessarily, in the tenure of his position. In particular cases, other distinctions will appear which are not general."

[A *Treatise on the Law of Public Offices and Officers*, Floyd Russell Mechem, 1890, pp. 3-4, §2;  
SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]

The ruse described in this section of making corporations into “citizens” and those who work for them into “public officers” of the government and “taxpayers” started just after the Civil War. Congress has always been limited to taxing things that it creates, which means it has never been able to tax anything but federal and not state corporations. The Supreme Court has confirmed, for instance, that the income tax is and always has been a franchise or privilege tax upon profit of federal corporations.

"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 [220 U.S. 107, 152] 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...

Conceding the power of Congress to tax the business activities of private corporations.. the tax must be measured by some standard..."  
[*Flint v. Stone Tracy Co.*, 220 U.S. 107 (1911)]

"The Sixteenth Amendment declares that Congress shall have power to levy and collect taxes on income, "from [271 U.S. 174] whatever source derived," without apportionment among the several states and without regard to any census or enumeration. It was not the purpose or effect of that amendment to bring any new subject within the taxing power. Congress already had power to tax all incomes. But taxes on incomes from some sources had been held to be "direct taxes" within the meaning of the constitutional requirement as to apportionment. Art. 1, § 2, cl. 3, § 9, cl. 4; *Pollock v. Farmers' Loan & Trust Co.*, 158 U.S. 601. The Amendment relieved from that requirement, and obliterated the distinction in that respect between taxes on income that are direct taxes and those that are not, and so put on the same basis all incomes "from whatever source derived." *Brushaber v. Union P. R. Co.*, 240 U.S. 1, 17. "Income" has been taken to mean the same

1 thing as used in the Corporation Excise Tax Act of 1909, in the Sixteenth Amendment, and in the various  
2 revenue acts subsequently passed. *Southern Pacific Co. v. Lowe*, 247 U.S. 330, 335; *Merchants' L. & T. Co.*  
3 *v. Smietanka*, 255 U.S. 509, 219. After full consideration, this Court declared that income may be defined as  
4 gain derived from capital, from labor, or from both combined, including profit gained through sale or  
5 conversion of capital. *Stratton's Independence v. Howbert*, 231 U.S. 399, 415; *Doyle v. Mitchell Brothers*  
6 *Co.*, 247 U.S. 179, 185; *Eisner v. Macomber*, 252 U.S. 189, 207. And that definition has been adhered to and  
7 applied repeatedly. See, e.g., *Merchants' L. & T. Co. v. Smietanka*, supra; 518; *Goodrich v. Edwards*, 255 U.S.  
8 527, 535; *United States v. Phellis*, 257 U.S. 156, 169; *Miles v. Safe Deposit Co.*, 259 U.S. 247, 252-253; *United*  
9 *States v. Supplee-Biddle Co.*, 265 U.S. 189, 194; *Irwin v. Gavit*, 268 U.S. 161, 167; *Edwards v. Cuba Railroad*,  
10 268 U.S. 628, 633. In determining what constitutes income, substance rather than form is to be given  
11 controlling weight. *Eisner v. Macomber*, supra, 206, [271 U.S. 175]"  
12 [*Bowers v. Kerbaugh-Empire Co.*, 271 U.S. 170, 174, (1926)]

13  
14 "As repeatedly pointed out by this court, the Corporation Tax Law of 1909 imposed an excise or privilege tax,  
15 and not in any sense, a tax upon property or upon income merely as income. It was enacted in view of the  
16 decision of *Pollock v. Farmer's Loan & T. Co.*, 157 U.S. 429, 29 L.Ed. 759, 15 Sup.St.Rep. 673, 158 U.S. 601,  
17 39 L.Ed. 1108, 15 Sup.Ct. Rep. 912, which held the income tax provisions of a previous law to be  
18 unconstitutional because amounting in effect to a direct tax upon property within the meaning of the  
19 Constitution, and because not apportioned in the manner required by that instrument."  
20 [*U.S. v. Whiteridge*, 231 U.S. 144, 34 S.Sup. Ct. 24 (1913)]

21 To create and expand a national income tax, the federal government therefore had to make the municipal government of the  
22 District of Columbia into a federal corporation in 1871 and then impose an income tax upon the officers of the corporation  
23 ("public officers") by making all of their earnings from the office into "profit" and "gross income" subject to excise tax  
24 upon the franchise they participate in. Below is the history of this transformation. You can find more in *Great IRS Hoax*,  
25 Form #11.302, Chapter 6:

- 26 1. The first American Income Tax was passed in 1862. See:

12 Stat. 432.

<http://memory.loc.gov/cgi-bin/ampage?collId=llsl&fileName=012/llsl012.db&recNum=463>

- 27 2. The License Tax Cases was heard in 1866 by the Supreme Court, in which the Supreme Court said that Congress could  
28 not license a trade or business in a state in order to tax it, referring to the civil war tax enacted in 1862. See:

License Tax Cases, 72 U.S. 462 (1866)

<http://caselaw.lp.findlaw.com/scripts/getcase.pl?navby=case&court=us&vol=72&page=462>

- 29 3. The Fourteenth Amendment was ratified in 1868. This makes corporations "citizens".

- 30 4. The civil war income tax was repealed in 1871. See:

31 4.1. 17 Stat. 401

32 4.2. Great IRS Hoax, Form #11.302, Section 6.5.20.

- 33 5. Congress incorporated the District of Columbia in 1871. The incorporation of the District of Columbia was done to  
34 expand the income tax by taxing the government's own "public officers" as a federal corporation. See the following:

19 Stat. 419

<http://famguardian.org/Subjects/Taxes/16Amend/SpecialLaw/DCCorpStatuesAtLarge.pdf>

35 If you would like to know more about how franchises such as a "public office" affect your effective citizenship and  
36 standing in court, see:

*Government Instituted Slavery Using Franchises*, Form #05.030

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

#### **4.9 Federal Statutory Citizenship Statuses Diagram**

**Figure 2: Federal Statutory Citizenship Statuses Diagram**

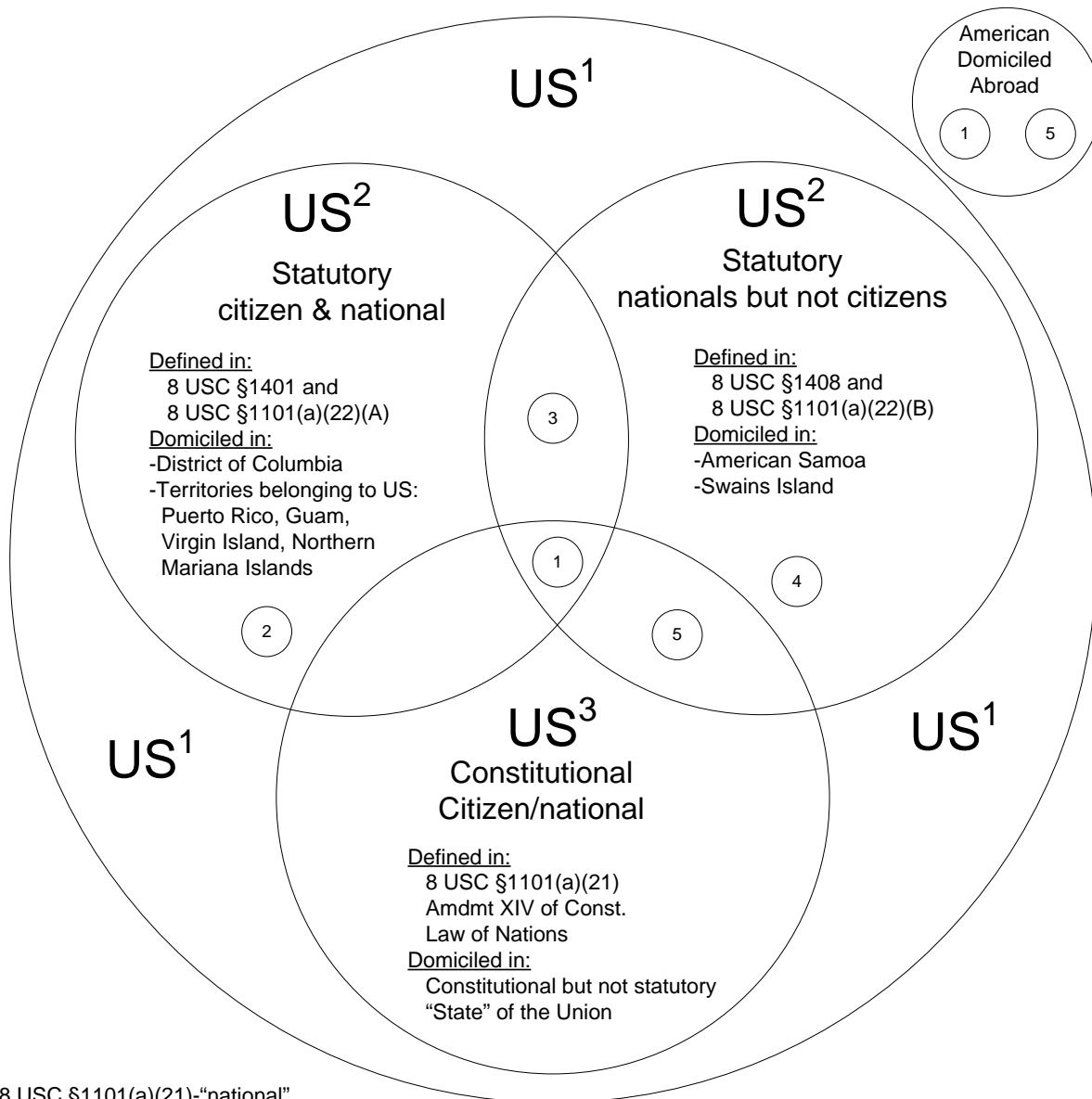
# FEDERAL STATUTORY CITIZENSHIP STATUSES

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

**US<sup>1</sup>** - Context used in matters describing our sovereign country within the family of nations.

**US<sup>2</sup>** - Context used to designate the territory over which the Federal Government is sovereign.

**US<sup>3</sup>** - Context used regarding the sovereign states of the Union united by and under the Constitution.



① 8 USC §1101(a)(21)-"national"

② 8 USC §1401-"citizen & national of the United States<sup>2n</sup>"

③ 8 USC §1101(a)(22)-"national of the United States<sup>2n</sup>"

④ 8 USC §1408-"national but not citizen of the United States<sup>2</sup> at birth"

⑤ 8 USC §1452-"non-citizen national"

1 and 5 Describe those born within and domiciled within states of the Union.

Rev. 9/16/09



1   **4.10   Citizenship Status on Government Forms**

2   The table on the next page resurrects and expands upon the table found earlier in section 4.3. It presents a tabular summary  
3   of each permutation of nationality and domicile as related to the major federal forms and the Social Security NUMIDENT  
4   record.

5   **4.10.1   Table of options and corresponding form values**



1 **Table 6: Tabular Summary of Citizenship Status on Government Forms**

#	Citizenship status	Place of birth	Domicile	Defined in	Social Security NUMIDENT Status	Status on Specific Government Forms			
						<a href="#">Social Security SS-5</a>	<a href="#">IRS Form W-8 Block 3</a>	<a href="#">Department of State I-9</a>	<a href="#">E-Verify System</a>
1	"U.S. citizen" or "Statutory U.S. citizen"	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	8 U.S.C. §1401; 8 U.S.C. §1101(a)(22)(A)	CSP=A	Block 5="U.S. Citizen"	Can't use Form W-8	Section 1="A citizen of the United States"	See Note 1.
2	"U.S. national"	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1408; 8 U.S.C. §1452		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States"	See Note 1.
3.1	"national" or "state national" or "Constitutional but not statutory citizen"	Anywhere in America	State of the Union	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States)" OR "An alien authorized to work (statutory)"	See Note 1.
3.2	"national" or "state national" or "Constitutional but not statutory citizen"	Anywhere in America	Foreign country	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States)" OR "An alien authorized to work (statutory)"	See Note 1.
3.3	"national" or "state national" or "Constitutional but not statutory citizen"	Anywhere in America	Foreign country	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States)" OR "An alien authorized to work (statutory)"	See Note 1.
4.1	"alien" or "Foreign national"	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.2	"alien" or "Foreign national"	Foreign country	State of the Union	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.3	"alien" or "Foreign national"	Foreign country	State of the Union	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.4	"alien" or "Foreign national"	Foreign country	Foreign country	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.5	"alien" or "Foreign national"	Foreign country	Foreign country	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.

## NOTES:

1. E-Verify CANNOT be used by those who are a NOT lawfully engaged in a public office in the U.S. government at the time of making application. Its use is VOLUNTARY and cannot be compelled. Those who use it MUST have a Social Security Number or Taxpayer Identification Number and it is ILLEGAL to apply for, use, or disclose said number for those not lawfully engaged in a public office in the U.S. government at the time of application. See:

*Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205*

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

2. For instructions useful in filling out the forms mentioned in the above table, see:

### 2.1. Social Security Form SS-5:

*Why You Aren't Eligible for Social Security, Form #06.001*

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

### 2.2. IRS Form W-8:

*About IRS Form W-8BEN, Form #04.202*

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

### 2.3. Department of State Form I-9:

*I-9 Form Amended, Form #06.028*

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

### 2.4. E-Verify:

*About E-Verify, Form #04.107*

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

## 4.10.2 How to describe your citizenship on government forms<sup>12</sup>

This section provides some pointers on how to describe your citizenship status on government forms in order to avoid being confused with a someone who has a domicile on federal territory and therefore no Constitutional rights. Below is a summary of how we recommend protecting yourself from the prejudicial presumptions of others about your citizenship status:

1. Keep in mind the following facts about all government forms:
  - 1.1. Government forms ALWAYS imply the LEGAL/STATUTORY rather than POLITICAL/CONSTITUTIONAL status of the party in the context of all franchises, including income taxes and social security.
  - 1.2. "Alien" on government forms means a STATUTORY alien domiciled outside the federal zone, which we also call the "statutory United States\*\*\*". It includes both people domiciled in a constitutional state and those domiciled in a foreign country. "Alien" is always relative to domicile and not nationality.
  - 1.3. The Internal Revenue Code does NOT define the term "nonresident alien". The closest thing to a definition is that found in 26 U.S.C. §7701(b)(1)(B), which defines what it ISN'T, but NOT what it IS. If you look on IRS Form W-8BEN, Block 3, you can see that there are many different types of entities that can be nonresident aliens, none of which are included in the definition at 26 U.S.C. §7701(b)(1)(B). It is therefore IMPOSSIBLE to conclude based on any definition in the Internal Revenue Code that a specific person IS or IS NOT a "nonresident alien."
  - 1.4. On tax forms, the term "nonresident alien" is NOT a subset of the term "alien", but rather a SUPERSET. It includes both FOREIGN nationals domiciled in a foreign country and also persons in Constitutional states of the Union. A "national of the United States", for instance, although NOT an "alien" under Title 8 of the U.S. Code, is an "alien" under Title 26 of the U.S. Code. Therefore, a "nonresident alien" is a "word of art" designed to confuse people, and the fact that uses the word "alien" doesn't mean it IS an "alien". This is covered in:

*Flawed Tax Arguments to Avoid, Form #08.004, Section 6.7*

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

2. Anyone who PRESUMES any of the following should promptly be DEMANDED to prove the presumption with legally admissible evidence from the law. ALL of these presumptions are FALSE and cannot be proven:
  - 2.1. That you can trust ANYTHING that either a government form OR a government employee says. The courts say not only that you CANNOT, but that you can be PENALIZED for doing so. See:

<sup>12</sup> Adapted from *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006, Section 13.1; <http://sedm.org>.

Reasonable Belief About Income Tax Liability, Form #05.007

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

- 2.2. That nationality and domicile are synonymous.
- 2.3. That “nonresident aliens” are a SUBSET of “aliens” within the Internal Revenue Code.
- 2.4. That the term “United States” has the SAME meaning in Title 8 of the U.S. Code as it has in Title 26.
- 2.5. That “non-citizen nationals” (per 8 U.S.C. §1101(a)(21)) or “nationals of the United States” (per 8 U.S.C. §1408) are NOT “aliens” under the Internal Revenue Code, 26 U.S.C..
- 2.6. That a Fourteenth Amendment “citizen of the United States” is equivalent to any of the following:
  - 2.6.1. 8 U.S.C. §1401 “national and citizen of the United States”.
  - 2.6.2. 26 CFR §1.1-1 “citizen”.
  - 2.6.3. 26 U.S.C. §3121(e) “citizen of the United States”.All of the above statuses have similar sounding names, but they rely on a DIFFERENT definition of “United States” from that found in the USA Constitution.
- 2.7. That you can be a statutory “taxpayer” or statutory “citizen” of any kind WITHOUT your consent. See:

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002

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

3. The safest way to describe oneself is to check “Other” for citizenship or add an “Other” box if the form doesn’t have one and then do one of the following:
  - 3.1. Write in the “Other” box

“See attached mandatory Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001”

and then attach the following completed form:

Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001

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

- 3.2. If you don’t want to include an attachment, add the following mandatory language to the form that you are a:
  - 3.2.1. A “Citizen and national of \_\_\_\_ (statename)”
  - 3.2.2. NOT a statutory “national and citizen of the United States” or “U.S. citizen” per 8 U.S.C. 1401
  - 3.2.3. A constitutional or Fourteenth Amendment Citizen.
  - 3.2.4. A statutory alien per 26 U.S.C. §7701(b)(1)(A) for the purposes of the federal income tax.
4. If the recipient of the form says they won’t accept attachments or won’t allow you to write explanatory information on the form needed to prevent perjurying the form, then send them an update via certified mail AFTER they accept your submission so that you have legal evidence that they tried to tamper with a federal witness and conspired to commit perjury on the form.
5. For detailed instructions on how to fill out the Department of State Form I-9, See:

I-9 Form Amended, Form #06.028

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

6. For detailed instructions on how to participate in E-Verify for the purposes of PRIVATE employment, see:

About E-Verify, Form #04.107

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

7. To undo the damage you have done over the years to your status by incorrectly describing your status, send in the following form and submit according to the instructions provided. This form says that all future government forms submitted shall have this form included or attached by reference.

Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001

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

8. Quit using Taxpayer Identifying Numbers (TINs). 20 CFR §422.104 says that only statutory “U.S. citizens” and “permanent residents” can lawfully apply for Social Security Numbers, both of which share in common a domicile on federal territory such as statutory “U.S. citizens” and “residents” (aliens), can lawfully use such a number. 26 CFR §301.6109-1(b) also indicates that “U.S. persons”, meaning persons with a domicile on federal territory, are required to furnish such a number if they file tax forms. “Foreign persons” are also mentioned in 26 CFR §301.6109-1(b), but these parties also elect to have an effective domicile on federal territory and thereby become “persons” by engaging in federal franchises. See:
  - 8.1. Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>
  - 8.2. Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205-attach this form to every government form that asks for a Social Security Number or Taxpayer Identification Number. Write in the SSN/TIN Box (NONE: See attached form #04.205).

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

8.3. Resignation of Compelled Social Security Trustee, Form #06.002-use this form to quit Social Security lawfully.

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

9. If you are completing any kind of government form or application to any kind of financial institution other than a tax form and you are asked for your citizenship status, TIN, or Social Security Number, attach the following form and prepare according to the instructions provided:

Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001

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

10. If you are completing and submitting a government tax form, attach the following form and prepare according to the instructions provided:

Tax Form Attachment, Form #04.201

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

11. If you are submitting a voter registration, attach the following form and prepare according to the instructions provided:

Voter Registration Attachment, Form #06.003

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

12. If you are applying for a USA passport, attach the following form and prepare according to the instructions provided:

USA Passport Application Attachment, Form #06.007

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

13. If you are submitting a complaint, response, pleading, or motion to a federal court, you should attach the following form:

Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002

<http://sedm.org/Litigation/LitIndex.htm>

14. Use as many of the free forms as you can from the page below. They are very well thought out to avoid traps set by the predators who run the American government:

SEDM Forms Page

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

15. When engaging in correspondence with anyone in the government, legal, or financial profession about your status that occurs on other than a standard government form, use the following guidelines:

15.1. In the return address for the correspondence, place the phrase “(NOT A DOMICILE OR RESIDENCE)”.

15.2. Entirely avoid the use of the words “citizen”, “citizenship”, “resident”, “inhabitant”. Instead, prefer the term “non-citizen national”, and “transient foreigner”.

15.3. Never describe yourself as an “individual” or “person”. 5 U.S.C. §552a(a)(2) says that this entity is a government employee who is a statutory “U.S. citizen” or “resident” (alien). Instead, refer to yourself as a “transient foreigner” and a “nonresident”. Some forms such as IRS form W-8BEN Block 3 have no block for “transient foreigner” or “nonresident NON-individual”, in which case modify the form to add that option. See the following for details:

About IRS Form W-8BEN, Form #04.202

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

- 15.4. Entirely avoid the use of the phrase “United States”, because it has so many different and mutually exclusive meanings in the U.S. code and state law. Instead, replace this phrase with the name of the state you either are physically present within or with “USA” and then define that “USA” includes the states of the Union and excludes federal territory. For instance, you could say “Citizen of California Republic” and then put an asterisk next to it and at the bottom of the page explain the asterisk as follows:

\* NOT a citizen of the **STATE of** California, which is a corporate extension of the federal government, but instead a sovereign Citizen of the California Republic

California Revenue and Taxation Code, section 6017 defines “State of” as follows:

“6017. ‘In this State’ or ‘in the State’ means within the exterior limits of the State of California and includes all territory within these limits owned by or ceded to the United States of America.”

15.5. Never use the word “residence”, “permanent address”, or “domicile” in connection with either the term “United States”, or the name of the state you are in.

15.6. If someone else refers to you improperly, vociferously correct them so that they are prevented from making presumptions that would injure your rights.

15.7. Avoid words that are undefined in statutes that relate to citizenship. Always use words that are statutorily defined and if you can’t find the definition, define it yourself on the form or correspondence you are sending. Use of

undefined words encourages false presumptions that will eventually injure your rights and give judges and administrators discretion that they undoubtedly will abuse to their benefit. There isn't even a common definition of "citizen of the United States" or "U.S. citizen" in the standard dictionary, then the definition of "U.S. citizen" in all the state statutes and on all government forms is up to us! Therefore, once again, whenever you fill out any kind of form that specifies either "U.S. citizen" or "citizen of the United States", you should be **very** careful to clarify that it means "national" under 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 or you will be "presumed" to be a federal citizen and a "citizen of the United States\*\*" under 8 U.S.C. §1401, and this is one of the biggest injuries to your rights that you could ever inflict. Watch out folks! Here is the definition we recommend that you use on any government form that uses these terms that makes the meaning perfectly clear and unambiguous:

**"U.S.\*\*\* citizen" or "citizen of the United States\*\*\*":** A "National" defined in either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) and 8 U.S.C. §1452 who owes their permanent allegiance to the confederation of states called the "United States". Someone who was not born in the federal "United States" as defined in 8 U.S.C. §1101(a)(38) and who is NOT a "citizen of the United States" under 8 U.S.C. §1401.

15.8. Refer them to this pamphlet if they have questions and tell them to do their homework.

16. Citizenship status in Social Security NUMIDENT record:

16.1. The NUMIDENT record derives from what was filled out on the SS-5 form, block 5. See:

<http://www.ssa.gov/online/ss-5.pdf>

16.2. One's citizenship status is encoded within the NUMIDENT record using the "CSP code" within the Numident record. This code is called the "citizenship code" by the Social Security administration.

16.3. Like all government forms, the terms used on the SS-5 form use the STATUTORY context, not the CONSTITUTIONAL context for all citizenship words. Hence, block 5 of the SS-5 form should be filled out with "Legal Alien Authorized to Work", which means you are a STATUTORY but not CONSTITUTIONAL alien. This is consistent with the definition of "individual" found in 26 CFR §1.1441-1(c)(3), which defines the term to include ONLY STATUTORY "aliens".

16.4. Those who are not STATUTORY "nationals and citizens of the United States\*\*" at birth per 8 U.S.C. §1401 or 26 U.S.C. §3121(e), and 26 CFR §1.1-1(c) have a "CSP code" of B in their NUMIDENT record, which corresponds with a CSP code of "B". The comment field of the NUMIDENT record should also be annotated with the following to ensure that it is not changed during an audit because of confusion on the part of the SSA employee:

*"CSP Code B not designated in error-- applicant is an American national with a domicile and residence in a foreign state for the purposes of the Social Security Act."*

16.5. The local SSA office cannot provide a copy of the NUMIDENT record. Only the central SSA headquarters can provide it by submitting a Privacy Act request rather than a FOIA using the following resource:

Guide to Freedom of Information Act, Social Security Administration  
[http://www.ssa.gov/foia/html/foia\\_guide.htm](http://www.ssa.gov/foia/html/foia_guide.htm)

16.6. Information in the NUMIDENT record is shared with:

16.6.1. The Department of Homeland Security (DHS).

16.6.2. State Department of Motor Vehicles in verifying SSNs.

16.6.3. E-Verify.

*About E-Verify*, Form #04.107

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

16.7. The procedures for requesting NUMIDENT information using the Freedom of Information Act or Privacy Act are described in:

Social Security Program Operations Manual (POMS), Section RM 00299.005 Form SSA-L669 Request for Evidence in Support of an SSN Application — U.S.-Born Applicant  
<https://s044a90.ssa.gov/apps10/poms.nsf/lnx/0100299005>



## 5. “Public” v. “Private” employment: You really work for Uncle Sam and not Your Private Employer If You Receive Federal Benefits<sup>13</sup>

*“All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord. Every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interest his own way, and to bring both his industry and capital into competition with those of any other man or order of men. The sovereign is completely discharged from a duty, in the attempting to perform which he must always be exposed to innumerable delusions, and for the proper performance of which no human wisdom or knowledge could ever be sufficient: the duty of superintending the industry of private people.”*

[Adam Smith, [\*An Inquiry into the Nature and Causes of the Wealth of Nations\*](#) (1776)]

As we begin our study of employment withholding, it is very important to define the two classes of “employers”: “Public” v. “Private”. We will develop this subject in this section as a way to emphasize what we mean by “private employers” throughout this book. Please keep these very important distinctions crystal clear in your mind as you read the remainder of the book following this section.

The U.S. Supreme Court has said many times that the ONLY purpose for lawful, constitutional taxation is to collect revenues to support ONLY the machinery and operations of the government and its “employees”. This purpose, it calls a “public use” or “public purpose”:

*“The power to tax is, therefore, the strongest, the most pervading of all powers of government, reaching directly or indirectly to all classes of the people. It was said by Chief Justice Marshall, in the case of McCulloch v. Md., 4 Wheat. 431, that the power to tax is the power to destroy. A striking instance of the truth of the proposition is seen in the fact that the existing tax of ten per cent, imposed by the United States on the circulation of all other banks than the National Banks, drove out of existence every \*state bank of circulation within a year or two after its passage. This power can be readily employed against one class of individuals and in favor of another, so as to ruin the one class and give unlimited wealth and prosperity to the other, if there is no implied limitation of the uses for which the power may be exercised.*

*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 \(1936\)](#)]

Black’s Law Dictionary defines the word “public purpose” as follows:

*“Public purpose. In the law of taxation, eminent domain, etc., this is a term of classification to distinguish the objects for which, according to settled usage, the government is to provide, from those which, by the like usage, are left to private interest, inclination, or liberality. The constitutional requirement that the purpose of any tax, police regulation, or particular exertion of the power of eminent domain shall be the convenience, safety, or welfare of the entire community and not the welfare of a specific individual or class of persons [such as, for instance, federal benefit recipients as individuals]. “Public purpose” that will justify expenditure of public*

<sup>13</sup> Adapted from [The Great IRS Hoax](#), Section 5.6.17.



money generally means such an activity as will serve as benefit to community as a body and which at same time is directly related function of government. *Pack v. Southwestern Bell Tel. & Tel. Co.*, 215 Tenn. 503, 387 S.W.2d. 789, 794

The term is synonymous with governmental purpose. As employed to denote the objects for which taxes may be levied, it has no relation to the urgency of the public need or to the extent of the public benefit which is to follow; the essential requisite being that a public service or use shall affect the inhabitants as a community, and not merely as individuals. A public purpose or public business has for its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants or residents within a given political division, as, for example, a state, the sovereign powers of which are exercised to promote such public purpose or public business.”  
[Black’s Law Dictionary, Sixth Edition, p. 1231, Emphasis added]

A related word defined in Black’s Law Dictionary is “public use”:

**Public use.** Eminent domain. The constitutional and statutory basis for taking property by eminent domain. For condemnation purposes, “public use” is one which confers some benefit or advantage to the public; it is not confined to actual use by public. It is measured in terms of right of public to use proposed facilities for which condemnation is sought and, as long as public has right of use, whether exercised by one or many members of public, a “public advantage” or “public benefit” accrues sufficient to constitute a public use. *Montana Power Co. v. Bokma, Mont.*, 457 P.2d. 769, 772, 773.

Public use, in constitutional provisions restricting the exercise of the right to take property in virtue of eminent domain, means a use concerning the whole community distinguished from particular individuals. But each and every member of society need not be equally interested in such use, or be personally and directly affected by it; if the object is to satisfy a great public want or exigency, that is sufficient. *Ringe Co. v. Los Angeles County*, 262 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186. The term may be said to mean public usefulness, utility, or advantage, or what is productive of general benefit. It may be limited to the inhabitants of a small or restricted locality, but must be in common, and not for a particular individual. The use must be a needful one for the public, which cannot be surrendered without obvious general loss and inconvenience. A “public use” for which land may be taken defies absolute definition for it changes with varying conditions of society, new appliances in the sciences, changing conceptions of scope and functions of government, and other differing circumstances brought about by an increase in population and new modes of communication and transportation. *Katz v. Brandon*, 156 Conn. 521, 245 A.2d. 579, 586.

See also *Condemnation; Eminent domain.*  
[Black’s Law Dictionary, Sixth Edition, p. 1232]

Black’s Law Dictionary also defines the word “tax” as follows:

**“Tax:** A charge by the government on the income of an individual, corporation, or trust, as well as the value of an estate or gift. The objective in assessing the tax is to generate revenue to be used for the needs of the public.

A pecuniary [relating to money] burden laid upon individuals or property to support the government, and is a payment exacted by legislative authority. *In re Mytinger, D.C.Tex.* 31 F.Supp. 977,978,979. **Essential characteristics of a tax are that it is NOT A VOLUNTARY PAYMENT OR DONATION, BUT AN ENFORCED CONTRIBUTION, EXACTED PURSUANT TO LEGISLATIVE AUTHORITY.** *Michigan Employment Sec. Commission v. Patt*, 4 Mich.App. 228, 144 N.W.2d. 663, 665. ...”  
[Black’s Law Dictionary, Sixth Edition, p. 1457]

So in order to be legitimately called a “tax” or “taxation”, the money we pay to the government must fit all of the following criteria:

1. The money must be used ONLY for the support of government.
2. The subject of the tax must be “liable”, and responsible to pay for the support of government under the force of law.
3. The money must go toward a “public purpose” rather than a “private purpose”.
4. The monies paid cannot be described as wealth transfer between two people or classes of people within society
5. The monies paid cannot aid one group of private individuals in society at the expense of another group, because this violates the concept of equal protection of law for all citizens found in section 1 of the Fourteenth Amendment

If the monies demanded by government do not fit all of the above requirements, then they are being used for a “private” purpose and cannot be called “taxes” or “taxation”, according to the Supreme Court. Actions by the government to enforce the payment of any monies that do not meet all the above requirements can therefore only be described as:

1. Theft and robbery by the government in the guise of “taxation”
2. Government by decree rather than by law
3. Tyranny
4. Socialism
5. Mob rule and a tyranny by the “have-nots” against the “haves”
6. [18 U.S.C. §241](#): Conspiracy against rights. The IRS shares tax return information with states of the union, so that both of them can conspire to deprive you of your property.
7. [18 U.S.C. §242](#): Deprivation of rights under the color of law. The Fifth Amendment says that people in states of the Union cannot be deprived of their property without due process of law or a court hearing. Yet, the IRS tries to make it appear like they have the authority to just STEAL these people’s property for a fabricated tax debt that they aren’t even legally liable for.
8. [18 U.S.C. §247](#): Damage to religious property; obstruction of persons in the free exercise of religious beliefs
9. [18 U.S.C. §872](#): Extortion by officers or employees of the United States.
10. [18 U.S.C. §876](#): Mailing threatening communications. This includes all the threatening notices regarding levies, liens, and idiotic IRS letters that refuse to justify why government thinks we are “liable”.
11. [18 U.S.C. §880](#): Receiving the proceeds of extortion. Any money collected from Americans through illegal enforcement actions and for which the contributors are not “liable” under the law is extorted money, and the IRS is in receipt of the proceeds of illegal extortion.
12. [18 U.S.C. §1581](#): Peonage, obstructing enforcement. IRS is obstructing the proper administration of the Internal Revenue Code and the Constitution, which require that they respect those who choose NOT to volunteer to participate in the federal donation program identified under subtitle A of the I.R.C.
13. [18 U.S.C. §1583](#): Enticement into slavery. IRS tries to enlist “nontaxpayers” to rejoin the ranks of other peons who pay taxes they aren’t demonstrably liable for, which amount to slavery.
14. [18 U.S.C. §1589](#): Forced labor. Being forced to expend one’s personal time responding to frivolous IRS notices and pay taxes on my labor that I am not liable for.

The U.S. Supreme Court has further characterized all efforts to abuse the tax system in order to accomplish “wealth transfer” as “political heresy” that is a denial of republican principles that form the foundation of our Constitution, when it issued the following strong words of rebuke. Incidentally, the case below also forms the backbone of reasons why the Internal Revenue Code can never be anything more than private law that only applies to those who volunteer into it:

*“The Legislature may enjoin, permit, forbid, and punish; they may declare new crimes; and establish rules of conduct for all its citizens in future cases; they may command what is right, and prohibit what is wrong; but they [the government] cannot change innocence [a “nontaxpayer”] into guilt [a “taxpayer”]; or punish innocence as a crime [criminally prosecute a “nontaxpayer” for violation of the tax laws]; or violate the right of an antecedent lawful private contract; or the right of private property. To maintain that our Federal, or State, Legislature possesses such powers [of THEFT and FRAUD], if they had not been expressly restrained; would, \*389 in my opinion, be a political heresy, altogether inadmissible in our free republican governments.”*  
[Calder v. Bull, 3 U.S. 386 (1798)]

We also cannot assume or suppose that our government has the authority to make “gifts” of monies collected through its taxation powers, and especially not when paid to private individuals or foreign countries because:

1. The Constitution DOES NOT authorize the government to “gift” money to anyone within states of the Union or in foreign countries, and therefore, this is not a Constitutional use of public funds, nor does unauthorized expenditure of such funds produce a tangible public benefit, but rather an injury, by forcing those who do not approve of the gift to subsidize it and yet not derive any personal benefit whatsoever for it.
2. The Supreme Court identifies such abuse of taxing powers as “robbery in the name of taxation” above.

Based on the foregoing analysis, we are then forced to divide the monies collected by the government through its taxing powers into only two distinct classes. We also emphasize that every tax collected and every expenditure originating from the tax paid MUST fit into one of the two categories below:

#### Table 7: Two methods for taxation

#### **Federal and State Tax Withholding Options for Private Employers**

Copyright Family Guardian Fellowship , <http://famguardian.org/>  
Ver. 2.07

#	Characteristic	Public use/purpose	Private use/purpose
1	Authority for tax	U.S. Constitution	Legislative fiat, tyranny
2	Monies collected described by Supreme Court as	Legitimate taxation	“Robbery in the name of taxation” (see <i>Loan Assoc. v. Topeka</i> , above)
3	Money paid only to following parties	Federal “employees”, contractors, and agents	Private parties with no contractual relationship or agency with the government
4	Government that practices this form of taxation is	A righteous government	A THIEF
5	This type of expenditure of revenues collected is:	Constitutional	Unconstitutional
6	Lawful means of collection	Apportioned direct or indirect taxation	Voluntary donation (cannot be lawfully implemented as a “tax”)
7	Tax system based on this approach is	A lawful means of running a government	A charity and welfare state for private interests, thieves, and criminals
8	Government which identifies payment of such monies as mandatory and enforceable is	A righteous government	A lying, thieving government that is deceiving the people.
9	When enforced, this type of tax leads to	Limited government that sticks to its corporate charter, the Constitution	Socialism Communism Mafia protection racket Organized extortion
10	Lawful subjects of Constitutional, federal taxation	Taxes on imports into states of the Union coming from foreign countries. See Constitution, Article 1, Section 8, Clause 3 (external) taxation.	No subjects of lawful taxation. Whatever unconstitutional judicial fiat and a deceived electorate will tolerate is what will be imposed and enforced at the point of a gun
11	Tax system based on this approach based on	Private property	All property being owned by the state through eminent domain. Tax becomes a means of “renting” what amounts to state property to private individuals for temporary use.

The U.S. Supreme Court also helped to clarify how to distinguish the two above categories when it said:

*“It is undoubtedly the duty of the legislature which imposes or authorizes municipalities to impose a tax to see that it is not to be used for purposes of private interest instead of a public use, and the courts can only be justified in interposing when a violation of this principle is clear and the [87 U.S. 665] reason for interference cogent. And in deciding whether, in the given case, the object for which the taxes are assessed falls upon the one side or the other of this line, they must be governed mainly by the course and usage of the government, the objects for which taxes have been customarily and by long course of legislation levied, what objects or purposes have been considered necessary to the support and for the proper use of the government, whether state or municipal. Whatever lawfully pertains to this and is sanctioned by time and the acquiescence of the people may well be held to belong to the public use, and proper for the maintenance of good government, though this may not be the only criterion of rightful taxation.”*  
[\[Loan Association v. Topeka, 20 Wall. 655 \(1874\)\]](#)

If we give our government the benefit of the doubt by “assuming” or “presuming” that it is operating lawfully and consistent with the model on the left above, then we have no choice but to conclude that everyone who lawfully receives any kind of federal payment MUST be either a federal “employee” or “federal contractor” on official duty, and that the compensation received must be directly connected to the performance of a sovereign or Constitutionally authorized function of government. Any other conclusion or characterization of the collection or expenditure of a lawful tax other than this is irrational, inconsistent with the rulings of the U.S. Supreme Court on this subject, and an attempt to deceive the public about the role of limited Constitutional government based on Republican principles. This means that you cannot participate in any of the following federal social insurance programs WITHOUT being a federal “employee”, and if you refuse to identify yourself as a federal employee, then you are admitting that your government is a thief and a robber that is abusing its taxing powers:

1. Subtitle A of the Internal Revenue Code. IRC Sections 1, 32, and 162 all confer privileged financial benefits to the participant which constitute federal “employment” compensation.
2. Social Security.
3. Unemployment compensation.
4. Medicare.

An examination of the Privacy Act, [5 U.S.C. §552a\(a\)\(13\)](#), in fact, identifies all those who participate in the above programs as “federal personnel”, which means federal “employees”. To wit:

[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 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).

The “individual” they are talking about above is further defined in [5 U.S.C. §552a\(a\)\(2\)](#) as follows:

[TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552a](#)  
[§ 552a. Records maintained on individuals](#)

(a) Definitions.— For purposes of this section—

(2) the term “individual” means a citizen of the United States or an alien lawfully admitted for permanent residence;

The “citizen of the United States” they are talking about is based on the statutory rather than constitutional definition of the “[United States](#)”, which means it refers to the federal zone and excludes states of the Union. Also, note that both of the two preceding definitions are found within [Title 5 of the U.S. Code](#), which is entitled “Government Organization and Employees”. Therefore, it refers ONLY to government employees and excludes private employees. There is no definition of the term “individual” anywhere in [Title 26 \(I.R.C.\) of the U.S. Code](#) or any other title that refers to private natural persons, because Congress cannot legislate for them. Notice the use of the phrase “private business” in the U.S. Supreme Court ruling below:

*“The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way [unregulated by the government]. 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)]

The purpose of the Constitution and the Bill of Rights instead is to REMOVE authority of the Congress to legislate for private persons and thereby protect their sovereignty and dignity. That is why the U.S. Supreme Court ruled the following:

*“The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone - the most comprehensive of rights and the right most valued by civilized men.”*  
[Olmstead v. United States, [277 U.S. 438](#), 478 (1928) (Brandeis, J., dissenting); see also Washington v. Harper, [494 U.S. 210](#) (1990)]

<b>QUESTIONS FOR DOUBTERS:</b> If you aren’t a federal “employee” as a person participating in Social Security and the Internal Revenue Code, then why are all of the Social Security Regulations located in Title 20 of the Code of Federal Regulations under parts 400-499, entitled “Employee Benefits”? See for yourself:
---

Another very important point to make here is that the purpose of nearly all federal law is to regulate “public conduct” rather than “private conduct”. Congress must write laws to regulate and control every aspect of the behavior of its employees so that they do not adversely affect the rights of private individuals like you, who they exist exclusively to serve and protect. Most federal statutes, in fact, are exclusively for use by those working in government and simply do not apply to private citizens in the conduct of their private lives. Federal law cannot apply to the private public at large because the Thirteenth Amendment says that involuntary servitude has been abolished. If involuntary servitude is abolished, then they can't use, or in this case “abuse” the authority of law to impose ANY kind of duty against anyone in the private public except possibly the responsibility to avoid hurting their neighbor and thereby depriving him of the equal rights he enjoys.

*For the commandments, “You shall not commit adultery,” “You shall not murder,” “You shall not steal,” “You shall not bear false witness,” “You shall not covet,” and if there is any other commandment, are all summed up in this saying, namely, “You shall love your neighbor as yourself.”*

**Love does no harm to a neighbor; therefore love is the fulfillment of [the ONLY requirement of] the law [which is to avoid hurting your neighbor and thereby love him].**  
*[Romans 13:9-10, Bible, NKJV]*

*“Do not strive with a man without cause, **if he has done you no harm.**”*  
*[Prov. 3:30, Bible, NKJV]*

Thomas Jefferson, our most revered founding father, summed up this singular duty of government to LEAVE PEOPLE ALONE and only interfere or impose a "duty" using the authority of law when and only when they are hurting each other in order to protect them and prevent the harm when he said.

*“With all [our] blessings, 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. ME 3:320]*

The U.S. Supreme Court confirmed this view, when it ruled:

*“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. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

What the U.S. Supreme Court is saying above is that the government has no authority to tell you how to run your private life. This is contrary to the whole idea of the Internal Revenue Code, whose main purpose is to monitor and control every aspect of those who are subject to it. In fact, it has become the chief means for Congress to implement what we call “social engineering”. Just by the deductions they offer, people are incentivized into all kinds of crazy behaviors in pursuit of reductions in a liability that they in fact do not even have. Therefore, the only reasonable thing to conclude is that Subtitle A of the Internal Revenue Code, which would “appear” to regulate the private conduct of all human beings in states of the Union, in fact:

1. Only applies to “public employees”, “public offices”, and federal instrumentalities in the official conduct of their duties on behalf of the municipal corporation located in the District of Columbia, which 4 U.S.C. §72 makes the “seat of government”.
2. Does not CREATE any new public offices or instrumentalities within the national government, but only regulates the exercise of EXISTING public offices lawfully created through Title 5 of the U.S. Code. The IRS abuses its forms to unlawfully CREATE public offices within the federal government. In payroll terminology, this is called “creating



fictitious employees”, and it is not only quite common, but highly illegal and can get private workers FIRED on the spot if discovered.

3. Regulates PUBLIC and not PRIVATE conduct and therefore does not pertain to private human beings.

4. Constitutes a franchise and a “benefit” within the meaning of 5 U.S.C. §552a. Tax “refunds” and “deductions”, in fact, are the “benefit”, and 26 U.S.C. §162 says that all those who take deductions MUST, in fact, be engaged in a public office within the government, which is called a “trade or business”:

[TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552a](#)  
[§ 552a. Records maintained on individuals](#)

(a) Definitions.— For purposes of this section—

(12) the term “Federal benefit program” means any program administered or funded by the Federal Government, or by any agent or State on behalf of the Federal Government, providing cash or in-kind assistance in the form of payments, grants, loans, or loan guarantees to individuals: . . .

5. Has the job of concealing all the above facts in thousands of pages and hundreds of thousands of words so that the average American is not aware of it. That is why they call it the “code” instead of simply “law”: Because it is private law you have to volunteer for and an “encryption” and concealment device for the truth. Now we know why former Treasury Secretary Paul O’Neil called the Internal Revenue Code “9500 pages of gibberish” before he quit his job in disgust and went on a campaign to criticize government.

The I.R.C. therefore essentially amounts to a part of the job responsibility and the “employment contract” of EXISTING “public employees”, “public officers”, and federal instrumentalities. This was also confirmed by the House of Representatives, who said that only those who take an oath of “public office” are subject to the requirements of the personal income tax. See:

<http://famguardian.org/Subjects/Taxes/Evidence/PublicOrPrivate-Tax-Return.pdf>

The total lack of authority of the government to regulate or tax private conduct explains why, for instance:

1. The vehicle code in your state cannot be enforced on PRIVATE property. It only applies on PUBLIC roads owned by the government
2. The family court in your state cannot regulate the exercise of unlicensed and therefore PRIVATE CONTRACT marriage. Marriage licenses are a franchise that make those applying into public officers. Family court is a franchise court and the equivalent of binding arbitration that only applies to fellow statutory government “employees”.
3. City conduct ordinances such as those prohibiting drinking by underage minors only apply to institutions who are licensed, and therefore PUBLIC institutions acting as public officers of the government.

Within the Internal Revenue Code, those legal “persons” who work for the government are identified as engaging in a “public office”. A “public office” within the Internal Revenue Code is called a “trade or business”, which is defined below. We emphasize that engaging in a privileged “trade or business” is the main excise taxable activity that in fact and in deed is what REALLY makes a person a “taxpayer” subject to the Internal Revenue Code, Subtitle A:

[26 U.S.C. Sec. 7701\(a\)\(26\)](#)

*“The term ‘trade or business’ includes the performance of the functions of a [public office](#).”*

Below is the definition of “public office”:

Public office

*“Essential characteristics of a ‘public office’ are:*

*(1) Authority conferred by law,*

*(2) Fixed tenure of office, and*

*(3) Power to exercise some of the sovereign functions of government.*

*(4) Key element of such test is that “officer is carrying out a sovereign function”.*

*(5) Essential elements to establish public position as ‘public office’ are:*

*Position must be created by Constitution, legislature, or through authority conferred by legislature.*

*Portion of sovereign power of government must be delegated to position,*



Duties and powers must be defined, directly or implied, by legislature or through legislative authority.  
Duties must be performed independently without control of superior power other than law, and  
Position must have some permanency.”  
[Black’s Law Dictionary, Sixth Edition, p. 1230]

Those who are fulfilling the “functions of a public office” are under a legal, fiduciary duty as “trustees” of the “public trust”, while working as “volunteers” for the “charitable trust” called the “United States Government Corporation”, which we affectionately call “U.S. Inc.”:

“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.”<sup>14</sup>  
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.<sup>15</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves,<sup>16</sup> and owes a fiduciary duty to the public.<sup>17</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>18</sup> 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.”<sup>19</sup>  
[63C Am.Jur.2d, Public Officers and Employees, §247]

“U.S. Inc.” is a federal corporation, as defined below:

“Corporations are also of all grades, and made for varied objects; all governments are corporations, created by usage and common consent, or grants and charters which create a body politic for prescribed purposes; but whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise of power, they are all governed by the same rules of law, as to the construction and the obligation of the instrument by which the incorporation is made. One universal rule of law protects persons and property. It is a fundamental principle of the common law of England, that the term freemen of the kingdom, includes ‘all persons,’ ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2 Inst. 4), and is incorporated into our institutions. The persons of the members of corporations are on the same footing of protection as other persons, and their corporate property secured by the same laws which protect that of individuals. 2 Inst. 46-7. ‘No man shall be taken,’ ‘no man shall be disseised,’ without due process of law, is a principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the federal government, by the amendments to the constitution.”  
[Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, [36 U.S. 420](#) (1837)]

TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
[PART VI - PARTICULAR PROCEEDINGS](#)  
[CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE](#)  
[SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS](#)

[Sec. 3002](#). Definitions

(15) “United States” means -  
(A) a Federal corporation;

<sup>14</sup> State ex rel. Nagle v. Sullivan, 98 Mont 425, 40 P2d 995, 99 ALR 321; Jersey City v. Hague, 18 NJ 584, 115 A.2d. 8.

<sup>15</sup> 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.

<sup>16</sup> 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.

<sup>17</sup> 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 F.2d. 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 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 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).

<sup>18</sup> 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.

<sup>19</sup> 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).

(B) an agency, department, commission, board, or other entity of the United States; or  
(C) an instrumentality of the United States.

Those who are acting as “public officers” for “U.S. Inc.” have essentially donated their formerly private property to a “public use”. In effect, they have joined the SOCIALIST collective and become partakers of money STOLEN from people, most of whom, do not wish to participate and who would quit if offered an informed choice to do so.

*“My son, if sinners [socialists, in this case] entice you,  
**Do not consent [do not abuse your power of choice]**  
If they say, “Come with us,  
Let us lie in wait to shed blood [of innocent “nontaxpayers”];  
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 [share the stolen LOOT]”--***

***My son, do not walk in the way with them [do not ASSOCIATE with them and don't let the government FORCE you to associate with them either by forcing you to become a “taxpayer”/government whore or a “U.S. person”].**  
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 [or unearned government benefits];**  
**It takes away the life of its owners.”**  
*[Proverbs 1:10-19, Bible, NKJV]**

Below is what the U.S. Supreme Court says about those who have donated their private property to a “public use”. The ability to volunteer your private property for “public use”, by the way, also implies the ability to UNVOLUNTEER at any time, which is the part no government employee we have ever found is willing to talk about. I wonder why....DUHHHH!:

*“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)]*

Any legal person, whether it be a natural person, a corporation, or a trust, may become a “public office” if it volunteers to do so. A subset of those engaging in such a “public office” are federal “employees”, but the term “public office” or “trade or business” encompasses much more than just government “employees”. In law, when a legal “person” volunteers to accept the legal duties of a “public office”, it therefore becomes a “trustee”, an agent, and fiduciary (as defined in [26 U.S.C. §6903](#)) acting on behalf of the federal government by the operation of private contract law. It becomes essentially a “franchisee” of the federal government carrying out the provisions of the franchise agreement, which is found in:

1. Internal Revenue Code, Subtitle A, in the case of the federal income tax.
2. The Social Security Act, which is found in Title 42 of the U.S. Code.

If you would like to learn more about how this “trade or business” scam works, consult the authoritative article below:

[The “Trade or Business” Scam](http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm)  
<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>

If you would like to know more about the extreme dangers of participating in all government franchises and why you destroy ALL your Constitutional rights and protections by doing so, see:

1. Government Instituted Slavery Using Franchises, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>
2. SEDM Liberty University, Section 4:  
<http://sedm.org/LibertyU/LibertyU.htm>

The IRS Form 1042-S Instructions confirm that all those who use Social Security Numbers are engaged in the “trade or business” franchise:

**Box 14, Recipient’s U.S. Taxpayer Identification Number (TIN)**

You must obtain and enter a U.S. taxpayer identification number (TIN) for:

- Any recipient whose income is effectively connected with the conduct of a trade or business in the United States.

[IRS Form 1042-S Instructions, p. 14]

Engaging in a “trade or business” therefore implies a “public office”, which makes the person using the number into a “public officer” who has donated his formerly private time and services to a “public use” and agreed to give the public the right to control and regulate that use through the operation of the franchise agreement, which is the Internal Revenue Code, Subtitle A and the Social Security Act found in Title 42 of the U.S. Code. The Social Security Number is therefore the equivalent of a “license number” to act as a “public officer” for the federal government, who is a fiduciary or trustee subject to the plenary legislative jurisdiction of the federal government pursuant to 26 U.S.C. §7701(a)(39), 26 U.S.C. §7408(d), and Federal Rule of Civil Procedure 17(b), regardless of where he might be found geographically, including within a state of the Union. The franchise agreement governs “choice of law” and where it’s terms may be litigated, which is the District of Columbia, based on the agreement itself.

Now let’s apply what we have learned to your employment situation. God said you cannot work for two companies at once. You can only serve one company, and that company is the federal government if you are receiving federal benefits:

*“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].”  
[Matt. 6:24, Bible, NKJV. Written by a tax collector]*

Everything you make while working for your slave master, the federal government, is their property over which you are a fiduciary and “public officer”.

*“THE” + “IRS” = “THEIRS”*

A federal “public officer” has no rights in relation to their public employer, 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, [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 existence and your earnings as a federal “public officer” are entirely subject to the whim and pleasure of corrupted lawyers and politicians, and you must beg and grovel if you expect to retain anything:

1 "In the general course of human nature, A POWER OVER A MAN'S SUBSISTENCE AMOUNTS TO A POWER  
2 OVER HIS WILL."  
3 [Alexander Hamilton, [Federalist Paper No. 79](#)]

4 You will need an "exemption" from your new slave master specifically spelled out in law to justify anything you want to  
5 keep while working on the federal plantation. The 1040 return is a profit and loss statement for a federal business  
6 corporation called the "United States". You are in partnership with your slave master and they decide what scraps they  
7 want to throw to you in your legal "cage" AFTER they figure out whatever is left in financing their favorite pork barrel  
8 project and paying off interest on an ever-expanding and endless national debt. Do you really want to reward this type of  
9 irresponsibility and surety?

10 The W-4 therefore essentially amounts to a federal employment application. It is your badge of dishonor and a tacit  
11 admission that you can't or won't trust God and yourself to provide for yourself. Instead, you need a corrupted "protector"  
12 to steal money from your neighbor or counterfeit (print) it to help you pay your bills and run your life. Furthermore, if your  
13 private employer forced you to fill out the W-4 against your will or instituted any duress to get you to fill it out, such as  
14 threatening to fire or not hire you unless you fill it out, then he/she is:

- 15 1. Acting as an employment recruiter for the federal government.
- 16 2. Recruiting you into federal slavery in violation of the Thirteenth Amendment, and [42 U.S.C. §1994](#).
- 17 3. Involved in a conspiracy to commit grand theft by stealing money from you to pay for services and protection you  
18 don't want and don't need.
- 19 4. Involved in racketeering and extortion in violation of [18 U.S.C. §1951](#).
- 20 5. Involved in money laundering for the federal government, by sending in money stolen from you to them, in violation  
21 of [18 U.S.C. §1956](#).

22 The higher ups at the IRS probably know the above, and they certainly aren't going to tell private employers or their  
23 underlings the truth, because they aren't going to look a gift horse in the mouth and don't want to surrender their defense of  
24 "plausible deniability". They will NEVER tell a thief who is stealing for them that they are stealing, especially if they  
25 don't have to assume liability for the consequences of the theft. No one who practices this kind of slavery, deceit, and evil  
26 can rightly claim that they are loving their neighbor and once they know they are involved in such deceit, they have a duty  
27 to correct it or become an "accessory after the fact" in violation of [18 U.S.C. §3](#). This form of deceit is also the sin most  
28 hated by God in the Bible. Below is a famous Bible commentary on [Prov. 11:1](#):

29 *"As religion towards God is a branch of universal righteousness (he is not an honest man that is not devout), so*  
30 ***righteousness towards men is a branch of true religion, for he is not a godly man that is not honest, nor can***  
31 *he expect that his devotion should be accepted; for, 1. **Nothing is more offensive to God than deceit in***  
32 ***commerce. A false balance is here put for all manner of unjust and fraudulent practices [of our public dis-***  
33 ***servants] in dealing with any person [within the public], which are all an abomination to the Lord, and***  
34 ***render those abominable [hated] to him that allow themselves in the use of such accursed arts of thriving. It***  
35 ***is an affront to justice, which God is the patron of, as well as a wrong to our neighbour, whom God is the***  
36 ***protector of.** Men [in the IRS and the Congress] make light of such frauds, and think there is no sin in that*  
37 *which there is money to be got by, and, while it passes undiscovered, they cannot blame themselves for it; a*  
38 *blot is no blot till it is hit, Hos. 12:7, 8. But they are not the less an abomination to God, who will be the*  
39 *avenger of those that are defrauded by their brethren. 2. **Nothing is more pleasing to God than fair and***  
40 ***honest dealing, nor more necessary to make us and our devotions acceptable to him: A just weight is his***  
41 ***delight.** He himself goes by a just weight, and holds the scale of judgment with an even hand, and therefore is*  
42 *pleased with those that are herein followers of him. A balance cheats, under pretence of doing right most*  
43 *exactly, and therefore is the greater abomination to God."*  
44 [Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1]

45 The Bible also says that those who participate in this kind of "commerce" with the government are practicing harlotry and  
46 idolatry. The Bible book of Revelations describes a woman called "Babylon the Great Harlot".

47 *"And I saw a woman sitting on a scarlet beast which was full of names of blasphemy, having seven heads and*  
48 *ten horns. The woman was arrayed in purple and scarlet, and adorned with gold and precious stones and*  
49 *pearls, having in her hand a golden cup full of abominations and the filthiness of her fornication. And on her*  
50 *forehead a name was written:*

51 MYSTERY, BABYLON THE GREAT, THE MOTHER OF HARLOTS AND OF THE ABOMINATIONS OF THE  
52 EARTH.

1 I saw the woman, drunk with the blood of the saints and with the blood of the martyrs of Jesus. And when I saw  
2 her, I marveled with great amazement.”  
3 [[Rev. 17:3-6](#), Bible, NKJV]

4 This despicable harlot is described below as the “woman who sits on many waters”.

5 “Come, I will show you the judgment of the great harlot [Babylon the Great Harlot] who sits on many waters,  
6 with whom the kings of the earth [politicians and rulers] committed fornication, and the inhabitants of the earth  
7 were made drunk [indulged] with the wine of her fornication.”  
8 [[Rev. 17:1-2](#), Bible, NKJV]

9 These waters are simply symbolic of a democracy controlled by mobs of atheistic people who are fornicating with the Beast  
10 and who have made it their false, man-made god and idol:

11 “The waters which you saw, where the harlot sits, are peoples, multitudes, nations, and tongues.”  
12 [[Rev. 17:15](#), Bible, NKJV]

13 The Beast is then defined in Rev. 19:19 as “the kings of the earth”, which today would be our political rulers:

14 “And I saw the beast, the kings of the earth, and their armies, gathered together to make war against Him who  
15 sat on the horse and against His army.”  
16 [[Rev. 19:19](#), Bible, NKJV]

17 Babylon the Great Harlot is “fornicating” with the government by engaging in commerce with it. Black’s Law Dictionary  
18 defines “commerce” as “intercourse”:

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

24 If you want your rights back people, you can’t pursue government employment in the context of your private job. If you  
25 do, the Bible, not us, says you are a harlot and that you are CONDEMNED to hell!

26 And I heard another voice from heaven saying, “Come out of her, my people, lest you share in her sins, and lest  
27 you receive of her plagues. For her sins have reached to heaven, and God has remembered her iniquities.  
28 Render to her just as she rendered to you, and repay her double according to her works; in the cup which she  
29 has mixed, mix double for her. In the measure that she glorified herself and lived luxuriously, in the same  
30 measure give her torment and sorrow; for she says in her heart, ‘I sit as queen, and am no widow, and will not  
31 see sorrow.’ Therefore her plagues will come in one day—death and mourning and famine. And she will be  
32 utterly burned with fire, for strong is the Lord God who judges her.  
33 [[Rev. 18:4-8](#), Bible, NKJV]

34 If you would like to know more about why Subtitle A of the Internal Revenue Code only applies to federal instrumentalities  
35 and payments to or from the federal government, we refer you to the free memorandum of law below:

[Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes](http://sedm.org/Forms/FormIndex.htm), Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>

## 36 **6. Private Employers Aren’t Authorized by Law to Act as a Federal “withholding agent”<sup>20</sup>**

37 IRS Publication 15, Circular E: Employer’s Tax Guide indicates on page 6 what the definition of “employer” is. It only  
38 lists federal agencies and “States” as employers. See for yourself:

IRS Publication 15, Circular E: *Employer’s Tax Guide*  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub15.pdf>

<sup>20</sup> Adapted from *The Great IRS Hoax*, Section 5.4.13. See: <http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>



Remember that “States” in the Internal Revenue Code means territories and possessions of the United States as defined in [26 U.S.C. §7701\(a\)\(10\)](#) and [4 U.S.C. §110\(d\)](#). Private employers do not appear anywhere in the booklet. One of our readers did an FOIA request asking the IRS for the forms and publications that private employers should use. Guess what the response said:

*“We have no documents responsive to your request.”*

Do you get it? The federal income tax and employment withholding taxes only apply to:

1. Statutory “U.S. persons” with a domicile on federal territory, most of whom work for the federal government. These people are described in 26 U.S.C. §7701(a)(30).
2. Territories of the United States, which are classified as “States” in federal statutes and “acts of Congress”.
3. Those engaged in a “trade or business” temporarily abroad as described in 26 U.S.C. §911.

States of the Union cannot and do not appear in the Internal Revenue Code Subtitle A and if they did, they would appear as “states” and not “States”. This is further confirmed by the regulations below, which prove that there are no “employers” outside the “United States”, which is defined in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) to expressly include federal territory and nowhere defined to include states of the Union within Subtitle A of the I.R.C.:

*Title 26: Internal Revenue*

[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)

[Subpart B—Federal Insurance Contributions Act \(Chapter 21, Internal Revenue Code of 1954\)](#)

[General Provisions](#)

[§ 31.3121\(b\)-3 Employment; services performed after 1954.](#)

*(a) In general. Whether services performed after 1954 constitute employment is determined in accordance with the provisions of section 3121(b).*

*(b) Services performed within the United States [federal territory].*

*Services performed after 1954 within the United States (see §31.3121(e)-1) by an employee for his employer, unless specifically excepted by section 3121(b), constitute employment. With respect to services performed within the United States, the place where the contract of service is entered into is immaterial. The citizenship or residence of the employee or of the employer also is immaterial except to the extent provided in any specific exception from employment. Thus, the employee and the employer may be citizens and residents of a foreign country and the contract of service may be entered into in a foreign country, and yet, if the employee under such contract performs services within the United States, there may be to that extent employment.*

*“(c) Services performed outside the United States—*

*(1) In general.*

*(2) Except as provided in paragraphs (c)(2) and (3) of this section, services performed outside the United States (see §31.3121(e)-1) do not constitute employment.*

Note from the above that services performed outside the statutory “United States\*” (federal territory) do not constitute “employment”. This is also consistent with:

1. 26 U.S.C. §861(a)(3)(c)(ii), which says that “nonresident aliens” not engaged in a “trade or business” [public office in the U.S. government], even if they work in the “United States”, do not earn taxable income. You will note that 4 U.S.C. §72 says that all public offices shall be exercised ONLY in the District of Columbia and not elsewhere.
2. 26 U.S.C. §3401(a)(6) says that services of a nonresident alien individual (a person domiciled in a state of the Union) do not constitute “wages” that can be included on a W-2 Form.
3. 26 CFR §1.872-2(f) says that earnings from outside the “United States” (federal zone) does not constitute “gross income”.

Private employers aren’t covered by the Internal Revenue Code, and the only reason that any of them think otherwise is because they never bothered to read the Internal Revenue Code or Publication 15, Circular E for themselves and simply were reacting to authority that the IRS in fact did not have.

The term “withholding agent” is defined as follows in the Internal Revenue Code:

***Federal and State Tax Withholding Options for Private Employers***

Copyright Family Guardian Fellowship, <http://famguardian.org/>  
Ver. 2.07

106

EXHIBIT: \_\_\_\_\_



(a)(16) Withholding agent

The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of section 1441, 1442, 1443, or 1461.

Now if you look up each of the above four statutes mentioned in the above definition, here is what you end up with:

**Table 8:** Statutes authorizing "withholding agents"

26 U.S.C./ I.R.C. section	Title of section	Object of tax
<a href="#">1441</a>	Withholding of tax on nonresident aliens	Nonresident aliens
<a href="#">1442</a>	Withholding of tax on foreign corporations	Foreign corporations
<a href="#">1443</a>	Foreign tax-exempt organizations	Tax-exempt organizations
<a href="#">1461</a>	Liability for withheld tax	Nonresident aliens and foreign corporations (see title of Chapter 3 of Subtitle A).

So the question is: "Which one of the above are you as a person in a state of the Union who is working for a private, non-federal employer?". The answer is "nonresident alien". The trouble is, your private employer fits in the same category as you and is therefore outside of federal jurisdiction and not even subject to the Internal Revenue Code or to withholding. See paragraph (b) below:

Title 26  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 31.3401(a)(6)-1 Remuneration for services of nonresident alien individuals.

(a) In general. All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section. In regard to wages paid under this section after February 28, 1979, the term "nonresident alien individual" does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).

(b) Remuneration for services performed outside the United States. Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.

Keep in mind that the I.R.C is "legislation" as described by the Supreme Court below:

*"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)]*

A person can ONLY be designated as a withholding agent using IRS Form 2678, which you can view below:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm2678.pdf>

Does your private employer have one of these signed forms on file? Chances are he doesn't, and he is withholding ILLEGALLY. That means he is STEALING.

So the question then becomes: "By what lawful authority does my private employer deduct and withhold "taxes" on my personal earnings from labor (not "wages", but "earnings") and where is he even defined as an 'employer' in the Internal Revenue Code?" We'll now answer that question.

The IRS' own Internal Revenue Manual (IRM) confirms the above, which says:

2. **Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

[<http://www.irs.gov/irm/part5/ch14s10.html>]

They never bother to define what they mean above by “Private employers”, but what they really mean are those that are not part of the federal government. The opposite of “private” is “public” in the legal field. A “public” employer is one who has volunteered to work for the “public” for free as a “federal employer”. The Internal Revenue Code provisions under Subtitle C, Employment Taxes, is based on the Public Salary Tax Act of 1939. That act only lawfully taxed “Public Salaries”, which is to say salaries of those engaged in a “public office” (e.g. “trade or business” as defined in 26 U.S.C. §7701(a)(26)) in the United States Government only. Below is the definition of “employee” right from the code:

26 U.S.C. Sec. 3401(c) Employee

*For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, 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.*

And below is the regulation that interprets the above section for clarification:

26 CFR § 31.3401(c)-1 Employee:

*"...the term [employee] includes[is limited to] 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."*

And the only definition of “employee” that we are aware of that has ever been published in the Federal Register reads as follows:

8 Federal Register, Tuesday, September 7, 1943, §404.104, pg. 12267

*Employee: "The term employee specifically includes officers and employees whether elected or appointed, of the United States, a state, territory, or political subdivision thereof or the District of Columbia or any agency or instrumentality of any one or more of the foregoing."*

Any way you slice it, Subtitle A income taxes are indirect excise taxes upon the “privileges” of “public office” within the federal United States corporation as we will soon point out later in section 12. Keep in mind also that a “public office” includes more than just an elected or appointed employment position. Any artificial entity can be a “public office”, including a whole company, if it is owned or controlled or under contract with the federal government. Even the U.S. Congress agrees with this conclusion in their “*Frequently Asked Questions Concerning the Federal Income Tax*”, Congressional Research Service Report 97-59A. See:

<http://famguardian.org/PublishedAuthors/Govt/CRS/CRS-97-59A-rebuts.pdf>

In addition to all the above conclusions, even more important is the fact that Subtitle A income taxes only apply inside the federal zone or to those with contracts, agency, or employment with the federal government when serving in a “public office” authorized by an act of Congress pursuant to 4 U.S.C. §72 in the place they serve. This is thoroughly documented in sections 5.2 through 5.2.14 of our *Great IRS Hoax*, Form #11.302 book. This is a product of the fact that the federal government has no police powers inside states of the Union and because the Sixteenth Amendment never delegated the authority to collect direct, unapportioned taxes upon People within states of the Union. It authorizes collection of an unapportioned income tax inside the federal zone or federal United States, but not within states of the Union. That is why states of the Union are treated as “foreign states” and “foreign countries” with respect to the Internal Revenue Code, as you will find out in the next section.

Since in most cases, the company you work for is not a federal “public office” or instrumentality, then neither you nor that company are the proper subject of either I.R.C. Subtitle A income taxes or Subtitle C employment taxes. But here is the clincher: Either one of you can volunteer to be subject to and liable for these taxes under Subtitle C of the Internal Revenue Code! You, who aren’t a “public officer” of the United States Government can volunteer to withhold these “donations” to the federal government and once you volunteer by signing a contract/agreement called a W-4, your private employer, if he is within the federal zone, becomes liable to pay them to Uncle Sam under [26 U.S.C. §1461](#) because if he doesn’t, he has defrauded the government. But if you don’t decide to donate or withhold, your private employer isn’t liable to do anything. The only thing that any private employer is liable to do is to deduct and withhold WHEN YOU ASK them to, and to pay monies deducted to the federal government under [26 U.S.C. §1461](#). Even then, though, he must maintain a legal domicile in the federal zone or represent a corporation that does under Federal Rule of Civil Procedure 17(b) in order to be subject to federal law. Businesses in states of the Union aren’t within the jurisdiction of the Internal Revenue Code. As a matter of fact, our research in section 5.6.8 of the Great IRS Hoax, Form #11.302 reveals that the IRS classifies all employment taxes deducted as gifts to the federal government, which is what Tax Class 5 is! How can a private employer domiciled within states of the Union and outside of federal jurisdiction be held “liable” for not sending gifts to the federal government? Furthermore, we will show in section 11 that it would be a serious violation of law for the IRS to coerce or force either you or the business you work for to donate such gifts, because that would amount to solicitation of a bribe, which is just money that is extorted without the authority of law.

Now let’s look at whether private employers who are not part of the federal government and have no federal public officer or instrumentalities doing business with them are allowed to withhold. The U.S. Supreme Court said that the labor of a human being is “property” in a legal sense:

*"Among these unalienable rights, as proclaimed in that great document [the Declaration of Independence] is the right of men to pursue their happiness, by which is meant, the right any lawful business or vocation, in any manner not inconsistent with the equal rights of others, which may increase their prosperity or develop their faculties, so as to give them their highest enjoyment...It has been well said that, THE PROPERTY WHICH EVERY MAN HAS IN HIS OWN LABOR, AS IT IS THE ORIGINAL FOUNDATION OF ALL OTHER PROPERTY SO IT IS THE MOST SACRED AND INVOLABLE... to hinder his employing this strength and dexterity in what manner he thinks proper without injury to his neighbor, is a plain violation of this most sacred property."*

*[Butchers' Union Co. v. Crescent City Co., [111 U.S. 746](#) (1884), Concurring opinion of Justice Field]*

Anyone who withholds on earnings from labor that are not connected with a voluntary, excise taxable activity is effecting slavery, because they are literally STEALING property. This is confirmed by examining the withholding regulations at 26 CFR §1.1441-2, which say that withholding may not be effected on the sale of “property”:

*Title 26: Internal Revenue*

*[PART 1—INCOME TAXES](#)*

*[Withholding of Tax on Nonresident Aliens and Foreign Corporations and Tax-Free Covenant Bonds](#)*  
*[§ 1.1441-2 Amounts subject to withholding.](#)*

*(b) Fixed or determinable annual or periodical income—(1) In general—(i) Definition. For purposes of chapter 3 of the Internal Revenue Code and the regulations thereunder, fixed or determinable annual or periodical income includes all income included in gross income under section 61 (including original issue discount) except for the items specified in paragraph (b)(2) of this section. Items of income that are excluded from gross income under a provision of law without regard to the U.S. or foreign status of the owner of the income, such as interest excluded from gross income under section 103(a) or qualified scholarship income under section 117, shall not be treated as fixed or determinable annual or periodical income under chapter 3 of the Internal Revenue Code. Income excluded from gross income under section 892 (income of foreign governments) or section 115 (income of a U.S. possession) is fixed or determinable annual or periodical income since the exclusion from gross income under those sections is dependent on the foreign status of the owner of the income. See §1.306-3(h) for treating income from the disposition of section 306 stock as fixed or determinable annual or periodical income.*

*[...]*

*(2) Exceptions. For purposes of chapter 3 of the Code and the regulations thereunder, the items of income described in this paragraph (b)(2) are not fixed or determinable annual or periodical income—*

*(i) Gains derived from the sale of property (including market discount and option premiums), except for gains described in paragraph (b)(3) or (c) of this section; and*

*(ii) Any other income that the Internal Revenue Service (IRS) may determine, in published guidance (see §601.601(d)(2) of this chapter), is not fixed or determinable annual or periodical income.*

Note that withholding is not authorized on gains derived from any kind of property other than that listed above, and since labor isn't included in the list, then there can be no withholding on "labor". Next, we examine I.R.C. Section 61 to determine whether "labor" is included in the definition of "gross income". We have highlighted and boldfaced and underlined the only portion of that section that relates to "labor" of a human being:

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter B > PART I > § 61  
§ 61. Gross income defined (a) General definition

*Except as otherwise provided in this subtitle, gross income means all income from whatever source derived, including (but not limited to) the following items:*

- (1) **Compensation for services, including fees, commissions, fringe benefits, and similar items;***
- (2) Gross income derived from business;*
- (3) Gains derived from dealings in property;*
- (4) Interest;*
- (5) Rents;*
- (6) Royalties;*
- (7) Dividends;*
- (8) Alimony and separate maintenance payments;*
- (9) Annuities;*
- (10) Income from life insurance and endowment contracts;*
- (11) Pensions;*
- (12) Income from discharge of indebtedness;*
- (13) Distributive share of partnership gross income;*
- (14) Income in respect of a decedent; and*
- (15) Income from an interest in an estate or trust.*

The above definition uses several tricky "words of art" to deceive the reader about withholding on "labor", such as "compensation", "services", etc. These "words of art" are then defined in the Classification Act of 1923, 42 Stat. 1988 as follows:

1. "department": "the term 'department' means an executive department of the United States Government, a governmental establishment in the executive branch of the United States Government which is not a part of an executive department, the municipal government of the District of Columbia, the Botanic garden, Library of Congress, Library Building and Grounds, Government Printing Office, and the Smithsonian Institution."
2. "position": "means a specific civilian office or employment, whether occupied or vacant, in a department other than the following: Offices or employments in the Postal Service; teachers, librarians, school attendance officers, and employees of the community center department under the Board of Education of the District of Columbia; officers and members of the Metropolitan police, the fire department of the District of Columbia, and the United States park police; and the commissioned personnel of the Coast Guard, the public Health Service, and the Coast and Geodetic Survey."
3. "employee": "means any person temporarily or permanently in a position."
4. "service": "means the broadest division of related offices and employments."
5. "compensation": "means any salary, wage, fee, allowance, or other emolument paid to an employee for service in a position."

What the above definitions show, is that "labor", in the context of Subtitle A of the I.R.C., is not the commodity being taxed. Rather, "compensation" for "services" performed in the conduct of a "trade or business", which is defined in 26 U.S.C. §7701(a)(26) as "the functions of a public office" is the voluntary, excise taxable activity that is being taxed. Remember, Subtitle A of the Internal Revenue Code is an indirect excise tax upon privileged, excise taxable activities, according to the U.S. Supreme Court. The "activity" is a "trade or business", which is basically privileged employment with the federal government:

*"..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 [excise] 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 Co., 240 U.S. 103 (1916)]

The U.S. Supreme Court also said after Congress attempted to establish the first income tax in 1862 to fund the civil war that a "trade or business" cannot be licensed or taxed within the borders of a state of the Union:

“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)]

You will also note that the U.S. Supreme Court has said that no one may withhold the earnings of a worker from his labor against his will:

“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)]

Even the statutes confirm that labor is **not** a commodity or article of commerce that therefore may be “taxed”:

United States Code  
TITLE 15 - COMMERCE AND TRADE  
CHAPTER 1 - MONOPOLIES AND COMBINATIONS IN RESTRAINT OF TRADE  
[Sec. 17](#). Antitrust laws not applicable to labor organizations

The labor of a human being is **not** a commodity or article of commerce....

Now let’s look at what the Bible says about the theft and fraud of holding back the wages of the laborer, and it’s not pretty, Mr. Private Employer:

“The laborer is worthy of [ALL of ] his **wages**.”  
[[1 Tim. 5:18](#), Bible, NKJV]

“Woe to him who builds his house by unrighteousness  
And his chambers by injustice,  
**Who [whether individual or government] uses his neighbor's service without wages**  
And gives him nothing for his work,”  
[[Jer. 22:13](#), Bible, NKJV]

“Come now, you rich, weep and howl for your miseries that are coming upon you! Your riches are corrupted, and your garments are moth-eaten. Your gold and silver are corroded, and their corrosion will be a witness against you and will eat your flesh like fire. You have heaped up treasure in the last days. **“Indeed the wages of the laborers who mowed your fields, which you kept back by fraud, cry out; and the cries of the reapers have reached the ears of the Lord of Sabaoth.”** <sup>5</sup>You [the business owner who controls the purse of the workers] have lived on the earth in pleasure and luxury; you have fattened your hearts as <sup>bl</sup> in a day of slaughter. You have condemned, you have murdered the just; he does not resist you.”  
[[James 5:1-6](#), Bible, NKJV]

“You shall not cheat your neighbor, nor rob him. The **wages** of him who is hired shall not remain with you all night until morning.”  
[[Lev. 19:13](#), Bible, NKJV]

Any way you look at it, private employers who don’t have privileged federal “employees” for workers **cannot** withhold against the wishes of the workers and if they do, they are STEALING and violating both man’s law and God’s law. There is nothing in federal law or state law that would indemnify them from such STEALING. They are no better than petty street criminals, and any payroll clerk who doesn’t understand this is a sitting duck for any worker who is even mildly educated about the law and willing to defend his rights in court.



## 7. Who are “Employers” under the Internal Revenue Code?

The Internal Revenue Code provisions under Subtitle C, Employment Taxes, is based on the Public Salary Tax Act of 1939. That act only lawfully taxed “Public Salaries”, which is to say salaries of ‘public officers’ of the United States Government engaged in a “trade or business” only. Below is the definition of “employee” right from the code:

### 26 U.S.C. Sec. 3401(c) Employee

*For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, 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.*

And below is the regulation that interprets the above section for clarification:

### 26 CFR § 31.3401(c)-1 Employee:

*"...the term [employee] includes[is limited to] 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."*

And the only definition of “employee” that we are aware of that has ever been published in the Federal Register reads as follows:

### 8 Federal Register, Tuesday, September 7, 1943, §404.104, pg. 12267

*Employee: "The term employee specifically includes officers and employees whether elected or appointed, of the United States, a state, territory, or political subdivision thereof or the District of Columbia or any agency or instrumentality of any one or more of the foregoing."*

“Employer” is then defined in the Internal Revenue Code as follows. Note that basically, an “employer” is anyone for whom “employees” work, and we showed above that an “employee” in turn is only an elected or appointed officer of the United States government. Therefore, the only “employers” are federal and “State” agencies!

### 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.*

To confirm the above, IRS Publication 15, Circular E, Employer’s Tax Guide indicates on page 6 what the definition of “employer” is. It only lists federal agencies and “States” as “employers”. You can view this pamphlet yourself at:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub15.pdf>

Remember that “States” in the Internal Revenue Code is limited to federal territory in 26 U.S.C. §7701(a)(10) and 4 U.S.C. §110(d). See:

<http://famguardian.org/TaxFreedom/CitesByTopic/State.htm>



Private employers do not appear anywhere in the booklet. One of our readers did an FOIA request asking the IRS for the forms and publications that private employers should use. Guess what the response said:

*"We have no documents responsive to your request."*

Do you get it? The I.R.C. Subtitle A federal income tax and I.R.C. Subtitle C employment withholding taxes *only* apply to the federal government or territories of the United States, which are classified as "States" in federal statutes and "acts of Congress". Private employers aren't covered by the Internal Revenue Code, and the only reason that any of them think otherwise is because they never bothered to read the Internal Revenue Code or Publication 15, Circular E for themselves and simply were reacting to alleged authority that the IRS in fact did not have.

Any way you slice it, Subtitle A income taxes are indirect excise taxes or taxes on "public officers" of the federal United States corporation who are in receipt of federal privileges. Even the U.S. Congress agrees with this conclusion in their *"Frequently Asked Questions Concerning the Federal Income Tax"*, Congressional Research Service Report 97-59A.

<http://famguardian.org/PublishedAuthors/Govt/CRS/CRS-97-59A-rebuts.pdf>

When private employers apply for an Employer Identification Number (EIN), they in effect are volunteering to act as a federal or "public" employer for the purposes of the Internal Revenue Code, and the government will treat them that way, even if there is no enacted positive law that authorized the IRS to do this. The perceived but not real financial "benefits" or "privileges" that private companies procure through this process of volunteering to become "public employers", which is their "employment" compensation, are reduced rate tax liability for a tax they didn't owe to begin with, including:

1. Graduated rate of tax under I.R.C. Section 1.
2. Earned income credit under I.R.C. Section 32.
3. Ability to take deductions under 26 U.S.C. §162.

We call the above "the slave discount". A free pamphlet is available that definitively proves that the main subject of Subtitle A of the Internal Revenue Code is federal "employees" below:

*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>

## **8. Legal Requirements Pertaining to Private Employers**

Private companies have no legal duty whatsoever to do anything within the Internal Revenue Code. We now know that based on the discussion in the previous sections. Even if they have an Employer Identification Number (EIN), making them "registered" private companies, they are still technically not part of the federal government under federal law, so they don't fit the description of being an "employer" under the Internal Revenue Code and the people who work for them are not "employees" under the Internal Revenue Code (not "law", but "code") either.

Obviously, the federal government has no lawful authority to interfere with the right to contract between private companies and their workers or contractors. Here is what the Supreme Court says on this very subject to prove our point:

*"Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts [either the Constitution or private employment 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*

1 States, he expressed the opinion, speaking for himself and the majority of the court at the time, that it was clear  
2 'that those who framed and those who adopted the Constitution intended that the spirit of this prohibition  
3 should pervade the entire body of legislation, and that the justice which the Constitution was ordained to  
4 establish was not thought by them to be compatible with legislation [or judicial precedent] of an opposite  
5 tendency.' 8 Wall. 623. [99 U.S. 700, 765] Similar views are found expressed in the opinions of other judges of  
6 this court."  
7 [[Sinking Fund Cases, 99 U.S. 700 \(1878\)](#) ]

8 Any public servant who attempts to interfere with private labor contracts between private companies and their private  
9 workers by intercepting compensation passing between the two without satisfying the requirement for due process  
10 (litigation) found is violating their right to contract, instituting slavery in violation of the [Thirteenth Amendment](#), and  
11 committing robbery in violation of the Fifth Amendment. Here is what the Supreme Court said on this subject:

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

15  
16 "In *Calder v. Bull*, which was here in 1798, Mr. Justice Chase said, that there were acts which the Federal  
17 and State legislatures could not do without exceeding their authority, and among them he mentioned a law  
18 which punished a citizen for an innocent act; a law that destroyed or impaired the lawful private [labor] of  
19 citizens; a law that made a man judge in his own case; and a law that took the property from A [the worker],  
20 and gave it to B [the government or another citizen, such as through social welfare programs]. 'It is against  
21 all reason and justice,' he added, 'for a people to intrust a legislature with such powers, and therefore it  
22 cannot be presumed that they have done it. They may command what is right and prohibit what is wrong; but  
23 they cannot change innocence into guilt [or "nontaxpayers" into "taxpayers"], or punish innocence [being a  
24 "nontaxpayer"] as a crime, or violate the right of an antecedent lawful private [employment] contract [by  
25 compelling W-4 withholding, for instance], or the right of private property. To maintain that a Federal or  
26 State legislature possesses such powers [of THEFT!] if they had not been expressly restrained, would, in my  
27 opinion, be a political heresy altogether inadmissible in all free republican governments.' 3 Dall. 388."  
28 [[Sinking Fund Cases, 99 U.S. 700 \(1878\)](#)]

29  
30 Consequently, any public servant who attempts to order private companies to take money out of the pay of people  
31 involuntarily and send it to the IRS is enticing people into federal slavery in violation of [18 U.S.C. §1581](#), [18 U.S.C. §1589](#),  
32 and [42 U.S.C. §1994](#) and committing extortion and grand theft. Those private companies that cooperate with the illegal  
33 acts of the IRS along these lines become "accessories after the fact" in violation of [18 U.S.C. §3](#).

34 The IRS has therefore become an organized crime ring if it compels any kind of withholding against private workers and  
35 private companies, because there is no enacted positive law authorizing them to do what they do. They have substituted a  
36 voluntary "code" in place of real "positive law" and then misrepresented its authority to the public. They are operating  
37 entirely upon false presumption and have absolutely no evidence and no enacted positive law to defend their reason for  
38 doing anything. They are also violating their own internal procedures documented in the Internal Revenue Manual if they  
39 institute any kind of enforcement action or try to entice or deceive private employers into becoming voluntary enforcers  
40 either. If they can't produce a positive law authorizing their actions then they are "unlawful" and therefore "illegal":

41 "Unlawful. That which is contrary to, prohibited, or unauthorized by law. That which is not lawful. The  
42 acting contrary to, or in defiance of the law; disobeying or disregarding the law. Term is equivalent to  
43 "without excuse or justification." *State v. Noble*, 90 N.M. 360, 563 P.2d. 1153, 1157. While necessarily not  
44 implying the element of criminality, it is broad enough to include it."  
45 [[Black's Law Dictionary, Sixth Edition, p. 1536](#)]

46 Let's face it: The only reason private companies comply with the edicts of an out-of-control government and IRS is  
47 because:

- 48 1. The courts are corrupted and will side with the government.
- 49 2. The legal consequences of challenging the authority of the government could cause litigation and legal bills that most  
50 private employers don't want to deal with.
- 51 3. Fear of what the IRS might do if they question authority.
- 52 4. Being too busy running the business to be bothered by yet one more annoyance and harassment from the IRS.

53 When a private employer is approached by one of their workers, and if that private, nonfederal employer "thinks" they are  
54 acting as a federal employer because they have Employer Identification Numbers (EINs), then the IRS will treat them as

though they have an obligation to deduct and withhold, even if they don't. Under those provisions, they must do the following things:

1. Collect an "identifying number", if appropriate, from the employee.
2. Accept the withholding form chosen by the employee.
3. Not make any changes to the withholding form of the "employee". Doing that would be coercion and cause the form to no longer be "voluntary". If the employer insists on changing the form, the employer is acting as an agent of illegal extortion on the part of the government.
4. Withhold the proper amount of revenues based on the withholding form submitted and send it to the federal government.

Note that it is a federal crime to compel anyone to use or disclose a Social Security Number if federal law does not require it:

*TITLE 42 - THE PUBLIC HEALTH AND WELFARE  
CHAPTER 7 - SOCIAL SECURITY  
SUBCHAPTER II - FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS  
[Sec. 408. Penalties](#)*

*(a) In general  
Whoever -...*

*(8) discloses, uses, or compels the disclosure of the social security number of any person in violation of the laws of the United States; shall be guilty of a felony and upon conviction thereof shall be fined under title 18 or imprisoned for not more than five years, or both.*

For tax withholding purposes, the requirement for identifying numbers appears in [26 U.S.C. §6109](#). The implementing regulations for that section say that the only number the IRS can demand is a "Taxpayer Identification 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.*

Notice the word "its". This should clue you into the fact that the tax code doesn't apply to flesh and blood people, who are called "natural persons" in regulations like that above. If they had meant to refer to such a natural person, the word "it's" would have said "his" or "her". Consequently, the only type of "person", they can be referring to is a privileged corporation involved in foreign commerce.

According to [26 U.S.C. §7701\(a\)\(30\)](#), a statutory "U.S. person" is either a resident alien or a federal statutory "U.S. citizen". What these two groups of people have in common is a "domicile" inside the federal zone, which no one domiciled in a state of the Union can have. Furthermore, Black's Law Dictionary admits under the definition of "domicile" that a person can only have ONE domicile. You can't have a domicile in two physically separate places at the same time: The District of Columbia AND a state of the Union. Here is the definition:

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. - Definitions](#)

*(a)(30) [United States](#) person  
The term "United States person" means -*

- (A) a [corporate] [citizen](#) or [resident](#) [alien] of the [federal] United States,*
- (B) a domestic partnership,*
- (C) a domestic [corporation](#),*
- (D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and*
- (E) any trust if -
  - (i) a court within the United States is able to exercise primary supervision over the administration of the trust, and**

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

This means that if the “person” is a “citizen” under [26 CFR §1.1-1\(c\)](#) or under [8 U.S.C. §1401](#), they must have been born in the federal statutory “United States\*\*” (federal zone), which is limited only to the District of Columbia or U.S. territories and possessions. Don’t let the word “citizen” above fool you either, because corporations within law are “citizens” as well and they are “born” at the instant when they are officially “incorporated” by the Secretary of State of the jurisdiction where they are domiciled. Congress wants to deceive you into believing that the term “citizen” means a natural person (people), but in the Internal Revenue Code subtitle A, this term ONLY refers to corporations because “income”, is defined by our Constitution and by the Supreme court to be limited only to monies earned by federal corporations in the conduct of foreign commerce! This is also consistent with the use of the word “it’s” as used above in [26 CFR §301.6109-1\(b\)](#), where the only “U.S. persons” in the IRC who can have TINs are corporations. Here is some more proof of that to whet your appetite to read later sections:

*"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]*

The Federalist Paper #15 also helps clarify that the “citizen” they are referring to in the tax code does NOT include biological people, when it said:

*"The existing Confederation's great and fundamental defect is the principle of LEGISLATION for STATES in their COLLECTIVE CAPACITIES rather than for the INDIVIDUALS living in the States. Although this principle does not apply to all the powers delegated to the Union, it pervades those on which the effectiveness of the rest depends. Except for the rule of apportionment, the United States has indefinite discretion to requisition men and money. But it has no authority to raise either directly from individual citizens [biological people] of America."  
[Federalist Paper #15, § 6 (Emph added)]*

Even more interestingly, under [26 CFR § 301.6109-1\(g\)](#), having a social security number creates a “presumption” that you are a domiciliary of the federal zone, which includes federal statutory “U.S.\*\* citizens” under [8 U.S.C. §1401](#) and “resident aliens” defined under 26 U.S.C. §7701(b)(1)(A). Here is what the code says about the requirement to provide a social security number when furnishing returns:

[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.

Unless you refute this false presumption of domicile in the federal zone with proof, then the courts will treat you as though you live there. Even if you don’t live there, in fact, the code requires them to “assume” that you live there. See 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d). As a domiciliary of the federal zone, you are presumed to be a federal “U.S.\*\* citizen”, or a “resident alien”, and a “U.S.\*\* person” and you have NO Constitutional rights according to the U.S. Supreme Court in *Downes v. Bidwell*, 182 U.S. 244 (1901)! We must therefore rebut the false presumption that we are a “U.S. resident”, “U.S. citizen”, a “U.S. person”, or “individual” whenever we correspond with the IRS and continually emphasize instead that we are a “state national” and a “nonresident alien”. The way to do this is by following the regulation above and requesting a change in the status of your Social Security Number with the IRS! We must also do this by submitting the proper withholding form, which in this case is the IRS Form W-8, to our employer.

## 9. Involuntary taxes on one's own labor are slavery in violation of the Thirteenth Amendment<sup>21</sup>

"You were bought at a price; **do not become slaves of men** [and government is made up of men]."  
[1 Cor. 7:23, Bible, NKJV]

"Stand fast therefore in liberty by which Christ has made us free, and **do not be entangled again with a yoke of bondage** [to the IRS or the government]."  
[Gal. 5:1, Bible, NKJV]

"Masters [tyrants in Washington, D.C. who are public servants that vainly think themselves to be masters], give your servants what is just and fair, knowing that you also have a Master in heaven."  
[Colossians 4:1, Bible, NKJV]

Slavery, we are reminded incessantly these days, was a terrible thing. In today's politically correct society, some blacks are demanding reparations for slavery because their remote ancestors were slaves. Slavery is routinely used to bash the South, although the slave trade began in the North, and slavery was once practiced in every state in the Union. Today's historians assure us that the War for Southern Independence was fought primarily if not exclusively over slavery, and that by winning that war, the North put an end to the peculiar institution once and for all.

Whoa! Time out! Shouldn't we back up and ask: what is slavery? It has been a while since those ranting on the subject have offered us a working definition of it. They will all claim that we know good and well what it is; why play games with the word? But given the adage that those who can control language can control policy, it surely can't hurt to revisit the definition of slavery. There are good reasons to suspect the motives of those who won't allow their basic terms to be defined or scrutinized. Here is a definition, one that will make sense of the instincts telling us that slavery is indeed an abomination:

*Slavery is non-ownership of one's Person and Labor.*

Slavery is the opposite of "liberty" or the absence of liberty. We have an excellent animation on our website that very clearly and simply defines what liberty is, which helps us understand what slavery is at the address below:

<http://famguardian.org/Subjects/Freedom/Articles/PhilosophyOfLiberty-english.swf>

Slavery, therefore, is *involuntary servitude*. When a slave is working to pay off a debt, he is called a "peon". A slave must work under a whip, real or figurative, wielded by other persons, his owners, with no say in how (or even if) his labors are compensated. His is a one-way contract he cannot opt out of. A slave is tied to his master (and to the land where he labors). He cannot simply quit if he doesn't like it. Moreover, a slave can be bought and sold like any other commodity. Justice Brewer of the U.S. Supreme Court helped us to understand *exactly* what slavery is in the case of *Clyatt v. U.S.*, 197 U.S. 207 (1905):

"The constitutionality and scope of sections 1990 and 5526 present the first questions for our consideration. They prohibit peonage. **What is peonage? It may be defined as a state or condition of compulsory service, based upon the indebtedness of the peon to the master. The basal fact is indebtedness.** As said by Judge Benedict, delivering the opinion in *Jaremillo v. Romero*, 1 N.Mex. 190, 194: 'One fact existed universally; all were indebted to their masters. **This was the cord by which they seemed bound to their masters' service.**' Upon this is based a condition of compulsory service. **Peonage is sometimes classified as voluntary or involuntary, but this implies simply a difference in the mode of origin, but not in the character of the servitude.** The one exists where the debtor voluntarily contracts to enter the service of his creditor. The other is forced upon the debtor by some provision of law. **But peonage, however created, is compulsory service, involuntary servitude.** The peon can release himself therefrom, it is true, by the payment of the debt, but otherwise **the service is enforced.** A clear distinction exists between peonage and **the voluntary performance of labor or rendering of services in payment of a debt.** In the latter case the debtor, though contracting to pay his indebtedness by labor or service, and subject like any other contractor to an action for damages for breach of that contract, can elect at any time to break it, and **no law or force compels performance or continuance of the service.**"  
[*Clyatt v. U.S.*, [197 U.S. 207](#) (1905)]

<sup>21</sup> Adapted from *The Great IRS Hoax*, Section 5.4.7.



Here's another example of what slavery means, again from the U.S. Supreme Court in *Plessy v. Ferguson*, 163 U.S. 537, 542 (1896):

*"That it does not conflict with the Thirteenth Amendment, which abolished slavery and involuntary servitude, except as a punishment for crime, is too clear for argument. Slavery implies involuntary servitude—a state of bondage; the ownership of mankind as a chattel, or at least the control of the labor and services of one man for the benefit of another, and the absence of a legal right to the disposal of his own person, property, and services [in their entirety]. This amendment was said in the Slaughter House Cases, 16 Wall, 36, to have been intended primarily to abolish slavery, as it had been previously known in this country, and that it equally forbade Mexican peonage or the Chinese coolie trade, when they amounted to slavery or involuntary servitude and that the use of the word 'servitude' was intended to prohibit the use of all forms of involuntary slavery, of whatever class or name."*

[*Plessy v. Ferguson*, 163 U.S. 537, 542 (1896)]

When the IRS fabricates a bogus tax liability without the authority of enacted positive law creating a "liability", if they lie to you about what the tax Code says, or if they try to enforce an excise tax against activities that you aren't involved in and which you have informed them under penalty of perjury that you aren't involved in, then they effectively are recruiting or returning you into debt slavery and "peonage" and their activities are a federal offense in violation of 42 U.S.C. §1994 and 18 U.S.C. §1581. These two statutes, incidentally, unlike most other federal legislation and statutes, ***DO*** apply within states of the union according to the U.S. Supreme Court in the above mentioned case. 18 U.S.C. §1593 also mandates restitution for all those persons who have been recruited into slavery or involuntary servitude by their slave masters, which means that we must be compensated fairly for the labor of ours that was in effect stolen from us. Why hasn't the Supreme Court therefore declared taxes on the earnings of persons from labor as unconstitutional and slavery? Because they are bought and paid for with money they are STEALING from you! By subsidizing unconstitutional government extortion cleverly and deceitfully disguised as a legitimate income tax without fighting it, you are bribing them to maintain the status quo, friends!

In the case of the way the corrupt IRS and an even more corrupted federal judiciary mis-enforces our laws or pretends that there is a positive law federal taxing statute when in fact there isn't one, the very real slavery that results is at odds with libertarian social ethics, in which all human beings have a natural right to ownership of Person and Labor. According to libertarian social ethics, contracts should be voluntary and not coerced. This is sufficient for us to oppose slavery with all our might. However, notice that this clear definition of slavery is a double-edged sword. There is no reference to race in the above definition. That whites enslaved blacks early in our history is an historical accident; there is nothing inherently racial about slavery. Many peoples have been enslaved in the past, including whites. The South, too, has no intrinsic connection with slavery, given how we already noted that it was practiced in the North as well. No slaves were brought into the Confederacy during its brief, five-year existence, and it is very likely that the practice would have died out in a generation or two had the Confederacy won the war.

It is instructive at this point to compare the status of being a "negro slave" to that of being a "taxpayer" to show you just how similar they are, in fact. We have prepared a table comparing these two statuses to show you that they are indeed synonymous:

**Table 9: "Taxpayer" v. "Negro slave"**

<b>Characteristic</b>	<b>"Negro slave"</b>	<b>"Taxpayer"</b>
<b>Slave master</b>	Person who paid for the slave	Federal judiciary/legal profession
<b>How recruited into slavery</b>	Kidnapped from Africa or born of a slave father and mother.	Legal domicile is kidnapped and moved to federal territory. Name is replaced with all caps "strawman" name and associated with a federal employment license number called a "Social Security Number". Educated in "public" and not "private" or "Christian" schools and believing controlled media.
<b>Slave plantation</b>	Farm owned by slave master	District of Columbia (see 26 U.S.C. §7701(a)(39), 26 U.S.C. §7408(d), and 26 U.S.C. §7701(a)(10) , 4 U.S.C. §110(d), and Federal Rule of Civil Procedure 17(b)).
<b>Badge of slavery</b>	Being black	Having a Social Security Number (SSN)



<i>Characteristic</i>	<i>“Negro slave”</i>	<i>“Taxpayer”</i>
<b>Result of slavery</b>	100% ownership of person and labor	<ol style="list-style-type: none"> <li>1. 50% ownership of labor through taxation.</li> <li>2. Political control of spending habits through tax deduction policy.</li> <li>3. No personal or financial privacy.</li> </ol>
<b>Slavery maintained by</b>	<ol style="list-style-type: none"> <li>1. Denying citizenship for slaves.</li> <li>2. Denying education to slaves.</li> <li>3. Denying voting rights for slaves.</li> <li>4. Denying jury service for slaves.</li> </ol>	<ol style="list-style-type: none"> <li>1. Fear, ignorance, and insecurity of “taxpayers”.</li> <li>2. Not allowing “taxpayers” to be educated about what the laws say in the public schools or the courtroom.</li> <li>3. Threat of being either not hired or fired by employer for refusing to withhold taxes.</li> <li>4. Bribery of voters and jurists with public welfare programs.</li> <li>5. Bribery of politicians and judges with illegal income tax revenues.</li> <li>6. False media propaganda by government.</li> <li>7. Lies or deceptions in IRS publications and by government servants.</li> <li>8. Punishing and persecuting those who expose the truth about income taxes.</li> <li>9. Turning banks and employers into “snitches” against their employees and customers.</li> <li>10. Operating outside of legal jurisdiction.</li> <li>11. Going after the spouse of those who drop out of the tax system and thereby use peer pressure and marriage licenses to keep people from dropping out.</li> <li>12. Illegally interfering with people’s property rights with liens and levies, in violation of the Fifth Amendment.</li> </ol>
<b>Slavery is</b>	<p><u>Physical.</u> You must live on the master’s plantation.</p> <p><u>Sexual.</u> Many male slave owners had sex with their female black slaves.</p>	<p><u>Virtual.</u> You are not restrained physically, but your life is nevertheless controlled by your slave master. You must live your life with the scraps your Master hands you after he takes whatever he wants from your income.</p> <p><u>Psychological.</u> You live in a mental prison designed to keep you unaware of the abuse you are suffering. This is done through lies, propaganda, and deceit by the government.</p>
<b>Political result of slavery</b>	<ol style="list-style-type: none"> <li>1. Civil war.</li> <li>2. Jury nullification of slavery by northern states.</li> <li>3. Harboring escaped slaves by northern states.</li> </ol>	<ol style="list-style-type: none"> <li>1. Rebellion by “tax protesters”.</li> <li>2. Political and legal activism to eliminate income taxes.</li> <li>3. Tax avoidance.</li> <li>4. Moving assets offshore to avoid taxes.</li> <li>5. Prosecution of judges and lawyers who illegally enforce income taxes.</li> <li>6. Expatriation to avoid tax.</li> <li>7. Jury nullification of income taxes.</li> <li>8. Underground economy.</li> <li>9. Cash transactions.</li> <li>10. Cooking the corporate books (Enron!).</li> </ol>

<b>Characteristic</b>	<b>“Negro slave”</b>	<b>“Taxpayer”</b>
<b>Result of escaping slavery/refusing to pay income taxes</b>	<ol style="list-style-type: none"> <li>1. Beatings on the back.</li> <li>2. Being starved by slave master.</li> <li>3. Being separated from family and children by being sold to another slave master.</li> </ol>	<ol style="list-style-type: none"> <li>1. Imprisonment for “tax evasion” under 26 U.S.C. §7201</li> <li>2. Imprisonment for “willful failure to file” under 26 U.S.C. §7203.</li> <li>3. Excessive legal fees.</li> <li>4. Harassing and threatening letters from the IRS.</li> <li>5. Liens on real property.</li> <li>6. Levies on pay and bank accounts.</li> <li>7. Abuse and “extortion under the color of law” by IRS and federal judiciary.</li> <li>8. Peer pressure from spouses or destroyed families.</li> </ol>
<b>Reason slavery was wrong</b>	Immoral	<ol style="list-style-type: none"> <li>1. Immoral.</li> <li>2. Illegal.</li> <li>3. Violates the Bible.</li> </ol>
<b>Reason slave masters engage in slavery</b>	Economic reward	<ol style="list-style-type: none"> <li>1. Greed</li> <li>2. Lust for power.</li> <li>3. Lust for control over others.</li> </ol>
<b>Slavery made obsolete by</b>	<ol style="list-style-type: none"> <li>1. Civil war</li> <li>2. Mechanization of farming.</li> <li>3. International trade</li> </ol>	<p>Citizenry that:</p> <ol style="list-style-type: none"> <li>1. Is legally educated.</li> <li>2. Is actively involved in politics, elections, and jury service.</li> <li>3. Questions authority.</li> <li>4. Litigates frequently to defend rights.</li> <li>5. Is educated in “private” schools.</li> <li>6. Goes to church and puts God first.</li> <li>7. Has strong and stable families that help each other and don’t like big government.</li> <li>8. Honors God’s model for the family, where the male is the sovereign within the family.</li> <li>9. Aren’t willing to trade their freedom for a government hand-out paid for with stolen loot.</li> </ol>

1 Finally, it is clear that when most people talk about slavery, they are referring to *chattel* slavery, the overt practice of  
2 buying, selling and owning people like farm animals or beasts of burden. Are there other forms of slavery besides chattel  
3 slavery?

4 Before answering, let’s review our definition above and contrast slavery with sovereignty, in the sense of sovereignty over  
5 one’s life. Slavery, we said, is non-ownership of Person and Labor. In that case, *sovereignty is ownership of Person and*  
6 *Labor*. The basic contrast, then, is between slavery and sovereignty, and the issue is ownership. And there are two basic  
7 things one can own: one’s Person (one’s life), and one’s Labor (the fruits of one’s labors, including personal wealth  
8 resulting from productive labors).

9 Let us quantify the situation. A plantation slave owned neither himself nor the fruits of his labors. That is, he owned 0% of  
10 Person and 0% of Labor. In an ideal libertarian order, ownership of Person and Labor would be just the opposite: 100% of  
11 both. In this case, we have a method allowing us to describe other forms of slavery by ascribing different percentages of  
12 ownership to Person and Labor. For example, we might say that a prison inmate owns 5% of Person and 50% of Labor.  
13 Inmates are highly confined in person yet they are allowed to own wealth both inside the prison and outside. Some,  
14 moreover, are allowed to work at jobs for which they are paid. When slavery was abolished, ownership of Person and Labor  
15 was transferred to the slave, and he became mostly free. So let us define the following categories in terms of individual  
16 percentage ownership:

1 **Table 10: Percent Ownership of Person and Labor**

#	Category	Characteristics	Equivalent political system
1	Perfect Liberty	100% ownership of Person and Labor	Pure Capitalism/Republic
2	Partial Slavery	Some % ownership of Person and Labor	Socialism/democracy
3	Chattel Slavery	0% ownership of Person and Labor	Communism/dictatorship

2 With this in mind, here is an intriguing question for our readers:

3 *How much ownership do **you** have in your person and your labor?*

4 Are you really free? Or are you a partial slave or peon? We are not, of course, talking about arrangements that cede a  
5 portion of ownership of Person and Labor to others through voluntary contract.

6 We submit that forcible taxation on your personal income or labor makes you a partial slave and makes the government a  
7 socialist government. For if you are legally bound to hand a certain percentage of your income (the fruits of your labors)  
8 over to federal, state and local governments, then from the legal standpoint you only have "some % ownership" of your  
9 person and labor. The pivotal point is whether or not ownership is ceded through voluntary contract. Have you any  
10 recollection of any deals you signed with the IRS promising them payment of part of your income? If not, then if 30% of  
11 your income is paid in income taxes, then you have only 70% ownership of Labor. You are a slave from January through  
12 April – a very conservative estimate at best, today!

13 If one wants to stand on the U.S. Constitution as one's foundation, then the 13<sup>th</sup> Amendment to the U.S. Constitution can be  
14 used as an ironclad argument against a forcible direct tax on the labor of a human being. The 13<sup>th</sup> Amendment says:

15 *"Neither slavery nor involuntary servitude, except as a punishment for a crime whereof the party shall have*  
16 *been duly convicted, shall exist within the United States, or any place subject to their jurisdiction. Congress*  
17 *shall have the power to enforce this article by appropriate legislation."*

18 The 13<sup>th</sup> Amendment makes it very clear that we cannot legally or Constitutionally be forced into involuntary servitude. It  
19 doesn't make any distinction between whether the slavery is physical or financial, but says that any kind of involuntary  
20 servitude is prohibited.

21 As such, we maintain that a human being has an inalienable right to own 100 % of Person and 100% of Labor, including  
22 control over how the fruits of his actions are dispensed. A human being has an inalienable right to control the compensation  
23 for his labor while in the act of any service in the marketplace – e.g., digging ditches, flipping burgers, word-processing  
24 documents for a company, programming computers, preparing court cases, performing surgery, preaching sermons, or  
25 writing novels.

26 A forcible direct tax on the labor of a human being is in violation of this right as stated in the 13<sup>th</sup> Amendment. If we work  
27 40 hours a week, and another entity forcibly conscripts 25 % of our compensation, then we argue that we have been forced  
28 into involuntary servitude – slavery – for 10 of those 40 hours, and we were free for the other 30. If we could freely choose  
29 to work just the 30 hours and decline to work the 10 hours, then our wills would not be violated and the 13<sup>th</sup> Amendment  
30 would be honored.

31 However, Congress and the IRS claim that their Internal Revenue Code (IRC) lay direct claim to those ten hours (or some  
32 stated percentage) without our consent.

33 In other words, in a free and just society, a society in which there is no slavery of any form:

- 34 • Human beings are not forced to work for free, in whole or in part.
- 35 • Human beings are not slaves to anything or anyone.
- 36 • Anyone who attempts to force us to work for free, without compensation, has violated our rights under the 13<sup>th</sup>  
37 Amendment.

1 This, of course, is not the state of affairs in the United States of America at the turn of the millennium, in which:

- 2 • We labor involuntarily for at least four months out of every year for the government.
- 3 • We are, therefore, slaves for that period of time.
- 4 • The government, having forced us to work for free, without compensation, has violated the 13<sup>th</sup> Amendment.

5 Of course, what follows from all this discussion is that there is an issue about slavery. But it is not the issue politically  
6 correct historians and activists are raising. As for reparations, we suspect many of us might be willing to let bygones be  
7 bygones if we never had to pay out another dime to the IRS. We often read about how great the economy is supposedly  
8 doing. Just imagine how it would flourish if human beings owned 100% of Person and Labor, and could voluntarily invest  
9 the capital we currently pay to the government in our businesses, our homes, our schools, and our communities!

10 For those of you who believe that the 16<sup>th</sup> Amendment repealed, replaced, modified, appended, amended or superseded the  
11 13<sup>th</sup> Amendment, you are mistaken. For an Amendment to be changed, in any way, there must be an Amendment that  
12 emphatically declares this action. There is absolutely nothing in the Constitution that alters the efficacy of the 13<sup>th</sup>  
13 Amendment in even the slightest way. The 16<sup>th</sup> Amendment merely allowed the government to enter the "National Social  
14 Benefits" business where it finances the system with the mandatory contributions of voluntary participants. While all  
15 Americans certainly understand the concept of mandatory contributions, they fail to understand the concept of voluntary  
16 participation, largely due to a very effective marketing campaign on the part of our central government for several  
17 generations now since the Great Depression. The 16<sup>th</sup> Amendment gave the government the power to legally enter a  
18 contractual relationship with its citizens wherein the citizen voluntarily contributes a portion of his labor in exchange for  
19 social benefits. In order for both Amendments to peacefully coexist, the contractual relationships in the system created by  
20 the 16<sup>th</sup> Amendment cannot be forced upon the citizens. For to do so would be to contradict the 13<sup>th</sup> completely.

21 Two final questions, and a few final thoughts. Can we really take seriously the carpings of politically correct historians  
22 about an arrangement (chattel slavery) that hasn't existed for 140 years when they completely ignore the structurally similar  
23 arrangements (tax slavery) that have existed right under their noses during most of the years since. And does a  
24 governmental system which systematically violates its own founding documents, and then oversees the imprisoning of  
25 those who refuse to recognize the legitimacy of the violations, really have a claim on the loyalty of those who would be  
26 loyal to the ideals represented in those founding documents?

27 Eventually, we have to make a decision. How long are we going to continue to put up with the present hypocritical  
28 arrangements? In the Declaration of Independence is found these remarks:

29 *"... [a]nd accordingly all Experience hath shewn, that Mankind are more disposed to suffer, while Evils are*  
30 *sufferable, than to right themselves by abolishing the Forms to which they are accustomed."*

31 We are accustomed to the income tax. Most people take it for granted, and don't look at fundamental issues. Yet some  
32 have indeed opted out of the tax system. It is necessary, at present, to become self-employed and hire oneself out based on  
33 a negotiated contract in which you determine your hourly rate and then bill for your time. Then you send your client an  
34 invoice, they write a check directly to you in response, and you take the check and deposit it in your bank account; you may  
35 wish to open a bank account with a name like John Smith Enterprises DBA (DBA stands for 'Doing Business As'). If the  
36 bank asks for a tax-ID number, you may give your social security number. This is perfectly legal since you are not a  
37 corporation nor are you required to be. Nor does the use of a government issued number contractually obligate you to  
38 participate in their system.

39 We should specify here that we are discussing taxes on income resulting from personal labor, to be carefully distinguished  
40 from taxes for the sale of material items, or excise taxes, both of which are usually indirect taxes on artificial entities like  
41 corporations. These are an entirely separate, and voluntary matter, because if you don't want to pay the tax, you either don't  
42 buy the good or don't register as a corporation that sells the good.

43 By advocating opting out of the income tax slavery system, we are not advocating anything illegal here; that is the most  
44 surprising thing of all. The Treasury Department nailed Al Capone not because of failure to pay taxes on his personal labor  
45 but for his failure to pay the excise tax on the sale of alcoholic beverages. So a plan to be self-employed that includes profit  
46 from the sale of material goods should include a plan to pay all the excise taxes; you risk a prison sentence if you don't. But  
47 the 13<sup>th</sup> Amendment directly prohibits anything or anyone from conscripting your person or the fruits of your physical or  
48 cognitive labors; to do so is make a slave of you. You may, of course, voluntarily participate in the SSA-W2 system by free

1 choice. In this case you are required to submit to the rules as outlined in the Internal Revenue Code (IRC). And this means  
2 that you will contribute a significant fraction of your labor to pay for the group benefits of the system in which you are  
3 voluntarily participating.

4 Your relationship with the system technically begins with the assignment of a Social Security Number (Personal Tax ID  
5 Number). This government-issued number, however, does not contractually obligate you to anything. The government  
6 cannot conscript its citizens simply by assigning a number to them. Assigning the number is perfectly fine. But conscripting  
7 them in the process is a serious no-no. Some people that feel strongly about the last chapters of the book of Revelation  
8 might view this as pure – evil.

9 The critical point in the relationship begins when a citizen accepts a job with an IRS registered corporation. Accepting the  
10 government owned SSA-W2 job marries you to the system. The payroll department has the employee fill out a W4. This  
11 W4 officially notifies the employee that the job in question is officially part of the SSA-W2 system and that all job-income  
12 is subject first to the rules and regulations of the IRC and then secondly to the employee. When you sign that W4 you are at  
13 that point very, very married to the system.

14 So why not just decline to sign the W4?

15 You can decline to sign a W4 but this does not accomplish much nor does it un-marry you from the system. Your payroll  
16 office will merely use the IRC defaults already present in the payroll software and all deductions will be based on those  
17 parameters.

18 Okay, you might say, fine, I'll sign a W4 but I'll direct my payroll department to withhold zero. (You can do this for federal  
19 withholding but not for social security tax.) This still does not un-marry you from the system. Your payroll department still  
20 reports the gross income and deductions for your SSA-W2 job to the IRS each and every quarter. And at the end of the  
21 year you will probably end up being asked to write a large check to the IRS for the group contributions you declined to pay  
22 during the year. With skill and the resources in this book, you may escape this assumed but nonexistent liability.

23 You then might say, Okay, then I'll just direct my payroll office to decline to report income to the IRS.

24 Reply: they cannot legally decline to report your SSA-W2 income because of their contractual obligations under the IRC  
25 that were agreed to when they established their official IRS registered corporation. The corporation can get into deep  
26 trouble by violating their contract.

27 Okay, you reply in turn, I'll just get the corporation to create a non-SSA-W2 job for me.

28 Response this time: the corporation cannot do this either; their contract under the IRC requires every single employee-job in  
29 that corporation to be an SSA-W2 job. This is similar to labor union practices of insisting that all jobs in a plant be union  
30 jobs.

31 You retort: isn't this a government monopoly on every corporate job in America???

32 The short answer is YES.

33 So how can I legally decline to work for free?

34 The answer is to decline to be an 'employee' of an official IRS registered corporation.

35 How is that possible?

36 The answer is simple. You become an independent contractor. The Supreme Court upholds the sovereignty of the  
37 individual and has declared that your "...power to contract is unlimited." Corporations hire the labors of non-employees  
38 each and every day.

39 If there is an infestation of cockroaches near the employee break-room, the corporation doesn't create an SSA-W2  
40 employee exterminator job. They hire a contract exterminator to kill the bugs. When the bug-man arrives they don't hand  
41 him a W4 and ask him to declare his allowances, they lead him straight to the big-fat-ugly roaches and implore him to

vanquish the vermin immediately. When the bug-man finishes the job he hands them an invoice for his services. And the company sends him a check to pay the invoice. And nowhere on that check will you find a federal, state, county or city withholding deduction or a social security deduction or a medical or dental deduction or a garnishment or an "I'll-be-needing-an-accountant-to-figure-all-this-out" deduction or a "Tuesday-Save-The-Turnips-Tax" deduction. On the contrary, the bug-man receives full remuneration for his service. This simple arrangement is completely legal and the IRC has zero contractual claim to any part of this check (assuming the bug-man has made no contract under the IRC). And anyone or anything that attempts to forcibly conscript any part of that check is violating the bug-man's rights under the 13th Amendment.

### **Supreme Court Ruling on Individual Sovereignty**

*"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](#) at 47 (1906)]

### **What does the bug-man do with his check?**

The short answer is ... he keeps it ... all of it.

### **What about filing a tax return?**

The bug-man declines to file a return since he has nothing to report that is under the jurisdiction of the IRC. Since he does not work in a government owned SSA-W2 job he is out of the system and under no contractual obligation to make contributions. The corporation that wrote him a check for his service legally reports it as an internal business expense. He is legally classified as a non-participant.

### **If you are in the SSA-W2 system:**

The purpose of an individual year-end tax-return is to settle the exact amount of contractually required contributions to the SSA-W2 system as determined by the IRC. Filing is purely voluntary. You can decline to file but doing so does not release you from your contractual obligations under the IRC. In the absence of a tax-return, the IRS falsely believes that the IRC permits them to file a tax-return on your behalf and they are allowed to file a return that maximally favors them. Most people don't challenge their illegal attempt to make a return if you don't provide them with one. And this they will do if it creates a receivable – accounting lingo for – "you owe them money." They will decline to file a return if it would create a payable – accounting lingo for "they owe you money." If the IRS files a return and creates a receivable against you they will send you a notice declaring their claim. If you decline to pay, the IRC permits the IRS to file a tax-lien against you if you are a "public officer" of the U.S. government. This of course will be seen on your credit report. And the end result is your credit is damaged. The IRS computers will see to it that the lien remains on your credit report until the lien is paid. You can't beat a computer.

### **What if I file a return but cheat like crazy?**

This is a very bad idea. The Treasury Department nailed Leona Helmsley not because she failed to pay taxes on her personal labor but because she filed a fraudulent tax return. Filing a dishonest tax return puts you at risk. The IRS is very astute at defending itself. Basically the IRS is responsible for enforcing the IRC rules. If you are in the SSA-W2 system you have to live by the IRC. If you decide to stay in the system, we recommend securing the services of a highly qualified CPA or tax attorney that can assist you in filing the most advantageous return possible without committing fraud or risking an audit.

In the end, the law does allow you to opt-out because you can't be forced to work for free. If you do opt-out there are at least 2 potential inconveniences you need to understand:



1. **Difficulty with conventional loans.** You will have a far more difficult time getting loans from conventional banks, because so often these depend on verifying your income with signed tax returns you no longer have. You can hire an accountant to compose a certified financial statement that some loan institutions may accept as valid proof of income.
2. **No unemployment benefits.** This benefit is part of the SSA-W2 system and since you're not in the system you can't use the benefits. If you have no contracts you only have yourself to complain to, you can't complain to the government because you can't get anyone to do business with you.

Moreover, some who have opted out have moved all their physical assets into a trust. This measure makes it almost impossible for the IRS to touch the assets. The IRS, after all, cannot simply decide to go after a person's wealth. They have to obey IRC rules as well. If there is no income over which they have jurisdiction then they can legally do nothing.

It is worth noting, finally, that the government is in the "National Social Benefits" business. The government entered this business with the ratification of the 16<sup>th</sup> Amendment and has achieved a near perfect monopoly in this market (a violation of anti-trust laws). If you don't believe this, try finding a non-SSA-W2 job with a U.S. corporation. As such, it is in the interest of any business that has a monopoly to get the customers to believe that there is no alternative to the present business relationship. The government is not about to provide any of its customers (you and I) with any information suggesting otherwise. In obtaining such information, we are clearly on our own; no government agency will assist you in opting out of the income tax system or the social security system, with the possible exception of the U.S. Supreme Court, should the right case one day come before them.

So one's best weapon is still the Declaration of Independence, the U.S. Constitution, the 13<sup>th</sup> Amendment, and information. Whatever the inconveniences, the reward is personal sovereignty – otherwise known as freedom. If you would like to know more about the subject of the taxability of wages, we have prepared a whole line of deposition questions on the subject useful in an IRS audit or deposition that basically backs the government into the corner of admitting based on facts and evidence and their own words that wages of natural persons and not corporations cannot be taxable. Look under section 2 of the questions entitled "Right to Labor" for some rather compelling evidence showing that what we are saying here is true:

[Tax Deposition Questions](http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm), Form #03.016, Section 2  
<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>

Lastly, if you want to investigate this matter even further, we recommend the following:

[How the Government Defrauds You Out of Legitimate Deductions for the Market Value of Your Labor](http://sedm.org/Forms/FormIndex.htm), Form #05.026  
<http://sedm.org/Forms/FormIndex.htm>

## **10. We don't pay "taxes" to the federal government, we pay "protection money" and subsidize socialism**

This section builds on section 4.8 and further expands upon the distinction between "public" and "private" expenditures and revenues of the federal government. The U.S. Supreme Court said we CANNOT be compelled to use our private property for the benefit of our neighbor:

*"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 [or can lawfully be compelled by the government to] 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)]

Another way of saying this is that nothing that involves wealth transfer, charity, or social insurance, can be called a "tax" in a legal sense. In order to prove that what we pay the IRS under Subtitle A of the Internal Revenue Code isn't a "tax" in the legal sense, all we have to show is that any part of the income tax revenues are spent for social welfare or wealth transfer

payments. At that point, the monies are being used for “wealth transfer” and the government becomes a thief and a Robinhood, because it is using public money for private purposes. It is committing robbery disguised as taxation if it takes public funds (also called the “General fund”) and puts them into the pocket of private individuals who did not earn them with their labor or compensated services. Understanding these facts helps explain some of the following interesting observations:

1. Social Security is called O.A.S.D.I., or Old Age Survivor’s Disability Insurance. It isn’t a “tax”, it is “insurance”, which is why it doesn’t appear anywhere under Title 26, Subtitle A “Income Taxes”. Instead, it appears under [42 U.S.C. Chapter 7](#) entitled “Social Security”. All insurance must be voluntary so it can’t be called a tax.
2. Medicare also isn’t a “tax” because it too goes to private individuals. This is a form of insurance and is found in [42 U.S.C. Chapter 7, Subchapter XVIII](#) rather than in the Internal Revenue Code. Once again, participation is voluntary and cannot be compelled because the funds are used for private purposes.

The best place to go to find out how your tax dollars are spent is the Treasury Financial Management Service (FMS) Website. We compiled a detailed breakdown of all federal receipts and expenditures earlier in section 1.11 using this website, which is located at:

<http://www.fms.treas.gov/fr/index.html>

If you download the latest financial report of the U.S. Government for 2002 and examine page 69, there is an analysis of “Trust Fund Financing”. The trust funds are the individual social programs maintained by the U.S. government, including Social Security (called Old Age Survivors Disability Insurance, or OASDI), Medicare, FICA unemployment, and Railroad Retirement. This analysis shows that there are certain socialist programs which are running a deficit, which means that they must be financed from the General Fund. The General Fund means the individual income tax, as the report explains. Below is a summary of the various wealth redistribution programs that are funded from general revenues:

- Unemployment (FICA): 12 Billion dollar deficit for 2003. This is based on expected economic conditions. See page 87 of the 2002 report.
- Medicare Part B: Expenditures come entirely from the general fund. See page 82 of the report.

Another good place to look is on expenditures for welfare. You have to dig for these but basically, they are paid by the Department of Health and Human Services (DHHS) under a program called Temporary Assistance for Needy Families (TANF). The statistics on spending for this program may be found on the web at:

<http://www.acf.dhhs.gov/programs/ofs/data/index.html>

The total federal expenditures in 2002 for the TANF program was approximately 23 Billion dollars, and all of the money to pay for this welfare program came from the funding for DHHS, which in turn came from the General Fund. The General Fund, in turn, is paid for mostly out of personal income taxes, which means that your income tax pays for socialism and charity.

A significant amount of money contributed under Subtitles A and C of the Internal Revenue Code DOES go to support wealth transfer, which means that the income tax cannot be classified as a “tax” according to the Supreme Court. The Treasury Financial Management Service (FMS) report above also reveals that there are massive future shortfalls predicted for Medicare and Social Security, which means that an increasing amount of individual income tax revenues will have to subsidize these programs over the next several years in order to ensure their viability. The problem is therefore predicted to get MUCH worst, not better in the future if current trends and rates of expenditures continue.

Because what we pay cannot be properly classified as “taxes” based on the definition of “taxes” by the Supreme Court, then the only thing we can honestly call it is “protection money”. We are paying the government for the “privilege” of being “left alone” by the IRS, and to not be illegally harassed by them. Under these circumstances:

1. We are violating federal and state law.
2. The “de facto”, unlawful band of thieves in control of our government has become our new “god”, because it is the only entity within society that can “steal” from people without being punished by the law. The Ten Commandments say “though shalt not steal”. They don’t say “Though shalt not steal, unless you work for the federal government.” A

“god” is simply anything or anyone that has superior powers above and beyond those of ordinary men. “Religion” is defined as the worship of such “superior beings”.

“Law is in every culture religious in origin. Because law governs man and society, because it establishes and declares the meaning of justice and righteousness, law is inescapably religious, in that it establishes in practical fashion the ultimate concerns of a culture. Accordingly, a fundamental and necessary premise in any and every study of law must be, first, a recognition of this religious nature of law.

Second, it must be recognized that in any culture the source of law is the god of that society. If law has its source in man's reason, then reason is the god of that society. If the source is an oligarchy, or in a court, senate, or ruler, then that source is the god of that system.”

[The Institutes of Biblical Law, Rousas John Rushdoony, 1973, The Craig Press, Library of Congress Catalog Card Number 72-79485, pp. 4-5, Emphasis added]

“Religion. Man's relation to Divinity, to reverence, worship, obedience, and submission to mandates and precepts of supernatural or superior beings. In its broadest sense includes all forms of belief in the existence of superior beings exercising power over human beings by volition, imposing rules of conduct, with future rewards and punishments. Bond uniting man to God, and a virtue whose purpose is to render God worship due him as source of all being and principle of all government of things. Nikulnikoff v. Archbishop, etc., of Russian Orthodox Greek Catholic Church, 142 Misc. 894, 255 N.Y.S. 653, 663.”  
[Black's Law Dictionary, Sixth Edition, page 1292]

3. We are subsidizing thievery and extortion and contributing to the tyranny and delinquency of our public “servants”.
4. We are subsidizing “socialism”. Socialism is simply government ownership and/or control of everything, including people’s labor in this case. See the free pamphlet below for proof:

Socialism: The New American Civil Religion, Form #05.016

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

5. We have instituted slavery and involuntary servitude in violation of the Thirteenth Amendment.
6. Calling monies that we pay “taxes” amounts to constructive fraud.
7. There will never be an end to how much the politicians can or will take out of our paycheck. We already surrendered if we cooperate with their extortion in any way. We’re already “whores”. We’re just negotiating price. The eventual result will be a complete disintegration of the society as we know it, because it punishes work and bribes voters with loot that was stolen from the entrepreneurs and producers of society. Here is what the Supreme Court said on this subject about the very first Act of Congress which imposed a positive law duty to pay taxes on income of a natural person when it declared the law unconstitutional:

“Here I close my opinion. I could not say less in view of questions of such gravity that they go down to the very foundations of the government. If the provisions of the Constitution [against direct taxes on people of the kind at issue here] can be set aside by an act of Congress [or by the IRS], where is the course of usurpation to end?

The present assault upon capital is but the beginning. It will be but the stepping stone to others larger and more sweeping, until our political contest will become war of the poor against the rich; a war of growing intensity and bitterness.”

[Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429, 158 U.S. 601 (1895)]

By subsidizing and practicing government-compelled socialism, we are committing treason against the Constitution and betraying our country and our neighbors. The Bible says we are supposed to love our neighbor, not turn him into a compelled government slave and a “whore”. Here is what one enlightened scholar said on this subject.

“A democracy cannot exist as a permanent form of government. It can only exist until the voters discover that they can vote themselves money from the Public Treasury. From that moment on, the majority always votes for the candidate promising the most benefits from the Public Treasury with the result that a democracy always collapses over loose fiscal policy always followed by dictatorship.”  
[Alexander Fraser Tyler, "The Decline and Fall of the Athenian Republic"]

As Christians, the second of the two great commandments is to love our neighbor, found in Romans 13:9. You don’t steal from people you love and you can’t delegate the power to steal to your government because you don’t have it yourself.

“You shall not steal.”  
[Exodus 20:15, Bible, NKJV]

Notice it didn't say: "Thou shalt not steal UNLESS you are the government." Even if we think the money taken from our neighbor will "help" him, it's still stealing if he's being forced to pay for or subsidize something he doesn't agree with and doesn't want. In a free country and a free economy, people should never be forced to pay for things they don't want or consent to. The Declaration of Independence says that all just powers of government derive from "consent of the governed". Anything that isn't consensual is simply unjust. Period.

Those who participate in the brand of socialism implemented by our corrupt tax system all share "one purse", and make the government effectively into one big social insurance company to insulate themselves from personal responsibility for the adverse consequences of their own laziness, apathy, greed, and sin. The role of government in a republic then transitions from that of only protecting the people to that of punishing and plundering success while rewarding and encouraging failure. Our government turns into a gigantic Robinhood and "Parens Patriae", or government parent, over us all. Do you want such a "Big Brother" looking over your shoulder like this and playing false god? Can a people be truly free under such a condition? Here is how the Bible says we should view this, and note that it says this is "evil" and that we should not participate in it:

#### ***Avoid Bad Company***

*"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]*

God, however, wants us to follow His sacred law, and the result of doing so makes government unnecessary, because we become self-governing and self-supporting and do not make government into a false god or become idolaters in the process:

*"He [God] brings the princes to nothing.  
He makes the judges of the earth useless."  
[Isaiah 40:23, Bible, NKJV]*

*"How long will you slumber, O sluggard?  
When will you rise from your sleep?  
A little sleep, a little slumber,  
A little folding of the hands to sleep--  
So shall your poverty come on you like a prowler,  
And your need like an armed man [from the government/IRS]."  
[Prov. 6:9-11, Bible, NKJV]*

*"The hand of the diligent will rule,  
But the lazy man will be put to forced labor [working for the government through income taxes]."  
[Prov. 12:24, Bible, NKJV]*

### **11. For people in States of the Union, the Internal Revenue Code is not "law", but instead is only "code" and a state sponsored religion**

According to the legislative notes under 1 U.S.C. §204, the Internal Revenue Code, Title 26, is NOT enacted into "positive law" and only constitutes "prima facie" or "presumed" law. The U.S. Supreme Court said in *Vlandis v. Kline* that all presumption which prejudices constitutionally guaranteed rights is unconstitutional:

#### ***Federal and State Tax Withholding Options for Private Employers***

Copyright Family Guardian Fellowship , <http://famguardian.org/>  
Ver. 2.07

(1) [8:4993] **Conclusive presumptions affecting protected interests:** A conclusive presumption [that a “code” is in fact a “law”, for instance] 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 Bd. 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]

Therefore, those protected by the Bill of Rights may not lawfully have “prima facie law”, meaning “presumption”, cited against them as evidence in any court and if a judge permits this, he is violating his oath to support and defend the Constitution. In fact, the American Jurisprudence Legal Encyclopedia 2d definitively says that presumption may not be used as a SUBSTITUTE for evidence:

American Jurisprudence 2d  
Evidence, §181

**A presumption is neither evidence nor a substitute for evidence.**<sup>22</sup> Properly used, the term “presumption” is a rule of law directing that if a party proves certain facts (the “basic facts”) at a trial or hearing, the factfinder must also accept an additional fact (the “presumed fact”) as proven unless sufficient evidence is introduced tending to rebut the presumed fact.<sup>23</sup> In a sense, therefore, a presumption is an inference which is mandatory unless rebutted.<sup>24</sup>

The underlying purpose and impact of a presumption is to affect the burden of going forward.<sup>25</sup> Depending upon a variety of factors, a presumption may shift the burden of production as to the presumed fact, or may shift both the burden of production and the burden of persuasion.<sup>26</sup>

A few states have codified some of the more common presumptions in their evidence codes.<sup>27</sup> 3 Often a statute will provide that a fact or group of facts is prima facie evidence of another fact.<sup>28</sup> Courts frequently recognize this principle in the absence of an explicit legislative directive.<sup>29</sup>

The above implies that at least for people domiciled in states of the Union and protected by the Bill of Rights:

1. The Internal Revenue Code cannot be described as “law” or cited against them in any court, but instead is instead simply a “Code”, or a “Title”, but not “law”. It is as “foreign” to a person domiciled in a state of the Union as the laws of communist China are, in fact.
2. Citing the I.R.C. does not relieve the moving party, which is usually the government, of the burden of proving that the sections of the code they are citing were enacted into positive law, and if they can’t prove it, they have no standing to proceed in the case and the case must be dismissed.
3. Those who have had the code cited against them and do not challenge such a false presumption indirectly are implying that they consent individually to be subject to it and are therefore “taxpayers”.
4. Those persons domiciled in states of the Union who cite any provision of the I.R.C. as their basis to proceed are admitting that they are “taxpayers” subject to it. Here is what the U.S. Supreme Court said on this subject:

<sup>22</sup> Levasseur v. Field (Me) 332 A.2d. 765; Hinds v. John Hancock Mut. Life Ins. Co., 155 Me 349, 155 A.2d. 721, 85 ALR2d 703 (superseded by statute on other grounds as stated in Poitras v. R. E. Glidden Body Shop, Inc. (Me) 430 A.2d. 1113); Connizzo v. General American Life Ins. Co. (Mo App) 520 SW2d 661.

<sup>23</sup> Inferences and presumptions are a staple of our adversary system of factfinding, since it is often necessary for the trier of fact to determine the existence of an element of a crime—that is an ultimate or elemental fact—from the existence of one or more evidentiary or basic facts. County Court of Ulster County v. Allen, 442 U.S. 140, 60 L Ed 2d 777, 99 S Ct 2213.

<sup>24</sup> Legille v. Dann, 178 U.S. App DC 78, 544 F.2d. 1, 191 USPQ 529; Murray v. Montgomery Ward Life Ins. Co., 196 Colo 225, 584 P2d 78; Re Estate of Borom (Ind App) 562 N.E.2d. 772; Manchester v. Dugan (Me) 247 A.2d. 827; Ferdinand v. Agricultural Ins. Co., 22 NJ 482, 126 A.2d. 323, 62 ALR2d 1179; Smith v. Bohlen, 95 NC App 347, 382 SE2d 812, affd 328 NC 564, 402 SE2d 380; Larmay v. Van Etten, 129 Vt 368, 278 A.2d. 736; Martin v. Phillips, 235 Va 523, 369 SE2d 397.

<sup>25</sup> FRE Rule 301.

<sup>26</sup> §198.

<sup>27</sup> California Evidence Code §§ 621 et seq.; Hawaii Rules of Evidence, Rules 303, 304; Oregon Evidence Code, Rule 311.

<sup>28</sup> California Evidence Code § 602; Alaska Rule of Evidence, Rule 301(b); Hawaii Rule of Evidence, Rule 305; Maine Rule of Evidence, Rule 301(b); Oregon Rule of Evidence, Rule 311(2); Vermont Rule of Evidence, Rule 301(b); Wisconsin Rule of Evidence, Rule 301.

<sup>29</sup> American Casualty Co. v. Costello, 174 Mich App 1, 435 NW2d 760; Glover v. Henry (Tex App Eastland) 749 SW2d 502.



1       *"The Government urges that the Power Company is estopped to question the validity of the Act creating the*  
2       *Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297*  
3       *U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot*  
4       *be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581;*  
5       *Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co.,*  
6       *260 U.S. 469."*  
7       *[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]*

9       *"...when a State willingly accepts a substantial benefit from the Federal Government [including a law of the*  
10       *Federal Government], it waives its immunity under the Eleventh Amendment and consents to suit by the*  
11       *intended beneficiaries of that federal assistance."*  
12       *[Papasan v. Allain, 478 U.S. 265 (1986)]*

13       Below is the definition of "positive law" from the law dictionary which helps underscore these very important point.

14       *"**Positive law.** Law actually and specifically enacted or adopted [approved and consented to] by proper*  
15       *authority for the government [We the People] of an organized jural society. See also Legislation."*  
16       *[Black's Law Dictionary, Sixth Edition, p. 1162]*

17       "Proper authority" above is the people's elected representatives, because all power in this country derives from We The  
18       People.

19       *"In the United States, sovereignty resides in the people...the Congress cannot invoke sovereign power of the*  
20       *People to override their will as thus declared."*  
21       *[Perry v. U.S., [294 U.S. 330](#) (1935)]*

22       *"**Sovereignty** itself is, of course, not subject to law, for it is the author and source of law...While sovereign*  
23       *powers are delegated to...the government, sovereignty itself remains with the people."*  
24       *[Yick Wo v. Hopkins, [118 U.S. 356](#) (1886)]*

25       Since the people domiciled in the states of the Union never enacted the Internal Revenue Code into "positive law", they as  
26       the "sovereigns" in our system of government never consented to enforce it upon themselves collectively. "Positive law" is  
27       the only legally admissible evidence that the people ever explicitly consented to enforcement actions by their government  
28       of a law, because legislation can only become positive law by a majority of the representatives of the sovereign people  
29       voting (consenting) to enact the law. Since the people never consented, then the "code" cannot be enforced against the  
30       general public. The Declaration of Independence says that all just powers of government derive from the "consent" of the  
31       governed. Anything not consensual is, ipso facto, unjust by implication. In fact, the sovereign People REPEALED, not  
32       ENACTED the Internal Revenue Code. It has been nothing but a repealed law since 1939, in fact. An examination of the  
33       Statutes at Large, 53 Stat 1, Section 4, reveals that the Internal Revenue Code and all prior revenue laws were REPEALED.  
34       See:  
35

36 <i><a href="#">Revenue Act of 1939, 53 Stat. 1</a>, SEDM Exhibit #05.027</i> 37 <i><a href="http://sedm.org/Exhibits/ExhibitIndex.htm">http://sedm.org/Exhibits/ExhibitIndex.htm</a></i>
--

36       Notice that we aren't trying to imply here any of the following very false conclusions:

- 37       1. That the Internal Revenue Code is not "law" for people domiciled in the District of Columbia or working for the U.S.  
38       government. It absolutely is.  
39       2. That there are no persons subject to the Internal Revenue Code.  
40       3. That Subtitle A of the I.R.C. doesn't apply to anyone. Rather, the group of persons who are subject to it is far more  
41       limited than most people realize.  
42       4. That "taxpayers" are not subject to the Internal Revenue Code.  
43       5. That there are no "taxpayers".

44       If the Internal Revenue Code is not "law" or "positive law" for people domiciled in states of the Union, then every  
45       regulation that implements it does not have the force of "law" either. Consequently, the "code" and the regulations that  
46       implement it are nothing but a state-sponsored official religion not unlike the early Anglican Church was. It is what we call  
47       a "political religion" in violation of the First Amendment, where:

- 48       1. This false and evil religion meets all the criteria for being described as a "cult", because:



- 1.1. The cult imposes strict rules of conduct that are thousands of pages long and which are far more restrictive than any other religious cult.
- 1.2. Participating in it is harmful to our rights, liberty, and property.
- 1.3. The “cult” is perpetuated by keeping the truth secret from its members. Our *Great IRS Hoax*, Form #11.302 contains 2,000 pages of secrets that our public servants and the federal judiciary have done their best to keep cleverly hidden and obscured from public view and discourse. When these secrets come out in federal courtrooms, the judges make the case unpublished so the American people can’t learn the truth about the misdeeds of their servants in government. Don’t believe us? Read the proof for yourself:  
<http://www.nonpublication.com/>
- 1.4. Those who try to abandon this harmful cult are threatened and harassed illegally and unconstitutionally by covetous public dis-servants. For an example, see:  
<http://www.irs.gov/compliance/enforcement/article/0,,id=119332,00.html>
2. The “bible” of this false religious “cult” is the “Infernal (Satanic) Revenue Code”
3. The U.S. Congress are the false “prophets”, who wrote their “bible” to serve their own private political agenda.
4. People join the cult mainly in order to minimize their liability for persecution from the enforcement unit for the cult, which is the IRS.
5. The courtroom is where “worship services” are held. Even the seats are the same as church pews!
6. Tax preparation businesses all over the country like H.R. Block are where “confession” is held annually to “deacons” of the cult.
7. The judges are the false “god” of this religion, who rule by their own might and ignore the limits of the Constitution, at least in the context of taxation. Attorneys “worship” these false gods.
8. The judge, like the church pastor, wears a black robe and chants in Latin. Many legal maxims are Latin phrases that have no meaning to the average citizen, which is the very same thing that happens in Catholic churches daily across the country.
9. The jury are the twelve disciples of the judge, rather than of the Truth or the law or their conscience. Their original purpose was as a check on government abuse and usurpation, but judges steer them away from ruling in such a manner and being gullible sheep raised in the public “fool” system, they comply to their own injury.
- 9.1. Those who are not already members of the cult are not allowed to serve on juries. The judge or the judge’s henchmen, his “licensed attorneys” who are “officers of the court”, dismiss prospective jurists who are not cult members during the voir dire (jury selection) phase of the tax trial. The qualifications that prospective jurists must meet in order to be part of the “cult” are at least one of the following:
  - 9.1.1. They collect government benefits based on income taxes and don’t want to see those benefits reduced or stopped. The only people who can collect federal benefits under enacted law and the Constitution are federal employees. Therefore, they must be federal employees. Since jurists are acting as “voters”, then receipt of any federal benefits makes them into a biased jury in the context of income taxes and violates [18 U.S.C. §597](#), which makes it illegal to bribe a voter. The only way to eliminate this conflict of interest is to permanently remove public assistance or to recuse/disqualify them as jurists.
  - 9.1.2. They faithfully pay what they “think” are “income taxes”. They are blissfully unaware that in actuality, the 1040 return is a federal employment profit and loss statement.
  - 9.1.3. They believe or have “faith” in the cult’s “bible”, which is the Infernal Revenue Code and falsely believe it is “law”. Instead, [1 U.S.C. §204](#) legislative notes says it is NOT positive law, but simply “presumed” to be law. Presumption is a violation of due process and therefore illegal under the Sixth Amendment.
  - 9.1.4. They are ignorant of the law and were made so in a public school. They therefore must believe whatever any judge or attorney tells them about “law”. This means they will make a good lemming to jump off the cliff with the fellow citizen who is being tried.
- 9.2. Juries are FORBIDDEN in every federal courthouse in the country from entering the law library while serving on a jury because judges don’t want jurists reading the law and finding out that judges are misrepresenting it in the courtroom. Don’t believe us? Then call the law library in any federal court building and ask them if jurists are allowed to go in there and read the law while they are serving. Below are the General Order 228C for the Federal District Court in San Diego proving that jurors are not allowed to use the court law library while serving. Notice jurors are not listed as authorized to use the library in this order:  
<http://famguardian.org/Disks/TaxDVD/Evidence/JudicialCorruption/GenOrder228C-Library.pdf>
- 9.3. Unlike every other type of federal trial, judges forbid discussing the law in a tax trial. Could it be because we don’t have any and he doesn’t want to admit it?
- 9.4. Public (government) schools deliberately don’t teach law or the Constitution either, so that the public become sheep that the government can shear and rape and pillage.

9.5. Federal judges also warn juries these days NOT to vote on their conscience, as juries originally did and were encouraged to do. He does this to steer or direct the jury to do his illegal and unconstitutional dirty work. He turns the jury effectively into an angry lynch mob and thereby maliciously abuses legal process for his own personal benefit in violation of [18 U.S.C. §208](#). He helps get the jury angry at the defendant by giving them the idea that their “tax” bill will be bigger because the defendant refuses to “pay their fair share”.

10. Those who refuse to worship the false god and false religion (which the Bible describes in the Book of Revelations as “the Beast”) are “exorcised” from society by being put into jail so that they don’t spread the truth about the total lack of lawful authority to institute income taxation within states of the Union. They are jailed as political prisoners by communist judges and socialist fellow citizens, just like in the Soviet Union. You can read more about this at:

<http://famguardian.org/Publications/SocialSecurity/TOC.htm>

11. The lawyers representing both sides are licensed by the priest/judge and therefore will pay homage to and cooperate with him fully or risk losing their livelihood and becoming homeless. Every tax trial has THREE prosecutors who are there to prosecute you: your defense attorney, the opposing U.S. attorney, and the judge, all of whom are on the take. Attorneys have a conflict of interest and it is therefore impossible for them to objectively satisfy the fiduciary duty to their clients which they have under the law. You can read more about this scam at:

<http://famguardian.org/Subjects/LawAndGovt/LegalEthics/PetForAdmToPractice-USDC.pdf>

12. The capitol, Washington D.C., is the “political temple” or headquarters of this false religious cult. Don’t believe us? During the Congressional debates of the Sixteenth Amendment in 1909, one Congressman amazingly admitted as much. The Sixteenth Amendment is the income tax amendment that was later fraudulently ratified in 1913. Notice the use of the words “civic temple” and “faith” in his statement, which are no accident.

*“Now, Mr. Speaker, this Capitol is the civic temple of the people, and we are here by direction of the people to reduce the tariff tax and enact a law in the interest of all the people. This was the expressed will of the people at the polls, and you promised to carry out that will, but you have not kept faith with the American people.”*  
[44 Cong.Rec. 4420, July 12, 1909; Congressman Heflin talking about the enactment of the Sixteenth Amendment]

If you want to read the above amazing admission for yourself, visit our website at:

<http://famguardian.org/TaxFreedom/History/Congress/1909-16thAmendCongrRecord.pdf>

13. Representatives of this church/cult, such as the Department of Justice and the IRS, dress the same as Mormon missionaries.

14. Those who participate in this cult can write-off or deduct their contributions just like donations to any church. State income taxes, for instances, are deductible from federal gross income.

15. The false god/idol called government gets the “first fruits” of our labor, before the Lord even gets one dime, using payroll deductions. Some employers treat the payroll deduction program like it is a law to be followed religiously, even though it is not. This is a violation of Prov. 3:9, which says:

*“Honor the LORD with your possessions, And with the firstfruits of all your increase;”*  
[Prov. 3:9, Bible, NKJV]

Yes, people, the government has made itself into a religion, at least in the realm of taxation. The problem with this corruption of our government is that the U.S. Supreme Court said they cannot do it:

*“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)]

If you would like additional hard evidence supporting the above fascinating scientific conclusion, then please read the following supporting evidence:

1. *Socialism: The New American Civil Religion*, Form #05.016:  
<http://sedm.org/Forms/FormIndex.htm>
2. The *Great IRS Hoax*, Form #11.302 book available free at:  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>
  - 2.1. Section 4.3.2: Biblical view of taxation and government
  - 2.2. Section 4.3.12: Our Government has become idolatry and a false religion
  - 2.3. Sections 5.4 through 5.4.3.6: The I.R.C. is not law
3. *Tax Deposition Questions, Section 5: First Amendment* and Socialism  
<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>
4. *The Unlimited Liability Universe*:  
<http://famguardian.org/Subjects/Spirituality/Articles/UnlimitedLiabilityUniverse.htm>
5. *Government is a Pagan Cult and We've all Been drinking the Kool-Aid*:  
<http://famguardian.org/Subjects/LawAndGovt/ChurchVState/GovtPaganCult.htm>
6. *How Scoundrels Corrupted our Republican Form of Government*:  
<http://famguardian.org/Subjects/Taxes/Evidence/HowScCorruptOurRepubGovt.htm>

The only reasons anyone follows a repealed law as though it were a false religion is one of the following:

1. They are dangerously stupid
2. They want to be part of the official state sponsored religion and be “politically correct”.
3. They are more afraid of what a corrupted tyrant judge with a conflict of interest will do to them than what God will do to them for disobeying His laws. God’s laws say we cannot be slaves to any man and that we cannot worship false gods or “priests” of false gods such as tyrant judges who are perpetuating the worship and obedience to socialism and humanism.

We call this religion the “Civil Religion of Socialism and Humanism”. One of the reasons why the I.R.C. isn’t law and can never be law in a free country is that the First Amendment prohibits establishing religion by law. Therefore, Congress wrote a “proposal” or contract called the Internal Revenue Code and then duped everyone into accepting the contract by sending in the wrong tax forms to the IRS. Compliance is then maintained by “judge made law”, because Congress put the federal judiciary under the control of the IRS for the first time starting in 1932. The judges rebelled, but Congress was so sneaky how they did it that the Supreme Court couldn’t stop them. From that point on, the judges would be destroyed by the IRS if they didn’t rule in the IRS’ favor<sup>30</sup>. The First Amendment doesn’t prohibit the judiciary from establishing a religion, and that is exactly what these corrupted judges have done under the influence of IRS extortion. Remember what the Declaration of Independence says on this subject and the complaint we had about the British King that caused us to rebel? Well the very same problem is again back in our midst:

*“He has made Judges dependent on his [the Executive Branch/President and the IRS he controls] Will alone, for the tenure of their offices, and the amount and payment of their salaries.*

*“He has erected a multitude of New [IRS] Offices, and sent hither swarms of Officers to harass our people, and eat out their substance.”*

[SOURCE: [http://www.archives.gov/national\\_archives\\_experience/charters/declaration\\_transcript.html](http://www.archives.gov/national_archives_experience/charters/declaration_transcript.html)]

What are YOU going to do about this cancer on the body politic, folks? America will only be the land of the free as long as it is the home of the brave. The Ten Commandments say “Thou shalt not steal.” They don’t say “Thou shalt not steal UNLESS you are the government.” We realize that some of this section may sound strange and maybe even radical at first glance, but we scientifically prove all assertions made here using the government’s own laws and court rulings in sections 5.4.3.2 and 5.4.3.6 of the *Great IRS Hoax*, Form #11.302 book available below. We encourage you to read the eye-popping truth for yourself and rebut it if you can. Don’t believe a word we say, but read the law for yourself:

*Great IRS Hoax*, Form #11.302  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

<sup>30</sup> See O’Malley v. Woodrough, 307 U.S. 277 (1938) and Great IRS Hoax, Section 6.9.9.

1 Instead, the IRC can only be enforced against groups of people whose consent is not required. The only group of people  
2 that fits that description are federal “employees”, contractors, agencies, and benefit recipients. This is confirmed by  
3 examining the Federal Register Act, [44 U.S.C. §1505](#)(a)(1) and the Administrative Procedures Act, 5 U.S.C. §553(a), both  
4 of which confirm that no enforcement implementing regulations are required in the case of the following persons, who in  
5 fact are the only proper or lawful subject of the Internal Revenue Code Subtitle A:

- 6 1. [44 U.S.C. §1505](#)(a)(1): Federal agencies or persons in their capacity as officers, agents, or employees
- 7 2. [5 U.S.C. §553](#)(a)(1): Military or foreign affairs function of the United States
- 8 3. [5 U.S.C. §553](#)(a)(2): Matters relating to agency management or personnel or to public property, loans, grants, benefits,  
9 or contracts

10 The following document proves that there are no enforcement implementing regulations and that the only group the IRS  
11 can enforce the I.R.C. against are federal instrumentalities, agencies, contractors, and benefit recipients:

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

12 Therefore, the above groups are the only proper subject of I.R.C. Subtitle A, the personal and business income tax. Subtitle  
13 A of the Internal Revenue Code therefore amounts to an implied employment agreement between the United States  
14 government and the federal “employees” and contractors and agencies who work for it. Those who don’t want to consent  
15 to the employment or contract simply will do so by not seeking federal employment or contracts. Those who work for the  
16 federal government, by virtue of being granted the privilege, must refund a portion of their paycheck back to the  
17 government. The amount returned is the “tax” and the “gross income” upon which it is based is all the earnings from the  
18 public office, which is called “income effectively connected with a trade or business in the United States” under the I.R.C.  
19 That is why what you file at the end of every year is called a “return”. There is a very good reason it is called a “return”!  
20 Those who receive this government “overpayment”, while it is temporarily in their possession, are treated as “transferees”  
21 and fiduciaries of the federal government until the money is returned to its rightful owner. What this scheme amounts to  
22 essentially is a “federal employee kickback program” disguised to look like a lawful income tax. The reason this type of  
23 deception was necessary is because the Constitution forbids direct taxes in Article 1, Section 9, Clause 4 and Article 1,  
24 Section 2, Clause 3. Therefore, the government took the back door to deceive the people so they could literally STEAL  
25 their money under the pretext of lawful authority. The scam started in 1862 and was instituted as an “emergency measure”  
26 to pay for the civil war, but it survives to this day to plague us. Since that time, the scoundrels have taken great pains to  
27 obfuscate IRS Forms, publications, and the Internal Revenue Code to fool the average person into believing that they are  
28 what amounts to “public employees” under the I.R.C and thereby expand the operation of the “scheme”. See the *Great IRS*  
29 *Hoax*, Form #11.302, Section 5.6.13 for more complete details on this monumental scam.

<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

31 Don’t believe us? We’ve got a signed admission by the government’s own employees that this is the case. See:

*Cynthia Mills Letter*, SEDM Exhibit #09.023  
<http://sedm.org/Exhibits/ExhibitIndex.htm>

33 If you would like to know more about the content of this section, please consult the following memorandum of law below:

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

## 34 **12. Federal Tax Scheme**

35 *“Objections to its [the income tax] renewal are long, loud, and general throughout the country. Those who pay*  
36 *are the exception, those who do not pay are millions; the whole moral force of the law is a dead letter. The*  
37 *honest man makes a true return; the dishonest hides and covers all he can to avoid this obnoxious tax. It has no*  
38 *moral force. This tax is unequal, perjury-provoking and crime encouraging, because it is a war with the*  
39 *right of a person to keep private and regulate his business affairs and financial matters. Deception, fraud,*  
40 *and falsehood mark its progress everywhere in the process of collection. It creates curiosity, jealousy, and*  
41 *prejudice among the people. It makes the tax-gatherer a spy...The people demand that it shall not be renewed,*

1 but left to die a natural death and pass away into the future as pass away all the evils growing out of the Civil  
2 War.”  
3 [Congressional Globe, 41<sup>st</sup> Congress, 2d Session, 3993 (1870)]

4 Federal employment withholding under Subtitle C of the Internal Revenue Code only apply to “public officers” of the  
5 United States government, as revealed under [26 U.S.C. §6331\(a\)](#), [26 U.S.C. §3401\(c\)](#), and [26 CFR §31.3401\(c\)-1](#) and  
6 only in direct connection with their federal employment.

7 [26 CFR §31.3401\(c\)-1 Employee:](#)

8 “...the term [employee] includes officers and employees, whether elected or appointed, of the United States, a  
9 [federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or  
10 any agency or instrumentality of any one or more of the foregoing. The term ‘employee’ also includes an  
11 officer of a corporation.”

12 Federal employment tax withholding under Subtitle C of the Internal Revenue Code does not apply to private employers,  
13 who do not meet the definition of “employer” found in [26 CFR §31.3121\(d\)-2](#) entitled “Who are employers”. An  
14 “[employer](#)”, under federal law, is simply anyone who has “[employees](#)”, and all “employees” under the I.R.C. work for the  
15 federal government as “public officers” engaged in a “trade or business” in order to earn “taxable income”. The reason this  
16 must be the case is because Subtitle A of the Internal Revenue Code is an indirect tax upon excise taxable privileges or  
17 “activities”, and the only “activity” that is taxable is a “trade or business”, which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as  
18 “the functions of a public office”. That “public office” is an office in which the officer is in receipt of payments from the  
19 federal government and in effect is acting as a fiduciary or subcontractor of the federal government over these payments.  
20 The amount left over for himself AFTER he pays the “kickback” to the federal government from this payment is the  
21 compensation he receives in connection with this public office. This whole “trade or business” scheme is very carefully  
22 described in our [Great IRS Hoax](#), Form #11.302, Section 5.6.13 if you would like to know more. See also:

[The “Trade or Business” Scam](#)  
<http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>

23 Similarly, the provisions of the Internal Revenue Code, Subtitles A (income tax), and Subtitle C (employment tax) only  
24 apply within federal territory (federal zone) and in states of the Union on federal land ceded to the federal government as  
25 required under [40 U.S.C. §255](#). This is a consequence of the separation of powers doctrine documented by the U.S.  
26 Supreme Court in *U.S. v. Lopez*, [514 U.S. 549](#) (1995). This is confirmed by examining the Buck Act, 4 U.S.C. §106, as  
27 well as the provisions in Title 5 of the U.S. Code which implement it found at [5 U.S.C. §5517](#). Hence, private employers in  
28 private industry do not come under the purview of federal employment withholding codes under Subtitle C of the Internal  
29 Revenue Code except as they volunteer to. There is no federal law requiring them to participate in withholding of federal  
30 payroll taxes, Social Security, FICA, OASDI, Medicare, or even state tax withholding.

31 There is also no positive law creating a “legal duty” to pay income taxes under Subtitle A of the Internal Revenue Code.  
32 Therefore, the code only applies to those who make themselves subject by consenting to it in some way and thereby  
33 becoming “taxpayers”, which are defined in 26 U.S.C. §7701(a)(14). The word “liable” or “liability” is the only term that  
34 establishes a legal “duty” to pay a tax. The first and only Act of Congress that has ever imposed such a legal “duty” was  
35 section 29 of the Revenue Act of 1894, which said in pertinent part:

36 “Sec. 29. That it shall be the duty of all persons of lawful age having an income of more than three thousand  
37 five hundred dollars for the taxable year, computed on the basis herein prescribed, to make and render a list or  
38 return, on or before the day provided by law, in such form and manner as may be directed by the Commissioner  
39 of Internal Revenue with the approval of the Secretary of the Treasury, to the collector or a deputy collector of  
40 the district in which they reside, of the amount of their income, gains, and profits, as aforesaid;...”  
41 [Revenue Act of 1894]

42 Notice the phrase “it shall be the duty of all persons of lawful age”. You can read this law direct from the Statutes at Large  
43 on our website at:

44 <http://famguardian.org/PublishedAuthors/Govt/HistoricalActs/IncomeTax1894final.pdf>

45 The above positive law was declared unconstitutional by the U.S. Supreme Court in the case of *Pollock v. Farmers’ Loan*  
46 *& Trust Co.*, [157 U.S. 429](#), 158 U.S. 601 (1895) because it attempted to institute a direct tax within states of the Union in



stark violation of Article 1, Section 9, Clause 4 and Article 1, Section 2, Clause 3 of the Constitution. That case caught the Congress red-handed trying to violate the Constitution and slapped them on the wrist for putting their hands in the cookie jar. Since that time, the Congress has never since even attempted to institute any federal law that included a positive law “legal duty” or “liability” for natural persons (people) to pay a direct tax in states of the Union. The closest they have ever come was to create a “code” that “looks” like law but isn’t and which appears to create a liability, but in fact does not because it cannot without violating the Constitution.

[26 U.S.C. §1](#) is the section that the IRS says imposes the income tax. Here is an excerpt from that section:

*United States Code  
TITLE 26 - INTERNAL REVENUE CODE  
Subtitle A - Income Taxes  
CHAPTER 1 - NORMAL TAXES AND SURTAXES  
Subchapter A - Determination of Tax Liability  
PART I - TAX ON INDIVIDUALS*

Sec. 1. Tax **imposed**

*(a) Married individuals filing joint returns and surviving spouses*

*There is hereby **imposed** on the taxable income of –*

The question is:

*Does the word “imposed” mean “**liable**”?*

Incidentally, did you notice we used “mean” instead of “include” above...because the government just loves to abuse this word to illegally expand their jurisdiction! Here is the definition of the word “impose” from Black’s Law Dictionary, Sixth Edition:

**Impose**: To levy or **exact** as by authority; to lay as a burden, tax, duty, or charge.  
[Black’s Law Dictionary, Sixth Edition, p. 755]

**Exaction**. The wrongful act of an officer or other person in compelling payment of a fee or reward for his services, under color of his official authority, where no payment is due.  
[Black’s Law Dictionary, Sixth Edition, p. 557]

---

**Extortion**. The obtaining of property from another induced by wrongful use of actual or threatened force, violence, or fear, or under color of official right. 18 U.S.C.A. § 871 et seq.; § 1951.

*A person is guilty of theft by extortion if he purposely obtains property of another by threatening to: (1) inflict bodily injury on anyone or commit any other criminal offense; or (2) accuse anyone of a criminal offense; or (3) expose any secret tending to subject any person to hatred, contempt or ridicule, or to impair his credit or business repute; or (4) take or withhold action as an official, or cause an official to take or withhold action; or (5) bring about or continue a strike, boycott or other collective unofficial action, if the property is not demanded or received for the benefit of the group in whose interest the actor purports to act; or (6) testify or provide information or withhold testimony or information with respect to another’s legal claim or defense; or (7) inflict any other harm which would not benefit the actor. Model Penal Code, § 224.4.*

*See also Blackmail; Hobbs Act; Loan Sharking; Shakedown. With respect to Larceny by extortion, see Larceny. Compare Coercion*  
[Black’s Law Dictionary, Sixth Edition, p. 585]

Amazing how brazen these lawyer criminals in the District of Criminals are, eh? Nothing in there about liability! And the definition of the word “levy” out of that same legal dictionary on page 907 says:

**Levy**, v.: To assess; raise; execute; exact; tax; collect; gather; take up; seize. Thus, to levy (assess, exact, raise, or collect) a tax; to levy (raise or set up) a nuisance; to levy (acknowledge) a fine; to levy (inaugurate) war; to levy an execution, i.e., to levy or collect a sum of money on an execution.” [Black’s Law Dictionary, Sixth Edition, p. 907]



Here is what the federal courts say about the requirements to create a statutory liability before an obligation to pay can be established:

*"...liability for taxation must clearly appear [from statute imposing tax]."  
[Higley v. Commissioner of Internal Revenue, 69 F.2d. 160 (1934)]*

*"While Congress might have the power to place such a personal liability upon trust beneficiaries who did not renounce the trust, yet it would require clear expression of such intent, and it cannot be spelled out from language (as that here) which can be given an entirely natural and useful meaning and application excluding such intent."  
[Higley v. Commissioner of Internal Revenue, 69 F.2d. 160 (1934)]*

*"A tax is a legal imposition, exclusively of statutory origin (37 Cyc. 724, 725), and, naturally, liability to taxation must be read in statute, or it does not exist."  
[Bente v. Bugbee, 137 A. 552, 103 N.J. Law. 608 (1927)]*

*"...the taxpayer must be liable for the tax. Tax liability is a condition precedent to the demand. Merely demanding payment, even repeatedly, does not cause liability."  
[Terry v. Bothke, 713 F.2d. 1405, at 1414 (1983).]*

Can you collect a tax that no one is liable for? You certainly can, if you can find enough ignorant Americans and fool or coerce them into believing that they are "taxpayers"! Do you see the words "liable" or "liability" used anywhere in the above definitions or anywhere in 26 U.S.C. §1? We don't...and if you aren't liable, then you don't have to pay! When you search electronically through the entire 9,500 pages of the Internal Revenue Code like we did, you will indeed find the word "liability" used for every kind of tax OTHER than personal income taxes, but not for any of the taxes on individuals found in Subtitles A or C! When a person is made liable, the code explicitly says "shall be liable", "shall be paid" and "shall keep records", etc, but nowhere is this stated for personal income taxes in Subtitles A or C. Here are just a few examples where persons are explicitly made "liable" for payment of a tax that was also "imposed" elsewhere in the code:

26 U.S.C. §4374: Liability for tax: "...shall be paid..."

26 U.S.C. §4401(c) ) Persons liable for tax: "...wagers shall be liable for and shall pay"

26 U.S.C. §4403 Record requirements: "Each person liable for tax under this subchapter shall keep a daily record..."

26 U.S.C. §5005 Persons liable for tax:

"(a) The distiller or importer of distilled spirits shall be liable for the taxes imposed..."  
"(c ) Proprietors of distilled spirits plants: "(1) Bonded storage. Every person operating bonded premises of a distilled spirits plant shall be liable for internal revenue tax..."  
"(e)(1)" Withdrawals without payment of tax: "...shall be liable"  
""(e)(2) Relief from liability: "All persons liable for the tax..."

26 U.S.C. §5043. Collection of taxes on wines

"(a) Persons liable for payment  
The taxes on wine provided for in this subpart shall be paid..."

26 U.S.C. §5054. Determination and collection of tax on beer

"(a) Time of determination  
(1) Beer produced in the United States; certain imported beer...shall be paid by the brewer thereof in accordance with section 5061."

26 U.S.C. §5703. Liability for tax and method of payment.

(a) Liability for tax

(1) Original liability...shall be liable for ...

(2) Transfer of liability...shall become liable..."

That's right: The personal income taxes mentioned in the following subtitles NOWHERE use the word "liable" or "liability", so you can't be required to pay, which is why they also don't say "liable" or "shall pay" anywhere in the code for these taxes on natural persons anywhere in:

Subtitle A: Income Taxes

Subtitle C: Employment Taxes

A favorite trick of the IRS when the above fact is pointed out is to cite 26 CFR § 1.1-1 and show that the implementing regulation for the statute uses the phrase "are liable to":

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

*In general, **all citizens of the United States, wherever resident, and all resident alien individuals **are** liable to the income taxes imposed by the Code whether the income is received from sources within or without the United States.*** Pursuant to section 876, a nonresident alien individual who is a bona fide resident of Puerto Rico during the entire taxable year is, except as provided in section 933 with respect to Puerto Rican source income, subject to taxation in the same manner as a resident alien individual. As to tax on nonresident alien individuals, see sections 871 and 877.

Did you get that? 26 U.S.C. § 1 *didn't* use the word "liable" but the implementing regulation did, which is clearly illegal and violates the concept described in the *Spreckles v. C.I.R.* case below, which says:

*"To the extent that regulations implement the statute, they have the force and effect of law...The regulation implements the statute **and cannot vitiate or change the statute...**"*  
[*Spreckles v. C.I.R.*, 119 F.2d, 667]

What the Treasury did to try to illegally expand their jurisdiction, in a clear demonstration of conflict of interest and a violation of the Code of Ethics for Government employees we discussed in section 2.1 of the *Great IRS Hoax*, Form #11.302, was create a *bogus liability* by writing an illegal regulation in 26 CFR § 1.1-1(b) to implement 26 U.S.C. § 1 and use the word "liable" in the regulation! *Sneaky bastards!* Remember that the Secretary of the Treasury is authorized to write regulations that *interpret* and *implement* the Internal Revenue Code under 26 U.S.C. § 7805, but the Secretary has *no delegated authority* to expand or enlarge or modify the original language or jurisdiction of the Internal Revenue Code section he is implementing and enforcing! Why? Because the Congress is the only legislative body authorized by the Constitution, and no one in the Executive branch, including the Treasury, has any delegated authority to legislate.

*"When enacting § 7206(1) Congress undoubtedly knew that the Secretary of the Treasury is empowered to prescribe all needful rules and regulations for the enforcement of the internal revenue laws, so long as they carry into effect the will of Congress as expressed by the statutes. Such regulations have the force of law. **The Secretary, however, does not have the power to make law.**"* *Dixon v. United States, supra.*  
[*United States v. Levy*, 533 F.2d. 969 (1976)]

Therefore, 26 CFR § 1.1-1(b) *is a regulation that is null and void and fraudulent on its face* insofar as its imposition of an otherwise nonexistent "liability" for the payment of Subtitle A income taxes. If you were to investigate this matter further, I'd be willing to bet money that the Secretary of Treasury who approved this regulation was a lame duck and knew he was on the way out of office and probably his last official act was to approve this regulation. That was the kind of scam that got the Sixteenth Amendment passed by the lame duck Secretary of State Philander Knox, who perjured himself by saying that the Sixteenth Amendment had been properly ratified by the required ¾ of the states.

The government deception gets worst, folks. Congress legislates for two separate legal and political and territorial jurisdictions:

1. The states of the Union under the requirements of the Constitution of the United States. In this capacity, it is called the "federal/general government".
2. The U.S. government, the District of Columbia, U.S. possessions and territories, and enclaves within the states. In this capacity, it is called the "national government". The authority for this jurisdiction derives from Article 1, Section 8, Clause 17 of the United States Constitution. All laws passed essentially amount to municipal laws for federal property, and in that capacity, Congress is not restrained by either the Constitution or the Bill of Rights. We call the collection of all federal territories, possessions, and enclaves within the states "the federal zone" throughout this document.

1 The U.S. Supreme Court confirmed the above when it said:

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

7 James Madison, one of our founding fathers, described these two separate jurisdictions in Federalist Paper #39, when he  
8 said:

9 First. In order to ascertain the real character of the government, it may be considered in relation to the  
10 foundation on which it is to be established; to the sources from which its ordinary powers are to be drawn; to  
11 the operation of those powers; to the extent of them; and to the authority by which future changes in the  
12 government are to be introduced.

13 On examining the first relation, it appears, on one hand, that the Constitution is to be founded on the assent and  
14 ratification of the people of America, given by deputies elected for the special purpose; but, on the other, that  
15 this assent and ratification is to be given by the people, not as individuals composing one entire nation, but as  
16 composing the distinct and independent States to which they respectively belong. It is to be the assent and  
17 ratification of the several States, derived from the supreme authority in each State, the authority of the people  
18 themselves. The act, therefore, establishing the Constitution, will not be a NATIONAL, but a FEDERAL act.

19 That it will be a federal and not a national act, as these terms are understood by the objectors; the act of the  
20 people, as forming so many independent States, not as forming one aggregate nation, is obvious from this  
21 single consideration, that it is to result neither from the decision of a MAJORITY of the people of the Union,  
22 nor from that of a MAJORITY of the States. It must result from the UNANIMOUS assent of the several States  
23 that are parties to it, differing no otherwise from their ordinary assent than in its being expressed, not by the  
24 legislative authority, but by that of the people themselves. Were the people regarded in this transaction as  
25 forming one nation, the will of the majority of the whole people of the United States would bind the minority, in  
26 the same manner as the majority in each State must bind the minority; and the will of the majority must be  
27 determined either by a comparison of the individual votes, or by considering the will of the majority of the  
28 States as evidence of the will of a majority of the people of the United States. Neither of these rules have been  
29 adopted. Each State, in ratifying the Constitution, is considered as a sovereign body, independent of all others,  
30 and only to be bound by its own voluntary act. In this relation, then, the new Constitution will, if established, be  
31 a FEDERAL, and not a NATIONAL constitution.

32 The next relation is, to the sources from which the ordinary powers of government are to be derived. The  
33 House of Representatives will derive its powers from the people of America; and the people will be  
34 represented in the same proportion, and on the same principle, as they are in the legislature of a particular  
35 State. So far the government is NATIONAL, not FEDERAL. The Senate, on the other hand, will derive its  
36 powers from the States, as political and coequal societies; and these will be represented on the principle of  
37 equality in the Senate, as they now are in the existing Congress. So far the government is FEDERAL, not  
38 NATIONAL. The executive power will be derived from a very compound source. The immediate election of the  
39 President is to be made by the States in their political characters. The votes allotted to them are in a compound  
40 ratio, which considers them partly as distinct and coequal societies, partly as unequal members of the same  
41 society. The eventual election, again, is to be made by that branch of the legislature which consists of the  
42 national representatives; but in this particular act they are to be thrown into the form of individual delegations,  
43 from so many distinct and coequal bodies politic. From this aspect of the government it appears to be of a  
44 mixed character, presenting at least as many FEDERAL as NATIONAL features.

45 The difference between a federal and national government, as it relates to the OPERATION OF THE  
46 GOVERNMENT, is supposed to consist in this, that in the former the powers operate on the political bodies  
47 composing the Confederacy, in their political capacities; in the latter, on the individual citizens composing  
48 the nation, in their individual capacities. On trying the Constitution by this criterion, it falls under the  
49 NATIONAL, not the FEDERAL character; though perhaps not so completely as has been understood. In several  
50 cases, and particularly in the trial of controversies to which States may be parties, they must be viewed and  
51 proceeded against in their collective and political capacities only. So far the national countenance of the  
52 government on this side seems to be disfigured by a few federal features. But this blemish is perhaps  
53 unavoidable in any plan; and the operation of the government on the people, in their individual capacities, in its  
54 ordinary and most essential proceedings, may, on the whole, designate it, in this relation, a NATIONAL  
55 government.

56 But if the government be national with regard to the OPERATION of its powers, it changes its aspect again  
57 when we contemplate it in relation to the EXTENT of its powers. The idea of a national government involves in  
58 it, not only an authority over the individual citizens, but an indefinite supremacy over all persons and things, so  
59 far as they are objects of lawful government. Among a people consolidated into one nation, this supremacy is  
60 completely vested in the national legislature. Among communities united for particular purposes, it is vested  
61 partly in the general and partly in the municipal legislatures. In the former case, all local authorities are

subordinate to the supreme; and may be controlled, directed, or abolished by it at pleasure. In the latter, the local or municipal authorities form distinct and independent portions of the supremacy, no more subject, within their respective spheres, to the general authority, than the general authority is subject to them, within its own sphere. In this relation, then, the proposed government cannot be deemed a NATIONAL one; since its jurisdiction extends to certain enumerated objects only, and leaves to the several States a residuary and inviolable sovereignty over all other objects. It is true that in controversies relating to the boundary between the two jurisdictions, the tribunal which is ultimately to decide, is to be established under the general government. But this does not change the principle of the case. The decision is to be impartially made, according to the rules of the Constitution; and all the usual and most effectual precautions are taken to secure this impartiality. Some such tribunal is clearly essential to prevent an appeal to the sword and a dissolution of the compact; and that it ought to be established under the general rather than under the local governments, or, to speak more properly, that it could be safely established under the first alone, is a position not likely to be combated.

If we try the Constitution by its last relation to the authority by which amendments are to be made, we find it neither wholly NATIONAL nor wholly FEDERAL. Were it wholly national, the supreme and ultimate authority would reside in the MAJORITY of the people of the Union; and this authority would be competent at all times, like that of a majority of every national society, to alter or abolish its established government. Were it wholly federal, on the other hand, the concurrence of each State in the Union would be essential to every alteration that would be binding on all. The mode provided by the plan of the convention is not founded on either of these principles. In requiring more than a majority, and principles. In requiring more than a majority, and particularly in computing the proportion by STATES, not by CITIZENS, it departs from the NATIONAL and advances towards the FEDERAL character; in rendering the concurrence of less than the whole number of States sufficient, it loses again the FEDERAL and partakes of the NATIONAL character.

The proposed Constitution, therefore, is, in strictness, neither a national nor a federal Constitution, but a composition of both. In its foundation it is federal, not national; in the sources from which the ordinary powers of the government are drawn, it is partly federal and partly national; in the operation of these powers, it is national, not federal; in the extent of them, again, it is federal, not national; and, finally, in the authoritative mode of introducing amendments, it is neither wholly federal nor wholly national.

PUBLIUS.  
[Federalist Paper #39, James Madison]

Based on Madison's comments, a "national government" operates upon and derives its authority from individual citizens whereas a "federal government" operates upon and derives its authority from states. The only place where the central government may operate directly upon the individual through the authority of law is within federal territory. Hence, when courts use the word "national government", they are referring to federal territory only and to no part of any state of the Union. The federal government has no jurisdiction within a state of the Union and therefore cannot operate directly upon the individual there.

"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)]

The rights of life and personal liberty are natural rights of man. 'To secure these rights,' says the Declaration of Independence, 'governments are instituted among men, deriving their just powers from the consent of the governed.' The very highest duty of the States, when they entered into the Union under the Constitution, was to protect all persons within their boundaries in the enjoyment of these 'unalienable rights with which they were endowed by their Creator.' Sovereignty, for this purpose, rests alone with the States. It is no more the duty or within the power of the United States to punish for a conspiracy \*554 to falsely imprison or murder within a State, than it would be to punish for false imprisonment or murder itself.

The fourteenth amendment prohibits a State from denying to any person within its jurisdiction the equal protection of the laws; but this provision does not, any more than the one which precedes it, and which we have just considered, add any thing \*555 to the rights which one citizen has under the Constitution against another. The equality of the rights of citizens is a principle of republicanism. Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle, if within its power. That duty was originally assumed by the States; and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, but no more. The power of the national government is limited to the enforcement of this guaranty.  
[U.S. v. Cruikshank, 92 U.S. 542, 1875 WL 17550 (U.S., 1875)]

1 These two political/legal jurisdictions, federal territory v. states of the Union, are separate sovereignties, and the  
2 Constitution dictates that these two distinct sovereignties MUST remain separate because of the Separation of Powers  
3 Doctrine:

4 “§79. This sovereignty pertains to the people of the United States as national citizens only, and not as citizens  
5 of any other government. There cannot be two separate and independent sovereignties within the same limits or  
6 jurisdiction; nor can there be two distinct and separate sources of sovereign authority within the same  
7 jurisdiction. The right of commanding in the last resort can be possessed only by one body of people inhabiting  
8 the same territory;’ and can be executed only by those intrusted with the execution of such authority.”

9 [Treatise on Government, Joel Tiffany, p. 49, Section 78;

10 SOURCE: <http://famguardian.org/Publications/TreatiseOnGovernment/TreatOnGovt.pdf>]

11 The vast majority of all laws passed by Congress apply to the latter jurisdiction above: the federal zone. The Internal  
12 Revenue Code actually describes the revenue collection “scheme” for these two completely separate political and legal  
13 jurisdictions and the table below compares the two. In the capacity as the “national government”, the I.R.C. in Subtitles A  
14 (income tax), B (inheritance tax), and C (employment tax) acts as the equivalent of a state income tax for the municipal  
15 government of the federal zone. In the capacity of the “federal government”, the I.R.C. in subtitle D acts as an excise tax  
16 on imports only. We discussed the difference between the “national government” and the “federal/general government” in  
17 section 4.7 of the Great IRS Hoax, Form #11.302, if you would like to review:

**Table 11: Two jurisdictions within the I.R.C.**

#	Description	Legislative jurisdiction	
		"National government" of the District of Columbia	"Federal government" of the states of the Union
1	Constitutional authority for revenue collection	<a href="#">Article 1, Section 8</a> , Clause 1 <a href="#">Article 1, Section 8</a> , Clause 17	<a href="#">Article 1</a> , Section 8, Clause 3
2	Type of jurisdiction exercised	Plenary Exclusive	Subject matter
3	Nature of tax	Indirect excise tax upon privileges of federal employment ("public office")	Indirect excise tax on <u>imports</u> only Excludes <u>exports</u> from states (Constitution 1:9:5) Excludes commerce exclusively <u>within</u> states
4	Taxable objects	<i>Internal</i> to the Federal zone or internal to the U.S. government	<i>External</i> to the states of the Union
5	Region to which collections apply	Federal zone and abroad (26 U.S.C. §911) and excluding states of the Union: District of Columbia, territories and possessions of the United States	The 50 states, harbors, ports of entry for imports
6	Revenue Collection Agency	Internal Revenue Service (IRS)	U.S. Customs (Dept. of the Treasury)
7	Authority for collection within the Internal Revenue Code	<a href="#">Subtitle A: Income Taxes</a> <a href="#">Subtitle B: Estate and Gift taxes</a> <a href="#">Subtitle C: Employment taxes</a> <a href="#">Subtitle E: Alcohol, Tobacco, and Certain Other Excise Taxes</a>	<a href="#">Subtitle D: Miscellaneous Excise Taxes</a>
8	Revenue collection applies to	1. "Public officers" engaged in a "trade or business" as defined in <a href="#">26 U.S.C. §7701(a)(26)</a> . 2. "U.S. persons" under <a href="#">26 U.S.C. §7701(a)(30)</a> living abroad in receipt of federal payments as described in <a href="#">26 U.S.C. §911</a> .	Federal corporations involved in foreign commerce
9	Taxable "activities"	1. "trade or business", which is defined as "the functions of a public office" in <a href="#">26 U.S.C. §7701(a)(26)</a> , conducted within the "District of Columbia" and not elsewhere pursuant to 4 U.S.C. §72. 2. Transfer of property from people who died in the federal zone to their heirs (I.R.C. Subtitle B).	Foreign Commerce under <a href="#">26 U.S.C. §7001</a> and Constitution Article 1, Section 8, Clause 3.
10	Revenues pay for	Socialism/communism	Protection of states of the Union, including military, courts, and jails.
11	Revenue collection functions like	Municipal/state government income tax	Federal tax on foreign commerce
12	Definition of the term "United States" found in	1. <a href="#">26 U.S.C. §7701(a)(9)</a> and (a)(10) 2. <a href="#">26 U.S.C. §3121(e)</a>	26 U.S.C. §4612
13	Example "taxes"	1. W-4 withholding on federal "employees" 2. Estate taxes 3. Social security 4. Medicare 5. Alcohol, tobacco, and firearms under U.S.C. Title 27	Taxes on imported fuels
14	Applicable tax forms	941, 1040, 1040NR, 1120, W-2, W-4	CF 6084 (customs bill)

The "plenary" jurisdiction described above means exclusive sovereignty which is not shared by any other sovereignty and which is exercised over territorial lands owned by or ceded to the federal government under [Article 1, Section 8](#), Clause 17 of the Constitution. Here is a cite that helps confirm what we are saying about the "plenary" word above:

*"In dealing with the meaning and application of an act of Congress enacted in the exercise of its **plenary power under the Constitution to tax income and to grant exemptions from that tax [in its own territories and possessions ONLY but NOT in the states of the Union]**, it is the will of Congress which controls, and the expression of its will, in the absence of language evidencing a different purpose, should be interpreted 'so as to give a uniform application to a nation-wide scheme of taxation'. Burnet v. Harmel, [287 U.S. 103, 110](#), 53 S.Ct. 74, 77. Congress establishes its own criteria and the **state law may control [in federal territories and possessions] only when the federal taxing act by express language or necessary implication makes its operation dependent upon state law**. Burnet v. Harmel, *supra*. See Burk-Waggoner Oil Association v. Hopkins, [269 U.S. 110, 111](#), 114 S., 46 S.Ct. 48, 49; Weiss v. Wiener, [279 U.S. 333](#), 49 S.Ct. 337; Morrissey v. Commissioner, [296 U.S. 344, 356](#), 56 S.Ct. 289, 294. Compare Crooks v. Harrelson, [282 U.S. 55, 59](#), 51 S.Ct. 49, 50; Poe v. Seaborn, [282 U.S. 101, 109](#), 110 S., 51 S.Ct. 58; Blair v. Commissioner, [300 U.S. 5, 9](#), 10 S., 57 S.Ct. 330, 331."*



[*Lyeth v. Hoey*, 305 U.S. 188, 59 S. Ct 155 (1938)]

Why is such jurisdiction “plenary” or “exclusive”? Because all those who file IRS 1040 returns implicitly consent to be treated as “virtual residents” of federal zone, over which Congress has exclusive legislative jurisdiction under [Article 1, Section 8](#), Clause 17 of the Constitution!:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#).  
[Sec. 7701. – Definitions](#)

(a)(39) *Persons residing outside [the federal] United States*

*If any **citizen or resident of the United States** does not reside in (and is not found in) any United States judicial district, such citizen or resident shall be treated as residing in the District of Columbia for purposes of any provision of this title relating to -*

(A) *jurisdiction of courts, or*  
(B) *enforcement of summons.*

Because kidnapping is illegal under [18 U.S.C. §1201](#), people domiciled in states of the Union subject to the provisions above must be volunteers and must explicitly consent to participate in federal taxation by filling out the WRONG tax form, which is the 1040, and signing it under penalty of perjury. The [IRS Published Products Catalog for 2003](#) confirms that those who file IRS Form 1040 do indeed declare themselves to be “citizens or residents of the [federal] United States”, which is untrue for the vast majority of Americans:

**1040A 11327A Each**  
**U.S. Individual Income Tax Return**

Annual income tax return filed by citizens and residents of the United States. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions  
[\[2003 IRS Published Products Catalog, p. F-15\]](#)

If American Nationals domiciled in the states of the Union would learn to file with their correct status using the form 1040NR as “nationals” and “nonresident aliens”, then most Americans wouldn’t owe anything under the provisions of [26 U.S.C. §871\(a\)](#) ! The U.S. Congress and their IRS henchmen have become “sheep poachers”, where you, a person domiciled in state of the Union and outside of federal legislative jurisdiction, are the “sheep”. They are “legally kidnapping” people away from the Constitutional protections of their domicile within states using deceptive forms so that they volunteer into exclusive federal jurisdiction.

Notice the use of the term “nation-wide” in the *Lyeth* case above, which we now know means the “national government” in the context of its jurisdiction over federal territories, possessions, and the District of Columbia and which excludes states of the Union. They are just reiterating that federal jurisdiction over the federal zone is “exclusive” and “plenary” and that state law only applies where Congress consents to delegate authority, under the rules of “comity”, to the state relating to taxing matters over federal areas within the exterior limits of a state.

*“comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of deference and good will. Recognition that one sovereignty allows within its territory to the legislative, executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. Nowell v. Nowell, Tex.Civ.App., 408 S.W.2d. 550, 553. In general, principle of “comity” is that courts of one state or jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of obligation, but out of deference and mutual respect. Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d. 689, 695. See also Full faith and credit clause.”*  
*[Black’s Law Dictionary, Sixth Edition, p. 267]*

An example of this kind of “comity” is the Buck Act, [4 U.S.C. §§110-113](#), in which [4 U.S.C. §106](#) delegates authority to federal territories and possessions, but not states of the Union, to tax areas within their boundaries subject to exclusive federal jurisdiction. That jurisdiction then is mentioned in the context of [5 U.S.C. §5517](#) as applying ONLY to federal “employees”, “public officers”, or instrumentalities.

1 The above table is confirmed by the Supreme Court in the case of *Downes v. Bidwell*, which said on the subjects covered by  
2 the table:

3 “*Loughborough v. Blake*, 5 Wheat. 317, 5 L.Ed. 98, was an action of trespass or, as appears by the original  
4 record, replevin, brought in the circuit court for the District of Columbia to try the right of Congress to impose  
5 a direct tax for general purposes on that District. 3 Stat. at L. 216, chap. 60. **It was insisted that Congress**  
6 **could act in a double capacity: in one as legislating [182 U.S. 244, 260] for the states; in the other as a local**  
7 **legislature for the District of Columbia.** In the latter character, it was admitted that the power of levying direct  
8 taxes might be exercised, **but for District purposes only**, as a state legislature might tax for state purposes; but  
9 that it could not legislate for the District under art. 1, 8, giving to Congress the power ‘to lay and collect taxes,  
10 imposts, and excises,’ which ‘shall be uniform throughout the United States,’ **inasmuch as the District was no**  
11 **part of the United States [described in the Constitution].** It was held that the grant of this power was a general  
12 one without limitation as to place, and consequently extended to all places over which the government extends;  
13 and that it extended to the District of Columbia as a constituent part of the United States. The fact that art. 1, 2,  
14 declares that ‘representatives and direct taxes shall be apportioned among the several states . . . according to  
15 their respective numbers’ furnished a standard by which taxes were apportioned, but not to exempt any part of  
16 the country from their operation. ‘The words used do not mean that direct taxes shall be imposed on states only  
17 which are represented, or shall be apportioned to representatives; **but that direct taxation, in its application to**  
18 **states, shall be apportioned to numbers.**’ That art. 1, 9, 4, declaring that direct taxes shall be laid in proportion  
19 to the census, was applicable to the District of Columbia, ‘and will enable Congress to apportion on it its just  
20 and equal share of the burden, with the same accuracy as on the respective states. If the tax be laid in this  
21 proportion, it is within the very words of the restriction. It is a tax in proportion to the census or enumeration  
22 referred to.’ It was further held that the words of the 9th section did not ‘in terms require that the system of  
23 direct taxation, when resorted to, shall be extended to the territories, as the words of the 2d section require that  
24 it shall be extended to all the states. They therefore may, without violence, be understood to give a rule when  
25 the territories shall be taxed, without imposing the necessity of taxing them.”

26 “*There could be no doubt as to the correctness of this conclusion, so far, at least, as it applied to the District*  
27 *of Columbia.* This District had been a part of the states of Maryland and [182 U.S. 244, 261] Virginia. It had  
28 been subject to the Constitution, and was a part of the United States[\*\*\*]. **The Constitution had attached to it**  
29 **irrevocably. There are steps which can never be taken backward. The**  
30 **tie that bound the states of Maryland and Virginia to the Constitution could not be dissolved, without at least**  
31 **the consent of the Federal and state governments to a formal separation. The mere cession of the District of**  
32 **Columbia to the Federal government relinquished the authority of the states, but it did not take it out of the**  
33 **United States or from under the aegis of the Constitution. Neither party had ever consented to that**  
34 **construction of the cession. If, before the District was set off, Congress had passed an unconstitutional act**  
35 **affecting its inhabitants, it would have been void.** If done after the District was created, it would have been  
36 equally void; in other words, Congress could not do indirectly, by carving out the District, what it could not do  
37 directly. The District still remained a part of the United States, protected by the Constitution. Indeed, it would  
38 have been a fanciful construction to hold that territory which had been once a part of the United States ceased  
39 to be such by being ceded directly to the Federal government.”

40 [. . .]

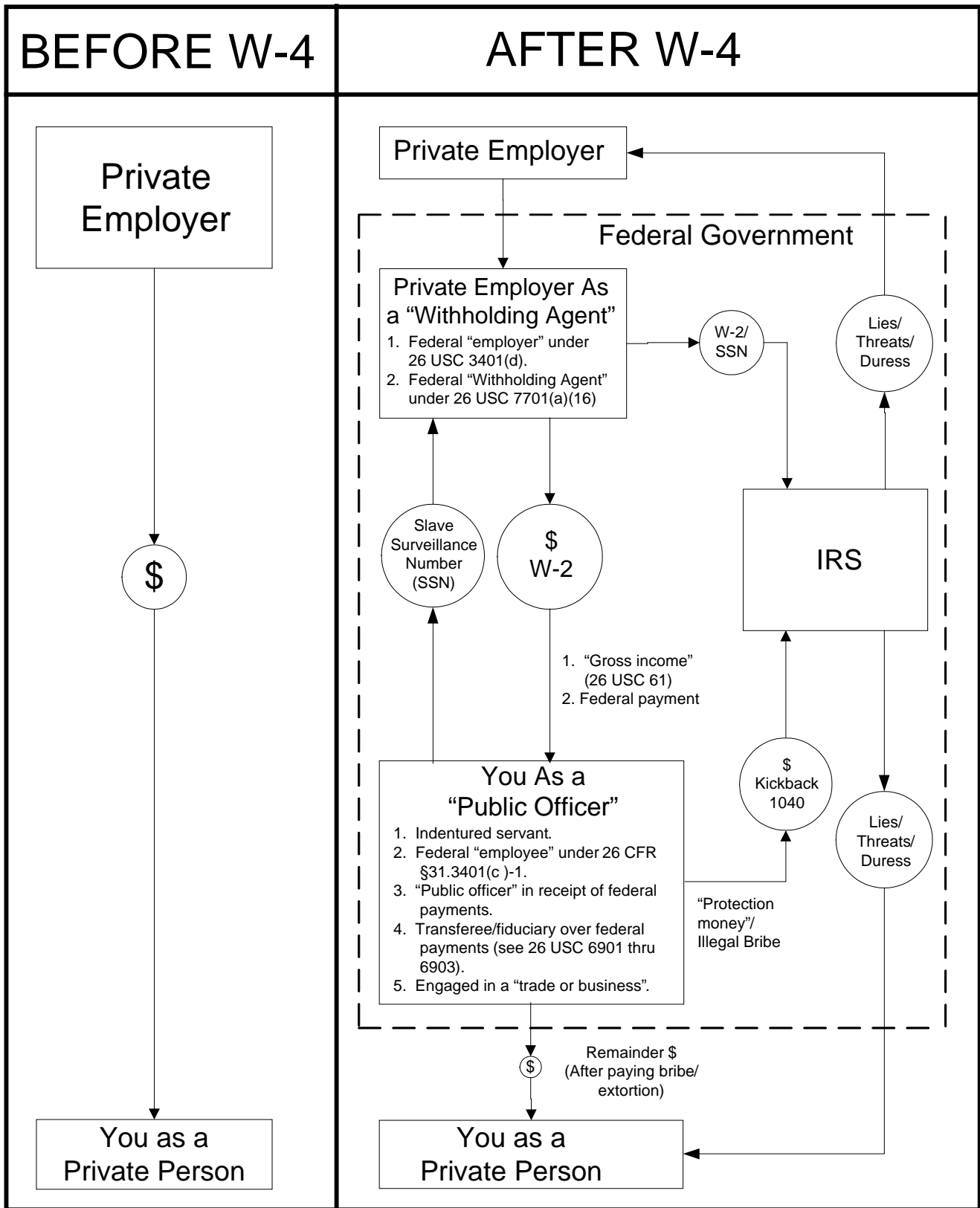
41 “Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and  
42 uniform to the effect [182 U.S. 244, 279] that **the Constitution is applicable to territories acquired by purchase**  
43 **or conquest, only when and so far as Congress shall so direct.** Notwithstanding its duty to ‘guarantee to every  
44 state in this Union a republican form of government’ (art. 4, 4), by which we understand, according to the  
45 definition of Webster, ‘a government in which the supreme power resides in the whole body of the people, and is  
46 exercised by representatives elected by them,’ Congress did not hesitate, in the original organization of the  
47 territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan,  
48 Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing  
49 a much greater analogy to a British Crown colony than a republican state of America, and to vest the  
50 legislative power either in a governor and council, or a governor and judges, to be appointed by the President.  
51 It was not until they had attained a certain population that power was given them to organize a legislature by  
52 vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi,  
53 Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to  
54 declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of  
55 the writ of habeas corpus, as well as other privileges of the bill of rights.”  
56 [*Downes v. Bidwell*, 182 U.S. 244 (1901)]

57 The only thing that can make a “person” a “taxpayer” under Subtitle A of the I.R.C. is being engaged in a privileged, excise  
58 taxable activity called a “trade or business” as defined in 26 U.S.C. §7701(a)(26) or to be a “nonresident alien” with income  
59 originating from the statutory “United States\*” (federal zone) that is not connected to a trade or business under 26 U.S.C.  
60 §871(a). Those engaged in a “trade or business”:

- 1 1. Effectively become federal “employees” or “public officers” under [26 CFR §31.3401\(c\)-1](#) and “subcontractors” for  
2 the federal government.
- 3 2. Are completely subject to federal jurisdiction without the need for implementing regulations published in the Federal  
4 Register, as revealed under [44 U.S.C. §1505\(a\)\(1\)](#), [5 U.S.C. §552\(a\)\(1\)](#), and [5 U.S.C. §553\(a\)\(2\)](#).
- 5 3. Are subject to penalties and the criminal provisions of the Internal Revenue Code while acting as “public officers”.  
6 Both [26 U.S.C. §6671\(b\)](#) and [26 U.S.C. §7343](#) define “person” as an officer of a corporation, and that corporation is  
7 the federal government, which is defined in [28 U.S.C. §3002\(15\)\(A\)](#) as a federal corporation.
- 8 4. Are withholding agents who are liable under [26 U.S.C. §1461](#), because they are nonresident aliens who must withhold  
9 federal kickbacks and send them to the IRS.
- 10 5. Are “transferees” and “fiduciaries” over federal payments under [26 U.S.C. §§6901](#) and 6903.

11 A picture is worth a thousand words. Below is a diagram showing the condition of those who are employed by private  
12 employers and who have consented to participate in the federal tax system by completing a W-4. This diagram shows  
13 graphically the relationships established by filling out the W-4 and signing it under penalty of perjury.  
14

1 **Figure 3: Employment arrangement of those involved in a "trade or business"**



2  
3

**NOTES ON ABOVE DIAGRAM:**

1. The I.R.C. Subtitle A income tax is NOT implemented through public law or positive law, but primarily through private law. Private law always supersedes enacted positive law because no court or government can interfere with your right to contract. See Article 1, Section 10 of the Constitution for the proof. The W-4 is a contract, and the United States has jurisdiction over its own property and employees under Article 4, Section 3, Clause 2, wherever they may reside, including in places where it has no legislative jurisdiction. The W-4 you signed is a private contract that makes you into a federal employee, and neither the state nor the federal government may interfere with the private right to contract. [26 CFR §31.3402\(p\)-1](#) identifies the W-4 as an “agreement”, which is a contract. It doesn’t say that on the form, because your covetous government doesn’t want you to know you are signing a contract by submitting a W-4.
2. The “tax” is not paid by you, but by your “strawman”, who is a federal “public officer” engaged in a “trade or business” as defined in [26 U.S.C. §7701\(a\)\(26\)](#). His workplace is the “District of Columbia” under [26 U.S.C. §7701\(a\)\(39\)](#) and 4 U.S.C. §72. That “public officer” you have volunteered to represent is working as a federal “employee” who is part of the United States government, which is defined as a federal corporation in [28 U.S.C. §3002\(15\)\(A\)](#). In that sense, the “tax” is indirect, because you don’t pay it, but your strawman, who is a “public officer”, pays it to your “employer”, the federal government, which is a federal corporation.
3. Because you are a federal “employee” and you work for a federal corporation, then you are acting as an “officer or employee of a federal corporation” and you:
  - 3.1. Are the proper subject of the penalty statutes, as defined under [26 U.S.C. §6671\(b\)](#).
  - 3.2. Are the proper subject of the criminal provisions of the Internal Revenue Code found in [26 U.S.C. §7343](#).
  - 3.3. May have the code enforced against you without implementing regulations as required by [44 U.S.C. §1505\(a\)\(1\)](#) and [5 U.S.C. §553\(a\)\(2\)](#)
4. The “activity” of performing a “trade or business” is only “taxable” when executed in the federal zone, which is what the “United States” is defined as in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d). See [26 U.S.C. §864](#) and this section for evidence.
5. Those who file form 1040 instead of the proper form 1040NR provide evidence under penalty of perjury that they are statutory “U.S. persons” (see [26 U.S.C. §7701\(a\)\(30\)](#)) with a domicile in the federal zone. The IRS Published Products catalog says the form can only be used for “citizens or residents” of the “United States”, which is defined as the “District of Columbia” in the code.

If you would like to know more about the above diagram and the details behind what a “trade or business” is, please consult the following article:

**The “Trade or Business” Scam**

<http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>

If you are a “nonresident alien” with no income originating from the statutory “United States\*\*\*” (federal zone) under [26 U.S.C. §871](#), then you aren’t even mentioned in the I.R.C. as a subject for any Internal Revenue tax. We showed starting in section 4.11 of our *Great IRS Hoax*, Form #11.302 book that all Americans domiciled in states of the Union are “nonresident aliens”, and so the above provision must apply to you, folks. To summarize the findings of this section then, if you are a “nonresident alien” with no “sources of income” connected with a public office (which is defined as a “trade or business” in [26 U.S.C. §7701\(a\)\(26\)](#)) in the District of Columbia and who never signed a W-4, then you:

1. Are not engaged in an excise taxable activity under the I.R.C. subtitle A.
2. Don’t earn any “gross income”
3. Your estate is a “foreign estate” under [26 U.S.C. §7701\(a\)\(31\)](#) not subject to the I.R.C.
4. Have no taxable “sources of income” identified in 26 CFR §1.861-8(f)(1).
5. Are a “nontaxpayer” not subject to the I.R.C. All portions within the I.R.C., IRS publications, and the Internal Revenue Manual that refer to “taxpayers” *don’t* refer to you and can safely be disregarded and disobeyed.
6. If any money was withheld from your pay by either a business or a financial institution, then you are due for a refund of *all* withholding.
7. Cannot file an IRS Form 1040, because EVERYTHING that goes on that form is treated as “effectively connected with a trade or business”. That form is for “aliens”, and not “nonresident aliens”, as we showed in section 5.5.2 of the *Great IRS Hoax*, Form #11.302.

8. Cannot lawfully have any CTR's, or "Currency Transaction Reports", prepared against you by any financial institution for withdrawals in excess of \$10,000. Only those "effectively connected with a trade or business in the United States" can be the proper subject of CTR's. See:  
<http://famguardian.org/Subjects/MoneyBanking/Articles/FedTransReptnRequirements.htm>
9. Cannot be the subject of federal jurisdiction in the context of Subtitle A of the I.R.C.
10. Cannot be treated as a federal "employee".
11. Cannot lawfully be penalized or criminally prosecuted by the IRS for failure to volunteer to participate in the federal tax system.

Based on the above table, ALL of the revenues collected by the IRS under the authority of Subtitle A only apply to workers of the employees, instrumentalities, and public officers of the U.S. government located in the federal zone or abroad, those receiving federal payments wherever located, and those domiciled in the federal zone, and they behave as the equivalent of a kickback of a federal payment, and not lawful "taxes". In particular, Subtitle A of the Internal Revenue Code says that it applies ONLY within the statutory "United States" (federal zone), as is revealed by the definition of "United States" found in [26 U.S.C. §7701\(a\)\(9\)](#) and [\(a\)\(10\)](#). The IRS has been involved in criminal extortion because they are:

1. Deliberately and systematically deceiving Americans about the requirements of the I.R.C. using their publications, as shown in section 3.18 of the *Great IRS Hoax*, Form #11.302. They are doing so by not explaining what "United States" means in their publications and by not emphasizing that Subtitle A of the Internal Revenue Code is entirely voluntary and not a "tax", but a donation. They also are trying to make most Americans falsely believe that the two jurisdictions identified above are equivalent, and that all Americans domiciled in states of the Union are "citizens of the United States" or "residents" under federal law, when in fact they are not. Americans who make false statements on their tax returns go to jail for 3 years minimum, but the I.R.S. does it with impunity every day in their publications and the federal judiciary refuses to hold them accountable for this constructive fraud.
2. Applying Subtitles A through C of the Internal Revenue Code unlawfully to persons domiciled in states of the Union over which they have no jurisdiction.
3. Are enforcing I.R.C. Subtitle A against other than federal "employees", "public officers", and instrumentalities. There are no implementing regulations authorizing enforcement against other than federal "employees" as required by [44 U.S.C. §1505\(a\)\(1\)](#), [26 CFR §601.702\(a\)\(2\)\(ii\)](#), and [5 U.S.C. §553\(a\)\(2\)](#).
4. Enforcing that which is not "law" in relation to those who are the subject of unenforcement. The Internal Revenue Code is not "law" for those not subject to it such as "nontaxpayers", as shown in section 5.4.3 of the *Great IRS Hoax*, Form #11.302, and therefore may not be enforced against anyone absent explicit, informed, voluntary consent and a promise by the government of no repercussions for not "volunteering". Those who explicitly consent in writing or implicitly consent by their conduct to be subject to it are called "taxpayers", and for them ONLY, I.R.C. Subtitle A is "law".

For those who would challenge the position in this section, we challenge them to rebut the Test for Federal Tax Professionals contained within this document as Appendix B.

### **13. State Tax Scheme**

All state income tax withholding is dependent on federal withholding. In order to have a state tax "liability", a person must first have a federal "liability" under [Subtitle A of the Internal Revenue Code](#). State tax withholding is authorized under the [Buck Act, 4 U.S.C. §105-111](#), which is implemented further within [5 U.S.C. §5517](#) entitled "Withholding State Income Taxes". The "State" mentioned in [5 U.S.C. §5517](#) is *only* a federal "State", which is defined in [4 U.S.C. §110\(d\)](#) to mean a "territory or possession of the United States", all of which are listed under Title 48 of the U.S. Code. Note that states of the Union do NOT appear in Title 48 of the U.S. Code as "territories and possessions" of the United States. If you would like to learn more about income taxation within federal territories and possessions, we refer you to section 5.13 of the following:

*Great IRS Hoax*, Form #11.302  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

Therefore, our scheme of state income taxation, if enforced or treated as other than entirely voluntary by both the IRS or state revenue agencies in the context of states of the Union, is completely unconstitutional and breaks down the separation of powers between the state and federal governments.



"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)]"

In short, based on the way state revenue codes are illegally enforced in those states that have income taxes on natural persons, this illegal enforcement activity:

1. Amounts to a conspiracy against the property rights to enslave and oppress people in states of the Union by making them into involuntary federal and state serfs. This violates:
  - 1.1. The [Thirteenth Amendment](#) prohibition against involuntary servitude
  - 1.2. The Fifth Amendment requirement that all takings of property must be compensated or involve due process of law.
  - 1.3. Federal law found in [42 U.S.C. §1994](#) and [18 U.S.C. §1581](#).
2. Is an unconstitutional enlargement of federal power inside states of the Union. Under our Constitution, states cannot consent to the enlargement of federal powers beyond those specifically enumerated in the Constitution. They cannot therefore permit or acquiesce to IRS enforcement against citizens or residents domiciled within their borders. The states were established to PROTECT the rights of their citizens and to SERVE them, not to acquiesce to federal plunder of their property and sharing of the spoils of this plunder by participating in such a conspiracy against their individual rights:

"State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in the Constitution."  
[*New York v. United States*, **505 U.S. 142**; 112 S.Ct. 2408; 120 L.Ed.2d 120 (1992)]

**"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.** The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, *Jones v. United States*, **137 U.S. 202, 212**, 11 S.Ct. 80; *Nishimur Ekiu v. United States*, **142 U.S. 651, 659**, 12 S.Ct. 336; *Fong Yue Ting v. United States*, **149 U.S. 698**, 705 et seq., 13 S.Ct. 1016; *Burnet v. Brooks*, **288 U.S. 378, 396**, 53 S.Ct. 457, 86 A.L.R. 747."  
[*Carter v. Carter Coal Co.*, **298 U.S. 238** (1936)]

Nearly all states of the Union that have "income tax" impose the tax as follows:

1. Federal income tax liability is a prerequisite to state income tax liability. Therefore, if you don't have a federal liability, then the proper amount of income to put on the corresponding state tax return "zero".
2. State income taxes are based on where your "domicile" is, not where you work. For Christians, their only domicile is "Heaven" and they are only temporarily here as "pilgrims and sojourners" and "ministers of a foreign state" while they are here (see Hebrews 11:13). Refer to [Great IRS Hoax](#), Form #11.302, Section 4.10 for further details on the subject of "domicile".
3. The federal income tax is imposed upon "U.S. persons" as defined in [26 U.S.C. §7701\(a\)\(30\)](#). "U.S. persons" are the only entities who are required to provide "identifying numbers" on the tax returns they send into the IRS under [26 U.S.C. §6109](#). Persons born in and residing in states of the Union can never be classified as "U.S. persons". Therefore, people born in states of the Union do not need to provide identifying numbers on their tax returns. See section 5.4.12 of our [Great IRS Hoax](#), Form #11.302 for further details on this subject.
4. States assume the same "situs" for income taxation as the federal government.

"***Situs.*** Lat. Situation; location; e.g. location or place of crime or business. Site; position; the place where a thing is considered, for example, with reference to jurisdiction over it, or the right or power to tax it. It imports

fixedness of location. Situs of property, for tax purposes, is determined by whether the taxing state has sufficient contact with the personal property sought to be taxed to justify in fairness the particular tax. *Town of Cady v. Alexander Const. Co.*, 12 Wis.2d 236, 107 N.W.2d. 267, 270.”  
[Black’s Law Dictionary, Sixth Edition, p. 1387]

This means that the indirect excise tax described in Subtitle A of the Internal Revenue Code and in state revenue codes must be on the same privileged “activity” and in the same geographical location as that of the federal government. If you file a form 1040, that location is the federal zone, which we also call the federal United States. The reason is because the state and federal legislative jurisdictions cannot simultaneously place you in two mutually exclusive places at once: inside your state and yet also inside of the federal zone. Every state that attempts to collect revenues based on the existence of a federal liability is presuming an impossibility: domicile in TWO mutually exclusive places at the same time.

5. Financial conflicts of interest are illegal under [18 U.S.C. §208](#). Most state income taxes only “impose” the tax on “nonresidents” and not on “residents”. There is no way to justly or morally or ethically impose a state income tax upon “residents” because this would create a conflict of interest within the judicial system. Judges would be ruling on a case in which their benefits would be derived directly from the taxes that pay their salary, and what judge in his right mind would ever allow a ruling that could potentially reduce his pay and benefits? Likewise, what jury would ever rule against a tax that reduced their government benefits or entitlements? However, if the taxes are only paid by nonresidents or on foreign commerce, then there is no possibility of any kind of conflict of interest, which ultimately assures justice and prevents any corruption within the legal system. See the following link for many more reasons why it is completely impractical to impose taxes on “residents”:

5.1. Why Federal Courts Can’t Properly Address These Questions:

<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/WhyCourtsCantAddressQuestions.htm>

5.2. How Scoundrels Corrupted Our Republican Form of Government:

<http://famguardian.org/Subjects/Taxes/Evidence/HowScCorruptOurRepubGovt.htm>

6. The federal authority for “State” taxation within federal enclaves is found within the Buck Act in [4 U.S.C. §106](#).

7. Since the federal government imposes “income taxes” only on people who are domiciled inside the federal zone, then state income tax is imposed upon these “persons” under the alleged authority of the “Buck Act”, which is codified in [4 U.S.C. §105](#) through 111.

8. The Buck Act does NOT give “states” of the Union authority to tax on federal land within their borders, because the term “State” defined within it only includes Territories of the United States. See [4 U.S.C. §110\(d\)](#). Allowing States of the Union to tax within federal enclaves breaks down the separation of powers between our state and federal government, and violates Article 4, Section 4 of our Constitution, which requires a “republican form of government”, which is based on separation of powers. See section 5.1.1 of our Great IRS Hoax, Form #11.302 for further details on this subject.

9. Most Americans file 1040 Forms with the IRS, even though we show throughout Chapter 5 of our Great IRS Hoax, Form #11.302 book that this is the wrong form to use in most cases, because only “residents” and statutory “U.S. citizens” (who both domiciled in the statutory “United States\*” (federal zone)) and coming under an income tax treaty can use the form. In particular, see sections 5.5.2 and 5.5.3 of our Great IRS Hoax, Form #11.302 for further details.

10. States of the Union who impose income taxes must assume that you are a “nonresident” of the Republic State and a “resident” of the Corporate State if you file an IRS Form 1040. This is because federal enclaves within states are not part of the “state”, and so people who are domiciled in these enclaves are “nonresidents” for Republic State income tax purposes.

11. People domiciled in states of the Union who commute daily to work temporarily in federal enclaves are classified as “immigrants” and come under the protection of [8 U.S.C. §1324b\(a\)\(3\)\(A\)](#).

12. State income tax codes, like Subtitle A of the federal tax code, do not have a liability statute creating a legal duty to pay “income taxes”. We haven’t identified a single state of the Union that actually has a liability statute in their income tax code relating to “personal income taxes”. See section 5.6.1 of the Great IRS Hoax, Form #11.302 for further details on this aspect of the federal tax scheme.

In order to fully comprehend the relationship between federal and state income taxes, we must always be aware that federal and state territorial taxing jurisdictions are mutually exclusive and cannot overlap. This is a product of the “separation of powers doctrine” and fundamental to the organization of or “republican form of government” mandated by Article 4, Section 4 of the U.S. Constitution. The reason why these two jurisdictions must be mutually exclusive is that only ONE government can be sovereign over a geographical region at any one given time. Every state of the Union therefore consists of two states:

1. Republic State. Land within the exclusive jurisdiction of the state fall within this area.
2. Corporate State. This area consists of federal areas within the exterior limits of the state. These areas are federal territory not protected by the Constitution of the United States or the Bill of Rights and are “instrumentalities” of the federal government. Jurisdiction over these areas is shared with the federal government under the auspices of the following legal authorities:
  - 2.1. The Assimilated Crimes Act, [18 U.S.C. §13](#).
  - 2.2. The Rules of Decision Act, [28 U.S.C. §1652](#). This act prescribes which of the two conflicting laws shall prevail in the case of crimes on federal territory.
  - 2.3. [28 U.S.C. §2679\(c\)](#), which says that any action against an officer or employee of the United States in which the officer or employee is acting outside their authority shall be prosecuted in a state court.
  - 2.4. Agreements on Coordination of Tax Administration (ACTA) between the state and the Secretary of the Treasury.

The situation above in respect to a state of the Union is not unlike our national government, which has two mutually exclusive jurisdictions:

*“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)]*

*“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)]*

The hard part is figuring out which of the two jurisdictions that any particular state statute or law applies to. What makes this process difficult are the following complicating factors:

1. There is no constitutional requirement that the laws passed by the state legislature must clearly state which of the two jurisdiction they apply to. This was also confirmed in the following exhibit, which is a letter from a United States Congressman:

Congressman Zoe Lofgren Letter, SEDM Exhibit #04.003  
<http://sedm.org/Exhibits/ExhibitIndex.htm>
2. Crafty state legislators deliberately obfuscate the laws they write so as to encourage those within the Republic to obey laws that in fact only apply to the Corporate state so as to unlawfully increase their revenues, power, and control.
3. Courts of INjustice and the judges who serve in them refuse to acknowledge that most statutes passed by the legislature can only lawfully affect federal areas and persons who consent to be treated as though they inhabit these areas.

Within federal law, the Republic portion of each state is referred to as a “foreign state”. To wit:

*“**Foreign states**. Nations which are outside the United States. Term may also refer to another state; i.e. a sister state.”*  
*[Black’s Law Dictionary, Sixth Edition, p. 648]*

*“Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states...”*  
*[81A Corpus Juris Secundum (C.J.S.), United States, §29]*

*“The United States Government is a foreign corporation with respect to a state.” [N.Y. v. re Merriam 36 N.E. 505; 141 N.Y. 479; affirmed 16 S.Ct. 1073; 41 L.Ed. 287] [underlines added]*  
*[19 Corpus Juris Secundum (C.J.S.), Corporations, §884]*

Let's now examine the practical implications of this document in relation to how or if you would file a state or federal tax return and what status you would need to file under. If a person is a "resident" of the nonfederal areas of his state, which we call the "Republic State" in this document, then he must be considered a "nonresident alien" for the purpose of federal income taxes, unless of course he "volunteers" through his own stupidity to donate to the federal government by falsely admitting he is either a "U.S. citizen" under [8 U.S.C. §1401](#) or a "U.S. person" under [26 U.S.C. §7701\(a\)\(30\)](#). We should always ask ourselves, however: "How can a person simultaneously be a resident of two mutually exclusive territorial jurisdictions and therefore owe tax in both jurisdictions?" The answer is, they can't. Therefore, the correct filing status for most sovereign Americans/Nationals of the 50 Union states is the "nonresident alien" of the federal taxing jurisdiction and the "resident" of the state jurisdiction. In most states, the implication of properly declaring this status is that the person declaring the status is liable for *neither* federal nor state income taxes! The table below summarizes the relationship between federal taxation and state taxation in the case of California. Most other states appear to be similar. This table was extracted from section 5.3.3 of the *Great IRS Hoax*, Form #11.302. The important things to remember about this table are the following:

1. Federal and state income taxes presume domicile in the same place, which is the Corporate State. Those domiciled in the Republic State are "nontaxpayers" who are not subject to the federal or state income tax.
2. The federal personal income tax described in I.R.C. Subtitle A is upon "residents" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#), who are aliens with a domicile on federal territory.
3. A person who was born within and domiciled within any of the 50 states or federal territory is not an alien, and therefore not a "resident".
4. The IRS Form 1040 is ONLY for use by "residents", who are aliens with a domicile on federal territory. This is confirmed by [IRS Document 7130](#), the IRS Published Products Catalog.
5. A statutory "U.S. citizen" as defined in [8 U.S.C. §1401](#) when temporarily abroad pursuant to [26 U.S.C. §911](#) is treated as a "resident" within the Internal Revenue Code. This is because he interfaces to the I.R.C. through a tax treaty with a foreign country and he is an "alien" in relation to that foreign country that he is within.
6. The federal and state income taxes are indirect excise taxes upon a "trade or business", which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office". If you are not in fact and in deed engaged in a "public office", then:
  - 6.1. You are a "nontaxpayer" whose estate is a "foreign estate" not subject to the Internal Revenue Code:

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

*(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—*

*(31) Foreign estate or trust*

*(A) Foreign estate*

*The term "foreign estate" means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.*

- 6.2. You are not required to file a federal income tax return, even if you are domiciled on federal territory.
7. If you are a statutory "U.S. citizen" who is NOT abroad in a foreign country pursuant to [26 U.S.C. §911](#), there is no IRS Form you can file, because you are not a "[resident](#)" and the only people who can use IRS Form 1040 are "[residents](#)", which are "aliens" with a domicile on federal territory. The IRS Form 1040 is for us ONLY by "U.S. individuals", and the term "individual" is defined in 26 CFR §1.1441-1(c)(3) as an "alien" or "nonresident alien". Nowhere is the term "[individual](#)" defined as a "citizen" or "[U.S. citizen](#)" anywhere in either the Internal Revenue Code or the Treasury Regulations. Therefore, you would be committing perjury under penalty of perjury to file an IRS Form 1040 if you were a statutory "U.S. citizen" not in a foreign country, because you would be falsely declaring yourself to be an "individual" by filing such a form.

1 **Table 12: Federal and California state income tax filing requirements for natural persons by residency and citizenship.**

#	Location of domicile but not workplace	"Republic State" domicile	"Corporate State" State domicile and income tax liability		Federal income taxes		
			"State of California" Domicile	"State of California" Personal Income Tax Liability and correct form(s) to file	United States (federal territories) residency status (see 26 U.S.C. §7701 definition of "United States")	U.S.(the country) citizenship	Federal income tax liability and correct form(s) to file
1	Nonfederal areas of any state of the Union	Inhabitant (not "resident")	Nonresident	File California Franchise Tax Board 540NR for refunds of any state taxes erroneously withheld on income from other than the federal zone	Nonresident	National but not citizen (see <a href="#">8 U.S.C. §1101(a)(21)</a> )	File IRS Form 1040NR and include only "gross income" from the federal zone that is "effectively connected with a trade or business"
						U.S. citizen (see <a href="#">8 U.S.C. §1401</a> ). Excludes people born in states on land not under exclusive federal jurisdiction	File IRS Form 1040 plus 2555 and include only "gross income" from the federal zone that is "effectively connected with a trade or business"
						Alien	File IRS Form 1040NR and include only "gross income" from the federal zone that is "effectively connected with a trade or business"
2	Federal areas inside of California	Nonresident	Nonresident	Not required to file. Only "aliens" with a domicile in the Corporate State are required to file	Nonresident	Statutory U.S. citizen (see <a href="#">8 U.S.C. §1401</a> ). Excludes people born in states on land not under exclusive federal jurisdiction	No form they can legally file. IRS Form 1040 is only for "residents" and "individuals". See Note 7 preceding list.
			Resident	File California Franchise Tax Board 540 on all gross income from federal zone sources only that is "effectively connected with a "trade or business"	Resident	Alien (see <a href="#">26 U.S.C. §7701(b)(1)(A)</a> )	File IRS Form 1040. and include only federal source income but not income from nonfederal parts of California.
3	Outside of United States of America (the country and not the federal areas)	Nonresident	Nonresident	File California Franchise Tax Board 540NR on all gross income from federal zone sources only that is "effectively connected with a "trade or business"	Nonresident	National but not citizen (see <a href="#">8 U.S.C. §1101(a)(21)</a> ).	File IRS Form 1040NR and include only "gross income" from the federal zone that is "effectively connected with a trade or business"
						Statutory U.S. citizen (see <a href="#">8 U.S.C. §1401</a> ). Excludes people born in states on land not under exclusive federal jurisdiction	File IRS Form 1040 plus 2555 and include only "gross income" from the federal zone that is "effectively connected with a trade or business"

#	Location of domicile but not workplace	“Republic State” domicile	“Corporate State” State domicile and income tax liability		Federal income taxes		
			“State of California” Domicile	“State of California” Personal Income Tax Liability and correct form(s) to file	United States (federal territories) residency status (see 26 U.S.C. §7701 definition of “United States”)	U.S.(the country) citizenship	Federal income tax liability and correct form(s) to file
						Alien	File IRS Form 1040NR and include only “gross income” from the federal zone that is “effectively connected with a trade or business”

**NOTES:**

1. A statutory “U.S.\*\* citizen” shown above is one who is a statutory federal citizen born or naturalized in the federal zone and described in [8 U.S.C. §1401](#). This is NOT the same as a person who is a U.S.\* national. The Internal Revenue Code only applies to U.S.\*\* citizens and is municipal/special law that does not apply to Sovereign Natural Born Citizens in the 50 Union states who do not engaged in a “trade or business” and who receive no payments from the federal government or its instrumentalities.
2. You can read the California Revenue and Taxation Code (R&TC) for yourself on the web at <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=rtc&codebody=&hits=20>
3. Why don’t the state and federal income tax publications reflect the above considerations? We can only assume that it is because they want to simplify these publications because they want to maximize revenues from income taxation.



We will now finish this section with a quote of the federal regulation that authorizes state withholding. Note that the regulation authorizes withholding only on federal “employees”, as we show throughout this document. This is a result of the fact that nearly all the “taxpayers” under Subtitle A of the I.R.C. are those holding “public office” in the federal corporation called the United States (see 28 U.S.C. §3002(15)(A)) and coming under the [Public Salary Tax Act of 1939](#).

[Code of Federal Regulations]  
[Title 31, Volume 2]  
[Revised as of July 1, 2002]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 31CFR215.11]  
TITLE 31--MONEY AND FINANCE: TREASURY  
CHAPTER II--FISCAL SERVICE, DEPARTMENT OF THE TREASURY  
PART 215--WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY AND COUNTY  
INCOME OR EMPLOYMENT TAXES BY FEDERAL AGENCIES--Table of Contents

Subpart C--Standard Agreement

[Sec. 215.11 Agency withholding procedures.](#)

(a) State income tax shall be withheld only on the entire compensation of Federal employees and members of the Armed Forces. Nonresident employees, who under the State income tax law are required to allocate at least three-fourths of their compensation to the State, shall be subject to withholding on their entire compensation.

**Nonresident [alien] employees, who under the State income tax law are required to allocate less than three-fourths of their compensation to the State,**

may elect to:

**(1) Have State income tax withheld on their entire compensation, or**

**(2) Have no income tax withheld on their compensation.**

(b) In calculating the amount to be withheld from an employee's or a member's compensation, each agency shall use the method prescribed by the State income tax statute or city or county ordinance or a method which produces approximately the tax required to be withheld:

(1) By the State income tax statute from the compensation of each employee or member of the Armed Forces subject to such income tax, or

(2) By the city or county ordinance from the compensation of each employee subject to such income or employment tax.

(c) Where it is the practice of a Federal agency under Federal tax withholding procedure to make returns and payment of the tax on an estimated basis, subject to later adjustment based on audited figures, this practice may be applied with respect to the State, city or county income or employment tax where the agency has made appropriate arrangements with the State, city or county income tax authorities.

(d) Copies of Federal Form W-2, “Wage and Tax Statement”, may be used for reporting withheld taxes to the State, city or county.

(e) Withholding shall not be required on wages earned but unpaid at the date of an employee's or member's death.

(f) Withholding of District of Columbia income tax shall not apply to pay of employees who are not residents of the District of Columbia as defined in 47 District of Columbia Code, chapter 15, subchapter II.

Notice that the above says that nonresident aliens, which includes the average American born in and domiciled within the Republic State portion of a state of the Union, may elect to “Have no income tax withheld on their compensation”. They don’t say how that is accomplished, but the only proper way to do so for those who are not federal employees without committing perjury under penalty of perjury is to submit a form W-8BEN, and NOT a form W-4. Also note that the word “compensation” has a very specific legal meaning from the Classification Act of 1923, 42 Stat. 1988, and is defined as the earnings of a person holding public office in the federal government. Look for yourself:

Classification Act of 1923, 42 Stat. 1988

<http://famguardian.org/TaxFreedom/History/Congress/1923-ClassAct1923-42Stat1988.pdf>

If you would like to know more about state income taxes, we refer you to the following free memorandum of law which exhaustively covers this important subject:

State Income Taxes, Form #05.031

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

For those who would challenge the position in this section, we challenge them to rebut the following and send us their answers:

## 14. **"Taxpayer" v. "Nontaxpayer": Which one are you?**

*"The taxpayer-- that's someone who works for the federal government but doesn't have to take the civil service examination."*

*[President Ronald W. Reagan]*

The word "taxpayer" is defined in 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313 as someone who is "liable for" and "subject to" the income tax in Internal Revenue Code Subtitle A.

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
[§ 7701. Definitions](#)

*(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—*

*(14) Taxpayer*

*The term "taxpayer" means any person subject to any internal revenue tax.*

The "person" they are referring to above is further characterized as a "citizen of the United States" or "resident of the United States" (alien). The tax is not on nonresident aliens, but on their INCOME, therefore they cannot lawfully be "taxpayers":

*TITLE 26--INTERNAL REVENUE  
CHAPTER 1--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
PART 1\_INCOME TAXES--Table of Contents  
[Sec. 1.1-1 Income tax on individuals.](#)*

*(a) General rule. (1) Section 1 of the Code imposes an income tax on the income of every individual who is a citizen or resident of the United States and, to the extent provided by section 871(b) or 877(b), on the income of a nonresident alien individual.*

What "U.S. citizens" and "U.S. residents" share in common is a domicile on federal territory that is no part of the exclusive jurisdiction of any state of the Union. Collectively, they are called "U.S. persons" as defined in 26 U.S.C. §7701(a)(30). Remember:

*"U.S. person=domicile or residence on federal territory and not any state of the Union"*

The "United States" they mean in the term statutory term "U.S. citizen" is defined as the federal zone in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) and nowhere includes any state of the Union because they are sovereign and foreign in respect to the federal government. In that sense, income taxes are a franchise tax associated with the domicile/protection franchise.

***"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)]*

***"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."***

Those who don't want to pay the tax or be "taxpayers" simply don't partake of the government protection franchise and instead declare themselves as "nonresidents" with no "residence" or "permanent address" within the jurisdiction of the taxing authority on every government form they fill out. That is why "nonresident aliens" cannot be "taxpayers". For further details, see:

[Why Domicile and Becoming a "Taxpayer" Require Your Consent](http://famguardian.org/Subjects/Taxes/Remedies/DomicileBasisForTaxation.htm)  
<http://famguardian.org/Subjects/Taxes/Remedies/DomicileBasisForTaxation.htm>

The IRS refers to everyone as "taxpayers" because that is what they want everyone to be. Here is the way one of our readers describes how he reacts to being habitually called "taxpayer" by the IRS:

*I refuse to allow any IRS or State revenue officer to call me or any client a "taxpayer". Just because I may look like one or have the attributes of one does not necessarily make me one. To one IRS lady, and I have no reason to doubt that she fits this category, I use the following example. "Miss you have all of the equipment to be a whore, but that does not make you one by presumption." Until it is proven by a preponderance of evidence I must assume you are a lady and you will be treated as such. Please have the same respect for me, and don't slander my reputation and defame my character by calling me a whore for the government, which is what a "taxpayer" is.*  
[Eugene Pringle]

Funny! But guess what? This is not a new idea. We refer you to the Bible book of Revelations, Chapter 17, which describes precisely who this whore or harlot is: Babylon the Great! Check out that chapter, keeping in mind that "Babylon the Great" is symbolic of the city full of all the ignorant and idolatrous people who have unwittingly made themselves into government whores by becoming surety for government debts in the pursuit of taxable government privileges and benefits they didn't need to begin with. The Bible describes these harlots and adulterers below:

*"Adulterers and adulteresses! Do you not know that friendship [and citizenship] with the world [and the governments/states of the world] is enmity with God? Whoever therefore wants to be a friend of the world makes himself an enemy of God."*  
[James 4:4, Bible, NKJV]

*"When thou sawest a thief [the IRS] then thou consentedst with him, and hast been partaker with adulterers."*  
[Ps 50:18]

*"Where do wars and fights [and tyranny and oppression] come from among you? Do they not come from your desires for pleasure [pursuit of government "privileges"] that war in your members?....You ask [from your government and its THIEF the IRS] and do not receive, because you ask amiss, that you may spend it on your own pleasures. Adulterers and adulteresses [and HARLOTS]! Do you not know that friendship with the world is enmity with God? Whoever therefore wants to be a friend of the world makes himself an enemy of God."*  
[James 4:3-4, Bible, NKJV]

These "taxpayer" and citizen government idolaters have made government their new god (neo-god), their friend, and their source of false man-made security. That is what the "Security" means in "Social Security". The bible mentions that there is something "mysterious" about "Babylon the Great Harlot":

*"And on her forehead a name was written: MYSTERY, BABYLON THE GREAT, THE MOTHER OF HARLOTS AND OF THE ABOMINATIONS OF THE EARTH."*  
[Rev. 17:5, Bible, NKJV]

The mystery about this harlot/adulterous woman described in Rev. 17:5 is symbolic of the ignorance and apathy that these people have about the law and their government. For a fascinating read into this subject, we refer you to the free book on the internet below referred to us by one of our readers:

[Babylon the Great is Falling](http://www.babylonthegreatisfalling.net/)  
<http://www.babylonthegreatisfalling.net/>

The IRS **DOES NOT** have the authority conferred by law under Subtitle A of the Internal Revenue Code to bestow the status of "taxpayer" on any natural person who doesn't first volunteer for that "distinctive" title. Below are some facts confirming this:

1. There is no statute making anyone liable for the income tax. Therefore, the only way you can become subject is by volunteering. Subtitle A of the Internal Revenue Code is therefore “private law” and “special law” that only applies to those who individually consent by connecting their earnings to a “trade or business”, which is a “public office” in the United States government. These people are referred to in the Treasury Regulations as “effectively connected with a trade or business”. BEFORE they consent, they are called “nontaxpayers”. AFTER they consent, they are called “taxpayers”.

*“To the extent that regulations implement the statute, they have the force and effect of law...The regulation implements the statute **and cannot vitiate or change the statute...**”*  
[Spreckles v. C.I.R., 119 F.2d, 667]

*“**Liability for taxation must clearly appear**[from statute imposing tax].”*  
[Higley v. Commissioner of Internal Revenue, 69 F.2d. 160 (1934)]

*“**While Congress might have the power to place such a personal liability upon trust beneficiaries who did not renounce the trust, yet it would require clear expression of such intent**, and it cannot be spelled out from language (as that here) which can be given an entirely natural and useful meaning and application excluding such intent.”*  
[Higley v. Commissioner of Internal Revenue, 69 F.2d. 160 (1934)]

*“A tax is a legal imposition, **exclusively of statutory origin** (37 Cyc. 724, 725), and, naturally, **liability to taxation must be read in statute, or it does not exist.**”*  
[Bente v. Bugbee, 137 A. 552, 103 N.J. Law. 608 (1927)]

*“...the taxpayer must be liable for the tax. **Tax liability is a condition precedent to the demand.** Merely demanding payment, even repeatedly, does not cause liability.”*  
[Terry v. Bothke, 713 F.2d. 1405, at 1414 (1983)]

If you want to know more about this subject see:

- 1.1. Section 5.6.1 of the Great IRS Hoax, Form #11.302, which covers the subject of no liability in excruciating detail:

<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

- 1.2. The following link is the online version of the above section:

<http://famguardian.org/Subjects/Taxes/Articles/NoStatuteLiable.htm>

- 1.3. Sections 5.4.6 through 5.4.6.6 of the Great IRS Hoax prove that the Internal Revenue Code is “private law” and a private contract/agreement. Those who have consented are called “taxpayers” and those who haven’t are called “nontaxpayers”.

2. The federal courts agree that the IRS cannot involuntarily make you a “taxpayer” when they said the following:

*“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)]

3. IRS has no statutory authority to convert employment withholding taxes under I.R.C. Subtitle C into “income taxes” under I.R.C. Subtitle A. We show in section 5.6.8 of the Great IRS Hoax that employment withholding taxes deducted under the authority of Subtitle C of the Internal Revenue Code using a W-4 voluntary withholding agreement and that the IRS classifies them in IRS Document 6209 as “Tax Class 5”, which is “Estate and gift taxes”. Therefore, they are gifts to the U.S. government, not taxes that may not be enforced. We also show in section 5.6.8 of the Great IRS Hoax that taxes paid under the authority of Subtitle A of the Internal Revenue Code are classified as Tax Class 2, “Individual Income Tax”. We also exhaustively prove with evidence in section 5.6.15 of the Great IRS Hoax, Form #11.302 that IRS has no statutory or regulatory authority to convert what essentially amounts to a voluntary “gift” paid through withholding to a “tax”. Only you can do that by assessing yourself. That is why the 1040 Form requires that you attach the information returns to it, such as the W-2: So that the gift and the tax are reconciled and so that the accuracy of the W-2, which is unsigned hearsay evidence, is guaranteed by the penalty of perjury signature on the IRS 1040 Form itself.

The consequence of the IRS not having any lawful authority to make anyone into a “taxpayer” is that they cannot do a lawful Substitute For Return (SFR) or penalty assessment under I.R.C. Subtitle A, as you will learn later. This is also confirmed by the following document:

If you have been the victim of an involuntary IRS assessment and do a Freedom of Information Act (FOIA) request for assessment documents as we have, and you examine all of the documents returned, you will not see even one document signed by any IRS employee that purports to be an assessment and which has your name on it as the only subject of the assessment. The reason they won't sign the assessment document, such as the IRS Form 23C or the RACS 006 Report, under penalty of perjury is that no one is STUPID enough to accept legal liability for violating the Constitution and the rights of those they have done wrongful assessments against. The IRS knows these people are involved in wrongdoing, which is why they assign "pseudo names" (false names) to their employees: To protect them from lawsuits against them for their habitual violation of the law. The documents you will get back from the IRS in response to your FOIA include the following forms, none of which are signed by the IRS employee:

1. [Form 886-A: Explanation of Terms](#)
2. [Form 1040: Substitute For Return \(SFR\)](#)
3. [Form 3198: Special Handling Notice](#)
4. [Form 4549: Income Tax Examination Changes](#)
5. [Form 4700: Examination Work Papers](#)
6. [Form 5344: Examination Closing Record](#)
7. [Form 5546: Examination Return Charge-Out](#)
8. [Form 5564: Notice of Deficiency Waiver](#)
9. [Form 5600: Statutory Notice Worksheet](#)
10. [Form 12616: Correspondence Examination History Sheet](#)
11. [Form 13496: IRC Section 6020\(b\) Certification](#)

If you want to look at samples of the above forms, see section 6 of the link below, under the column "Examples":

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

We have looked at hundreds of these assessment documents and *every one* of them is required by [26 U.S.C. §6065](#) to be signed under penalty of perjury by the IRS employee who prepared them but *none* are. As a matter of fact, the examination documents prepared by the IRS Examination Branch to do the illegal Substitute for Returns (involuntary assessments) purport to be a "proposal" rather than an involuntary assessment, have no signature of an IRS employee, and the only signature is from the "taxpayer", who must consent to the assessment in order to make it lawful. See, for instance, IRS Forms 4549 and 5564. What they do is procure the consent invisibly using a commercial default process by ignoring your responsive correspondence, and therefore "assume" that you consented. This, ladies and gentlemen, is constructive FRAUD, not justice. It is THEFT! The Form 12616 above is the vehicle by which they show that the "taxpayer" consented to the involuntary assessment, because they can't do ANYTHING without his consent.

Furthermore, [28 U.S.C. §2201](#) also removes the authority of federal courts to declare the status of "taxpayer" on a sovereign American also!:

*United States Code*  
*TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE*  
*PART VI - PARTICULAR PROCEEDINGS*  
*CHAPTER 151 - DECLARATORY JUDGMENTS*  
*Sec. 2201. Creation of remedy*

(a) *In a case of actual controversy within its jurisdiction, except with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986, a proceeding under section 505 or 1146 of title 11, or in any civil action involving an antidumping or countervailing duty proceeding regarding a class or kind of merchandise of a free trade area country (as defined in section 516A(f)(10) of the Tariff Act of 1930), as determined by the administering authority, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.*



(b) For limitations on actions brought with respect to drug patents see section 505 or 512 of the Federal Food, Drug, and Cosmetic Act.

The federal courts themselves agree that they do not have the jurisdiction to bestow the status of “taxpayer” upon someone who is a “nontaxpayer”:

*“And by statutory definition the term “taxpayer” includes any person, trust or estate **subject to** a tax imposed by the revenue act. ...Since the statutory definition of taxpayer is exclusive, the federal [and state] courts do not have the power to create nonstatutory taxpayers for the purpose of applying the provisions of the Revenue Acts...”*  
[C.I.R. v. Trustees of L. Inv. Ass’n, 100 F.2d.18 (1939)]

[26 U.S.C. §1461](#) is the only statute within the Internal Revenue Code, Subtitle A which creates an explicit liability or “legal duty”. That duty is enforceable only against those subject to the I.R.C., who are “taxpayers” with “gross income” above the exemption amount identified in [26 U.S.C. §6012](#). All amounts reported by third parties on Information Returns, such as the W-2, 1042-S, 1098, and 1099, document receipt of “trade or business” earnings. All “trade or business” earnings, as defined in [26 U.S.C. §7701\(a\)\(26\)](#), are classified as “gross income”. A nonresident alien who has these information returns filed against him or her becomes his or her own “withholding agent”, and must reconcile their account with the federal government annually by filing a tax return. This is a requirement of all those who are engaged in a “public office”, which is a type of business partnership with the federal government. That business relationship is created through the operation of private contract and private law between you, the natural person, and the federal government. The method of consenting to that contract is any one of the following means:

1. Assessing ourselves with a liability shown on a tax return, even if we received no “gross income”.
2. Voluntarily signing a W-4, which is identified in the regulations as an “agreement” to include all earnings in the context of that agreement as “gross income” on a 1040 tax return. See 26 CFR §31.3402(p)-1(a). For a person who is not a “public officer” or engaged in a “public office”, the signing of the W-4 essentially amounts to an agreement to procure “social services” and “social insurance”. You must bribe the Beast with over half of your earnings in order to convince it to take care of you in your old age.
3. Completing, signing, and submitting an IRS Form 1040 or 1040NR and indicating a nonzero amount of “gross income”. Nearly all “gross income” and all information returns is connected with an excise taxable activity called a “trade or business” pursuant to [26 U.S.C. §871\(b\)](#) and [26 U.S.C. §6041](#), which activity then makes you into a “resident”. See older versions of [26 CFR §301.7701-5](#):

<http://famguardian.org/TaxFreedom/CitesByTopic/Resident-26cfr301.7701-5.pdf>

4. Filing information returns on ourself or not rebutting information returns improperly filed against us, such as the W-2, 1042-S, 1098, and 1099. Pursuant to [26 U.S.C. §6041\(a\)](#), all of these federal forms associate all funds documented on them with the taxable activity called a “trade or business”. If you are not a “public officer”, then you can’t lawfully earn “trade or business” income. See the following for details:
  - 4.1. [26 U.S.C. §6041](#).
  - 4.2. The “Trade or Business” Scam:  
<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>
    - 8.2.1.
  - 4.3. *Correcting Erroneous Information Returns*, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>
  - 4.4. *Correcting Erroneous IRS Form 1042’s*, Form #04.003:  
<http://sedm.org/Forms/FormIndex.htm>
  - 4.5. *Correcting Erroneous IRS Form 1098’s*, Form #04.004:  
<http://sedm.org/Forms/FormIndex.htm>
  - 4.6. *Correcting Erroneous IRS Form 1099’s*, Form #04.005:  
<http://sedm.org/Forms/FormIndex.htm>
  - 4.7. *Correcting Erroneous IRS Form W-2’s*, Form #04.006:  
<http://sedm.org/Forms/FormIndex.htm>
5. Allowing Currency Transaction Reports (CTR’s), IRS Form 8300, to be filed against us when we withdraw 10,000 or more in cash from a financial institution. The statutes at 31 U.S.C. §5331 and the regulation at 31 CFR §103.30(d)(2) only require these reports to be filed in connection with a “trade or business”, and this “trade or business” is the same “trade or business” referenced in the Internal Revenue Code at [26 U.S.C. §7701\(a\)\(26\)](#) and [26 U.S.C. §162](#). If you are not a “public officer” or if you do not consent to be treated as one in order to procure “social insurance”, then banks and financial institutions are violating the law to file these forms against you. See:



6. Completing and submitting the Social Security Trust document, which is the SS-5 form. This is an agreement that imposes the "duty" or "fiduciary duty" upon the natural person and makes him into a "trustee" and an officer of a the federal corporation called the "United States". The definition of "person" for the purposes of the criminal provisions of the Internal Revenue Code, codified in [26 U.S.C. §7343](#), incidentally is EXACTLY the same as the above. Therefore, all tax crimes require that the violator must be acting in a fiduciary capacity as a Trustee of some kind or another, whether it be as an Executor over the estate of a deceased "taxpayer", or over the Social Security Trust maintained for the benefit of a living trustee/employee of the federal corporation called the "United States Government". See the following for details:

Resignation of Compelled Social Security Trustee  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

Unless and until we do any of the above, our proper title is "nontaxpayer". The foundation of American Jurisprudence is the presumption that we are "innocent until proven guilty", which means that we are a "nontaxpayer" until the government proves with court-admissible evidence signed under penalty of perjury that we are a "taxpayer" who is participating in government franchises that are subject to the excise tax upon a "trade or business" which is described in I.R.C. Subtitle A. For cases dealing with the term "nontaxpayer" see: *Long v. Rasmussen*, 281 F. 236, 238 (1922); *Rothensis v. Ullman*, 110 F.2d. 590(1940); *Raffaele v. Granger*, 196 F.2d. 620 (1952); *Bullock v. Latham*, 306 F.2d. 45 (1962); *Economy Plumbing & Heating v. U.S.*, 470 F.2d. 585 (1972); and *South Carolina v. Regan*, 465 U.S. 367 (1984).

*"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)]

Since the above ruling, Congress has added new provisions to the I.R.C. which obtusely mention "nontaxpayers", but not by name, because they don't want people to have a name to describe their proper status. The new provision is found in [26 U.S.C. §7426](#), and in that provision of the I.R.C., "nontaxpayers" are referred to as "Persons other than taxpayers". So far as we know, this is the ONLY provision within the I.R.C. that provides any remedy or standing to a "nontaxpayer".

The behavior of the IRS confirms the above conclusions. See the following IRS internal memo proving that a return that is signed under penalty of perjury and saying "not liable" or words to that effect is treated as a non-return:

<http://famguardian.org/TaxFreedom/Evidence/Refunds/1998-053IRSMemoZeroRet.pdf>

Look what the above internal top secret IRS memo says (are they trying to hide something?.. cover-up and obstruction of justice!). Pay particular attention to the use of the word "taxpayer" in this excerpt, by the way, which doesn't include most people:

*"A taxpayer can also negate the penalties of perjury statement with an addition. In *Schmitt v. U.S.*, 140 B.R. 571 (Bank W.D. Okl. 1992), the taxpayers filed a return with the following statement at the end of the penalties of perjury statement, "SIGNED UNDER DURESS, SEE STATEMENT ATTACHED." In the addition, the taxpayers denied liability for tax on wages. The Service argued that the statement, added to the "return", qualified the penalties of perjury statement, thus making the penalties of perjury statement ineffective and the return a nullity. *Id.* at 572.*

*In agreeing with the Service, the court pointed out that the voluntary nature of our tax system requires the Service to rely on a taxpayer's self-assessment and on a taxpayer's assurance that the figures supplied are true to the best of his or her knowledge. *Id.* Accordingly, the penalties of perjury statement has important significance in our tax system. The statement connects the taxpayer's attestation of tax liability (by the signing of the statement) with the Service's statutory ability to summarily assess the tax.*

*Similarly, in *Sloan v. Comm'r*, 53 F.3d. 799 (7th Cir. 1995), cert. denied, 516 U.S. 897 (1995), the taxpayers submitted a return containing the words "Denial & Disclaimer attached as part of this form" above their signatures. **In the addition, the taxpayers denied liability for any individual income tax.** In determining the effect of the addition on the penalties of perjury statement, the court reasoned that it is a close question whether the addition negates the penalties of perjury statement or not. The addition, according to the court, could be*

1 read just to mean that the taxpayers reserve their right to renew their constitutional challenge to the federal  
2 income tax law. However, the court concluded that the addition negated the penalties of perjury statement. Id.  
3 at 800.

4 In both Schmitt and Sloan the court questioned the purpose of the addition. Both courts found that the addition  
5 of qualifying language was intended to deny tax liability. Accordingly, this effect rendered the purported  
6 returns invalid."

7 The reason is clear: If you are a "nontaxpayer" who is "not liable", then you essentially are outside their jurisdiction and  
8 can't even ask for a refund of the money you paid in. All of your property is consequently classified as a "foreign estate",  
9 as defined in [26 U.S.C. §7701\(a\)\(31\)](#):

10 [TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
11 [Sec. 7701. - Definitions](#)

12 (a)(31) Foreign estate or trust

13 (A) Foreign estate

14 The term "foreign estate" means an estate the income of which, from sources without the United States which is  
15 not effectively connected with the conduct of a trade or business within the United States, is not includible in  
16 gross income under subtitle A.

17 If you indeed are a "nontaxpayer" and act like one, the IRS will pretend like you don't even exist, that is, until in their  
18 ignorance and greed they try years later to go after you wrongfully and unlawfully for willful failure to file, notice of  
19 deficiency, or some other contrived nonsense to terrorize you into paying and filing again. That's how they make  
20 "nontaxpayers" "volunteer" into becoming "taxpayers": with terrorism and treason against the rights of sovereign  
21 Americans, starting with "mailing threatening, false, and harassing communications" in violation of 18 U.S.C. §876.  
22 Lawyer hypocrites! Jesus was right!

23 "Woe to you, scribes and Pharisees, hypocrites! For you pay tithe of mint and anise and cummin, and have  
24 neglected the weightier matters of the law: justice and mercy and faith. These you ought to have done,  
25 without leaving the others undone."  
26 [Matt. 23:23, Bible, NKJV]

27 Now that we understand the difference between "taxpayer" and a "nontaxpayer", allow us to make a very critical  
28 distinction that is the Achilles Heel of the IRS fraud. Ponder for a moment in your mind the following very insightful  
29 question:

30 "Is a person in law always either a 'taxpayer' or a 'nontaxpayer' as a whole? Can a person simultaneously be  
31 BOTH?"

32 Once you understand the answer to this crucial question, you will understand how to get your money back in an IRS refund  
33 claim without litigating! The answer, by the way, is YES! Let us now explain why this is the case.

34 We said above that if you are a "nontaxpayer", the IRS will basically try to completely ignore your refund claim and you  
35 are lucky if they even respond. At worst, they will illegally try to penalize you and at best, they will ignore you. We must  
36 remember, however, that it is "taxable income" that makes you a "taxpayer". "Taxable income" is "gross income" minus  
37 "deductions", as described in 26 U.S.C. §63(a). Therefore, we must earn "gross income" as legally defined in order to have  
38 "taxable income". One cannot earn "gross income" unless they fit into one of the following categories:

- 39 1. **Domestic taxable activities:** Activities within the statutory "United States", which is defined in 26 U.S.C. §7701(a)(9)  
40 and (a)(10) and 4 U.S.C. §110(d) as the federal zone
- 41 1.1. **Federal "Employees", Agencies, and "Public Officers"** – meaning those who are federal "public officers", federal  
42 "employees", and elected officials of the national government. This is one reason why 26 U.S.C. §6331(a) lists  
43 only federal officers, federal employees, federal instrumentalities, and elected officials as ones who can be served  
44 with a levy upon their compensation, which is actually a payment from the federal government.
- 45 1.2. **Federal benefit recipients.** These people are receiving "social insurance" payments such as Medicare, Social  
46 Security, or Unemployment. These benefits are described as "gross income" in 26 U.S.C. §871(a)(3). When they  
47 signed up for these programs, they became "trustees", "employees", and instrumentalities of the U.S. government.  
48 They are described as "federal personnel" in the Privacy Act, 5 U.S.C. §552a(a)(13). Neither the Constitution nor

the Social Security Act authorize these benefits to be offered to anyone domiciled outside of federal territories and possessions. For details on this scam, see:

Resignation of Compelled Social Security Trustee

<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

- 1.3. Those who operate in a representative capacity in behalf of the federal government via contract. This includes those who have a valid Taxpayer Identification Number, which constitutes a constructive trust contract with the federal government and use that federal property [number] as per 20 CFR §422.103(d). They are identified as federal trustees and/or federal employees as referenced in 20 CFR “Employee Benefits”. For details on this scam, see:

Resignation of Compelled Social Security Trustee

<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

2. **Foreign taxable activities:** Activities in the states of the Union or abroad.

- 2.1. Domiciliaries of the federal zone abroad and in a foreign country pursuant to 26 U.S.C. §911 who are engaged in a “trade or business”:

2.1.1. Statutory “U.S. citizens” - those are federal statutory creations of Congress and defined specifically at 8 U.S.C. §1401 to be those who were born in a U.S. territory or possession AND who have a legal domicile there.

2.1.2. Statutory “Residents” (aliens). These are foreign nationals who have a legal domicile within the District of Columbia or a federal territory or possession. They are defined in 26 U.S.C. §7701(b)(1)(A) and 8 U.S.C. §1101(a)(2).

If you would like to know more about why the above are the only foreign subjects of taxation, see sections 15 through 15.16 later

- 2.2. States of the Union. Neither the IRS nor the Social Security Administration may lawfully operate outside of the federal zone. See:

2.2.1. 4 U.S.C. §72 limits all “public offices” to the District of Columbia. It says that the “public offices” that are the subject of the tax upon a “trade or business” must be exercised ONLY in the District of Columbia and not elsewhere, except as expressly provided by law.

2.2.2. 26 U.S.C. §7601 limits IRS enforcement to internal revenue districts. The President is authorized to establish internal revenue districts pursuant to 26 U.S.C. §7621, but he delegated that authority to the Secretary of the Treasury pursuant to Executive Order 10289. Treasury Order 150-02, signed by the Secretary of the Treasury, says that the only remaining internal revenue district is in the District of Columbia. It eliminated all the other internal revenue districts. That T.O. was eventually repealed but there still remains only ONE internal revenue district in the District of Columbia within which the I.R.S. can collect taxes under 26 U.S.C. §7601.

2.2.3. 26 U.S.C. §7701(a)(9) and (a)(10) define the term “United States” as the federal zone. Nowhere anyplace else is the tax described in Subtitle A expanded to include anyplace BUT the “United States”.

2.2.4. The U.S. Supreme Court said Congress enjoys NO LEGISLATIVE JURISDICTION within states of the Union and the Internal Revenue Code is “legislation”.

*“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)]

*“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)]

- 2.2.5. The U.S. Supreme Court said Congress Cannot establish a “trade or business” in a state and tax it. A “trade or business” is the main subject of Subtitle A of the Internal Revenue Code. See the following court cite:

*“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.*

1 But very different considerations apply to the *internal commerce* or *domestic trade* of the States. Over this  
2 commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs  
3 **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is**  
4 **warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to**  
5 **the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of  
6 the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given  
7 in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it  
8 must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited,  
9 and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing  
10 subjects. **Congress cannot authorize a trade or business within a State in**  
11 **order to tax it.**  
12 [*License Tax Cases*, [72 U.S. 462](#), 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

13 Based on options above, most people do not have “gross income” as legally defined, and they are actually deceiving the  
14 government if they put anything but zero on their income tax return. Because none of the earnings of the typical person  
15 who is employed in the private sector can legally be classified as either “income” or “gross income”, what you put down for  
16 “gross income” on your tax return boils down to the question of:

17 “How much of my receipts do I want to ‘volunteer’ or ‘elect’ or ‘choose’ to call ‘income’ or ‘gross income’ for  
18 the purposes of federal taxes?”

19 How you choose to answer that question then determines the net “donation” (not “tax”, but “donation”) you are making to  
20 the federal government based on the tax rate schedule that your fictitious and fabricated “gross income” falls into. As we  
21 said in section 5.1.5 of the *Great IRS Hoax*, Form #11.302, the income tax is “voluntary” for people in states of the Union  
22 and NOT for “public officers” and we really meant it! Not only that, but the U.S. Supreme Court agrees with us!

23 “Our system of taxation is based upon voluntary assessment and payment, not distraint.”  
24 [*Flora v. U.S.*, 362 U.S. 145 (1960)]

25 Returning to our original question, then, “Can a person be simultaneously BOTH a ‘taxpayer’ and a ‘nontaxpayer’?”, the  
26 answer is **YES**. Why? Because so long as we as biological people aren’t “employees” (synonymous with “public officers”  
27 of the U.S. government) any amount we put down for “gross income” on our tax return is a *voluntary choice* and not REAL  
28 “gross income” as legally defined. That amount, and ONLY that amount, which we volunteer to define as “gross income”  
29 on our tax return makes us into a “taxpayer”, but only for the specific *sources* of revenue we voluntarily identified as  
30 “gross income”! All other monies that we earned are, by definition and implication, not taxable and not “gross income”,  
31 which means that for those “sources” of revenue that are not “gross income”, we are a “nontaxpayer” and NOT a  
32 “taxpayer”.

33 So when someone asks you if you are a “taxpayer”, both the question and your answer must be put in the context of a  
34 specific source of income. You should respond by first asking: “for which revenue *source*?” The answer can seldom be a  
35 general “yes” or “no” for ALL RECEIPTS. Consequently, if we put down one cent for “gross income” on our tax return,  
36 then ONLY for that source of revenue do we become “taxpayers”. All other sources of revenue for us are, by implication,  
37 NOT either “gross income” or “taxable income”, which means that for those revenues and receipts, we are a  
38 “nontaxpayer”. Furthermore, once we make the determination of “gross income” and self-assessment on the tax return that  
39 only we can do on ourselves, the IRS has NO AUTHORITY to make us into a “taxpayer” or assess us an involuntary  
40 liability associated with any receipts other than those that we specifically identify as “gross income”:

41 “Our tax system is based on individual self-assessment and voluntary compliance”.  
42 [*Mortimer Caplin*, *Internal Revenue Audit Manual* (1975)]

43 Remember, the only amount we are responsible for paying is the amount we assess ourselves that appears on a tax return  
44 that ONLY WE FILL OUT. The Internal Revenue Manual, Section 5.1.11.6.8 confirms that the IRS is NOT  
45 AUTHORIZED to do a Substitute For Return (SFR) on our behalf for the IRS Form 1040 or any of its derivatives (e.g.  
46 1040X, 1040EZ, 1040NR, etc). Furthermore, 26 CFR §1.6151-1 confirms that you are only responsible for paying the  
47 amount shown on a return (because it says “shall pay”).

48 [*Code of Federal Regulations*]  
49 [*Title 26, Volume 12*]  
50 [*Revised as of April 1, 2002*]  
51 *From the U.S. Government Printing Office via GPO Access*  
52 [*CITE: 26CFR1.6151-1*]

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY (CONTINUED)  
Procedure and Administration--Table of Contents  
Sec. 1.6151-1 Time and place for paying tax shown on returns.

(a) In general. Except as provided in section 6152 and paragraph (b) of this section, the tax shown on any income tax return shall, without assessment or notice and demand, be paid to the internal revenue officer with whom the return is filed at the time fixed for filing the return (determined without regard to any extension of time for filing the return). For provisions relating to the time for filing income tax returns, see section 6072 and Secs. 1.6072-1 to 1.6072-4, inclusive. For provisions relating to the place for filing income tax returns, see section 6091 and Secs. 1.6091-1 to 1.6091-4, inclusive.

(b)(1) Returns on which tax is not shown. If a taxpayer files a return and in accordance with section 6014 and the regulations thereunder, elects not to show the tax on the return, the amount of tax determined to be due shall be paid within 30 days after the date of mailing to the taxpayer a notice stating the amount payable and making demand upon the taxpayer therefor. However, if the notice is mailed to the taxpayer more than 30 days before the due date of the return, payment of the tax shall not be required prior to such due date.

[26 U.S.C. §6020](#)(b) does not authorize the IRS to do an assessment on you because only you (as the “sovereign”) can do an assessment on yourself for a voluntary donation program called the Internal Revenue Code, Subtitle A. The only exception to this rule is under [26 U.S.C. §6014](#), where you can delegate to the IRS the authority to do a return on your behalf, which we don’t recommend. Are you beginning to see through the fog? It took us four years of diligent study to figure this scam out and we are trying to save you some time.

We wish to conclude this section by revealing some very important implications of being a "nontaxpayer" that we need to be very aware of in order to avoid jeopardizing our status and creating a false presumption that we are a "taxpayer", which are summarized below:

1. You cannot quote any section of the Internal Revenue Code that requires you to be a "taxpayer" in order to claim its benefit. For instance, [26 U.S.C. §7433](#), which purports to allow anyone to file a suit against an IRS agent for wrongful collection actions, says the following:

[TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter B > § 7433](#)  
[§7433. Civil damages for certain unauthorized collection actions](#)

(a) In general If, in connection with any collection of Federal tax with respect to a taxpayer, any officer or employee of the Internal Revenue Service recklessly or intentionally, or by reason of negligence, disregards any provision of this title, or any regulation promulgated under this title, such taxpayer may bring a civil action for damages against the United States in a district court of the United States. Except as provided in section [7432](#), such civil action shall be the exclusive remedy for recovering damages resulting from such actions.

Note the phrase above “with respect to a taxpayer”, which are no accident. If you are a “nontaxpayer”, then you have no recourse under the above statute. HOWEVER, you still have recourse under the constitution for deprivation of property without due process of law under the Fifth Amendment. If you filed a lawsuit against an IRS agent, your remedy would then have come from citing the Constitution and possibly also cite the criminal code, which is also positive law, but NOT any part of the I.R.C.

2. You cannot call the Internal Revenue Code "law" or a "statute", but only a "code" or a "title". It can only be "law" if you are a "taxpayer". What makes anything "law" is your consent, according to the Declaration of Independence, and calling the IRC "law" is an admission that you consent to its provisions and are subject to them. See the following for further details on this scam:

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

3. You cannot fill out and submit any form that can only be used by “taxpayers” nor can you sign any form that uses the word “taxpayer” to identify you. We have gone through and created substitute versions of most major IRS Forms to remove such false presumptions from the forms at:

Federal Forms and Publications  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>



4. When you get an IRS notice that either calls you a “taxpayer” or uses a “Taxpayer Identification Number” (TIN), then the notice is in error and you have a duty to bring this to the attention of the IRS. Only “taxpayers” can have a TIN.
5. You must include the following language in all your correspondence with the tax authorities in order to emphasize your status as a “nontaxpayer”:

*I look forward to being corrected promptly in anything you believe is inconsistent with reality found in this correspondence or any of its attachments. If you do not respond, I shall conclude that you believe I am a “nontaxpayer” who is neither subject to nor liable for any internal revenue tax.*

*“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)]*

*I remind you that your own IRS mission statement says that you can only help “taxpayers” to understand their tax responsibilities and therefore, if you won’t talk with me, the only thing I can logically conclude is that I must not be a “taxpayer” and instead am a “nontaxpayer” not subject to any provision within the I.R.C. In that case, thank you for confirming that I am person outside your jurisdiction and not “liable” for any internal revenue tax:*

*IRM 1.1.1.1 (02-26-1999) TA \l “IRM 1.1.1.1 (02-26-1999)” \s “IRM 1.1.1.1 (02-26-1999)” \c 3*  
*IRS Mission and Basic Organization*

*The IRS Mission: **Provide America’s taxpayers top quality service** by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.*

6. Any IRS publication addressed to “taxpayers” isn’t meant for you and you cannot rely upon it. For instance, IRS Publication 1 is entitled [Your Rights as a Taxpayer](#). The title of this publication is an oxymoron: Taxpayers don’t have rights! A “nontaxpayer” cannot cite this pamphlet as authority for defending his rights. We called the IRS and asked them if they have an equivalent pamphlet for “nontaxpayers” and they said no. Then we asked whether the rights mentioned in the pamphlet also apply to “nontaxpayers” and they reluctantly said “yes”. Someone wrote an “improved” version of this pamphlet which you may wish to read at:

[Your Rights as a Nontaxpayer](http://sedm.org/Forms/FormIndex.htm), Form #08.008  
<http://sedm.org/Forms/FormIndex.htm>

## **15. Why “Domicile” and Becoming a “Taxpayer” Require Your Consent**

### **15.1 Definition**

The purpose of establishing government is solely to provide “protection”. Those who wish to be protected by a specific government must expressly consent to be protected by choosing a domicile within the civil jurisdiction of that specific government.

1. Those who have made such a choice and thereby become “customers” of the protection afforded by government are called by any of the following names under the civil laws of the jurisdiction they have nominated to protect them:
  - 1.1. “citizens”, if they were born somewhere within the country which the jurisdiction is a part.
  - 1.2. “residents” (aliens) if they were born within the country in which the jurisdiction is a part
  - 1.3. “inhabitants”, which encompasses both “citizens”, and “residents” but excludes foreigners
  - 1.4. “persons”.
  - 1.5. “individuals”.
2. Those who have not become “customers” or “protected persons” of a specific government are called by any of the following names within the civil laws of the jurisdiction they have refused to nominate as their protector and may NOT be called by any of the names in item 1 above:
  - 2.1. “nonresidents”



- 2.2. “transient foreigners”
- 2.3. “stateless persons”
- 2.4. “in transitu”
- 2.5. “transient”
- 2.6. “sojourner”

In law, the process of choosing a domicile within the jurisdiction of a specific government is called “*animus manendi*”. That choice makes you a consenting party to the “civil contract”, “social compact”, and “private law” that attaches to and therefore protects all “inhabitants” and things physically situated on or within that specific territory, venue, and jurisdiction. In a sense then, your consent to a specific jurisdiction by your choice of domicile within that jurisdiction is what creates the “person”, “individual”, “citizen”, “resident”, or “inhabitant” which is the only proper subject of the civil laws passed by that government. In other words, choosing a domicile within a specific jurisdiction causes an implied waiver of sovereign immunity, because the courts admit that the term “person” does not refer to the “sovereign”:

“Since in common usage, the term person does not include the sovereign, statutes not employing the phrase are ordinarily construed to exclude it.”  
[*United States v. Cooper Corporation*, 312 U.S. 600 (1941)]

“Sovereignty itself is, of course, not subject to law for it is the author and source of law;”  
[*Yick Wo v. Hopkins*, 118 U.S. 356 (1886)]

“There is no such thing as a power of inherent Sovereignty in the government of the United States. In this country sovereignty resides in the People, and Congress can exercise no power which they have not, by their Constitution entrusted to it: All else is withheld.”  
[*Juilliard v. Greenman*, 110 U.S. 421 (1884)]

Those who have become customers of government protection by choosing a domicile within a specific government then owe a duty to pay for the support of the protection they demand. The method of paying for said protection is called “taxes”. In earlier times this kind of sponsorship was called “tribute”.

Both state and federal income taxation is based almost entirely upon what is called “domicile”. Domicile is a choice we make that requires our consent and participation, and because it requires our consent, then becoming a “taxpayer” who owes a tax requires our consent. We will explain this shortly. An examination of the Internal Revenue Code and implementing regulations confirms that there are only two proper legal “persons” who are the subject of the I.R.C., and that these two “persons” have a “domicile” in the “United States”. By “United States” as used in this document, we mean the government of the “United States” and not the “United States” in the geographical sense as used in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d):

**Table 13: Taxable persons under I.R.C.**

#	Proper legal person? <sup>31</sup>	Tax status	Place of inhabitation	Declared domicile	Conditions under which subject to I.R.C. (if they volunteer)?	Notes
1	Yes	"citizen"	United States (government/federal territory)	United States (government/federal territory)	Earnings connected with a "trade or business" within the "United States" (government/federal territory) while abroad.	File using IRS Form 2555. See 26 CFR §1.1-1(c) for imposition of tax. "citizens" living abroad and outside of federal jurisdiction are referred to as "nationals" but not "citizens" under 8 U.S.C. §1101(a)(22)(B).
2	Yes	"resident"	United States (government/federal territory)	United States (government/federal territory)	All income earned within the "United States" (government/federal territory) connected with a "trade or business"	See 26 CFR §1.1-1(c) for imposition of tax. See 26 U.S.C. §7701(b)(1)(A) for definition of "resident"
3	No	"nonresident alien"	Outside of "United States" (government/federal territory)	Foreign country, including states of the Union	Income from within the "United States" (government/federal territory) under 26 U.S.C. §871.	File using form 1040NR. See 26 U.S.C. §871 for taxable sources. 26 U.S.C. §7701(b)(1)(B) for definition of "nonresident alien"
4	No	"alien"	Outside of "United States" (government/federal territory)	Foreign country, including states of the Union	Only subject to income taxes on "income" from foreign country connected with a "trade or business" and coming under an income tax treaty with the foreign country.	Do not file. Not subject to the I.R.C. because not domiciled in the "United States" (federal territory)

Options 1 and 2 above have a civil "domicile" within the statutory but not constitutional "United States", meaning federal territory that is no part of any state of the Union, as a prerequisite. People born in and domiciled within states of the Union fall under status 3. If "nationals" (who are not statutory "citizens" under [8 U.S.C. §1401](#)) domiciled in states have no earnings from the "United States" government or federal territory, then even if they choose to volunteer, they cannot be "liable" to pay any of their earnings to the IRS. Note also that the "aliens" mentioned in option 4 above, even if they live in the "United States" (federal territory), are not even mentioned in the I.R.C. They only become subject to the code by either becoming involved in a "trade or business", which is a public office and a voluntary activity involving federal contracts and employment, or by declaring the "United States" (federal territory) to be their legal "domicile". Making the "United States" (federal territory) into their "domicile" or engaging in a "trade or business" (which is defined as a public office) are the only two activities that can transform "[aliens](#)" into "[residents](#)" subject to the Internal Revenue Code. "Aliens" or "nonresident aliens" may voluntarily elect (choose) to treat the "United States" (government or federal territory) as their domicile and thereby become "residents" in accordance with the following authorities:

- [26 U.S.C. §6013](#)(g) or (h).
- [26 U.S.C. §7701](#)(b)(4)(B).
- [26 CFR §1.871-1](#)(a).
- The Foreign Sovereign Immunities Act, 28 U.S.C. §1605(a)(2), which says that those who conduct "commerce" within the legislative jurisdiction of the United States (in the federal zone) surrender their sovereign immunity.

[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—*

<sup>31</sup> See 26 CFR §1.6012-1(a): Who is required to file.

(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;

We also caution that a "nonresident alien" can also unwittingly become a "U.S. person" with a domicile in the "United States" (federal territory) by incorrectly declaring his or her citizenship status on a government form as that of either a statutory "U.S. citizen" under [8 U.S.C. §1401](#) or a statutory "resident alien" under [26 U.S.C. §7701\(b\)\(1\)\(A\)](#), instead of a "national" but not a citizen under [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#). This results in a surrender of sovereign immunity under [28 U.S.C. §1603\(b\)\(3\)](#), which says that statutory "U.S. citizens" and "residents" may not be treated as "foreign states". This is by far the most frequent mechanism that your unscrupulous government uses to maliciously destroy the sovereignty of persons in states of the Union and undermine the [Separation of Powers Doctrine](#): Using ambiguous terms on government forms and creating and exploiting legal ignorance of the people. This process by public servants of systematically and illegally destroying the separation of powers is thoroughly documented below:

[Government Conspiracy to Destroy the Separation of Powers](#), Form #05.023  
<http://sedm.org/Forms/FormIndex.htm>

Domicile is legally defined as follows. We also include the definition of "situs" to help clarify its meaning:

"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]

"Situs. Lat. Situation; location; e.g. location or place of crime or business. Site; position; the place where a thing is considered, for example, with reference to jurisdiction over it, or the right or power to tax it. It imports fixedness of location. Situs of property, for tax purposes, is determined by whether the taxing state has sufficient contact with the personal property sought to be taxed to justify in fairness the particular tax. Town of Cady v. Alexander Const. Co., 12 Wis.2d 236, 107 N.W.2d. 267, 270."

Generally, personal property has its taxable "situs" in that state where owner of it is domiciled. Smith v. Lummus, 149 Fla. 660, 6 So.2d. 625, 627, 628. Situs of a trust means place of performance of active duties of trustee. Campbell v. Albers, 313 Ill.App. 152, 39 N.E.2d. 672, 676."  
[Black's Law Dictionary, Sixth Edition, p. 1387]

Notice in the definition of "domicile" above the absence of the word "consent" and replacing it with the word "intent" to disguise the true nature of what they are saying. Lawyers and politicians don't want you to know that they need your consent to make you into a "taxpayer" with a "domicile" within their jurisdiction, even though this is in fact the case. More on this later.

An exhaustive academic treatise on the subject of domicile also candidly admits that there is no all encompassing definition for "domicile".

§57. Difficulty of Defining Domicil.--The difficulty, if not impossibility, of arriving at an entirely satisfactory definition of domicile has been frequently commented upon. Lord Alvanley, in *Somerville v. Somerville*, praised the wisdom of Bynkershoek in not hazarding a definition; and Dr. Lushington, in *Maltass v. Maltass*, speaking of the various attempts of jurists in this direction, considered himself justified in the remarkable language of Hertius: "Verum in iis definiendis mirum est quam sudant doctores." Lord Chelmsford, speaking, as late as 1863, in the case of *Moorhouse v. Lord*, says: "The difficulty of getting a satisfactory definition of domicil, which will meet every case, has often been admitted, and every attempt to frame one has hitherto failed."  
[Treatise on the Law of Domicil, M.W. Jacobs, 1887; Little Brown and Company; §57, pp. 93-98;  
SOURCE: <http://books.google.com/books?id=MFQvAAAAIAAJ&printsec=titlepage/>]

The above admission is not surprising, given the fact that the main purpose for inventing the concept of domicile is to infer or imply consent of the subject to the civil law that has never expressly been given in writing and cannot be proven to

1 exist. No government or judge is going to give a definition, because then people would use that definition to prove that  
2 they DON'T have a domicile and that would destroy the source of all the government's civil and taxing authority over the  
3 people who employ the definition to break the chains that bind them to their pagan tyrant rulers.

4 The concept of domicile we inherit primarily from the feudal Roman law system in which the king or emperor or lord  
5 claimed ownership over all territory entrusted to him or her by divine right. Everyone occupying said territory therefore  
6 became a "subject" of the king and owed him "allegiance" as compensation for the "privilege" or franchise associated with  
7 use of his property. That allegiance expressed itself as "tribute" paid to the king, which we know of today as "taxes". What  
8 were once "subjects" of the king in Great Britain and the Roman Empire are now called "citizens", and we fired the King  
9 when the Declaration of Independence declared all men equal. At that point, everyone became equal and the sovereign  
10 transitioned from the former King of England to "We the People" as individuals. Consequently, we no longer have a  
11 landlord and the government that serves us cannot therefore lawfully charge us "rent" for the use of the land or territory that  
12 we occupy if we own it.

13 ***"The people of this State, as the successors of its former sovereign, are entitled to all the rights which***  
14 ***formerly belonged to the King by his prerogative. Through the medium of their Legislature they may exercise***  
15 ***all the powers which previous to the Revolution could have been exercised either by the King alone, or by him***  
16 ***in conjunction with his Parliament; subject only to those restrictions which have been imposed by the***  
17 ***Constitution of this State or of the U.S."***  
18 [Lansing v. Smith, 21 D. 89., 4 Wendel 9 (1829) (New York)]

19 ***"In the United States the people are sovereign, and the government cannot sever its relationship to the people***  
20 ***by taking away their citizenship."***  
21 [Afroyim v. Rusk, 387 U.S. 253 (1967)]

22 ***"Strictly speaking, in our republican form of government, the absolute sovereignty of the nation is in the people***  
23 ***of the nation; and the residuary sovereignty of each state, not granted to any of its public functionaries, is in the***  
24 ***people of the state. 2 Dall. 471"***  
25 [Bouv. Law Dict (1870)]

26 ***"The sovereignty of a state does not reside in the persons who fill the different departments of its government,***  
27 ***but in the People, from whom the government emanated; and they may change it at their discretion.***  
28 ***Sovereignty, then in this country, abides with the constituency, and not with the agent; and this remark is true,***  
29 ***both in reference to the federal and state government."***  
30 [Spooner v. McConnell, 22 F. 939, 943]

31 ***"In Europe, the Executive is almost synonymous with the Sovereign power of a State; and, generally, includes***  
32 ***legislative and judicial authority. When, therefore, writers speak of the sovereign, it is not necessarily in***  
33 ***exclusion of the judiciary; and it will often be found, that when the Executive affords a remedy for any wrong, it***  
34 ***is nothing more than by an exercise of its judicial authority. Such is the condition of power in that quarter of***  
35 ***the world, where it is too commonly acquired by force, or fraud, or both, and seldom by compact. In***  
36 ***America, however, the case is widely different. Our government is founded upon compact. Sovereignty was,***  
37 ***and is, in the people.*** It was entrusted by them, as far as was necessary for the purpose of forming a good  
38 government, to the Federal Convention; and the Convention executed their trust, by effectually separating the  
39 Legislative, Judicial, and Executive powers; which, in the contemplation of our Constitution, are each a branch  
40 of the sovereignty. The well-being of the whole depends upon keeping each department within its limits."  
41 [Glass v. Sloop Betsey, 3 U.S. 6, 3 Dall. 6, 1 L.Ed. 485 (1794)]

## 42 **15.2 The three sources of government civil jurisdiction**

43 Even for civil laws that are enacted with the consent of the majority of the governed as the Declaration of Independence  
44 requires, we must still explicitly and individually consent to be subject to them before they can be enforced against us.

45 ***"When a change of government takes place, from a monarchical to a republican government, the old form is***  
46 ***dissolved. Those who lived under it, and did not choose to become members of the new, had a right to refuse***  
47 ***their allegiance to it, and to retire elsewhere.*** By being a part of the society subject to the old government, they  
48 had not entered into any engagement to become subject to any new form the majority might think proper to  
49 adopt. That the majority shall prevail is a rule posterior to the formation of government, and results from it. It  
50 ***is not a rule upon mankind in their natural state. There, every man is independent of all laws, except those**  
51 ***prescribed by nature. He is not bound by any institutions formed by his fellowmen without his consent"***  
52 [Cruden v. Neale, 2 N.C., 2 S.E. 70 (1796)]*

1 This requirement for the consent to the protection afforded by government is the foundation of our system of government,  
2 according to the Declaration of Independence: consent of the governed. The U.S. Supreme Court admitted this when it  
3 said:

4 *"The people of the United States resident within any State are subject to two governments: one State, and the*  
5 *other National; but there need be no conflict between the two. The powers which one possesses, the other*  
6 *does not. They are established for different purposes, and have separate jurisdictions. Together they make one*  
7 *whole, and furnish the people of the United States with a complete government, ample for the protection of all*  
8 *their rights at home and abroad. True, it may sometimes happen that a person is amenable to both jurisdictions*  
9 *for one and the same act. Thus, if a marshal of the United States is unlawfully resisted while executing the*  
10 *process of the courts within a State, and the resistance is accompanied by an assault on the officer, the*  
11 *sovereignty of the United States is violated by the resistance, and that of the State by the breach of peace, in the*  
12 *assault. So, too, if one passes counterfeited coin of the United States within a State, it may be an offence against*  
13 *the United States and the State: the United States, because it discredits the coin; and the State, because of the*  
14 *fraud upon him to whom it is passed. This does not, however, necessarily imply that the two governments*  
15 *possess powers in common, or bring them into conflict with each other. It is the natural consequence of a*  
16 *citizenship [92 U.S. 542, 551] which owes allegiance to two sovereignties, and claims protection from both.*

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

23 How, then, did you "voluntarily submit" yourself to such a form of government and thereby contract with that government  
24 for "protection"? If people fully understood how they did this, many of them would probably immediately withdraw their  
25 consent and completely drop out of the corrupted, inefficient, and usurious system of government we have, now wouldn't  
26 they? We have spent six long years researching this question, and our research shows that it wasn't your citizenship as a  
27 "national" but not statutory "citizen" pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 that made you subject to their  
28 civil laws. Well then, what was it?

29 *It was your voluntary choice of domicile!*

30 In fact, the "citizen" the Supreme Administrative Court is talking about above is a statutory "citizen" and not a  
31 constitutional "citizen", and the only way you can become subject to statutory civil law is to have a domicile within the  
32 jurisdiction of the sovereign. Below is a legal definition of "domicile":

33 *"domicile. A person's legal home. That place where a man has his true, fixed, and permanent home and*  
34 *principal establishment, and to which whenever he is absent he has the intention of returning. Smith v. Smith,*  
35 *206 Pa.Super. 310, 213 A.2d. 94. Generally, physical presence within a state and the intention to make it one's*  
36 *home are the requisites of establishing a "domicile" therein. The permanent residence of a person or the place*  
37 *to which he intends to return even though he may actually reside elsewhere. A person may have more than one*  
38 *residence but only one domicile. The legal domicile of a person is important since it, rather than the actual*  
39 *residence, often controls the jurisdiction of the taxing authorities and determines where a person may*  
40 *exercise the privilege of voting and other legal rights and privileges."*  
41 [Black's Law Dictionary, Sixth Edition, p. 485]

42 *"This right to protect persons having a domicile, though not native-born or naturalized citizens, rests on the*  
43 *firm foundation of justice, and the claim to be protected is earned by considerations which the protecting power*  
44 *is not at liberty to disregard. Such domiciled citizen pays the same price for his protection as native-born or*  
45 *naturalized citizens pay for theirs. He is under the bonds of allegiance to the country of his residence, and, if*  
46 *he breaks them, incurs the same penalties. He owes the same obedience to the civil laws. His property is, in*  
47 *the same way and to the same extent as theirs, liable to contribute to the support of the Government. In nearly*  
48 *all respects, his and their condition as to the duties and burdens of Government are undistinguishable."*  
49 [Fong Yue Ting v. United States, 149 U.S. 698 (1893)]

50 Notice the phrase "civil laws" above and the term "claim to be protected". What they are describing is a contract to procure  
51 the protection of the government, from which a "claim" arises. Those who are not party to the domicile/protection contract  
52 have no such claim and are immune from the civil jurisdiction of the government. In fact, there are only three ways to  
53 become subject to the civil jurisdiction of a specific government. These ways are:

54 1. Choosing domicile within a specific jurisdiction.



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).
3. Engaging in commerce within the civil legislative jurisdiction of a specific government and thereby waiving sovereign immunity under:
  - 3.1. The Foreign Sovereign Immunities Act, 28 U.S.C. §1605.
  - 3.2. The Minimum Contacts Doctrine, which implements the Fourteenth Amendment. See *International Shoe Co. v. Washington*, 326 U.S. 310 (1945) .
  - 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:

[SEDM Jurisdictions Database, Litigation Tool #09.008](http://sedm.org/Litigation/LitIndex.htm)  
<http://sedm.org/Litigation/LitIndex.htm>

We allege that if the above rules are violated then the following consequences are inevitable:

1. A crime has been committed. That crime is identity theft against a nonresident party and it involves using a person's legal identity as a "person" for the commercial benefit of someone else without their express consent. Identity theft is a crime in every jurisdiction within the USA. The SEDM Jurisdictions Database, Litigation Tool #09.008 indicated above lists identity theft statutes for every jurisdiction in the USA.
2. If the entity disregarding the above rules claims to be a "government" then it is acting instead as a private corporation and must waive sovereign immunity and approach the other party to the dispute in EQUITY rather than law, and do so in OTHER than a franchise court. Franchise courts include U.S. District Court, U.S. Circuit Court, Tax Court, Traffic Court, and Family Court. Equity is impossible in a franchise court.

*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 [or franchises], 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)]

Lastly, those who have not chosen a domicile within a specific jurisdiction and therefore chosen NOT to become the following in relation to ONLY that jurisdiction:

1. Among those "governed" by the civil laws.
2. Statutory "citizens" or "residents".

. . .are called "exclusively private". Such parties have been acknowledged by the U.S. Supreme Court to beyond the civil control of the government. Notice they only recognize the right to "regulate" activity of "citizens" and NOT "ALL PERSONS":

*When one becomes a member of society, he necessarily parts with some rights or privileges which, as an individual not affected by his relations to others, he might retain. "A body politic," as aptly defined in the*



preamble of the Constitution of Massachusetts, "is a social compact by which the whole people covenants with each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common good." This does not confer power upon the whole people to control rights which are purely and exclusively private, Thorpe v. R. & B. Railroad Co., 27 Vt. 143; but it does authorize the establishment of laws requiring each citizen to so conduct himself, and so use his own property, as not unnecessarily to injure another. This is the very essence of government, and 125\*125 has found expression in the maxim sic utere tuo ut alienum non laedas. From this source come the police powers, which, as was said by Mr. Chief Justice Taney in the License Cases, 5 How. 583, "are nothing more or less than the powers of government inherent in every sovereignty, . . . that is to say, . . . the power to govern men and things." Under these powers the government regulates the conduct of its citizens one towards another, and the manner in which each shall use his own property, when such regulation becomes necessary for the public good. In their exercise it has been customary in England from time immemorial, and in this country from its first colonization, to regulate ferries, common carriers, hackmen, bakers, millers, wharfingers, innkeepers, &c., and in so doing to fix a maximum of charge to be made for services rendered, accommodations furnished, and articles sold. To this day, statutes are to be found in many of the States upon some or all these subjects; and we think it has never yet been successfully contended that such legislation came within any of the constitutional prohibitions against interference with private property. With the Fifth Amendment in force, Congress, in 1820, conferred power upon the city of Washington "to regulate . . . the rates of wharfage at private wharves, . . . the sweeping of chimneys, and to fix the rates of fees therefor, . . . and the weight and quality of bread," 3 Stat. 587, sect. 7; and, in 1848, "to make all necessary regulations respecting hackney carriages and the rates of fare of the same, and the rates of hauling by cartmen, wagoners, carmen, and draymen, and the rates of commission of auctioneers," 9 id. 224, sect. 2.

[Munn. v. Illinois, 94 U.S. 113 (1876),  
SOURCE: [http://scholar.google.com/scholar\\_case?case=6419197193322400931](http://scholar.google.com/scholar_case?case=6419197193322400931)]

### 15.3 The Social Contract/Compact

The end of the previous section referred to what the U.S. Supreme Court called "the social compact". In law, the words "compact" and "contract" are equivalent:

"Compact, n. An agreement or contract between persons, nations, or states. Commonly applied to working agreements between and among states concerning matters of mutual concern. A contract between parties, which creates obligations and rights capable of being enforced and contemplated as such between the parties, in their distinct and independent characters. A mutual consent of parties concerned respecting some property or right that is the object of the stipulation, or something that is to be done or forborne. See also Compact clause; Confederacy; Interstate compact; Treaty."  
[Black's Law Dictionary, Sixth Edition, p. 281]

All civil societies are based on "compact" and therefore "contract". Here is how the U.S. Supreme Court describes this compact and therefore contract.

"Yet, it is to be remembered, and that whether in its real origin, or in its artificial state, allegiance, as well as fealty, rests upon lands, and it is due to persons. Not so, with respect to Citizenship, which has arisen from the dissolution of the feudal system and is a substitute for allegiance, corresponding with the new order of things. Allegiance and citizenship, differ, indeed, in almost every characteristic. Citizenship is the effect of compact [CONTRACT!]; allegiance is the offspring of power and necessity. Citizenship is a political tie; allegiance is a territorial tenure. Citizenship is the charter of equality; allegiance is a badge of inferiority. Citizenship is constitutional; allegiance is personal. Citizenship is freedom; allegiance is servitude. Citizenship is communicable; allegiance is repulsive. Citizenship may be relinquished; allegiance is perpetual. With such essential differences, the doctrine of allegiance is inapplicable to a system of citizenship; which it can neither serve to controul, nor to elucidate. And yet, even among the nations, in which the law of allegiance is the most firmly established, the law most pertinaciously enforced, there are striking deviations that demonstrate the invincible power of truth, and the homage, which, under every modification of government, must be paid to the inherent rights of man.....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); From the syllabus but not the opinion; SOURCE: [http://www.law.cornell.edu/supct/search/display.html?terms=choice%20or%20conflict%20and%20law&url=/supct/html/histories/USSC\\_CR\\_0003\\_0133\\_ZS.html](http://www.law.cornell.edu/supct/search/display.html?terms=choice%20or%20conflict%20and%20law&url=/supct/html/histories/USSC_CR_0003_0133_ZS.html)]

Note the sentence: "**Citizenship is the effect of compact [CONTRACT!]**". By calling yourself a "citizen", you:

1. Identify yourself as a consenting party to the social compact/contract.
2. Make yourself subject to the civil laws that implement the contract.
3. Consent to be governed by the sovereignty executing that social contract.

Even the author of the Law Of Nations, which is the document upon which the USA Constitution was based by the founding fathers, acknowledged that all civilizations are based upon compact and contract, called this contract the "social

compact", and said that when the government fails to be accountable for the protection sought, those being protected have a right to leave said society. Notice that the author, Vattel, refers to the parties to the social compact as "contracting parties".

***The Law of Nations, Book I: Of Nations Considered in Themselves***  
**§ 223. Cases in which a citizen has a right to quit his country.**

*There are cases in which a citizen has an absolute right to renounce his country, and abandon it entirely — a right founded on reasons derived from the very nature of the social compact.*

*1. If the citizen cannot procure subsistence in his own country, it is undoubtedly lawful for him to seek it elsewhere. For, political or civil society being entered into only with a view of facilitating to each of its members the means of supporting himself, and of living in happiness and safety, it would be absurd to pretend that a member, whom it cannot furnish with such things as are most necessary, has not a right to leave it.*

*2. If the body of the society, or he who represents it, absolutely fail to discharge their obligations [of protection] towards a citizen, the latter may withdraw himself. For, if one of the contracting parties does not observe his engagements, the other is no longer bound to fulfil his; as the contract is reciprocal between the society and its members. It is on the same principle, also, that the society may expel a member who violates its laws.*

*3. If the major part of the nation, or the sovereign who represents it, attempt to enact laws relative to matters in which the social compact cannot oblige every citizen to submission, those who are averse to these laws have a right to quit the society, and go settle elsewhere. For instance, if the sovereign, or the greater part of the nation, will allow but one religion in the state, those who believe and profess another religion have a right to withdraw, and take with them their families and effects. For, they cannot be supposed to have subjected themselves to the authority of men, in affairs of conscience;<sup>3</sup> and if the society suffers and is weakened by their departure, the blame must be imputed to the intolerant party; for it is they who fail in their observance of the social compact — it is they who violate it, and force the others to a separation. We have elsewhere touched upon some other instances of this third case, — that of a popular state wishing to have a sovereign (§ 33), and that of an independent nation taking the resolution to submit to a foreign power (§ 195).*

[The Law of Nations, Book I, Section 223, Vattel; SOURCE:  
[http://famguardian.org/Publications/LawOfNations/vattel\\_01.htm#§%20224.%20Emigrants](http://famguardian.org/Publications/LawOfNations/vattel_01.htm#§%20224.%20Emigrants)]

The terms of the “social compact” at the heart of every civilized society are exhaustively described in the following classic book by Rousseau written just before the U.S. Constitution was written:

*The Social Contract or Principles of Political Right*, Jean Jacques Rousseau, 1762  
HTML: <http://famguardian.org/Publications/TheSocialContract-Rousseau/Rousseau%20Social%20Contract.htm>  
PDF: [http://famguardian.org/Publications/TheSocialContract-Rousseau/The\\_social\\_contract.pdf](http://famguardian.org/Publications/TheSocialContract-Rousseau/The_social_contract.pdf)

Rousseau is also widely regarded as the father of socialism. In chapter 8 of the above book he even describes all governments as what he calls a “civil religion”. Here is the way Rousseau describes the “social compact” that forms the foundation of all societies:

*There is but one law which, from its nature, needs unanimous consent. This is the social compact; for civil association is the most voluntary of all acts. Every man being born free and his own master, no one, under any pretext whatsoever, can make any man subject without his consent. To decide that the son of a slave is born a slave is to decide that he is not born a man.*

*If then there are opponents when the social compact is made, their opposition does not invalidate the contract, but merely prevents them from being included in it. They are foreigners among citizens. When the State is instituted, residence constitutes consent; to dwell within its territory is to submit to the Sovereign.*<sup>32</sup>

*Apart from this primitive contract, the vote of the majority always binds all the rest.* This follows from the contract itself. But it is asked how a man can be both free and forced to conform to wills that are not his own. How are the opponents at once free and subject to laws they have not agreed to?

<sup>32</sup> This should of course be understood as applying to a free State; for elsewhere family, goods, lack of a refuge, necessity, or violence may detain a man in a country against his will; and then his dwelling there no longer by itself implies his consent to the contract or to its violation.

I retort that the question is wrongly put. The citizen gives his consent to all the laws, including those which are passed in spite of his opposition, and even those which punish him when he dares to break any of them. The constant will of all the members of the State is the general will; by virtue of it they are citizens and free<sup>33</sup>. When in the popular assembly a law is proposed, what the people is asked is not exactly whether it approves or rejects the proposal, but whether it is in conformity with the general will, which is their will. Each man, in giving his vote, states his opinion on that point; and the general will is found by counting votes. When therefore the opinion that is contrary to my own prevails, this proves neither more nor less than that I was mistaken, and that what I thought to be the general will was not so. If my particular opinion had carried the day I should have achieved the opposite of what was my will; and it is in that case that I should not have been free.

This presupposes, indeed, that all the qualities of the general will still reside in the majority: when they cease to do so, whatever side a man may take, liberty is no longer possible.

In my earlier demonstration of how particular wills are substituted for the general will in public deliberation, I have adequately pointed out the practicable methods of avoiding this abuse; and I shall have more to say of them later on. I have also given the principles for determining the proportional number of votes for declaring that will. A difference of one vote destroys equality; a single opponent destroys unanimity; but between equality and unanimity, there are several grades of unequal division, at each of which this proportion may be fixed in accordance with the condition and the needs of the body politic.

There are two general rules that may serve to regulate this relation. First, the more grave and important the questions discussed, the nearer should the opinion that is to prevail approach unanimity. Secondly, the more the matter in hand calls for speed, the smaller the prescribed difference in the numbers of votes may be allowed to become: where an instant decision has to be reached, a majority of one vote should be enough. The first of these two rules seems more in harmony with the laws, and the second with practical affairs. In any case, it is the combination of them that gives the best proportions for determining the majority necessary.  
[The Social Contract or Principles of Political Right, Jean Jacques Rousseau, 1762, Book IV, Chapter 2]

Note how Rousseau describes those who are not party to the social contract as “foreigners”:

*“If then there are opponents when the social compact is made, their opposition does not invalidate the contract, but merely prevents them from being included in it. They are foreigners among citizens. When the State is instituted, residence constitutes consent; to dwell within its territory is to submit to the Sovereign.”*

We also clarify the following about Rousseau’s comments above:

1. Those who are parties to the social compact are called “citizens” if they were born in the country and “residents” if they were born in a foreign country, who together are called “inhabitants” or “domiciliaries”.
2. The “foreigner” he is talking about is a statutory “alien” and a “nonresident”.
3. When Rousseau says **“Apart from this primitive contract, the vote of the majority always binds all the rest.”**, what he means by “the rest” is “the rest of the inhabitants, citizens, or residents”, but NOT “nonresidents” or “transient foreigners”. This is implied by his other statement: **“If then there are opponents when the social compact is made, their opposition does not invalidate the contract, but merely prevents them from being included in it. They are foreigners among citizens.”**
4. Rousseau says that: **“When the State is instituted, residence constitutes consent; to dwell within its territory is to submit to the Sovereign.”** Here are some key points about this statement:
  - 4.1. What he means by “residence” is a political and voluntary act of association and consent, and NOT physical presence in a specific place.
  - 4.2. Those who have made this choice of “residence” and thereby politically associated with and joined with a specific political “state” acquire the status under the social contract called “resident” or “citizen”. Those who have not associated are called “transient foreigners”, “strangers”, or “in transitu”.
  - 4.3. The choice of “residence” is protected by the First Amendment right of association and freedom from compelled association.
5. All rights under the social contract attach to the statuses under the contract called “citizen”, “resident”, “inhabitant”, or “domiciliary”. In that sense, the contract behaves as a franchise or what we call a “protection franchise”. You are not protected by the franchise unless you procure a status under the franchise called “citizen” or “resident”.

<sup>33</sup> At Genoa, the word *Liberty* may be read over the front of the prisons and on the chains of the galley-slaves. This application of the device is good and just. It is indeed only malefactors of all estates who prevent the citizen from being free. In the country in which all such men were in the galleys, the most perfect liberty would be enjoyed.

6. In a legal sense, to say that one is “in the state” or “dwelling in the state” really means that a person has consented to the social contract and thereby become a “government contractor”. Your corrupt politicians have written this social contract in such a way that consenting to it makes you a public officer within the government, even though such a corruption of the de jure system is clearly beyond its legislative intent. See:

*De Facto Government Scam*, Form #05.043

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

7. It is a violation of due process of law, theft, slavery, and even identity theft to:

7.1. PRESUME that by virtue of physically occupying a specific place, that a person has consented to take up “residence” there and thereby consented to the social contract and the civil laws that implement it.

7.2. Interfere with one’s choice of political association and consent to the social compact by refusing to accept any piece of paper that declares one a “nonresident”.

7.3. Impose the status of “citizen” or “resident” against those who do not consent to the social contract.

7.4. Enforce any provision of the social contract against a non-consenting party.

7.5. Connect the status of “citizen” or “resident” with a public office in the government or use that unlawfully created office as method to impose any duty upon said party. Why? Because the Thirteenth Amendment forbids “involuntary servitude”.

If you are injured and take the party who injured you into a civil court, the judge, in fact, is really acting as a trustee of the social contract/compact in enforcing that contract between you and the other party. All governments in the USA, in fact, are “trustees”:

*"Whatever these Constitutions and laws validly determine to be property, it is the duty of the Federal Government, through the domain of jurisdiction merely Federal, to recognize to be property.*

*"And this principle follows from the structure of the respective Governments, State and Federal, and their reciprocal relations. They are different agents and trustees of the people of the several States, appointed with different powers and with distinct purposes, but whose acts, within the scope of their respective jurisdictions, are mutually obligatory."*

*[Dred Scott v. Sandford, 60 U.S. 393 (1856)]*

Both parties to the lawsuit must be parties to the social contract and therefore “citizens” or “residents” within the jurisdiction you are civilly suing. If the defendant you are suing is NOT party to the social contract, they are called a “nonresident” who is therefore protected from being civilly sued by:

1. The “Foreign Sovereign Immunities Act”, codified at 28 U.S.C. Part IV, Chapter 97 starting at section 1602.
2. The “Minimum Contacts Doctrine” elucidated by the U.S. Supreme Court in *International Shoe Co. v. Washington*, 326 U.S. 310 (1945). This doctrine states that it is a violation of due process to bring a nonresident into a foreign court to be sued unless certain well defined standards are met. Here is how the federal courts describe this doctrine:

*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)]

Why does all this matter? Because what if you are a nonresident and the U.S. government wants to sue you for a tax liability? They can't take a nonresident (in relation to federal territory) and a "nontaxpayer" into a Federal District Court and must instead sue you in a state court under the above requirements. Even their own Internal Revenue Manual says so:

Internal Revenue Manual  
9.13.1.5 (09-17-2002)  
Witnesses In Foreign Countries

1. Nonresident aliens physically present in a foreign country cannot be compelled to appear as witnesses in a United States District Court since they are beyond jurisdiction of United States officials. Since the Constitution requires confrontation of adverse witnesses in criminal prosecutions, the testimony of such aliens may not be admissible until the witness appears at trial. However, certain testimony for the admissibility of documents may be obtained under 18 USC §3491 et seq. without a "personnel" appearance in the United States. Additionally, 28 USC §1783 et seq. provides limited powers to induce the appearance of United States citizens physically present in a foreign country.  
[SOURCE: <http://www.irs.gov/irm/part9/ch13s01.html>]

The other great thing about being a nonresident, is that the statute of limitations under civil law DO NOT apply to you and do not limit your rights or the protection of those rights.

1. If you invoke the common law rather than statutory law, you have an unlimited amount of time to sue a federal actor for a tort. All such statutes of limitations are franchises to which BOTH parties to the suit must be contractors under the social contract/compact in order to enforce.
2. If only one party is a "citizen" or a "resident" protected by the social contract, and the other party is protected by the Constitution but not the civil law implementing the social contract, then the Constitution trumps the civil law and becomes self executing under what is called a Bivens Action.

Why do we say these things? Because what you think of as civil law, in most cases, is really only a private law franchise for government officers and statutory "employees", as exhaustively proven in the following document:

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

Under the concepts in the above document, a "statute of limitations" is an example of an "privilege and immunity" afforded to ONLY government officers and statutory "employees" when the OTHER party they injure is also a government officer or employee in some capacity. If the injured party is not party to the social compact and franchise but is protected by the Constitution, then the statutes of limitations cannot be invoked under the franchise.

In the United States (the country), there are, in fact TWO "social contracts" or "social compacts", and each protects a different subset of the overall population.

"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)]

You can only be a party to ONE of these two social contracts/compacts at a time, because you can only have a domicile in ONE jurisdiction at a time. These two jurisdictions that Congress legislates for are:

1. The states of the Union under the requirements of the Constitution of the United States. In this capacity, it is called the "federal/general government".



2. The U.S. government, the District of Columbia, U.S. possessions and territories, and enclaves within the states. In this capacity, it is called the “national government”. The authority for this jurisdiction derives from Article 1, Section 8, Clause 17 of the United States Constitution. All laws passed essentially amount to municipal laws for federal property, and in that capacity, Congress is not restrained by either the Constitution or the Bill of Rights. We call the collection of all federal territories, possessions, and enclaves within the states “the federal zone” throughout this document.

The “separation of powers doctrine” is what created these two separate and distinct social compacts and jurisdictions. Each has its own courts, unique types of “citizens”, and laws. That doctrine is described in:

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

The U.S. Supreme Court has identified the maintenance of separation between these two distinct jurisdictions as THE MOST IMPORTANT FUNCTION OF ANY COURT. Are the courts satisfying their most important function, or have they bowed to political expediency by abusing deception and words of art to entrap and enslave you in what amounts to a criminal conspiracy against your constitutional rights? Have the courts become what amounts to a modern day Judas, who sold the truth for the twenty pieces of silver they could STEAL from you through illegal tax enforcement by abusing word games?

*“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 [SATANIC] 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 [SATANIC] 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)]

WHICH of the two social compacts are you party to? Your choice of domicile determines that. It CAN’T legally be both because you can only have a domicile in ONE place at a time. Furthermore, if you have been deceived by corrupt politicians and “words of art” into becoming a party to BOTH social compacts, you are serving TWO masters, which is forbidden by the Holy Bible:

*“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].”*  
[Matt. 6:24, Bible, NKJV. Written by a tax collector]

We might also add that franchises and the right to contract that they are based upon cannot lawfully be used to destroy the separation between these two distinct jurisdictions. Preserving that separation is, in fact, the heart and soul of the United States Constitution. That is why the U.S. Supreme Court held the following:

*“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 [e.g. LICENSE as part of a franchise] 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)]



Notice the language “Congress cannot authorize [e.g. LICENSE] a trade or business within a State in order to tax it.”. All licensed activities are, in fact, franchises and excise taxes are what implement them and pay for them. The income tax itself, in fact, is such a franchise. See the following for exhaustive proof:

The “Trade or Business” Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

On the subject of whether Christians can be party to or consent to what the courts call "the social compact" and contract, God Himself says the following:

“You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a “resident” or domiciliary in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a snare to you.”  
[Exodus 23:32-33, Bible, NKJV]

Why did God warn Christians in this way? Because Rev. 19:19 identifies political rulers as "The Beast", and contracting with them MAKES you an officer of and one of them. And as their officer or public officer participating in their franchises, you can't avoid "serving them", and hence, violating the First Commandment NOT to serve other pagan gods, among which are included civil rulers or governments.

#### 15.4 “Domicile”= “allegiance” and “protection”

The U.S. Supreme Court describes the relationship of domicile to taxation as follows:

“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)]

The first thing to notice about the above ruling is that the essence of being a “citizen” is one’s domicile, not just their place of birth or naturalization. "Domicile" establishes your LEGAL status within a municipal government while "nationality" (being a "national") establishes your POLITICAL status and association with a specific nation under the law of nations.

“Nationality. That quality or character which arises from the fact of a person's belonging to a nation or state. Nationality determines the political status of the individual, especially with reference to allegiance; while domicile determines his civil status. Nationality arises either by birth or by naturalization. See also Naturalization.”  
[Black's Law Dictionary, Sixth Edition, p. 1025]

The U.S. Supreme Court admitted that an alien with a domicile in a place is treated as a native or naturalized “citizen” in nearly every respect. Note that they use the phrase “This right to protect persons having a domicile”, meaning they DON’T have a right to protect people who choose NOT to have a domicile and therefore are UNABLE to render protection because they can ONLY “govern” people who consent to be governed by choosing a domicile within their protection.

“This right to protect persons having a domicile, though not native-born or naturalized citizens, rests on the firm foundation of justice, and the claim to be protected is earned by considerations which the protecting power is not at liberty to disregard. Such domiciled citizen pays the same price for his protection as native-born or naturalized citizens pay for theirs. He is under the bonds of allegiance to the country of his residence, and, if he breaks them, incurs the same penalties. He owes the same obedience to the civil laws. His property is, to the same way and to the same extent as theirs, liable to contribute to the support of the Government. In nearly all respects, his and their condition as to the duties and burdens of Government are undistinguishable.”  
[Fong Yue Ting v. United States, 149 U.S. 698 (1893)]

Note also the key role of the word “intention” within the meaning of domicile. A person can have many “abodes”, which are the place they temporarily “inhabit”, but only one legal “domicile”. You cannot have a legal “domicile” in a place

without also having an intention (also called “consent”) to live there “permanently”, which implies allegiance to the people and the laws of that place.

“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)]

What the U.S. supreme Court essentially is describing above is a contract to procure the civil protection of a specific government, and it is giving that contract a name called “domicile”. What makes the contract binding is the fact that each party to the contract both gives and receives specific and measurable “consideration”. You manifest your consent to the contract by voluntarily calling yourself a “subject”, “inhabitant”, “citizen”, or “resident”, all of which have in common a domicile within the jurisdiction that those terms relate to. You give “allegiance” and the support (e.g. “taxes”) that go with that allegiance, and in return, the government has an implied legal duty to protect and serve you. All contracts require both mutual consent and mutual consideration. Without both demonstrated elements, the contract is unenforceable. The contract is therefore only enforceable if both parties incur reciprocal duties that are enforceable in court as “rights”. Below is how the U.S. Supreme Court again describes this “protection contract”:

*The reason why States are “bodies politic and corporate” is simple: just as a corporation is an entity that can act only through its agents, “[t]he State is a political corporate body, can act only through agents, and can command only by laws.”* Pointexter v. Greenhow, supra, 114 U.S., at 288, 5 S.Ct. at 912-913. See also Black’s Law Dictionary 159 (5th ed. 1979) (“[B]ody politic or corporate”: “A social compact by which the whole people covenants with each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common good”). As a “body politic and corporate,” a State falls squarely within the Dictionary Act’s definition of a “person.”  
[Will v. Michigan Dept. of State Police, 491 U.S. 58, 109 S.Ct. 2304 (U.S.Mich.,1989)]

Now let’s look at the domicile “protection contract” or “protection franchise” a little closer. Does it meet all the requisite legal elements of a legally enforceable contract? In fact, after you declare your exclusive allegiance to the “state” by declaring a “domicile” within that state so that you can procure “protection”, ironically, the courts continue to forcefully insist that your public SERVANTS STILL have NO LEGAL OBLIGATION to protect you! This is what Franklin Delano Roosevelt, the traitor, calls “The New Deal”, and what we call “The RAW Deal”. Below is the AMAZING truth right from the horse’s mouth, the courts, proving that police officers cannot be sued if they fail to come to your aid after you call them when you have a legitimate need for their protection:

Do You Have a Right to Police Protection?

<http://famguardian.org/Subjects/Crime/Articles/PoliceProtection.htm>

Consequently, the “protection contract” is unenforceable as a duty upon you because it imposes no reciprocal duty upon the government. On the one hand, the government throws people in jail for failing to pay for protection in the form of “taxes”, while on the other hand, it refuses to prosecute police officers for failing to provide the protection that was paid for, even though their willful or negligent refusal to protect us could have far more injurious and immediate effects than simply failing to pay for protection. This is a violation of the equal protection of the laws. If it is a crime to not pay for protection, then it ought to equally be a crime to not provide it! Who would want to live in a country or be part of a “state” that would condone such hypocrisy? That is why we advocate “divorcing the state”. It is precisely this type of hypocrisy that explains why prominent authorities will tell you that taxes are not “contractual”: because the courts treat it like a contract and a criminal matter to not pay taxes for “taxpayers”, but refuse to hold public servants equally liable for their half of the bargain, which is protection:

*“A tax is not regarded as a debt in the ordinary sense of that term, for the reason that a tax does not depend upon the consent of the taxpayer and there is no express or implied contract to pay taxes. Taxes are not contracts between party and party, either express or implied; but they are the positive acts of the government, through its various agents, binding upon the inhabitants, and to the making and enforcing of which their personal consent individually is not required.”*  
[Cooley, Law of Taxation, Fourth Edition, pp. 88-89]

The above is a deception at best and a LIE at worst. A “taxpayer” is legally defined as a person liable, and it is true that for such a person, taxes are not consensual and in no way “voluntary”. HOWEVER, the choice about whether one wishes to BECOME a “taxpayer” as legally defined in 26 U.S.C. §7701(a)(14) is based on domicile and the excise taxable activities one voluntarily engages in, both of which in fact ARE voluntary actions and choices. By their careful choice of words, they have misrepresented the truth so they could get into your pocket. What else would you expect of greedy LIARS, I mean

1 “lawyers”? We would also like to take this opportunity to clarify for whom taxes are "voluntary" in order to further clarify  
2 the title of this document:

- 3 1. Income taxes under I.R.C. Subtitle A are not voluntary for "taxpayers".
- 4 2. Income taxes under I.R.C. Subtitle A are not voluntary for everyone, because some subset of everyone are "taxpayers".
- 5 3. Income taxes under I.R.C. Subtitle A are voluntary for those who are "nontaxpayers", who we define here as those  
6 persons who are NOT the "taxpayer" defined in 26 U.S.C. §§7701(a)(14) and 1313.

7 *“Revenue Laws relate to taxpayers [officers, employees, instrumentalities, and elected officials of the Federal*  
8 *Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive*  
9 *jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for*  
10 *non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law. With them*  
11 *[non-taxpayers] Congress does not assume to deal and they are neither of the subject nor of the object of*  
12 *federal revenue laws.”*  
13 *[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]*

14 Some other points to consider about this “Raw Deal” scam:

- 15 1. You can’t be a “citizen” or a “resident” without having a legally enforceable right to protection.
- 16 2. Since the government won’t enforce the rendering of the ONLY consideration required to make you a “citizen” or a  
17 “resident”, then the protection contract is unenforceable and technically, you can’t lawfully therefore call yourself a  
18 “citizen”.
- 19 3. Since you can’t be a member of a “state” without being a “citizen”, then technically, there is no de jure “state”, no de  
20 jure government that serves this “state”, and no “United States”. It’s just “US”, friends, cause there ain’t no “U.S.”!
- 21 4. The implication is that your government has legally abandoned you and you are an orphan, because they didn’t  
22 complete their half of the protection contract bargain. Without a government, God is back in charge. The Bible says  
23 He owns the earth anyway, which leaves us as “nonresidents” and “transient foreigners” in respect to any jurisdiction  
24 that claims to be a “government” because we know they’re lying.
- 25 5. The bible says of this “Raw Deal” the following: You’ve been HAD, folks!

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

28 The U.S. Supreme Court has also held that “allegiance” is completely incompatible with any system of “citizenship” in a  
29 republican form of government, and that it is “repulsive”. Ironically, allegiance is exactly what we currently base our  
30 system of citizenship on in this country. Apparently, this is yet one more symptom that our government has become  
31 corrupted.

32 *“Yet, it is to be remembered, and that whether in its real origin, or in its artificial state, allegiance, as well as*  
33 *fealty, rests upon lands, and it is due to persons. Not so, with respect to Citizenship, which has arisen from the*  
34 *dissolution of the feudal system and is a substitute for allegiance, corresponding with the new order of things.*  
35 *Allegiance and citizenship, differ, indeed, in almost every characteristic. Citizenship is the effect of compact*  
36 *[CONTRACT!]; allegiance is the offspring of power and necessity. Citizenship is a political tie; allegiance is*  
37 *a territorial tenure. Citizenship is the charter of equality; allegiance is a badge of inferiority. Citizenship is*  
38 *constitutional; allegiance is personal. Citizenship is freedom; allegiance is servitude. Citizenship is*  
39 *communicable; allegiance is repulsive. Citizenship may be relinquished; allegiance is perpetual. With such*  
40 *essential differences, the doctrine of allegiance is inapplicable to a system of citizenship; which it can neither*  
41 *serve to controul, nor to elucidate.* And yet, even among the nations, in which the law of allegiance is the most  
42 firmly established, the law most pertinaciously enforced, there are striking deviations that demonstrate the  
43 invincible power of truth, and the homage, which, under every modification of government, must be paid to the  
44 inherent rights of man.....*The doctrine is, that allegiance cannot be due to two sovereigns; and taking an oath*  
45 *of allegiance to a new, is the strongest evidence of withdrawing allegiance from a previous, sovereign....”*  
46 *[Talbot v. Janson, 3 U.S. 133 (1795); From the syllabus but not the opinion; SOURCE:*  
47 *<http://www.law.cornell.edu/supct/search/display.html?terms=choice%20or%20conflict%20and%20law&url=/s>*  
48 *[upct/html/histories/USSC\\_CR\\_0003\\_0133\\_ZS.html](http://www.law.cornell.edu/supct/search/display.html?terms=choice%20or%20conflict%20and%20law&url=/s)**]*

49 Consequently, we must conclude that allegiance to anything but God is therefore to be avoided at all costs. Notice also that  
50 they say that citizenship is the effect of “compact”, which is a type of contract. If “domicile” is the basis of citizenship, and  
51 citizenship is the effect of “compact”, then “domicile” amounts to the equivalent of a “contract”. This leads us right back to  
52 the conclusion that the voluntary choice of one’s “domicile” is a “contract” to procure man-made protection and fire God as  
53 our protector:

1       “**Compact**, n. An agreement or contract between persons, nations, or states. Commonly applied to working  
2       agreements between and among states concerning matters of mutual concern. A contract between parties,  
3       which creates obligations and rights capable of being enforced and contemplated as such between the parties,  
4       in their distinct and independent characters. A mutual consent of parties concerned respecting some property  
5       or right that is the object of the stipulation, or something that is to be done or forborne. See also Compact  
6       clause; Confederacy; Interstate compact; Treaty.”  
7       [Black’s Law Dictionary, Sixth Edition, p. 281]

8       The Bible is consistent with the Supreme Court above in its disdain for “allegiance”. It has a name for those expressing  
9       “allegiance”: It is called an “oath”. When a person becomes a naturalized citizen of the United States, he must by law (see  
10      8 U.S.C. §1448) take an “oath” of “allegiance” and be “sworn in”. When a person signs an income tax return, he must  
11      swear a perjury oath. Jesus, on the other hand, commanded believers not to take “oaths” to anything but God, and  
12      especially not to earthly Kings, and said that doing otherwise was essentially Satanic:

13       “Again you have heard that it was said to those of old, “You shall not swear falsely, but shall perform your  
14      oaths to the Lord.” **But I say to you, do not swear at all: neither by heaven, for it is God’s throne; nor by the**  
15      **earth, for it is His footstool; nor by Jerusalem, for it is the city of the great King.** Nor shall you swear by your  
16      head, because you cannot make one hair white or black. But let your “Yes” be “Yes,” and your “No,” “No.” **For**  
17      **whatever is more than these is from the evil one [Satan].”**  
18      [Matt. 5:33-37, Bible, NKJV]

19      God also commanded us to take oaths ONLY in His name and no others:

20       “You shall fear the LORD your God and serve [only] Him, and shall take **oaths** in His name.”  
21      [Deut. 6:13, Bible, NKJV]

22       “If a man makes a vow to the LORD, or swears an **oath** to bind himself by some agreement, he shall not break  
23      his word; he shall do according to all that proceeds out of his mouth.”  
24      [Numbers 30:2, Bible, NKJV]

25      Israel’s first King, Saul, in fact, distressed the people because one of his first official acts was to try to put the people under  
26      oath to him instead of God.

27       “And the men of Israel were distressed that day, for Saul had placed the people under oath”  
28      [1 Sam. 14:24, Bible, NKJV]

29      God’s response to the Israelites electing a King/protector to whom they would owe “allegiance”, in fact, was to say that they  
30      sinned:

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

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

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

52       Nevertheless the people refused to obey the voice of Samuel; and they said, “No, but we will have a king over  
53      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  
54      battles.”

Notice above the repeated words "He [the new King] will take...". God is really warning them here that the King they elect will STEAL from them, which is exactly what our present day government does! Some things never change, do they?

## 15.5 Domicile is a First Amendment choice of political affiliation

Another very important observation is in order at this point, which is that our choice of "domicile" is a strictly political and not legal matter. It is a matter of our political choice and affiliation. The Supreme Court has ruled that no government may dictate our choice of political affiliations, as revealed in the American Jurisprudence Legal Encyclopedia:

*"The right to associate or not to associate with others solely on the basis of individual choice, not being absolute, may conflict with a societal interest in requiring one to associate with others, or to prohibit one from associating with others, in order to accomplish what the state deems to be the common good. **The Supreme Court, though rarely called upon to examine this aspect of the right to freedom of association, has nevertheless established certain basic rules which will cover many situations involving forced or prohibited associations.** Thus, where a sufficiently compelling state interest, outside the political spectrum, can be accomplished only by requiring individuals to associate together for the common good, then such forced association is constitutional. <sup>34</sup> **But the Supreme Court has made it clear that compelling an individual to become a member of an organization with political aspects, or compelling an individual to become a member of an organization which financially supports, in more than an insignificant way, political personages or goals which the individual does not wish to support, is an infringement of the individual's constitutional right to freedom of association.** <sup>35</sup> The First Amendment prevents the government, except in the most compelling circumstances, from wielding its power to interfere with its employees' freedom to believe and associate, or to not believe and not associate; it is not merely a tenure provision that protects public employees from actual or constructive discharge. <sup>36</sup> Thus, First Amendment principles prohibit a state from compelling any individual to associate with a political party, as a condition of retaining public employment. <sup>37</sup> The First Amendment protects nonpolicymaking public employees from discrimination based on their political beliefs or affiliation. <sup>38</sup> But the First Amendment protects the right of political party members to advocate that a specific person be elected or appointed to a particular office and that a specific person be hired to perform a governmental function. <sup>39</sup> In the First Amendment context, the political patronage exception to the First*

<sup>34</sup> Lathrop v. Donohue, 367 U.S. 820, 81 S.Ct. 1826, 6 L.Ed.2d. 1191 (1961), reh'g denied, 368 U.S. 871, 82 S.Ct. 23, 7 L.Ed.2d. 72 (1961) (a state supreme court may order integration of the state bar); Railway Emp. Dept. v. Hanson, 351 U.S. 225, 76 S.Ct. 714, 100 L.Ed. 1112 (1956), motion denied, 351 U.S. 979, 76 S.Ct. 1044, 100 L.Ed. 1494 (1956) and reh'g denied, 352 U.S. 859, 77 S.Ct. 22, 1 L.Ed.2d. 69 (1956) (upholding the validity of the union shop provision of the Railway Labor Act).

The First Amendment right to freedom of association of teachers was not violated by enforcement of a rule that white teachers whose children did not attend public schools would not be rehired. Cook v. Hudson, 511 F.2d. 744, 9 Empl. Prac. Dec. (CCH) ¶ 10134 (5th Cir. 1975), reh'g denied, 515 F.2d. 762 (5th Cir. 1975) and cert. granted, 424 U.S. 941, 96 S.Ct. 1408, 47 L.Ed.2d. 347 (1976) and cert. dismissed, 429 U.S. 165, 97 S.Ct. 543, 50 L.Ed.2d. 373, 12 Empl. Prac. Dec. (CCH) ¶ 11246 (1976).

Annotation: Supreme Court's views regarding Federal Constitution's First Amendment right of association as applied to elections and other political activities, 116 L.Ed.2d. 997, § 10.

<sup>35</sup> Rutan v. Republican Party of Illinois, 497 U.S. 62, 110 S.Ct. 2729, 111 L.Ed.2d. 52, 5 I.E.R. Cas. (BNA) 673 (1990), reh'g denied, 497 U.S. 1050, 111 S.Ct. 13, 111 L.Ed.2d. 828 (1990) and reh'g denied, 497 U.S. 1050, 111 S.Ct. 13, 111 L.Ed.2d. 828 (1990) (conditioning public employment hiring decisions on political belief and association violates the First Amendment rights of applicants in the absence of some vital governmental interest).

<sup>36</sup> Rutan v. Republican Party of Illinois, 497 U.S. 62, 110 S.Ct. 2729, 111 L.Ed.2d. 52, 5 I.E.R. Cas. (BNA) 673 (1990), reh'g denied, 497 U.S. 1050, 111 S.Ct. 13, 111 L.Ed.2d. 828 (1990) and reh'g denied, 497 U.S. 1050, 111 S.Ct. 13, 111 L.Ed.2d. 828 (1990).

Annotation: Public employee's right of free speech under Federal Constitution's First Amendment—Supreme Court cases, 97 L.Ed.2d. 903.

First Amendment protection for law enforcement employees subjected to discharge, transfer, or discipline because of speech, 109 A.L.R. Fed. 9.

First Amendment protection for judges or government attorneys subjected to discharge, transfer, or discipline because of speech, 108 A.L.R. Fed. 117.

First Amendment protection for public hospital or health employees subjected to discharge, transfer, or discipline because of speech, 107 A.L.R. Fed. 21.

First Amendment protection for publicly employed firefighters subjected to discharge, transfer, or discipline because of speech, 106 A.L.R. Fed. 396.

<sup>37</sup> Abood v. Detroit Bd. of Ed., 431 U.S. 209, 97 S.Ct. 1782, 52 L.Ed.2d. 261, 95 L.R.R.M. (BNA) 2411, 81 Lab. Cas. (CCH) ¶ 55041 (1977), reh'g denied, 433 U.S. 915, 97 S.Ct. 2989, 53 L.Ed.2d. 1102 (1977); Parrish v. Nikolits, 86 F.3d. 1088 (11th Cir. 1996), cert. denied, 117 S.Ct. 1818, 137 L.Ed.2d. 1027 (U.S. 1997).

<sup>38</sup> LaRou v. Ridlon, 98 F.3d. 659 (1st Cir. 1996); Parrish v. Nikolits, 86 F.3d. 1088 (11th Cir. 1996), cert. denied, 117 S.Ct. 1818, 137 L.Ed.2d. 1027 (U.S. 1997).

<sup>39</sup> Vickery v. Jones, 100 F.3d. 1334 (7th Cir. 1996), cert. denied, 117 S.Ct. 1553, 137 L.Ed.2d. 701 (U.S. 1997).



Amendment protection for public employees is to be construed broadly, so as presumptively to encompass positions placed by legislature outside of "merit" civil service. Positions specifically named in relevant federal, state, county, or municipal laws to which discretionary authority with respect to enforcement of that law or carrying out of some other policy of political concern is granted, such as a secretary of state given statutory authority over various state corporation law practices, fall within the political patronage exception to First Amendment protection of public employees.<sup>40</sup> However, a supposed interest in ensuring effective government and efficient government employees, political affiliation or loyalty, or high salaries paid to the employees in question should not be counted as indicative of positions that require a particular party affiliation.<sup>41</sup>

[*American Jurisprudence 2d*, Constitutional law, §546: Forced and Prohibited Associations]

One's choice of "domicile" certainly has far-reaching legal consequences and ramifications, but our choice of domicile is not a legal matter to be decided by any court. No court whether it be a federal or state court, has jurisdiction over strictly political matters. Below is what the U.S. Supreme Court has to say on this very subject:

*"But, fortunately for our freedom from political excitements in judicial duties, this court [the U.S. Supreme Court] can never with propriety be called on officially to be the umpire in questions merely political. The adjustment of these questions belongs to the people and their political representatives, either in the State or general government. These questions relate to matters not to be settled on strict legal principles. They are adjusted rather by inclination, or prejudice or compromise, often.*

[...]

Another evil, alarming and little foreseen, involved in regarding these as questions for the final arbitrament of judges would be that, in such an event, all political privileges and rights would, in a dispute among the people, depend on our decision finally. We would possess the power to decide against, as well as for, them, and, under a prejudiced or arbitrary judiciary, the public liberties and popular privileges might thus be much perverted, if not entirely prostrated. But, allowing the people to make constitutions and unmake them, allowing their representatives to make laws and unmake them, and without our interference as to their principles or policy in doing it, yet, when constitutions and laws are made and put in force by others, then the courts, as empowered by the State or the Union, commence their functions and may decide on the rights which conflicting parties can legally set up under them, rather than about their formation itself. Our power begins after theirs [the Sovereign People] ends. Constitutions and laws precede the judiciary, and we act only under and after them, and as to disputed rights beneath them, rather than disputed points in making them. We speak what is the law, jus dicere, we speak or construe what is the constitution, after both are made, but we make, or revise, or control neither. The disputed rights beneath constitutions already made are to be governed by precedents, by sound legal principles, by positive legislation e.g. "positive law", clear contracts, moral duties, and fixed rules; they are per se questions of law, and are well suited to the education and habits of the bench. But the other disputed points in making constitutions, depending often, as before shown, on policy, inclination, popular resolves and popular will and arising not in respect to private rights, not what is meum and tuum, but in relation to politics, they belong to politics, and they are settled by political tribunals, and are too dear to a people bred in the school of Sydney and Russel for them ever to intrust their final decision, when disputed, to a class of men who are so far removed from them as the judiciary, a class also who might decide them erroneously, as well as right, and if in the former way, the consequences might not be able to be averted except by a revolution, while a wrong decision by a political forum can often be peacefully corrected by new elections or instructions in a single month; and if the people, in the distribution of powers under the constitution, should ever think of making judges supreme arbiters in political controversies when not selected by nor, frequently, amenable to them nor at liberty to follow such various considerations in their judgments as [48 U.S. 53] belong to mere political questions, they will dethrone themselves and lose one of their own invaluable birthrights: building up in this way -- slowly, but surely -- a new sovereign power in the

Responsibilities of the position of director of a municipality's office of federal programs resembled those of a policymaker, privy to confidential information, a communicator, or some other office holder whose function was such that party affiliation was an equally important requirement for continued tenure. *Ortiz-Pinero v. Rivera-Arroyo*, 84 F.3d. 7 (1st Cir. 1996).

<sup>40</sup> *McCloud v. Testa*, 97 F.3d. 1536, 12 I.E.R. Cas. (BNA) 1833, 1996 FED App. 335P (6th Cir. 1996), reh'g and suggestion for reh'g en banc denied, (Feb. 13, 1997).

Law Reviews: Stokes, When Freedoms Conflict: Party Discipline and the First Amendment. 11 JL & Pol 751, Fall, 1995.

Pave, Public Employees and the First Amendment Petition Clause: Protecting the Rights of Citizen-Employees Who File Legitimate Grievances and Lawsuits Against Their Government Employers. 90 NW U LR 304, Fall, 1995.

Singer, Conduct and Belief: Public Employees' First Amendment Rights to Free Expression and Political Affiliation. 59 U Chi LR 897, Spring, 1992.

As to political patronage jobs, see § 472.

<sup>41</sup> *Parrish v. Nikolits*, 86 F.3d. 1088 (11th Cir. 1996), cert. denied, 117 S.Ct. 1818, 137 L.Ed.2d. 1027 (U.S. 1997).



1 republic, in most respects irresponsible and unchangeable for life, and one more dangerous, in theory at  
2 least, than the worst elective oligarchy in the worst of times. Again, instead of controlling the  
3 people in political affairs, the judiciary in our system was designed rather to control  
4 individuals, on the one hand, when encroaching, or to defend them, on the other,  
5 under the Constitution and the laws, when they are encroached upon. And if the judiciary at  
6 times seems to fill the important station of a check in the government, it is rather a check on the legislature, who  
7 may attempt to pass laws contrary to the Constitution, or on the executive, who may violate both the laws and  
8 Constitution, than on the people themselves in their primary capacity as makers and amenders of constitutions."  
9 [Luther v. Borden, 48 U.S. 1 (1849)]

10 Consequently, no court of law can interfere with your choice of legal domicile, which is a strictly political matter. To do  
11 otherwise would constitute compelled association in violation of the First Amendment as well as direct interference in the  
12 affairs of a political party, which is YOU. You are your own independent political party and a sovereignty separate and  
13 distinct from the federal or state sovereignties. A court of law is certainly not the proper forum, for instance, in which to  
14 question or politically ridicule one's choice of domicile, whether it be in front of a jury or a judge.

15 "Petitioners contend that immunity from suit in federal court suffices to preserve the dignity of the States.  
16 Private suits against nonconsenting States, however, present "the indignity of subjecting a State to the  
17 coercive process of judicial tribunals at the instance of private parties." In re Ayers, supra, at 505; accord,  
18 Seminole Tribe, 517 U.S., at 58, regardless of the forum. Not only must a State defend or default but also it  
19 must face the prospect of being thrust, by federal fiat and against its will, into the disfavored status of a debtor,  
20 subject to the power of private citizens to levy on its treasury or perhaps even government buildings or property  
21 which the State administers on the public's behalf.

22 [...]

23 "Underlying constitutional form are considerations of great substance. Private suits against nonconsenting  
24 States--especially suits for money damages--may threaten the financial integrity of the States. It is  
25 indisputable that, at the time of the founding, many of the States could have been forced into insolvency but  
26 for their immunity from private suits for money damages. Even today, an unlimited congressional power to  
27 authorize suits in state court to levy upon the treasuries of the States for compensatory damages, attorney's  
28 fees, and even punitive damages could create staggering burdens, giving Congress a power and a leverage  
29 over the States that is not contemplated by our constitutional design. The potential national power would  
30 pose a severe and notorious danger to the States and their resources."  
31 [Alden v. Maine, 527 U.S. 706 (1999)]

32 The Supreme Court said that the sovereignty of We The People is every bit as sacred as that of the states, so why should  
33 they not merit the same level of sovereign immunity from suit and dignity, especially in their choice of domicile, as that of  
34 the States? To wit:

35 "The rights of individuals and the justice due to them, are as dear and precious as those of states. Indeed the  
36 latter are founded upon the former; and the great end and object of them must be to secure and support the  
37 rights of individuals, or else vain is government."  
38 [Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 1 L.Ed. 440 (1793)]

39 "We The People" certainly cannot be "Sovereign" in any sense of the word if legal process can be maliciously and  
40 habitually abused by the government at great financial injury and inconvenience to them in the process of questioning or  
41 ridiculing their choice of domicile. In spite of this fact, this very evil happens daily in state and federal courts in the context  
42 of tax trials. We cannot restore the sovereignty of the people unless and until this chronic malicious abuse of legal and  
43 judicial process is ended immediately.

## 44 **15.6 "Domicile" and "residence" compared**

45 Black's Law Dictionary helps define the distinctions between residence and domicile:

46 RESIDENCE. A factual place of abode. Living in a particular locality. Reese v. Reese, 179 Misc. 665, 40  
47 N.Y.S.2d. 468, 472; Zimmerman v. Zimmerman, 175 Or. 585, 155 P.2d. 293, 295. It requires only bodily  
48 presence as an inhabitant of a place. In re Campbell's Guardianship, 216 Minn. 113, 11 N.W.2d. 786, 789.

49 As "domicile" and "residence" are usually in the same place, they are frequently used as if they had the same  
50 meaning, but they are not identical terms. for a person may have two places of residence, as in the city and  
51 country, but only one domicile. Residence means living in a particular locality, but domicile means living in  
52 that locality with intent to make it a fixed and permanent home. Residence simply requires bodily presence as

an inhabitant in a given place, while domicile requires bodily presence in that place and also an intention to make it one's domicile. In re Riley's Will, 266 N.Y.S. 209, 148 Misc. 588.

"Residence" demands less intimate local ties than "domicile, but "domicile" allows absence for indefinite period if intent to return remains. Immigration Act 1917. §3, 8 U.S.C.A. .§136 (e, p). Transatlantica Italiana v. Elting, C.C.A.N.Y., 74 F.2d. 732, 733. But see, Ward v. Ward, 115 W.Va. 429. 176 S.E. 708. 709; Southwestern Greyhound Lines v. Craig, 182 Okl. 610, 80 P.2d. 221, 224; holding that residence and domicile are synonymous terms. "Residence" has a meaning dependent on context and purpose of statute. In re Jones, 341 Pa. 329, 19 A.2d. 280. 282. Words "residence" and "domicile". may have an identical or variable meaning depending on subject-matter and context of statute. Kemp v. Kemp, 16 N.Y.S.2d. 26, 34, 172 Misc. 738. [Black's Law Dictionary, Revised Fourth Edition, p. 1473]

The above definition deliberately clouds the issue of:

1. Whether residence has consent as a prerequisite or not. We know based on previous analysis that domicile does.
2. What citizenship, domicile, and nationality status are associated with "residence" in each context.

When we look up the definitions for "abode" and "inhabitant" as used in the definition of "residence", they all connect back to domicile and therefore also have consent as a prerequisite.

1. Definition "inhabitant":

"Inhabitant. One who resides actually and permanently in a given place, and has his domicile there. Ex parte Shaw, 145 U.S. 444, 12 S.Ct. 935, 36 L.Ed. 768. The words "inhabitant," "citizen," and "resident," as employed in different constitutions to define the qualifications of electors, means substantially the same thing; and, in general, one is an inhabitant, resident, or citizen at the place where he has his domicile or home. But the terms "resident" and "inhabitant" have also been held not synonymous, the latter implying a more fixed and permanent abode than the former, and importing privileges and duties to which a mere resident would not be subject. A corporation can be an inhabitant only in the state of its incorporation. Sperry Products v. Association of American Railroads, C.C.A.N.Y., 132 F.2d. 408, 411. See also Domicile; Residence." [Black's Law Dictionary, Sixth Edition, p. 782]

2. Definition of "abode":

"Abode. One's home; habitation; place of dwelling; or residence. Ordinarily means "domicile." Living place impermanent in character. Fowler v. Fowler, 156 Fla. 316, 22 So.2d. 817, 818. The place where a person dwells. In re Erickson, 18 N.J.Misc. 5, 10 A.2d. 142, 146. Residence of a legal voter. Pope v. Board of Election Com'rs, 370 Ill. 196, 18 N.E.2d. 214, 216. Fixed place of residence for the time being. Augustus Co., for Use of Bourgeois v. Manzella, 19 N.J.Misc. 29, 17 A.2d. 68, 70. For service of process, one's fixed place of residence for the time being; his "usual place of abode." Fed.R. Civil P.4. Kurilla v. Roth, 132 N.J.L. 213, 38 A.2d. 862,864.

See Domicile; Residence. General abode. See Residence." [Black's Law Dictionary, Sixth Edition, p. 7]

So to say that a "residence" is "**A factual place of abode**" in the definition of "residence" means one's CHOSEN place of domicile. And to say that "**It requires only bodily presence as an inhabitant of a place**" in the definition of "residence" ALSO implies domicile and therefore requires consent.

The following authorities clarify that "residence", and especially in taxing statutes, is usually associated with constitutional alienage or "alien" status and excludes those who are nationals of the country:

The reasons for not allowing to other aliens exemption 'from the jurisdiction of the country in which they are found' were stated as follows: **'When private individuals of one nation [states of the Unions are "nations" under the law of nations] spread themselves through another as business or caprice may direct, mingling indiscriminately with the inhabitants of that other, or when merchant vessels enter for the purposes of trade, it would be obviously inconvenient and dangerous to society, and would subject the laws to continual infraction, and the government to degradation, if such individuals or merchants did not owe temporary and local allegiance, and were not amenable to the jurisdiction of the country. Nor can the foreign sovereign have any motive for wishing such exemption. His subjects thus passing into foreign countries are not employed by him, nor are they engaged in national pursuits. Consequently, there are powerful motives for not exempting persons of this description from the jurisdiction of the country in which they are found, and no one motive for requiring it. The implied license, therefore, under which they enter, can never be construed to grant such exemption.'** 7 Cranch, 144.

In short, the judgment in the case of *The Exchange* declared, as incontrovertible principles, that the jurisdiction of every nation within its own territory is exclusive and absolute, and is susceptible of no limitation not imposed by the nation itself; that all exceptions to its full and absolute territorial jurisdiction must be traced up to its own consent, express or implied; that upon its consent to cede, or to waive the exercise of, a part of its territorial jurisdiction, rest the exemptions from that jurisdiction of foreign sovereigns or their armies entering its territory with its permission, and of their foreign ministers and public ships of war; and that the implied license, under which private individuals of another nation enter the territory and mingle indiscriminately with its inhabitants, for purposes of business or pleasure, can never be construed to grant to them an exemption from the jurisdiction of the country in which they are found. See, also, *Carlisle v. U.S.* (1872) 16 Wall. 147, 155; *Radich v. Hutchins* (1877) 95 U.S. 210; *Wildenhus' Case* (1887) 120 U.S. 1, 7 Sup.Ct. 385; *Chae Chan Ping v. U.S.* (1889) 130 U.S. 581, 603, 604, 9 Sup.Ct. 623. [*United States v. Wong Kim Ark*, 169 U.S. 649, 18 S.Ct. 456, 42 L.Ed. 890 (1898)]

"Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country. Being bound to the society by reason of their dwelling in it, they are subject to its laws so long as they remain there, and, being protected by it, they must defend it, although they do not enjoy all the rights of citizens. They have only certain privileges which the law, or custom, gives them. Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizen of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children."

[*The Law of Nations*, Vattel, Book I, Chapter 19, Section 213, p. 87]

It therefore appears to us that the only occasion where "domicile" or "residence" are NOT equivalent is in the case of those who are constitutional but not statutory aliens of the place they are in. Otherwise, they are equivalent. The implication is that constitutional aliens do not need to consent to the civil laws of the place they are in because they are "privileged", where as nationals born there do. This appears to violate the notion of equal protection, which may explain why the legal dictionary was so terse in their definition of residence: because they don't want to admit that courts routinely treat people unequally and in violation of the requirement for equal protection.

Title 26: Internal Revenue  
PART 1—INCOME TAXES  
nonresident alien individuals  
§ 1.871-2 Determining residence of alien individuals.

(b) Residence defined.

An alien actually present in the United States who is not a mere transient or sojourner is a resident of the United States for purposes of the income tax. Whether he is a transient is determined by his intentions with regard to the length and nature of his stay. A mere floating intention, indefinite as to time, to return to another country is not sufficient to constitute him a transient. If he lives in the United States and has no definite intention as to his stay, he is a resident. One who comes to the United States for a definite purpose which in its nature may be promptly accomplished is a transient; but, if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a resident, though it may be his intention at all times to return to his domicile abroad when the purpose for which he came has been consummated or abandoned. An alien whose stay in the United States is limited to a definite period by the immigration laws is not a resident of the United States within the meaning of this section, in the absence of exceptional circumstances.

The phrase "definite purpose" is important in the definition of "residence" above. Those who have a definite purpose because of their eternal covenant with God and their contractual relationship to Him described in the Bible and who know they are only here temporarily can only be classified as "transients" above. This explains why our rulers in government want to get God out of the schools and out of public life: so that the sheep will have no purpose in life other than to serve them and waste themselves away in vain and sinful material pursuits.

"Then I hated all my labor in which I had toiled under the sun, because I must leave it to the man who will come after me. And who knows whether he will be wise or a fool? Yet he will rule over all my labor in which I toiled and in which I have shown myself wise under the sun. This also is vanity. Therefore I turned my heart and despaired of all the labor in which I had toiled under the sun. For there is a man whose labor is with wisdom, knowledge, and skill; yet he must leave his heritage to a man who has not labored for it. This also is vanity and a great evil. For what has man for all his labor, and for the striving of his heart with which he has toiled under the sun? For all his days are sorrowful, and his work burdensome; even in the night his heart takes no rest. This also is vanity."

[*Eccl. 2:18-23*, Bible, NKJV]

Only you, the Sovereign, can determine your “intention” in the context of “residence”. Notice the words “definite purpose”, “transient” and “temporary” in the definition of “residence” above are nowhere defined in the law, which means that you, and not your public servants, define them. If you do not intend to remain in the “United States”, which is defined as federal territory in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d) and not expanded elsewhere in Subtitle A to include any other place, then you can’t be counted as a “resident”, even if you are in fact an “alien”. The government cannot determine your intention for you. An intention that is not voluntary is not an intention, but simply a reaction to unjust external authority. This is the basis for why the Supreme Court said:

*“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*]

The California Election Code, Section 349 further clarifies the distinctions between “domicile” and “residence” as follows:

[California Election Code, section 349:](#)

349. (a) “Residence” for voting purposes means a person's domicile.

(b) The domicile of a person is that place in which his or her habitation is fixed, wherein the person has the intention of remaining, and to which, whenever he or she is absent, the person has the intention of returning. At a given time, a person may have only one domicile.

(c) The residence of a person is that place in which the person's habitation is fixed for some period of time, but wherein he or she does not have the intention of remaining. At a given time, a person may have more than one residence.

The above definition is consistent with the analysis earlier in this section, but don't make the false assumption that the above definitions apply within income tax codes, because they DON'T. Only statutory "citizens" who have a domicile within the forum can be the subject of the above statute relating to voting and elections, while the Internal Revenue Code, Subtitle A applies exclusively to privileged aliens who have a domicile or tax home on federal territory: two COMPLETELY different audiences of people, for which the terms are NOT interchangeable. A "residence" in the I.R.C. is the temporary abode of a privileged alien, while a "residence" in the election code is the temporary abode of a non-privileged Sovereign American National. The worst mistake that you can make as a person born in your country is to believe or think that laws written only for "aliens" or "resident aliens" apply to you. The only types of persons the federal government can write laws for in a state of the Union, in fact, are aliens and not those born there:

*In accord with ancient principles of the international law of nation-states, the Court in The Chinese Exclusion Case, [130 U.S. 581, 609](#) (1889), and in Fong Yue Ting v. United States, [149 U.S. 698](#) (1893), held broadly, as the Government describes it, Brief for Appellants 20, that the power to exclude aliens is "inherent in sovereignty, necessary for maintaining normal international relations and defending the country against foreign encroachments and dangers - a power to be exercised exclusively by the political branches of government . . . ." Since that time, the Court's general reaffirmations of this principle have [[408 U.S. 753, 766](#)] been legion. 6 The Court without exception has sustained Congress' "plenary power to make rules for the admission of aliens and to exclude those who possess those characteristics which Congress has forbidden." *Boutillier v. Immigration and Naturalization Service*, [387 U.S. 118, 123](#) (1967). "[O]ver no conceivable subject is the legislative power of Congress more complete than it is over" the admission of aliens. *Oceanic Navigation Co. v. Stranahan*, [214 U.S. 320, 339](#) (1909). [*Kleindienst v. Mandel*, [408 U.S. 753](#) (1972)]*

If you are born in a state of the Union and have a domicile there and not on federal territory, federal laws CANNOT and DO NOT apply to you. The only exception is if you contract away those rights by pursuing a federal government benefit, such as Social Security, Medicare, federal employment, etc. Otherwise, We the People are Sovereign over their public servants:

*"The ultimate authority ... resides in the people alone."*  
[James Madison, *The Federalist*, No. 46.]

*"Whatever these Constitutions and laws validly determine to be property, it is the duty of the Federal Government, through the domain of jurisdiction merely Federal, to recognize to be property."*

1 "And this principle follows from the structure of the respective Governments, State and Federal, and their  
2 reciprocal relations. **They are different agents and trustees of the people of the several States, appointed with**  
3 **different powers and with distinct purposes, but whose acts, within the scope of their respective jurisdictions,**  
4 **are mutually obligatory.**"  
5 [Dred Scott v. Sandford, 60 U.S. 393 (1856)]  
6

7 "While sovereign powers are delegated to ... the government, sovereignty itself remains with the people..."  
8 [Yick Wo v. Hopkins, [118 U.S. 356](#) (1886)]

9 "There is no such thing as a power of inherent sovereignty in the government of the United States .... In this  
10 country sovereignty resides in the people, and Congress can exercise no power which they have not, by their  
11 Constitution entrusted to it: All else is withheld."  
12 [Juilliard v. Greenman, 110 U.S. 421 (1884)]

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

## 18 **15.7 Choice of Domicile is a voluntary choice**

19 "**The rights of the individual are not derived from governmental agencies,** either municipal, state or federal,  
20 or even from the Constitution. **They exist inherently in every man, by endowment of the Creator, and are merely**  
21 **reaffirmed in the Constitution, and restricted only to the extent that they have been voluntarily surrendered by**  
22 **the citizenship to the agencies of government.** The people's rights are not derived from the government, but the  
23 government's authority comes from the people.\*946 The Constitution but states again these rights already  
24 existing, and when legislative encroachment by the nation, state, or municipality invade these original and  
25 permanent rights, it is the duty of the courts to so declare, and to afford the necessary relief. The fewer  
26 restrictions that surround the individual liberties of the citizen, except those for the preservation of the public  
27 health, safety, and morals, the more contented the people and the more successful the democracy."  
28 [City of Dallas v. Mitchell, 245 S.W. 944 (1922)]

29 The law and government that a person voluntarily consents or "intends" to be subject to determines where their "legal  
30 home" is under this concept. This choice must be completely voluntary and not subject to coercion or intimidation because  
31 all just powers of any free government derive from the "consent of the governed", as the Declaration of Independence  
32 indicates. This form of consent is called "allegiance" in the legal field. A voluntary choice of allegiance to a place amounts  
33 to a choice to join or associate with a group of people called a "state" and to respect, be subject to, and obey all positive  
34 laws passed by the citizens who dwell there. The First Amendment guarantees us a right of free association, and therefore,  
35 only we can choose the group of people we wish to associate with and be protected by as a result of choosing a "domicile".  
36 The First Amendment also guarantees us a right of freedom from "compelled association", which is the act of forcing a  
37 person to join or be part of any group, including a "state".

38 Just as there is freedom to speak, to associate, and to believe, so also there is freedom not to speak, associate,  
39 or believe "**The right to speak and the right to refrain from speaking [on a government tax return, and in**  
40 **violation of the [Fifth Amendment](#) when coerced, for instance] are complementary components of the broader**  
41 **concept of 'individual freedom of mind.'**" [Wooley v. Maynard \[430 U.S. 703\] \(1977\)](#). Freedom of conscience  
42 dictates that no individual may be forced to espouse ideological causes with which he disagrees:

43 "[A]t the heart of the [First Amendment](#) is the notion that the individual should be free to believe as he will, and  
44 that in a free society one's beliefs should be shaped by his mind and by his conscience rather than coerced by  
45 the State [through illegal enforcement of the revenue laws]." [Abood v. Detroit Board of Education \[431 U.S.](#)  
46 [209\] \(1977\)](#)

47 **Freedom from compelled association is a vital component of freedom of expression.** Indeed, freedom from  
48 compelled association illustrates the significance of the liberty or personal autonomy model of the [First](#)  
49 [Amendment](#). **As a general constitutional principle, it is for the individual and not for the state to choose**  
50 **one's associations and to define the persona which he holds out to the world.**  
51 [[First Amendment Law](#), Barron-Dienes, West Publishing, ISBN 0-314-22677-X, pp. 266-267]

52 Therefore, no government has lawful authority to compel us to choose a "domicile" that is within its legislative jurisdiction  
53 or to have allegiance towards it, because that would be compelled association. The right to choose what political group or  
54 country we wish to join and have allegiance to and protection from also implies that we can reject all the earthly options  
55 and simply elect to join God's followers and be subject ONLY to His laws. This type of government would be called a



"theocracy". This, in fact, is the goal of this entire publication: Establishing an ecclesiastical state separate from the corrupted governments that plague our land. It is a stark reality that what you define as protection might amount to its opposite for someone else. Therefore, each person is free to:

1. Define what "protection" means to them.
2. Choose to join a political group or country that agrees most with their definition of "protection". This makes them into "nationals" of that country who profess "allegiance" to the "state" and thereby merit its protection.
3. Choose a "domicile" within that country or group, and thereby become subject to its laws and a benefactor of its protection.

The notion of freedom to choose one's allegiances is a natural consequence of the fact that a "state" can consist of any number of people, from one person to millions or even billions of people. The political landscape constantly changes precisely because people are constantly exercising their right to change their political associations. A single person is free to create his own "state" and pass his own laws, and to choose a domicile within that created state. The boundaries of that created "state" might include only himself, only his immediate family, or encompass an entire city, county, or district. He might do this because he regards the society in which he lives to be so corrupt that it's laws, morality, and norms are injurious rather than protective. Such a motive, in fact, is behind an effort called the "Free State Project", in which people are trying to get together to create a new and different type of state within the borders of our country. The U.S. Supreme Court, in fact, has ruled that when the laws of a society become more injurious than protective to us personally, then we cease to have any obligation to obey them and may lawfully choose other allegiances and domiciles that afford better protection. To wit:

*"By the surrender, the inhabitants passed under a temporary allegiance to the British government and were bound by such laws and such only as it chose to recognize and impose. From the nature of the case, no other laws could be obligatory upon them, for where there is no protection or allegiance or sovereignty, there can be no claim to obedience."*  
[Hanauer v. Woodruff, [82 U.S. \(15 Wall.\) 439](#) (1872)]

If a person decides that the laws and the people of the area in which he lives are injurious of his life, liberty, and property, then he is perfectly entitled to withhold his allegiance and shift his domicile to a place where better protection is afforded. When a person has allegiance and domicile to a place or society other than where he lives, then he is considered "foreign" in that society and all people comprising that society become "foreigners" relative to him in such a case. He becomes a "transient foreigner" and the only laws that are obligatory upon him are the criminal laws and no other. Below is what the U.S. Supreme Court said about the right of people to choose to disassociate with such "foreigners" who can do them harm. Note that they say the United States government has the right to exclude foreigners who are injurious. This authority, it says, comes from the Constitution, which in turn was delegated by the Sovereign People. The People cannot delegate an authority they do not have, therefore they must individually ALSO have this authority within their own private lives of excluding injurious peoples from their legal and political life by changing their domicile and citizenship. This act of excluding such foreigners becomes what we call a "political divorce" and the result accomplishes the equivalent of "disconnecting from the government matrix":

*"The government, possessing the powers which are to be exercised for protection and security, is clothed with authority to determine the occasion on which the powers shall be called forth; and its determinations, so far as the subjects affected are concerned, are necessarily conclusive upon all its departments and officers. If, therefore, the government of the United States, through its legislative department, considers the presence of foreigners of a different race in this country, who will not assimilate with us, to be dangerous to its peace and security, their exclusion is not to be stayed because at the time there are no actual hostilities with the nation of which the foreigners are subjects. The existence of war would render the necessity of the proceeding only more obvious and pressing. The same necessity, in a less pressing degree, may arise when war does not exist, and the same authority which adjudges the necessity in one case must also determine it in the other. In both cases its determination is conclusive upon the judiciary. If the government of the country of which the foreigners excluded are subjects is dissatisfied with this action, it can make complaint to the executive head of our government, or resort to any other measure which, in its judgment, its interests or dignity may demand; and there lies its only remedy.*

*The power of the government to exclude foreigners from the country whenever, in its judgment, the public interests require such exclusion, has been asserted in repeated instances, and never denied by the executive or legislative departments.*

[...]



*The power of exclusion of foreigners being an incident of sovereignty belonging to the government of the United States as a part of those sovereign powers delegated by the constitution, the right to its exercise at any time when, in the judgment of the government, the interests of the country require it, cannot be granted away or restrained on behalf of any one.* The powers of government are delegated in trust to the United States, and are incapable of transfer to any other parties. They cannot be abandoned or surrendered. Nor can their exercise be hampered, when needed for the public good, by any considerations of private interest. The exercise of these public trusts is not the subject of barter or contract."  
[Chae Chan Ping v. U.S., [130 U.S. 581](#) (1889)]

Notice above the phrase:

*"If the government of the country of which the foreigners excluded are subjects is dissatisfied with this action, it can make complaint to the executive head of our government, or resort to any other measure which, in its judgment, its interests or dignity may demand; and there lies its only remedy."*

The court is tacitly admitting that there is NO legal remedy in the case where a foreigner is expelled because the party expelling him has an absolute right to do so. This inalienable right to expel harmful foreigners is just as true of what happens on a person's private property as it is to what they want to do with their ENTIRE LIFE, property, and liberty. This same argument applies to us divorcing ourselves from the state where we live. There is absolutely no legal remedy in any court and no judge has any discretion to interfere with your absolute authority to divorce not only the state, but HIM! This is BIG, folks! You don't have to prove that a society is injurious in order to disassociate from it because your right to do so is absolute, but if you want or need a few very good reasons why our present political system is injurious that you can show to a judge or a court, read through chapters 2 and 6 of our Great IRS Hoax, Form #11.302 book:

Great IRS Hoax

<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

Lastly, we emphasize that there is no method OTHER than domicile available in which to **consent** to the civil laws of a specific place. None of the following conditions, for instance, may form a basis for a prima facie presumption that a specific human being consented to be civilly governed by a specific municipal government:

1. Simply being born and thereby becoming a statutory "national" (per 8 U.S.C. §1101(a)(21)) of a specific country is NOT an exercise of personal discretion or an express act of consent.
2. Simply living in a physical place WITHOUT choosing a domicile there is NOT an exercise of personal discretion or an express act of consent.

### **15.8 Divorcing the "state": Persons with no domicile, who create their own "state", or a domicile in the Kingdom of Heaven**

If we divorce the society where we were born, do not abandon our nationality and allegiance to the state of our birth, but then choose a domicile in a place other than where we physically live and which is outside of any government that might have jurisdiction in the place where we live, then we become "transient foreigners" and "de facto stateless persons" in relation to the government of the place we occupy.

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

A "de facto stateless person" is anyone who is not entitled to claim the protection or aid of the government in the place where they live:

*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/>]

Notice the key attribute of a "de facto stateless person" is that they have abandoned the protection of their government because they believe it is hostile to him or her and is not only not protective, but is even injurious. Below is how the Supreme Court describes such persons:

The writers upon the law of nations distinguish between a temporary residence in a foreign country for a special purpose and a residence accompanied with an intention to make it a permanent place of abode. The latter is styled by Vattel [in his book *The Law of Nations* as] "domicile," which he defines to be "a habitation fixed in any place, with an intention of always staying there." **Such a person, says this author, becomes a member of the new society at least as a permanent inhabitant, and is a kind of citizen of the inferior order from the native citizens, but is, nevertheless, united and subject to the society,** without participating in all its advantages. **This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration.** Vatt. *Law Nat.* pp. 92, 93. **Grotius nowhere uses the word "domicile," but he also distinguishes between those who stay in a foreign country by the necessity of their affairs, or from any other temporary cause, and those who reside there from a permanent cause. The former he denominates "strangers," and the latter, "subjects."** The rule is thus laid down by Sir Robert Phillimore:

There is a class of persons which cannot be, strictly speaking, included in either of these denominations of naturalized or native citizens, namely, the class of those who have ceased to reside [maintain a domicile] in their native country, and have taken up a permanent abode in another. **These are domiciled inhabitants. They have not put on a new citizenship through some formal mode enjoined by the law or the new country. They are de facto, though not de jure, citizens of the country of their [new chosen] domicile.**  
[Fong Yue Ting v. United States, [149 U.S. 698](#) (1893)]

We must remember that in America, the People, and not our public servants, are the Sovereigns. We The People, who are the Sovereigns, choose our associations and govern ourselves through our elected representatives.

**"The words 'people of the United States' and 'citizens,' are synonymous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives. They are what we familiarly call the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty. ..."**  
[Boyd v. State of Nebraska, [143 U.S. 135](#) (1892)]

When those representatives cease to have our best interests or protection in mind, then we have not only a moral right, but a duty, according to our Declaration of Independence, 1776, to alter our form of self-government by whatever means necessary to guarantee our future security.

*"But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security."*  
[Declaration of Independence]

The lawful and most peaceful means of altering that form of government is simply to do one of the following:

1. Form our own self-government based on the de jure constitution and change our domicile to it. See:

Self Government Federation: Articles of Confederation, Form #13.002  
<http://sedm.org/Forms/FormIndex.htm>

2. Choose an existing government or country that is already available elsewhere on the planet as our protector.
3. Choose a domicile in a place that doesn't have a government. For instance, choose a domicile somewhere you have been in the past that doesn't have a government. For example, if you have legal evidence that you took a cruise, then choose your domicile in the middle of the ocean somewhere where the ship went.
4. Use God's laws as the basis for your own self-government and protection, as suggested in this book.

By doing one of the above, we are "firing" our local servants in government because they are not doing their job of protection adequately, and when we do this, we cease to have any obligation to pay for their services through taxation and they cease to have any obligation to provide any services. If we choose God and His laws as our form of government, then we choose Heaven as our domicile and our place of primary allegiance and protection. We then become:

1. "citizens of Heaven".
2. "nationals but not citizens" of the country in which we live.
3. Transient foreigners.
4. Ambassadors and ministers of a foreign state called Heaven.

Below is how one early state court described the absolute right to "divorce the state" by choosing a domicile in a place other than where we physically are at the time:

*"When a change of government takes place, from a monarchical to a republican government, the old form is dissolved. Those who lived under it, and did not choose to become members of the new, had a right to refuse their allegiance to it, and to retire elsewhere. By being a part of the society subject to the old government, they had not entered into any engagement to become subject to any new form the majority might think proper to adopt. That the majority shall prevail is a rule posterior to the formation of government, and results from it. It is not a rule upon mankind in their natural state. There, every man is independent of all laws, except those prescribed by nature. He is not bound by any institutions formed by his fellowmen without his consent"*  
[Cruden v. Neale, 2 N.C., 2 S.E. 70 (1796)]

How do we officially and formally notify the "state" that we have made a conscious decision to legally divorce it by moving our domicile outside its jurisdiction? That process is documented in the references below:

1. Sovereignty Forms and Instructions Online, Form #10.004, Instructions, Step 3.13 entitled: Correct Government Records documenting your citizenship status. Available free at:  
<http://famguardian.org/TaxFreedom/Instructions/3.13ChangeUSCitizenshipStatus.htm>
2. Sovereignty Forms and Instructions Manual, Form #10.005, Section 2.5.3.13. Same as the above item. Available free at:  
<http://sedm.org/Forms/FormIndex.htm>
3. By sending in the Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States. See:  
Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>
4. After accomplishing either of the above items, which are the same, making sure that all future government forms we fill out properly and accurately describe both our domicile and our citizenship status, in accordance with section 15.14 later.

5. By making sure that at all times, we use the proper words to describe our status so that we don't create false presumptions that might cause the government to believe we are "residents" with a domicile in the "United States" (federal territory):

5.1. Do not describe ourselves with the following words:

5.1.1. "individual" as defined in 5 U.S.C. §552a(a)(2) and 26 CFR §1.1441-1(c)(3).

5.1.2. "taxpayer" as defined in [26 U.S.C. §7701\(a\)\(14\)](#).

5.1.3. "U.S. person" as defined in [26 U.S.C. §7701\(a\)\(30\)](#).

5.1.4. "resident" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).

5.1.5. "alien"

5.2. Describe ourselves with the following words and phrases:

5.2.1. "nontaxpayer" not subject to the Internal Revenue Code. See:

5.2.1.1. "Taxpayer" v. "Nontaxpayer", Which One Are You?:

<http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm>

5.2.1.2. Your Rights as a "nontaxpayer", item 5.8

<http://sedm.org/LibertyU/LibertyU.htm>

5.2.2. "nonresident alien" as defined in 26 U.S.C. §7701(b)(1)(B).

5.2.3. The type of "nonresident alien" defined in 26 CFR §1.871-1(b)(1)(i) but who is NOT an "individual" within that regulation..

5.2.4. "national" under [8 U.S.C. §1101\(a\)\(21\)](#), but not *statutory* "citizen" as defined in [8 U.S.C. §1401](#). This person is also described in [8 U.S.C. §1452](#).

5.2.5. Not engaged in a "trade or business" as defined in [26 U.S.C. §7701\(a\)\(26\)](#).

5.2.6. Have not made any "elections" under [26 U.S.C. §7701\(b\)\(4\)\(B\)](#), [26 U.S.C. §6013\(g\)](#) or (h), or 26 CFR §1.871-1(a).

5.2.7. A "stateless person" who does not satisfy any of the criteria for diversity of citizenship described in [28 U.S.C. §1332](#) and who therefore cannot be sued in federal court. See [Newman-Green v. Alfonso Larrain, 490 U.S. 826 \(1989\)](#):

*"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."*  
[\[Newman-Green v. Alfonso Larrain, 490 U.S. 826 \(1989\)\]](#)

We emphasize that it isn't one's citizenship but one's choice of legal "domicile" that makes one sovereign and a "nontaxpayer". The way we describe our citizenship status is *affected by* and *a result of* our choice of legal "domicile", but changing one's citizenship status is not the nexus for becoming either a "sovereign" or a "nontaxpayer".

The only legal requirement for changing our domicile is that we must reside on the territory of the sovereign to whom we claim allegiance, and must intend to make membership in the community established by the sovereign permanent. In this context, the Bible reminds us that the Earth was created by and owned by our Sovereign, who is God, and that those vain politicians who claim to "own" or control it are simply "stewards" over what actually belongs to God alone. To wit:

*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."*  
[\[Isaiah 45:12, Bible, NKJV\]](#)

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

1 Some misguided Christians will try to quote Jesus, when He said of taxes the following in relation to “domicile”:

2 **“Render therefore to Caesar the things that are Caesar's, and to God the**  
3 **things that are God's.”**  
4 *[Matt. 22:15-22, Bible, NKJV]*

5 However, based on the scriptures above, which identify God as the owner of the Earth and the Heavens, we must ask  
6 ourself:

7 *“What is left that belongs to Caesar if EVERYTHING belongs to God?”*

8 The answer is NOTHING, except that which he STEALS from the Sovereign people and which they don't force him to  
9 return. Jesus knew this, but he gave a very indirect answer to keep Himself out of trouble when asked about taxes in the  
10 passage above. Therefore, when we elect or consent to change our domicile to the Kingdom of Heaven, we are  
11 acknowledging the Truth and the Authority of the Scripture and Holy Law above and the sovereignty of the Lord in the  
12 practical affairs of our daily lives. We are acknowledging our stewardship over what ultimately and permanently belongs  
13 ONLY to Him, and not to any man. Governments and civilizations come and go, but God's immutable laws are eternal.  
14 To NOT do this as a Christian amounts to mutiny against God. Either we honor the first four commandments of the Ten  
15 Commandments by doing this, or we will be dethroned as His Sovereigns and Stewards on earth.

16 **“Because you [Solomon, the wisest man who ever lived] have done this , and have not kept My covenant and**  
17 **My statutes [violated God's laws], which I have commanded you, I will surely tear the kingdom [and all your**  
18 **sovereignty] away from you and give it to your [public] servant.”**  
19 *[1 Kings 11:9-13, Bible, NKJV]*

20 By legally divorcing the “state” in changing our domicile to the Kingdom of Heaven or to someplace on earth where there  
21 is not man-made government, we must consent to be governed exclusively by God's laws and express our unfailing  
22 allegiance to Him as the source of everything we have and everything that we are. In doing so, we escape the constraints of  
23 earthly law and achieve the nirvana described by the Apostle Paul when he very insightfully said of this process of  
24 submission to God the following:

25 *“But if you are led by the Spirit, you are not under the law [man's law].”*  
26 *[Gal. 5:18, Bible, NKJV]*

27 The tendency of early Christians to do the above was precisely the reason why the Romans persecuted the Christians when  
28 Christianity was in its infancy: It lead to anarchy because Christians, like the Israelites, refused to be governed by anything  
29 but God's laws:

30 *“Then Haman said to King Ahasuerus, “There is a certain people [the Jews, who today are the equivalent of*  
31 *Christians] scattered and dispersed among the people in all the provinces of your kingdom; their laws are*  
32 *different from all other people's [because they are God's laws!], and they do not keep the king's [unjust] laws.*  
33 *Therefore it is not fitting for the king to let them remain. If it pleases the king, let a decree be written that they*  
34 *be destroyed, and I will pay ten thousand talents of silver into the hands of those who do the work, to bring it*  
35 *into the king's treasuries.”*  
36 *[Esther 3:8-9, Bible, NKJV]*

37 Christians who are doing and following the will of God are “anarchists”. An anarchist is simply anyone who refuses to  
38 have an earthly ruler and who instead insists on either self-government or a Theocracy in which God, whichever God you  
39 believe in, is our only King, Ruler, Lawgiver and Judge:

40 Main Entry: **an·ar·chy**  
41 Function: noun

42 Etymology: Medieval Latin anarchia, from Greek, from anarchos **having no [earthly] ruler,**  
43 from an- + archos ruler -- more at ARCH-  
44 [Source: Merriam Webster Dictionary]  
45

46 *“For the Lord is our Judge, the Lord is our Lawgiver, The Lord is our King; He will save us.”*  
47 *[Isaiah 33:22, Bible, NKJV]*



For a fascinating read on this subject, see:

*Jesus Is an Anarchist*

<http://famguardian.org/Subjects/Spirituality/ChurchvState/JesusAnarchist.htm>

Christians who are doing the will of God by changing their domicile to Heaven and divorcing the “state” are likely to be persecuted by the government and privileged 501(c)(3) corporate churches just as Jesus was because of their anarchistic tendencies because they render organized government irrelevant and unnecessary:

*“If the world hates you, you know that it hated Me before it hated you. If you were of the world, the world would love its own. **Yet because you are not of the world, but I chose you out of the world, therefore the world hates you. Remember the word that I said to you, ‘A servant is not greater than his master.’ If they persecuted Me, they will also persecute you.** If they kept My word, they will keep yours also. **But all these things they will do to you for My name’s sake, because they do not know Him who sent Me. If I had not come and spoken to them, they would have no sin, but now they have no excuse for their sin.** He who hates me hated My father also. **If I had not done among them the works which no one else did, they would have no sin; but now they have seen and also hated both Me and My Father.** But this happened that the word might be fulfilled which is written in their law, ‘They hated Me without a cause.’”*  
[John 15:18-25, Bible, NKJV]

Being “chosen out of the world” simply means, in legal terms, that we do not have a domicile here and are “transient foreigners”.

Those who do choose God as their sole source of law and civil (not criminal) government:

1. Become a “foreign government” in respect to the United States government and all other governments.
2. Are committing themselves to the ultimate First Amendment protected religious practice, which is that of adopting God and His sovereign laws as their *only* form of self-government.
3. Are taking the ultimate step in personal responsibility, by assuming responsibility for every aspect of their lives by divorcing the state and abandoning all government franchises:

*Government Instituted Slavery Using Franchises*, Form #05.030

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

4. Effectively become their own *self*-government and fire the government where they live in the context of all civil matters.
5. Are protected by the [Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapt. 97](#).
6. Are protected by the Minimum Contacts Doctrine and therefore exempt from the jurisdiction of federal and state courts except as they satisfy the provisions of the Foreign Sovereign Immunities Act or the “Longarm Statute” passed by the state where they temporarily inhabit.
7. Are internationally protected persons pursuant to [18 U.S.C. §112](#).
8. Are on an equal footing with any other nation and may therefore assert sovereign immunity in any proceeding against the government. This implies that:
  - 8.1. Any attempt to drag you into court by a government must be accompanied by proof that you consented in writing to the jurisdiction of the government attempting to sue you. Such consent becomes the basis for satisfying the criteria within the [Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapt. 97](#).
  - 8.2. You may use the same defense as the government in proving a valid contractual obligation, by showing the government the delegation of authority order constraining your delegated authority as God’s “public officer”. Anything another government alleges you consented in writing to must be consistent with the delegation of authority order or else none of the rights accrued to them are defensible in court. In this sense, you are using the same lame excuse they use for getting out of any obligations that you consented to, but were not authorized to engage in by the Holy Bible. This is explained in the document below:

*Delegation of Authority Order from God to Christians*, Form #13.007

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

9. Become ministers, ambassadors, “employees”, “public officers”, and officers of a foreign state called Heaven.
10. May not simultaneously act as “public officers” for any other foreign government, which would represent a conflict of interest.

*“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].”*  
[Matt. 6:24, Bible, NKJV. Written by a tax collector]



11. Are expressly exempt from taxation pursuant to [26 U.S.C. §892](#)(a)(1).
12. May file IRS Form W-8EXP as a nonresident alien and exempt all of their earnings from federal and state income taxation.
13. May use IRS Publication 515 to control their withholding as nonresident aliens.

The other very interesting consequences of the above status which makes it especially appealing are the following:

1. Nowhere in the Internal Revenue Code are any of the following terms defined: “foreign”, “foreign government”, “government”. Therefore, it would be impossible for the IRS to prove that you aren’t a “foreign government”.
2. The most important goal of the Constitutional Convention, and the reasons for the adoption of the Ninth and Tenth Amendment to the United States Constitution was to preserve as much self-government to the people and the states as possible. Any attempt to compel anyone to become a “subject” or accept more government than they need therefore violates the legislative intent of the United States Constitution.

The determination of the Framers Convention and the ratifying conventions to preserve complete and unimpaired state self-government in all matters not committed to the general government is one of the plainest facts which emerges from the history of their deliberations. And adherence to that determination is incumbent equally upon the federal government and the states. State powers can neither be appropriated on the one hand nor abdicated on the other. As this court said in Texas v. White, 7 Wall. 700, 725, 'The preservation of the States, and the maintenance of their governments, are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States.' Every journey to a forbidden end begins with the first step; and the danger of such a step by the federal government in the direction of taking over the powers of the states is that the end of the journey may find the states so despoiled of their powers, or-what may amount to the same thing-so [298 U.S. 238, 296] relieved of the responsibilities which possession of the powers necessarily enjoins, as to reduce them to little more than geographical subdivisions of the national domain. It is safe to say that if, when the Constitution was under consideration, it had been thought that any such danger lurked behind its plain words, it would never have been ratified.

And the Constitution itself is in every real sense a law-the lawmakers being the people themselves, in whom under our system all political power and sovereignty primarily resides, and through whom such power and sovereignty primarily speaks. It is by that law, and not otherwise, that the legislative, executive, and judicial agencies which it created exercise such political authority as they have been permitted to possess. The Constitution speaks for itself in terms so plain that to misunderstand their import is not rationally possible. 'We the People of the United States,' it says, 'do ordain and establish this Constitution.' Ordain and establish! These are definite words of enactment, and without more would stamp what follows with the dignity and character of law. The framers of the Constitution, however, were not content to let the matter rest here, but provided explicitly-'This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; ... shall be the supreme Law of the Land.' (Const. art. 6, cl. 2.) The supremacy of the Constitution as law is thus declared without qualification. That supremacy is absolute; the supremacy of a statute enacted by Congress is not absolute but conditioned upon its being made in pursuance of the Constitution. And a judicial tribunal, clothed by that instrument with complete judicial power, and, therefore, by the very nature of the power, required to ascertain and apply the law to the facts in every case or proceeding properly brought for adjudication, must apply the supreme law and reject the inferior stat- [298 U.S. 238, 297] ute whenever the two conflict. In the discharge of that duty, the opinion of the lawmakers that a statute passed by them is valid must be given great weight, Adkins v. Children's Hospital, [261 U.S. 525, 544](#), 43 S.Ct. 394, 24 A.L.R. 1238; but their opinion, or the court's opinion, that the statute will prove greatly or generally beneficial is wholly irrelevant to the inquiry. Schechter Poultry Corp. v. United States, [295 U.S. 495, 549](#), 550 S., 55 S.Ct. 837, 97 A.L.R. 947.  
[Carter v. Carter Coal Co., [298 U.S. 238](#) (1936)]

3. If another government attempts to interfere with the affairs of your own foreign self-government, then they:
  - 3.1. Are violating your First Amendment right to practice your religion by living under the laws of your God. This tort is cognizable under the Religious Freedom Restoration Act, 42 U.S.C. Chapter 21B and constitutes a tort against the foreign invader.
  - 3.2. Are hypocrites, because they are depriving others equal right to the same authority that they themselves have. No legitimate government can claim to be operating lawfully which interferes with the equal right of others to self-government.
  - 3.3. Are in a sense attempting to outlaw the ultimate form of personal responsibility, which is entirely governing your own life and supporting yourself. The outlawing of personal responsibility and replacing or displacing it with collective responsibility of the “state” can never be in the public interest, especially considering how badly our present government mismanages and bankrupts nearly everything it puts its hands on.

## 15.9 You can only have one Domicile and that place and government becomes your main source of protection

The reason why government forms will ask what a person's domicile is are explained as follows:

1. A person can only have "allegiance" towards one and only one "sovereign". The U.S. Supreme Court confirmed this when it said:

**"Citizenship is a political tie; allegiance is a territorial tenure. [ . . . ] 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); From the syllabus but not the opinion; SOURCE: [http://www.law.cornell.edu/supct/search/display.html?terms=choice%20or%20conflict%20and%20law&url=/supct/html/historics/USSC\\_CR\\_0003\\_0133\\_ZS.html](http://www.law.cornell.edu/supct/search/display.html?terms=choice%20or%20conflict%20and%20law&url=/supct/html/historics/USSC_CR_0003_0133_ZS.html)]

This is also consistent with the Bible, which says on this subject:

*"No servant can serve two masters; 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."  
[Jesus [God] speaking in Luke 16:13, Bible, NKJV]*

2. Choosing a "domicile" in a place is what makes a person a "citizen" under the laws of that place. Because you can only have a "domicile" in one place at a time, then you can only be a "citizen" in one place at a time. Becoming a statutory "citizen" is what makes you "subject" to the civil laws in that place and is the origin of your authority and privilege to vote, serve on jury duty, and pay income taxes in that place. For instance, Mexicans temporarily visiting the United States and who have not changed their "domicile" to the United States are called "Mexican Nationals" while they are here. When they return to the place of their domicile, they are called "Mexican citizens".
3. A legal means needs to be established to pay for the protection afforded by the sovereign to whom we claim allegiance. "Taxes" are the legal vehicle by which "protection" is paid for. In earlier times, in fact, "taxes" were called "tribute". When we pay "tribute", we are expressing "allegiance" to our personal "sovereign" by offering it our time and money. Below is a very revealing quote from a famous Bible dictionary which explains the meaning of the word "tribute" in a Biblical context:

**"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]

Therefore, establishing a "domicile" or "residence" also establishes a voluntary "tax home" as well. There are several problems with the above worldly approach that conflict with Christianity:

1. Luke 16:13 above implies that those who demonstrate allegiance become "servants" of those they demonstrate "allegiance" towards. There is a maxim of law to describe this fraud:

*"Protectio trahit subjectionem, subjectionem projectionem.  
Protection draws to it subjection, subjection, protection. Co. Litt. 65."  
[Bouvier's Maxims of Law, 1856;*

*SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>*

2. God said we can serve only Him, and therefore we cannot have "allegiance" to anything but Him.

*"Away with you, Satan! For it is written, 'You shall worship the Lord your God, and Him ONLY [NOT the government or its vain laws!] you shall serve.'"  
[Matt. 4:10, Bible, NKJV]*

- 1 3. Serving anyone but God amounts to idolatry in violation of the first four commandments found in the Ten  
2 Commandments. Idolatry is the worst of all sins documented in the Bible. In the Old Testament book of Ezekiel, God  
3 killed people and destroyed whole cities whose inhabitants committed idolatry.  
4 4. The government cannot compel us to consent to anything or to demonstrate “allegiance” toward it. Allegiance must  
5 always be completely voluntary.

6 Therefore, Christians cannot be expected or required to either accept, consent to, or pay for protection that God says comes  
7 ONLY from Him. They cannot allow government to assume an authority equal or superior to God in their lives, including  
8 in the area of protection. The only purpose for government is “protection”.

9 *“Allegiance and protection are, in this connection, reciprocal obligations. The one is a compensation for the*  
10 *other; allegiance for protection and protection for allegiance.”*  
11 *[Minor v. Happersett, 88 U.S. (21 Wall.) 162, 166-168 (1874)]*

12 Any government form that asks us what our “domicile” is indirectly is asking us to whom we have exclusive “allegiance”.  
13 Any government that passes a law compelling “allegiance” or requiring us to consent to laws or a government or protection  
14 that we don’t want is:

- 15 1. Implementing slavery in violation of the [Thirteenth Amendment](#), 18 U.S.C. §1581, [18 U.S.C. §1583](#), and [42 U.S.C.](#)  
16 [§1994](#).  
17 2. Making themselves into an organized crime syndicate that earns its revenues from “protection”. This is called a  
18 “protection racket” and it is a federal crime under [18 U.S.C. §1951](#).  
19 3. Violating the antitrust laws at [15 U.S.C. §2](#), by making themselves into a monopoly that is the only source of  
20 “protection”.

21 The Bible describes such an organized crime syndicate as “the Beast”, which Rev. 19:19 defines as “the kings of the earth”.  
22 In modern times, this would be our political rulers.

### 23 **15.10 Effect of domicile on citizenship and synonyms for domicile**

24 Now let’s summarize what we have just learned so far to show graphically the effect that one’s choice of domicile has on  
25 their citizenship status. Below are some authorities upon which we will base our summary and analysis.

26 *“Domicile and citizen are synonymous in federal courts, Earley v. Hershey Transit Co., D.C. Pa., 55 F.Supp.*  
27 *981, 982; inhabitant, resident and citizen are synonymous, Standard Stoker Co. v. Lower, D.C.Md., 46 F.2d.*  
28 *678, 683.”*  
29 *[Black’s Law Dictionary, Fourth Edition, p. 311]*  
30

31 *“The term ‘citizen’, as used in the Judiciary Act with reference to the jurisdiction of the federal courts, is*  
32 *substantially synonymous with the term ‘domicile’. Delaware, L. & W.R. Co. v. Petrowsky, 2 Cir., 250 F. 554,*  
33 *557.”*  
34 *[Earley v. Hershey Transit Co., 55 F.Supp. 981, D.C.PA. (1944)]*  
35

36 *The terms “citizen” and “citizenship” are distinguishable from “resident” or “inhabitant.” Jeffcott v. Donovan,*  
37 *C.C.A.Ariz., 135 F.2d. 213, 214; and from “domicile,” Wheeler v. Burgess, 263 Ky. 693, 93 S.W.2d. 351, 354;*  
38 *First Carolinas Joint Stock Land Bank of Columbia v. New York Title & Mortgage Co., D.C.S.C., 59 F.2d. 35j0,*  
39 *351. The words “citizen” and citizenship,” however, usually include the idea of domicile, Delaware,*  
40 *L.&W.R.Co. v. Petrowsky, C.C.A.N.Y., 250 F. 554, 557; citizen inhabitant and resident often synonymous,*  
41 *Jonesboro Trust Co. v. Nutt, 118 Ark. 368, 176 S.W. 322, 324; Edgewater Realty Co. v. Tennessee Coal, Iron &*  
42 *Railroad Co., D.C.Md., 49 F.Supp. 807, 809; and citizenship and domicile are often synonymous. Messick v.*  
43 *Southern Pa. Bus Co., D.C.Pa., 59 F.Supp. 799, 800.*  
44 *[Black’s Law Dictionary, Fourth Edition, p. 310]*

45 We will now present a table based on the above consistent with the entire content of the document which you can use for all  
46 future reference. The term “Domestic National” in the table below refers to a person born in any state of the Union, or in a  
47 territory or possession of the United States:

48 **Table 14: Effect of domicile on citizenship status**

Description	CONDITION		
	Domicile WITHIN the FEDERAL ZONE and located in FEDERAL ZONE	Domicile WITHIN the FEDERAL ZONE and temporarily located abroad in foreign country	Domicile WITHOUT the FEDERAL ZONE and located WITHOUT the FEDERAL ZONE
Location of domicile	“United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)	“United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)	Without the “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)
Physical location	Federal territories, possessions, and the District of Columbia	Foreign nations ONLY (NOT states of the Union)	Foreign nations states of the Union Federal possessions
Tax Status	“U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>	“U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>	“Nonresident alien” <a href="#">26 U.S.C. §7701(b)(1)(B)</a>
Tax form(s) to file	IRS Form 1040	IRS Form 1040 plus 2555	IRS Form 1040NR: “alien individuals”, “nonresident alien individuals” <u>No filing requirement</u> : “non-citizen nationals”
Status if DOMESTIC national	Citizen <a href="#">8 U.S.C. §1401</a> (Not required to file if physically present in the “United States” because no statute requires it)	Citizen abroad <a href="#">26 U.S.C. §911</a> (Meets presence test)	“non-citizen National” <a href="#">8 U.S.C. §1101(a)(21)</a> <a href="#">8 U.S.C. §1101(a)(22)(B)</a> <a href="#">8 U.S.C. §1408</a> <a href="#">8 U.S.C. §1452</a>
Status if FOREIGN national	“Resident alien” <a href="#">26 U.S.C. §7701(b)(1)(A)</a>	“Resident alien abroad” <a href="#">26 U.S.C. §911</a> (Meets presence test)	“Nonresident alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(ii)</a> “Alien”: <a href="#">8 U.S.C. §1101(a)(3)</a> “Alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(i)</a>

#### NOTES:

1. “United States” is defined as federal territory within 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d), and 4 U.S.C. §110(d). It does not include any portion of a Constitutional state of the Union.
2. The “District of Columbia” is defined as a federal corporation but not a physical place, a “body politic”, or a de jure “government” within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: *Corporatization and Privatization of the Government*, Form #05.024; <http://sedm.org/Forms/FormIndex.htm>.
3. American nationals who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign country, are “nationals” but not “citizens” under federal law. They also qualify as “nonresident aliens” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). See sections 4.11.2 of the *Great IRS Hoax*, Form #11.302 for details.
4. Temporary domicile in the middle column on the right must meet the requirements of the “Presence test” documented in IRS publications.
5. District of Columbia, Puerto Rico, and the territories and insular possessions of the United States in the above table.
6. The term “individual” as used on the IRS Form 1040 means an “alien” engaged in a “trade or business”. All “taxpayers” are “aliens” engaged in a “trade or business”. This is confirmed by 26 CFR §1.1441-1(c)(3), 26 CFR §1.1-1(a)(2)(ii), and [5 U.S.C. §552a\(a\)\(2\)](#). Statutory “U.S. citizens” as defined in [8 U.S.C. §1401](#) are not “individuals” unless temporarily abroad pursuant to [26 U.S.C. §911](#) and subject to an income tax treaty with a foreign country. In that capacity, statutory “U.S. citizens” interface to the I.R.C. as “aliens” rather than “U.S. citizens” through the tax treaty.

Based on the above table, we can see that when a person within any government identifies you as a “citizen”, they presuppose that you maintain a “domicile” within their jurisdiction. The same thing goes for the term “inhabitant”, which also describes a person with a domicile within the jurisdiction of the local government where he lives. Note the use of the phrase “reside actually and permanently in a given place and has a domicile there” in the definition of inhabitant:

*“Inhabitant. One who reside actually and permanently in a given place, and has his domicile there. Ex parte Shaw, 145 U.S. 444, 12 S.Ct. 935, 36 L.Ed. 768.*

The words "inhabitant," "citizen," and "resident," as employed in different constitutions to define the qualifications of electors, means substantially the same thing; and, in general, one is an inhabitant, resident, or citizen at the place where he has his domicile or home. But the terms "resident" and "inhabitant" have also been held not synonymous, the latter implying a more fixed and permanent abode than the former, and importing privileges and duties to which a mere resident would not be subject. A corporation can be an inhabitant only in the state of its incorporation. *Sperry Products v. Association of American Railroads*, C.C.A.N.Y., 132 F.2d 408, 411. See also [Domicile](#); [Residence](#).  
[Black's Law Dictionary, Sixth Edition, p. 782]

The legal dictionary is careful to disguise the requirement for "domicile" in their definition of "resident". To admit that domicile was a prerequisite for being a "resident", they would open the door for a mass exodus of the tax system by most people, so they beat around the bush. For instance, here is the definition of "resident" from Black's Law Dictionary:

**Resident.** "Any person who occupies a dwelling within the State, has a present intent to remain within the State for a period of time, and manifests the genuineness of that intent by establishing an ongoing physical presence within the State together with indicia that his presence within the State is something other than merely transitory in nature. The word "resident" when used as a noun means a dweller, habitant or occupant; one who resides or dwells in a place for a period of more, or less, duration; it signifies one having a residence, or one who resides or abides. [*Hanson v. P.A. Peterson Home Ass'n*, 35 Ill.App2d 134, 182 N.E.2d 237, 240] [Underlines added]

Word "resident" has many meanings in law, largely determined by statutory context in which it is used. [*Kelm v. Carlson*, C.A.Ohio, 473, F.2d 1267, 1271]  
[Black's Law Dictionary, Sixth Edition, p. 1309]

The Law of Nations, which is mentioned in Article 1, Section 8 of our Constitution and was used by the Founding Fathers to write the Constitution, is much more clear in its definition of "resident", and does essentially admit a requirement for "domicile" in order for an "alien" to be classified as a "resident":

**Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country.** Being bound to the society by reason of their [intention of] dwelling in it, they are subject to its laws so long as they remain there, and, being protected by it, they must defend it, although they do not enjoy all the rights of citizenship. They have only certain privileges which the law, or custom, gives them. Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizen of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children."  
[[The Law of Nations](#), p. 87, E. De Vattel, Volume Three, 1758, Carnegie Institution of Washington; emphasis added.]

You can read the above yourself at:

<http://famguardian.org/TaxFreedom/CitesByTopic/Resident-LawOfNations.pdf>

If you want to read more about this "resident" scam, consult section 4.10 of the free [Great IRS Hoax](#), Form #11.302.

Since the only definition of "[resident](#)" found anywhere in the [Internal Revenue Code](#) or the Treasury Regulations is that of a "resident alien", found in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#), then we:

1. Are not "[residents](#)" because we are not "[aliens](#)" and do not have a "domicile" in the "United States" (federal territory). Therefore, we do not have a "residence".
2. Do not have a "residence", because only "aliens" can have a "residence" under [26 CFR §1.871-2\(a\)](#).
3. Are "[nonresident aliens](#)" under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#)
4. Are "[nationals](#)" but not "[citizens](#)" under [8 U.S.C. §1101\(a\)\(21\)](#) and/or [8 U.S.C. §1101\(a\)\(22\)\(B\)](#).
5. Are "transient foreigners":

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

## **15.11 Effect of domicile on CIVIL STATUTORY "status"**

We have already established that civil law attaches to one's VOLUNTARY choice of civil domicile. Civil law, in turn, enforces and thereby delivers certain "privileges" against those who are subject to it. In that sense, the civil law acts as a



voluntary franchise or “protection franchise” that is only enforceable against those who voluntarily consent to avail themselves of its “benefits” or “protections”. Those who voluntarily and consensually avail themselves of such “benefits” and who are therefore SUBJECT to the “protection franchise” called domicile, in turn, are treated as public officers within the government under federal law, as is exhaustively established in the following memorandum:

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

The key thing to understand about all franchises is that the Congressionally created privileges or “public rights” they enforce attach to specific STATUTES under them. An example of such statutes include:

1. “Person” or “individual”.
2. “Driver” under the vehicle code of your state.
3. “Spouse” under the family code of your state.
4. “Taxpayer” under the Internal Revenue Code at 26 U.S.C. §7701(a)(14).
5. “Citizen”, “resident”, or “inhabitant” under the civil laws of your state.

The above statutes are the very SAME “statutes” you find on ALL government forms and applications, such as voter registrations, drivers’ license applications, marriage license applications, etc. The purpose of filling out all such applications is to CONTRACT to PROCURE the status indicated on the form and have it RECOGNIZED by the government grantor who created the privileges you are pursuing under the civil law franchises that implement the form or application. The ONLY way to AVOID contracting into the franchise if you are FORCED to fill out such forms is to:

1. Define all terms on the form in a MANDATORY attachment so as to EXCLUDE those found in any government law. Write above your signature the following:

*“Not valid, false, fraudulent, and perjurious unless accompanied by the SIGNED attachment entitled \_\_\_\_\_, consisting of \_\_\_\_ pages.”*

2. Indicate "All rights reserved, UCC-1-308" near the signature line on the application.
3. Indicate "Non assumpsit" on the application, or scribble it as your signature.
4. Indicate "duress" on the form.
5. Resubmit the form after the fact either in person or by mail fixing the application to indicate duress and withdraw your consent.
6. Ask the government accepting the application to indicate that you are not qualified because you do not consent and consent is mandatory. Then show that denial to the person who is trying to FORCE you to apply.
7. Submit a criminal complaint against the party instituting the duress to get you to apply.
8. Notify the person instituting the unlawful duress that they are violating your rights and demand that they retract their demand for you to apply for something.

Below is an authority proving this phenomenon as explained by the U.S. Supreme Court:

*In Udny v. Udny (1869) L. R. 1 H. L. Sc. 441, the point decided was one of inheritance, depending upon the question whether the domicile of the father was in England or in Scotland, he being in either alternative a British subject. Lord Chancellor Hatherley said: ‘The question of naturalization and of allegiance is distinct from that of domicile.’ Page 452. Lord Westbury, in the passage relied on by the counsel for the United States, began by saying: ‘The law of England, and of almost all civilized countries, ascribes to each individual at his birth two distinct legal states or conditions,—one by virtue of which he becomes the subject [NATIONAL] of some particular country, binding him by the tie of natural allegiance, and which may be called his political status; another by virtue of which he has ascribed to him the character of a citizen of some particular country, and as such is possessed of certain municipal rights, and subject to certain obligations, which latter character is the civil status or condition of the individual, and may be quite different from his political status.’ And then, while maintaining that the civil status is universally governed by the single principle of domicile (domicilium), the criterion established by international law for the purpose of determining civil status, and the basis on which ‘the personal rights of the party—that is to say, the law which determines his majority or minority, his marriage, succession, testacy, or intestacy—must depend,’ he yet distinctly recognized that a*



**man's political status, his country (patria), and his 'nationality,'—that is, natural allegiance,'—'may depend on different laws in different countries.'**

**Pages 457, 460.** He evidently used the word 'citizen,' not as equivalent to 'subject,' but rather to 'inhabitant'; and had no thought of impeaching the established rule that all persons born under British dominion are natural-born subjects.

[United States v. Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456, 42 L.Ed. 890 (1898) ;

SOURCE: [http://scholar.google.com/scholar\\_case?case=3381955771263111765](http://scholar.google.com/scholar_case?case=3381955771263111765)]

The protections of the Constitution and the common law, on the other hand, attach NOT to your STATUTORY status, but to the LAND you stand on at the time you receive an injury from either the GOVERNMENT or a PRIVATE human being, respectively:

*"It is locality that is determinative of the application of the Constitution, in such matters as judicial procedure, and not the status of the people who live in it."*

[Balzac v. Porto Rico, 258 U.S. 298 (1922)]

The thing that we wish to emphasize about this important subject are the following VERY IMPORTANT facts:

1. Your STATUS under the civil STATUTORY law is exclusively determined by the exercise of your PRIVATE, UNALIENABLE right to both contract and associate, which are protected by the First Amendment to the United States Constitution.
2. The highest exercise of your right to sovereignty is the right to determine and enforce the STATUS you have CONSENSUALLY and VOLUNTARILY acquired under the civil laws of the community you are in.
3. Anyone who tries to associate a CIVIL statutory status with you absent your DEMONSTRATED, EXPRESS, WRITTEN consent is:
  - 3.1. Violating due process of law.
  - 3.2. STEALING property or rights to property from you. The "rights" or "public rights" that attach to the status are the measure of WHAT is being "stolen".
  - 3.3. Exercising eminent domain without compensation against otherwise PRIVATE property in violation of the state constitution. The property subject to the eminent domain are all the rights that attach to the status they are FORCING upon you. YOU and ONLY YOU have the right to determine the compensation you are willing to accept in exchange for your private rights and private property.
  - 3.4. Compelling you to contract with the government that created the franchise status, because all franchises are contracts.
  - 3.5. Kidnapping your legal identity and moving it to a foreign state, if the STATUS they impute to you arises under the laws of a foreign state. This, in turn is an act of INTERNATIONAL TERRORISM in criminal violation of 18 U.S.C. §2331(1)(B)(iii).
4. All de jure government civil law is TERRITORIAL in nature and attaches ONLY to the territory upon which they have EXCLUSIVE or GENERAL jurisdiction. It does NOT attach and CANNOT attach to places where they have only SUBJECT matter jurisdiction, such as in states of the Union.

*"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.]

5. The prerequisite to having ANY statutory STATUS under the civil law of any de jure government is a DOMICILE within the EXCLUSIVE jurisdiction of the that specific government that enacted the statute.
6. You CANNOT lawfully acquire a statutory STATUS under the CIVIL laws of a foreign jurisdiction if you have either:
  - 6.1. Never physically been present within the exclusive jurisdiction of the foreign jurisdiction.
  - 6.2. Never EXPRESSLY consented to be treated as a "citizen", "resident", or "inhabitant" within that jurisdiction, even IF physically present there.

6.3. NOT been physically present in the foreign jurisdiction LONG ENOUGH to satisfy the residency requirements of that jurisdiction.

7. Any government that tries to REMOVE the domicile prerequisite from any of the franchises it offers by any of the following means is acting in a purely private, commercial capacity using PRIVATE and not PUBLIC LAW and the statutes then devolve essentially into an act of PRIVATE contracting. Methods of acting in such a capacity include, but are not limited to the following devious methods by dishonest and criminal and treasonous public servants:

7.1. Treating EVERYONE as “persons” or “individuals” under the franchise statutes, INCLUDING those outside of their territory.

7.2. Saying that EVERYONE is eligible for the franchise, no matter where they PHYSICALLY are, including in places OUTSIDE of their exclusive or general jurisdiction.

7.3. Waiving the domicile prerequisite as a matter of policy, even though the statutes describing it require that those who participate must be “citizens”, “residents”, or “inhabitants” in order to participate. The Social Security does this by unconstitutional FIAT, in order to illegally recruit more “taxpayers”.

8. When any so-called “government” waives the domicile prerequisite by the means described in the previous step, the following consequences are inevitable and MANDATORY:

8.1. The statutes they seek to enforce are “PRIVATE LAW”.

8.2. It is FRAUD to call the statutes “PUBLIC LAW” that applies equally to EVERYONE.

*“Municipal law, thus understood, is properly defined to be “a rule of civil conduct prescribed by the supreme power in a state, commanding what is right and prohibiting what is wrong.”*

[...]

*It is also called a rule to distinguish it from a compact or agreement; for a compact is a promise proceeding from us, law is a command directed to us. The language of a compact is, “I will, or will not, do this”; that of a law is, “thou shalt, or shalt not, do it.” It is true there is an obligation which a compact carries with it, equal in point of conscience to that of a law; but then the original of the obligation is different. In compacts we ourselves determine and promise what shall be done, before we are obliged to do it; in laws, we are obliged to act without ourselves determining or promising anything at all. Upon these accounts law is defined to be “a rule.”*

*[Readings on the History and System of the Common Law, Roscoe Pound, Second Edition, 1925, p. 4]*

8.3. They agree to be treated on an equal footing with every other PRIVATE business.

8.4. Their franchises are on an EQUAL footing to every other type of private franchise such as McDonalds franchise agreements.

8.5. They implicitly waive sovereign immunity and agree to be sued in the courts within the extraterritorial jurisdiction they are illegally operating under the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97. Sovereign immunity is ONLY available as a defense against DE JURE government activity in the PUBLIC interest that applies EQUALLY to any and every citizen.

8.6. They may not enforce federal civil law against the party in the foreign jurisdiction that they are illegally offering the franchise in.

8.7. If the foreign jurisdiction they are illegally enforcing the franchise within is subject to the constraint that the members of said community MUST be treated equally under the requirements of their constitution, then the franchise cannot make them UNEQUAL in ANY respect. This would be discrimination and violate the fundamental law.

Consistent with the above, below is how the U.S. Supreme Court describes attempts to enforce income taxes against NONRESIDENT parties domiciled in a legislatively foreign state, such as either a state of the Union or a foreign country:

*“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 domicile 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)]

An example of how the government cannot assign the statutory status of "taxpayer" upon you per 26 U.S.C. §7701(a)(14) is found in 28 U.S.C. §2201(a), which reads:

United States Code  
TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
PART VI - PARTICULAR PROCEEDINGS  
CHAPTER 151 - DECLARATORY JUDGMENTS  
Sec. 2201. Creation of remedy

(a) In a case of actual controversy within its jurisdiction, except with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986, a proceeding under section 505 or 1146 of title 11, or in any civil action involving an antidumping or countervailing duty proceeding regarding a class or kind of merchandise of a free trade area country (as defined in section 516A(f)(10) of the Tariff Act of 1930), as determined by the administering authority, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

Consistent with the federal Declaratory Judgments Act, federal courts who have been petitioned to declare a litigant to be a "taxpayer" have declined to do so and have cited the above act as authority:

Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. §2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED.  
[Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]

The implications of the above are that:

1. The federal courts have no lawful delegated authority to determine or declare whether you are a "taxpayer".
2. If federal courts cannot directly declare you a "taxpayer", then they also cannot do it indirectly by, for instance:
  - 2.1. Presuming that you are a "taxpayer". This is a violation of due process of law that renders a void judgment. Presumptions are not evidence and may not serve as a SUBSTITUTE for evidence.
  - 2.2. Calling you a "taxpayer" before you have called yourself one.
  - 2.3. Arguing with or penalizing you if you rebut others from calling you a "taxpayer".
  - 2.4. Treating you as a "taxpayer" if you provide evidence to the contrary by enforcing any provision of the I.R.C. Subtitle A "taxpayer" franchise agreement against you as a "nontaxpayer".

"Revenue Laws relate to taxpayers [instrumentalities, officers, employees, and elected officials of the national Government] and not to non-taxpayers [non-citizen nationals domiciled within the exclusive jurisdiction of a state of the Union and not subject to the exclusive jurisdiction of the national Government]. 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)]

Authorities supporting the above include the following:

"It is almost unnecessary to say, that what the legislature cannot do directly, it cannot do indirectly. The stream can mount no higher than its source. The legislature cannot create corporations with illegal powers, nor grant unconstitutional powers to those already granted."  
[Gelpcke v. City of Dubuque, 68 U.S. 175, 1863 WL 6638 (1863)]

"Congress cannot do indirectly what the Constitution prohibits directly."  
[Dred Scott v. Sandford, 60 U.S. 393, 1856 WL 8721 (1856)]

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34

---

*"In essence, the district court used attorney's fees in this case as an alternative to, or substitute for, punitive damages (which were not available). **The district court cannot do indirectly what it is prohibited from doing directly.**"*

*[Simpson v. Sheahan, 104 F.3d. 998, C.A.7 (Ill.) (1997)]*

---

***"It is axiomatic that the government cannot do indirectly (i.e. through funding decisions) what it cannot do directly."***

*[Com. of Mass. v. Secretary of Health and Human Services, 899 F.2d. 53, C.A.1 (Mass.) (1990)]*

---

*"Almost half a century ago, this Court made clear that the government "may not enact a regulation providing that no Republican ... shall be appointed to federal office." Public Workers v. Mitchell, 330 U.S. 75, 100, 67 S.Ct. 556, 569, 91 L.Ed. 754 (1947). What the \*78 **First Amendment precludes the government\*2739 from commanding directly, it also precludes the government from accomplishing indirectly. See Perry, 408 U.S., at 597, 92 S.Ct., at 2697 (citing Speiser v. Randall, 357 U.S. 513, 526, 78 S.Ct. 1332, 1342, 2 L.Ed.2d. 1460 (1958)); see supra, at 2735."***

*[Rutan v. Republican Party of Illinois, 497 U.S. 62, 110 S.Ct. 2729, U.S.111. (1990)]*

---

*"Similarly, **numerous cases have held that governmental entities cannot do indirectly that which they cannot do directly. See \*841 Board of County Comm'rs v. Umbehr, 518 U.S. 668, 674, 116 S.Ct. 2342, 135 L.Ed.2d. 843 (1996) (holding that the First Amendment protects an independent contractor from termination or prevention of the automatic renewal of his at-will government contract in retaliation for exercising his freedom of speech); El Dia, Inc. v. Rossello, 165 F.3d. 106, 109 (1st Cir.1999) (holding that a government could not withdraw advertising from a newspaper which published articles critical of that administration because it violated clearly established First Amendment law prohibiting retaliation for the exercising of freedom of speech); North Mississippi Communications v. Jones, 792 F.2d. 1330, 1337 (5th Cir.1986) (same). The defendants violated clearly established Due Process and First Amendment law by boycotting the plaintiffs' business in an effort to get them removed from the college."***

*[Kinney v. Weaver, 111 F.Supp.2d 831, E.D.Tex. (2000)]*

---

If you would like further evidence proving that it is a violation of your constitutional rights for the government to associate any civil status against you without your consent, see:

*Your Exclusive Right to Declare or Establish Your Civil Status*, Form #13.008  
<http://sedm.org/Forms/FormIndex.htm>

## **15.12 It is idolatry for a Christian to have a domicile within a man-made government or anything other than God's Kingdom**

Note also the use of the word "permanent home" in the definition of "domicile". According to the Bible, "earth" is NOT permanent, but instead is only temporary, and will eventually be destroyed and rebuilt as a new and different earth:

*"But the heavens and the earth which are now preserved by the same word, are reserved for fire until the day of judgment and perdition of ungodly men."*

*[2 Peter 3:7, Bible NKJV]*

The legal definition of "permanent" also demonstrates that it can mean any length of time one wants it to mean:

[8 U.S.C. §1101](#)

*(a) As used in this chapter—*

*(31) **The term "permanent" means a relationship of continuing or lasting nature, as distinguished from temporary, but a relationship may be permanent even though it is one that may be dissolved eventually at the instance either of the United States or of the individual, in accordance with law.***

We believe what they are really describing above is the equivalent of a "protection contract" between you and the government, because the way it functions is that it is terminated when either you or the government insist, which means that while it is in force, your consent is inferred and legally "presumed". Below is how another author describes it, and note that the real meaning of "indefinitely" is "as long as he consents to a protector":

1 "One resides in one's domicile *indefinitely*, that is, with no definite end planned for the stay. While we hear  
2 'permanently' mentioned, the better word is 'indefinitely'. This is best seen in the context of a change of  
3 domicile."  
4 [Conflicts in a Nutshell, David D. Siegel and Patrick J. Borchers, ISBN 0-314-160669-3, 3rd Edition, West  
5 Group, p. 16]

6 Christians define "permanent" the same way God does. God is eternal so His concept of "permanent" means "eternal".  
7 Therefore, no place on earth can be "permanent" in the context of a Christian:

8 "Do not love [be a permanent inhabitant or resident of] the world or the things in the world. **If anyone loves**  
9 **the world, the love of the Father is not in him.** For all that is in the world--the lust of the flesh, the lust of the  
10 eyes, and the pride of life--is not of the Father but is of the world. **And the world is passing away [not**  
11 **permanent]**, and the lust of it; but he who does the will of God abides forever."  
12 [[1 John 2:15](#), Bible, NKJV]

13 Christians are only allowed to be governed by God and [His laws found in the Bible](#). Man's laws are simply a vain  
14 substitute, but God's laws are our only true and *permanent* source of protection, and the only type of protection we can  
15 consent to or intend to be subject to without violating our covenant and contract with God found in the Holy Bible.

16 "Away with you , Satan! For it is written, 'You shall worship the Lord your God, and Him **ONLY** [**NOT the**  
17 **government or man's vain laws or an atheistic democratic socialist "state"**] you shall serve.'"  
18 [Matt. 4:10, Bible, NKJV]

19 The main allegiance of Christians is exclusively to Him, and not to any man or earthly law or government. We are citizens  
20 of Heaven, and not earth. The most we can be while on earth is "nationals", because "nationals" are not subject to man's  
21 laws and only "citizens" are. See:

[Why You are a "national", "state national", and Constitutional but not Statutory Citizen](http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf)  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

22 Therefore, the Kingdom of Heaven on Earth can be our only "legal home" or "domicile" or "residence".

23 "**For our citizenship is [not WAS or WILL BE, but PRESENTLY IS] in heaven,** from which we also eagerly  
24 wait for the Savior, the Lord Jesus Christ"  
25 [[Philippians 3:20](#), Bible, NKJV]

26 "These all died in faith, not having received the promises, but having seen them afar off were assured of them,  
27 embraced them **and confessed that they were strangers and pilgrims on the earth.**"  
28 [[Hebrews 11:13](#), Bible, NKJV]

29 "Beloved, I beg you **as sojourners and pilgrims [temporarily occupying the world]**, abstain from fleshly lusts  
30 which war against the soul..."  
31 [[1 Peter 2:1](#), Bible, NKJV]

32 "**Do you not know that friendship [and citizenship] with the world is enmity with God? Whoever therefore**  
33 **wants to be a friend [or "resident"] of the world makes himself an enemy of God.**"  
34 [[James 4:4](#), Bible, NKJV]

35 "And do not be conformed to this world, but be transformed by the renewing of your mind, that you may prove  
36 what is that good and acceptable and perfect will of God."  
37 [[Romans 12:2](#), Bible, NKJV]

38 The above scriptures say we are "sojourners and pilgrims", meaning we are perpetual travelers while temporarily here as  
39 God's ambassadors. Legal treatises on domicile also confirm that while a person is "in transitu", meaning travelling and  
40 sojourning temporarily, he cannot choose a domicile and that his domicile reverts to his "domicile of origin". The domicile  
41 of origin is the place you were created and existed before you came to Earth, which is Heaven:

42 § 114. *Id. Domicil of Origin adheres until another Domicil is acquired. –*

43 *But whether the doctrine of Udney v. Udney be or be not accepted, the law, as held in Great Britain and America,*  
44 *is beyond all doubt clear that domicil of origin clings and adheres to the subject of it until another domicil is*  
45 *acquired. This is a logical deduction from the postulate that "every person must have a domicil somewhere."*  
46 *For as a new domicil cannot be acquired except by actual residence cum animo manendi, **it follows that the***



domicil of origin adheres while the subject of it is in transitu, or, if he has not yet determined upon a new place of abode, while he is in search of one,--"quarens quo se conferat atque ubi constituat." Although this is a departure from the Roman law doctrine, yet it is held with entire unanimity by the British and American cases. It was first announced, though somewhat confusedly, by Lord Alvanley in *Somerville v. Somerville*: "The third rule I shall extract is that the original domicil . . . or the domicil of origin is to prevail until the party has not only acquired another, but has manifested and carried into execution an intention of abandoning his former domicil and taking another as his sole domicil." The same idea has been expressed by Lord Wensleydale in somewhat different phrase in *Aikman v. Aikman*: "Every man's domicil of origin must be presumed to continue until he has acquired another sole domicil by actual residence with the intention of abandoning his domicil of origin. This change must be *animo et facto*, and the burden of proof unquestionably lies upon him who asserts the change." Lord Cranworth observed in the same case: "It is a clear principle of law that the domicil of origin continues until another is acquired; i.e., until the person has made a new home for himself in lieu of the home of his birth." In America similar language has been used.  
[*Treatise on the Law of Domicil*, M.W. Jacobs, 1887; Little, Brown, and Company, pp. 174-175;  
SOURCE: <http://books.google.com/books?id=MFQvAAAAIAAJ&printsec=titlepage/>]

Even the U.S. Supreme Court has held that while a person temporarily occupies a place and is "in transitu" or "in itinere", he or she is not subject to the civil laws of that place.

"It is generally agreed by writers upon international law, and the rule has been judicially applied in a great number of cases, that wherever any question may arise concerning the status of a person, it must be determined according to that law which has next previously rightfully operated on and fixed that status. And, further, that the laws of a country do not rightfully operate upon and fix the status of persons who are within its limits in itinere, or who are abiding there for definite temporary purposes, as for health, curiosity, or occasional business; that these laws, known to writers on public and private international law as personal statutes, operate only on the inhabitants of the country. Not that it is or can be denied that each independent nation may, if it thinks fit, apply them to all persons within their limits. But when this is done, not in conformity with the principles of international law, other States are not understood to be willing to recognize or allow effect to such applications of personal statutes."

[*Dred Scott v. Sandford* 60 U.S. (19 How.) 393,595 (1857)]

To "consent" or "choose" to be governed by anything but God and His sacred Law is idolatry in violation of the first four Commandments of the [Ten Commandments](#).

"It is better to trust the Lord  
Than to put confidence in man.  
It is better to trust in the Lord  
Than to put confidence in princes [or government, or the 'state']. "  
[Psalm 118:8-9]

If you can't put confidence in "princes", which we interpret to mean political rulers or governments, then we certainly can't have allegiance to them or put that allegiance above our allegiance to God. We can therefore have no "legal home" or "domicile" or "residence" anywhere on earth. Our only law is [God's law](#) and Common law, which is based on God's law. Below is an example of how the early Jews adopted this very attitude towards government from the Bible.

"Then Haman said to King Ahasuerus, "There is a certain people [the Jews, who today are the equivalent of Christians] scattered and dispersed among the people in all the provinces of your kingdom; their laws are different from all other people's [because they are [God's laws](#)!], and they do not keep the [king's \[unjust\] laws](#). Therefore it is not fitting for the king to let them remain. If it pleases the king, let a decree be written that they be destroyed, and I will pay ten thousand talents of silver into the hands of those who do the work, to bring it into the king's treasuries."

[[Esther 3:8-9](#), Bible, NKJV]

"Those people who are not governed [ONLY] by GOD and His laws will be ruled by tyrants."  
[William Penn (after whom Pennsylvania was named)]

"A free people [claim] their rights as derived from the laws of nature [God and His laws], and not as the gift of their chief magistrate [or any government law]."  
[Thomas Jefferson: Rights of British America, 1774. ME 1:209, Papers 1:134]

Our acronym for the word BIBLE confirms the above conclusions:

**B**-Basic

**I**-Instructions



**B**-Before  
**L**-Leaving  
**E**-Earth

We are only temporarily here and Heaven is where we intend to return and live permanently. Legal domicile is based only on *intent*, not on physical presence, and it is only "domicile" which establishes one's legal and tax "home". No one but us can establish our "intent" and this is the express intent. Neither can we as Christians permit our "domicile" to be subject to change under any circumstances, even when coerced. To admit that there is a "permanent home" or "place of abode" anywhere on earth is to admit that there is no afterlife, no God, and that this earth is as good as it gets, which is a depressing prospect indeed that conflicts with the Bible. The Bible says that while we are here, Satan is in control, so this is definitely not a place we would want to call a permanent home or a domicile:

*"We know that we are of God, and the whole world lies under the sway of the wicked one."*  
[1 John 5:19, Bible, NKJV]

---

*"Again, the devil took Him [Jesus] up on an exceedingly high mountain, and showed Him all the kingdoms of the world and their glory. And he said to Him, **"All these things I will give You if You will fall down and worship me. [Satan]"**"*

*Then Jesus said to him, "Away with you, Satan! For it is written, 'You shall worship the LORD your God, and Him only you shall serve.'"*

*"Then the devil left Him, and behold, angels came and ministered to Him."*  
[Matt. 4:8-11, Bible, NKJV]

---

*"I [Jesus] will no longer talk much with you, **for the ruler of this world [Satan] is coming, and he has nothing in Me.** But that the world may know that I love the Father, and as the Father gave Me commandment, so I do. Arise, let us go from here."*  
[Jesus in John 14:30-31, Bible, NKJV]

Satan could not have offered the kingdoms of the world to Jesus and tempted Him with them unless he controlled them to begin with. Satan is in control while we are here. Only a fool or an atheist would intend to make a wicked earth controlled by Satan into a "permanent place of abode".

*"He who loves his life will lose it, and **he who hates his life in this world [on earth] will keep it for eternal life.**"*  
[John 12:25, Bible, NKJV]

Only a person who hates this life and the earth as they are and who doesn't want to make it a "permanent place of abode" or "domicile" can inherit eternal life.

*"If you were of the world [had a permanent home here], the world would love its own. Yet **because you [Christians] are not of the world, but I chose you out of the world, therefore the world hates you [who are a "stranger" and a "foreigner"]**."*  
[John 15:19, Bible, NKJV.  
QUESTION: How can you be "chosen out of the world" as Jesus says and yet still have a domicile here?]

*"**Pure and undefiled religion before God and the Father is this: to visit orphans and widows in their trouble, and to keep oneself unspotted from the world [and the governments, laws, taxes, entanglements, and sin in the world]**."*  
[James 1:27, Bible, NKJV]

*"So we are always confident, knowing that **while we are at home in the body [the physical body] we are absent from the Lord.** For we walk by faith, not by sight. **We are confident, yes, well pleased rather to be absent from the body and to be present with the Lord [in the Kingdom of Heaven]**."*  
[2 Cor. 5:6-8, Bible, NKJV]

Even Jesus Himself admitted that earth was not his "domicile" when He said:

1           *Then a certain scribe came and said to Him, "Teacher, I will follow You wherever You go." And Jesus said to*  
2           *him, "Foxes have holes and birds of the air have nests, but the Son of Man has nowhere to lay His head."*  
3           *[Matt. 8:19-20, Bible, NKJV]*

4       When we become believers, we, like Jesus Himself, become God's "ambassadors" on a foreign mission from the Kingdom  
5       of Heaven according to 2 Cor. 5:20. Our house is a foreign embassy:

6           *"Now then, we are ambassadors for Christ, as though God were pleading through us: we implore you on*  
7           *Christ's behalf, be reconciled to God."*  
8           *[2 Cor. 5:20, Bible, NKJV]*

9       The Corpus Juris Secundum Legal Encyclopedia says that ambassadors have the domicile of those who they represent,  
10       which in the case of Christians is the Kingdom of Heaven.

11           *PARTICULAR PERSONS*  
12           *4. Public Officials and Employees; Members of the Armed Services*  
13           *§31 Public Officials and Employees*

14           *Ambassadors, consuls, and other public officials residing abroad in governmental service do not generally*  
15           *acquire a domicile in the country where their official duties are performed, but retain their original domicile,"*  
16           *although such officials may acquire a domicile at their official residence, if they engage in business or*  
17           *commerce inconsistent with, or extraneous to, their public or diplomatic character.*  
18           *[Corpus Juris Secundum Legal Encyclopedia, Domicile, §31;*  
19           *SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>]*

20       Another interesting aspect of domicile explains why the Bible symbolically refers to believers as the "children of God".  
21       Below are examples:

22           *"But as many as received Him, to them He gave the right to become children of God, to those who believe in*  
23           *His name"*  
24           *[John 1:2, Bible, NKJV]*

25           *"The Spirit Himself bears witness with our spirit that we are children of God"*  
26           *[Romans 8:16, Bible, NKJV]*

27           *"That is, those who are the children of the flesh, these are not the children of God; but the children of the*  
28           *promise are counted as the seed."*  
29           *[Romans 9:8, Bible, NKJV]*

30           *"Behold what manner of love the Father has bestowed on us, that we should be called children of God!"*  
31           *[1 John 3:1, Bible, NKJV]*

32           *"In this the children of God and the children of the devil are manifest: Whoever does not practice righteousness*  
33           *is not of God, nor is he who does not love his brother."*  
34           *[1 John 3:10, Bible, NKJV]*

35           *By this we know that we love the children of God, when we love God and keep His commandments."*  
36           *[1 John 5:2, Bible, NKJV]*

37       The Corpus Juris Secundum Legal Encyclopedia says that those who are children, dependents, minors, or of unsound mind  
38       assume the domicile of the sovereign who is their "caretaker". As long as we are called "children of God" and are  
39       dependent exclusively on Him, we assume His domicile, which is the Kingdom of God:

40           *PARTICULAR PERSONS*  
41           *Infants*  
42           *§20 In General*

43           *An infant, being non sui juris, cannot fix or change his domicile unless emancipated. A legitimate child's*  
44           *domicile usually follows that of the father. In case of separation or divorce of parents, the child has the*  
45           *domicile of the parent who has been awarded custody of the child.*  
46           *[Corpus Juris Secundum Legal Encyclopedia, Domicile, §20;*  
47           *SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>]*

1 The Bible treats the government as God's steward for truth and justice under God's laws. The passage below proves this,  
2 and it is not referring to ALL governments, but only those that are righteous, which are God's stewards, and who act in a  
3 way that is completely consistent and not in conflict with God's holy laws.

4 *Submit to [Righteous] Government [and rebel against Unrighteous Government]*

5 *"Let every soul be subject to the governing authorities. For there is no authority except from God, and the*  
6 *authorities that exist are appointed by God. Therefore whoever resists the authority resists the ordinance of*  
7 *God, and those who resist will bring judgment on themselves. For [righteous] rulers are not a terror to good*  
8 *works, but to evil. [However, unrighteous rulers ARE a terror to good works] Do you want to be unafraid of the*  
9 *[righteous] authority? Do what is good, and you will have praise from the same. For he [ONLY the righteous,*  
10 *not the unrighteous ruler] is God's minister to you for good. But if you do evil, be afraid; for he does not bear*  
11 *the sword in vain; for he is God's minister, an avenger to execute wrath on him who practices evil. Therefore*  
12 *you must be subject, not only because of wrath but also for conscience' sake. For because of this you also pay*  
13 *taxes, for they [the righteous, and not unrighteous rulers] are God's ministers attending continually to this very*  
14 *thing. Render therefore to all [those who are righteous and NOT unrighteous] their due: taxes to whom taxes*  
15 *are due, customs to whom customs, fear to whom fear, honor to whom honor."*  
16 *[Rom. 13:1-7, Bible, NKJV]*

17 The term "governing authorities" is synonymous with "God's ministers". The Bible says that the government is on Jesus'  
18 shoulders, and therefore God's shoulders, not any man:

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

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

26 *For unto us a Child is born,*  
27 *Unto us a Son is given;*  
28 *And the government will be upon His shoulder.*  
29 *And His name will be called*  
30 *Wonderful, Counselor, Mighty God,*  
31 *Everlasting Father, Prince of Peace.*  
32 *[Isaiah 9:6, Bible, NKJV]*

33 The Lord cannot be King where Satan is allowed to rule, even temporarily. Those who are not God's ministers are NOT  
34 "governing authorities" but usurpers and representatives of Satan, not God. They are "children of Satan", not God.

35 *"They have corrupted themselves;*  
36 *They are not His children,*  
37 *Because of their blemish:*  
38 *A perverse and crooked generation."*  
39 *[Deut. 32:5, Bible, NKJV]*

40 When government ceases to be a "minister of God's justice" and rather becomes a competitor for pagan idol worship and  
41 obedience of the people, then God abandons the government and the result is the equivalent of a legal divorce. This is  
42 revealed in the following scripture, which describes those who pursue pagan gods and pagan governments that act like god  
43 as "playing the harlot". The phrase "invites you to eat of his sacrifice", in modern day terms, refers to those who receive  
44 socialist welfare in any form, most of which is PLUNDER STOLEN from people who became a human sacrifice to the  
45 pagan government:

46 *The Covenant Renewed*

47 *And He said: "Behold, I make a covenant. Before all your people I will do marvels such as have not been done*  
48 *in all the earth, nor in any nation; and all the people among whom you are shall see the work of the LORD. For*  
49 *it is an awesome thing that I will do with you. Observe what I command you this day. Behold, I am driving out*  
50 *from before you the Amorite and the Canaanite and the Hittite and the Perizzite and the Hivite and the Jebusite.*  
51 *Take heed to yourself, lest you make a covenant with the inhabitants of the land where you are going, lest it*  
52 *be a snare in your midst. But you shall destroy their altars, break their sacred pillars, and cut down their*  
53 *wooden images (for you shall worship no other god, for the LORD, whose name is Jealous, is a jealous God),*  
54 *lest you make a covenant [engage in a franchise, contract, or agreement] with the inhabitants of the land,*

1 and they play the harlot with their gods and make sacrifice to their gods, and one of them invites you and you  
2 eat of his sacrifice, and you take of his daughters for your sons, and his daughters play the harlot with their  
3 gods and make your sons play the harlot with their gods.  
4 [Exodus 34:10-16, Bible, NKJV]

5 "No outsider [person who has not taken the Mark of the Beast] shall eat the holy offering [revenues collected  
6 from involuntary human sacrifices to the pagan cult by the IRS or the SSA]; one who dwells with the priest  
7 [judges are the priests of the civil religion], or a hired servant [licensed attorneys, who are the deacons of the  
8 church appointed by the chief priests at the Supreme Court], shall not eat the holy thing. But if the priest [the  
9 judge] buys a person with his money [his court order to induct a new cult member by compelling participation  
10 in excise taxable activities such as a "trade or business"], he may eat it; and one who is born in his [court]  
11 house [or is a fellow "public officer" of the government engaged in a "trade or business"] may eat his food."  
12 [Lev. 22:10-11, Bible, NKJV]

13 "He who sacrifices to any god, except to the LORD only, he shall be utterly destroyed."  
14 [Exodus 22:20, Bible, NKJV]

15 "They shall no more offer their sacrifices to demons, after whom they have played the harlot. This shall be a  
16 statute forever for them throughout their generations."  
17 [Lev. 17:7, Bible, NKJV]

18 The result of the divorce of a righteous God from a Pagan government that has become a child of Satan and His competitor  
19 for the worship of the people is that God "hides his face", as the Bible says:

20 And I will surely hide My face in that day because of all the evil which they have done, in that they have turned  
21 to other gods.  
22 [Deut. 31:18, Bible, NKJV]

23 "I will hide My face from them, I will see what their end will be, For they are a perverse generation, Children  
24 in whom is no faith."  
25 [Deut. 32:20, Bible, NKJV]

26 "Then My anger shall be aroused against them in that day, and I will forsake them, and I will hide My face  
27 from them, and they shall be devoured. And many evils and troubles shall befall them, so that they will say in  
28 that day, 'Have not these evils come upon us because our God is not among us?'"  
29 [Deut. 31:17, Bible, NKJV]

30 Those who follow pagan governments rather than God after the "divorce" become the children of Satan, not God and are  
31 practicing idolatry. These people have misread Romans 13 and made government into a pagan substitute for God's  
32 protection and adopt the government as their new caretaker, and thereby shift their effective domicile to the government as  
33 its dependents and "children". This is especially true when the government becomes socialist, abuses its power to tax as a  
34 means of wealth transfer, and pays any type of social welfare to the people. At that point, the people become "dependents"  
35 and assume the domicile of their caretaker. One insightful congressman said the following of this dilemma during the  
36 debates over the original Social Security Act:

37 Mr. Logan: "...Natural laws can not be created, repealed, or modified by legislation. Congress should know  
38 there are many things which it can not do..."

39 "It is now proposed to make the Federal Government the guardian of its citizens. If that should be done, the  
40 Nation soon must perish. There can only be a free nation when the people themselves are free and  
41 administer the government which they have set up to protect their rights. Where the general government  
42 must provide work, and incidentally food and clothing for its citizens, freedom and individuality will be  
43 destroyed and eventually the citizens will become serfs to the general government..."  
44 [Congressional Record-Senate, Volume 77- Part 4, June 10, 1933, Page 12522;  
45 SOURCE: [http://famguardian.org/TaxFreedom/CitesByTopic/Sovereignty-CongRecord-Senate-](http://famguardian.org/TaxFreedom/CitesByTopic/Sovereignty-CongRecord-Senate-JUNE101932.pdf)  
46 [JUNE101932.pdf](http://famguardian.org/TaxFreedom/CitesByTopic/Sovereignty-CongRecord-Senate-JUNE101932.pdf)]

47 Any attempt to think about citizenship, domicile, and residence any way other than the way it is described here amounts to  
48 a devious and deceptive attempt by the Pharisees [lawyers] to use the "traditions of men" to entrap Christians and churches  
49 and put them under government laws, control, taxes, and regulation, thereby violating the [separation of powers doctrine](#).  
50 The Separation of Powers Doctrine as well as the Bible itself both require churches and Christians to be totally separate  
51 from government, man's laws, and control, taxation, and regulation by government. See [Great IRS Hoax](#), Form #11.302,  
52 Sections 4.3.5 and 4.3.12 for further details on the competition between "church" and "state" for the love and affections and  
53 allegiances of the people, and why separation of these two powers is absolutely essential.

"Stand fast therefore in the liberty wherewith Christ hath made us free, and be not entangled again with the yoke of bondage [to the government or the income tax or the IRS or federal statutes that are not "positive law" and do not have jurisdiction over us]."  
[Galatians 5:1, Bible, NKJV]

### 15.13 Legal presumptions about domicile

It is important also to recognize that state and federal law often establishes certain rebuttable "presumptions" about one's "residence" as an "alien"/ "resident". Below is an example from the Arizona Revised Statutes:

Arizona Revised Statutes  
Title 43: Taxation of Income  
Section 43-104 Definitions

19. "Resident" includes:

(a) Every individual who is in this state for other than a temporary or transitory purpose.

(b) Every individual who is domiciled in this state and who is outside the state for a temporary or transitory purpose. Any individual who is a resident of this state continues to be a resident even though temporarily absent from the state.

(c) Every individual who spends in the aggregate more than nine months of the taxable year within this state shall be presumed to be a resident. The presumption may be overcome by competent evidence that the individual is in the state for a temporary or transitory purpose.

The above presumption is rebuttable, and the way to rebut it is to make our intentions known:

"This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration." Vatt. Law Nat. pp. 92, 93."  
[Fong Yue Ting v. United States, 149 U.S. 698 (1893)]

How do we make our "intentions" known to the protector we are nominating?:

1. By sending the following form according to the instructions:

Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>

- By sending the state a written notification of domicile, or a Department of Motor Vehicles change of address form. Most change of address forms have a block for indicating one's "residence". Line out the word "residence" and replace it with "domicile" or else you will establish yourself as a privileged alien.
- Whenever we write a physical address on any especially government or financial institution form, next to the address we should write "This is NOT my domicile." This is a VERY important habit to get into that will avoid all false presumptions about your legal domicile.
- By revoking our voter registration.

We can also encourage other false presumptions by the government relating to our legal domicile based on the words we use to describe ourself. For instance, if we describe ourself as either a "citizen" or a "resident" or "inhabitant" on any government form, then we are declaring ourself to be a "domiciliary" in respect to the government who is accepting the form. Otherwise, we would be a "transient foreigner" outside of the jurisdiction of that government. This is further explained in the following two articles:

- You're Not a "citizen" under the Internal Revenue Code:  
<http://famguardian.org/Subjects/Taxes/Citizenship/NotACitizenUnderIRC.htm>
- You're Not a "resident" under the Internal Revenue Code:  
<http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm>

Within federal law, persons who are "citizens", "residents", or "inhabitants" are described as:

- "Individuals". See 5 U.S.C. §552(a)(2) and 26 CFR §1.1441-1(c)(3).

[5 U.S.C. §552a\(2\) Records maintained on individuals](#)

(2) the term "individual" means a citizen of the United States or an alien lawfully admitted for permanent residence [["resident"](#)];

b. **"U.S. persons"**. See 26 U.S.C. §7701(a)(30).

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#).  
[Sec. 7701. - Definitions](#)

(a)(30) [United States](#) person

The term "United States person" means -

(A) a [citizen](#) or [resident](#) of the United States,

(B) a domestic partnership,

(C) a domestic [corporation](#),

(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

(E) any trust if -

(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

c. **"domestic"**. Both "domicile" and "domestic" have the root "dom" as their source. Both imply the same thing. Within the Internal Revenue Code, "domestic" is defined as follows:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#).  
[Sec. 7701. - Definitions](#)

(a) Definitions

(4) Domestic

*The term "domestic" when applied to a corporation or partnership **means created or organized in the United States or under the law of the United States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.***

Therefore, "domestic" means subject to the laws of the United States". Under Federal Rule of Civil Procedure 17(b), you cannot be "subject" to the laws without having a domicile in the territory where those laws apply.

Those who are "nonresident aliens", "nontaxpayers" and "transient foreigners" therefore cannot declare themselves as being either "citizens", "residents", "inhabitants", "U.S. persons", "individuals", or "domestic" on any federal government form, or they forfeit their status and become "taxpayers", "domiciliaries", and "subjects" and tenants living on the king's land. For an important example of how the above concept applies, examine the IRS Form W-8BEN:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormW8ben.pdf>

Block 3 is used by the applicant to declare both the entity type AND their legal domicile as well. The declaration of "domicile" is "hidden" in the word "individual". Notice there is no block on the form for either "human being" or "transient foreigner". The only block a human being can fill out is "individual". [5 U.S.C. §552\(a\)\(2\)](#) identifies an "individual" as either a "citizen" or a "resident", and a person who is a nonresident alien cannot be either. Therefore, the form essentially coerces the applicant into committing perjury by not providing an option to accurately describe themselves, such as a box for "transient foreigner" or "human being". This defect is remedied in the amended version of the form available below, which adds to Block 3 an option called "transient foreigner":

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormW8BENAmendeds.pdf>

The regulations relating to "[aliens](#)" also establish the following presumptions:

1. All "aliens" are presumed to be "nonresident aliens" but this may be overcome upon presentation of proof:



Title 26: Internal Revenue  
PART 1—INCOME TAXES  
nonresident alien individuals  
§ 1.871-4 Proof of residence of aliens.

(a) Rules of evidence. The following rules of evidence shall govern in determining whether or not an alien within the United States has acquired residence therein for purposes of the income tax.

(b) Nonresidence presumed. An alien by reason of his alienage, is presumed to be a nonresident alien.

(c) Presumption rebutted—

(1) Departing alien.

*In the case of an alien who presents himself for determination of tax liability before departure from the United States, the presumption as to the alien's nonresidence may be overcome by proof--*

2. An “alien” who has acquired permanent residence retains that residence until he physically departs from the “United States”, which is defined as federal territory in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) and is not expressly expanded anywhere else in the I.R.C. to include any other place. The purpose for this presumption is to perpetuate the jurisdiction to tax aliens:

Title 26: Internal Revenue  
PART 1—INCOME TAXES  
nonresident alien individuals  
§1.871-5 Loss of residence by an alien.

*An alien who has acquired residence in the United States retains his status as a resident until he abandons the same and actually departs from the United States. An intention to change his residence does not change his status as a resident alien to that of a nonresident alien. Thus, an alien who has acquired a residence in the United States is taxable as a resident for the remainder of his stay in the United States.*

If you are a “national” but not “citizen” pursuant to 8 U.S.C. §1452, don’t let the above concern you, because you are not an “alien” as defined in 26 U.S.C. §7701(b)(1)(A), but rather an “nonresident alien” as defined in 26 U.S.C. §7701(b)(1)(B).

#### **15.14 How do “transient foreigners” and “nonresidents” protect themselves in state court?**

Now that we understand the differences between those who have contracted to be protected, called “citizens”, “residents”, and “inhabitants”, and those who have not, called “transient foreigners” or “nonresidents”, the next issue we must deal with is to determine how those who are “nonresidents” or “transient foreigners” in relation to a specific state government can achieve a remedy for the protection of their rights in state court. In order to get to the point where we can explain this, we must first describe the TWO types of jurisdictions that the state courts exercise. We don’t space here to cover all the nuances of this subject, but we will summarize these differences and point you to more information if you want to look into it. There are two types of jurisdictions within each state government:

1. The de jure republic under the Articles of Confederation called the “Republic of\_\_\_\_\_”. This jurisdiction controls everything that happens on land protected by the Constitution. It protects EXCLUSIVELY PRIVATE property using ONLY the Common law and NOT civil law.
2. The federal corporation under the United States Constitution called the “State of\_\_\_\_\_”. This jurisdiction handles everything that deals with government agency, office, employment, "benefits", "public rights", and territory and it's legislation is limited to those domiciled on federal territory or contracting with either the state or federal governments. Collectively, the subject of legislation aimed at this jurisdiction is the "public domain" or what the courts call "publici juris".

The differences between the two jurisdictions above are exhaustively described in the following fascinating document:

Corporatization and Privatization of the Government, Form #05.024  
<http://sedm.org/Forms/FormIndex.htm>

1 In the above document, a table is provided comparing the two types of jurisdictions which we repeat here, extracted from  
2 section 13.7. Understanding this table is important in determining how we achieve a remedy in a state court for an injury to  
3 our constitutional PRIVATE rights.  
4

**Table 15: Comparison of Republic State v. Corporate State**

#	Attribute	Republic State	Corporate State
1	Nature of government	De jure	De facto if offered, enforced, or forced against those domiciled outside of federal territory.
2	Name	"Republic of _____"	"State of _____"
3	Name of this entity in federal law	Called a "state" or "foreign state"	Called a "State" as defined in <a href="#">4 U.S.C. §110(d)</a>
4	Territory over which "sovereign"	All land within the exterior borders of the state.	Federal territory within the exterior limits of the state borrowed from the federal government under the Buck Act, 4 U.S.C. §110(d).
5	Protected by the Bill of Rights, which is the first ten amendments to the United States Constitution?	Yes	No (No rights. Only statutory "privileges")
6	Form of government	Constitutional Republic	Legislative totalitarian socialist democracy
7	A corporation?	Yes	Yes
8	A federal corporation?	No	Yes
9	Exclusive jurisdiction over its own lands?	Yes	No. Shared with federal government pursuant to Buck Act, Assimilated Crimes Act, and ACTA Agreement.
10	"Possession" of the United States?	No (sovereign and "foreign" with respect to national government)	Yes
11	Subject to exclusive federal jurisdiction?	No	Yes
12	Subject to federal income tax?	No	Yes
13	Subject to state income tax?	No	Yes
14	Subject to state sales tax?	No	Yes
15	Subject to national military draft? (See SEDM Form #05.030 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a> )	No	Yes
16	Citizenship of those domiciled therein	1. Constitutional but not statutory citizen. 2. "national" or "state national" pursuant to <a href="#">8 U.S.C. §§1101(a)(21)</a> and <a href="#">1452</a> . Not a statutory "U.S. citizen" pursuant to <a href="#">8 U.S.C. §1408</a> .	Statutory "U.S. citizen" pursuant to <a href="#">8 U.S.C. §1401</a>
17	Licenses such as marriage license, driver's license, business license required in this jurisdiction?	No	Yes
18	Voters called	"Electors"	"Registered voters"
19	How you declare your domicile in this jurisdiction	1. Describing yourself as a "state national" but not a statutory "U.S. citizen" on all government forms. 2. Registering as an "elector" rather than a voter. 3. Terminating participation in all federal benefit programs.	1. Describing yourself as a statutory "U.S. citizen" on any state or federal form. 2. Applying for a federal benefit. 3. Applying for and receiving any kind of state license.
20	Standing in court to sue for injury to rights	Statutory civil law	Constitution and the common law.
21	"Rights" within this jurisdiction are based upon	Statutory franchises	The Bill of Rights
22	"Citizens", "residents", and "inhabitants" of this jurisdiction are	Public entities such as government employees, instrumentalities, and corporations (franchisees of the government) ONLY	Private human beings

When we say that we are a "transient foreigner" or "nonresident" within a court pleading or within this document, we must be careful to define WHICH of the TWO jurisdictions above that status relates to in order to avoid ambiguity and avoid being called "frivolous" by the courts. Within this document and elsewhere, the term "transient foreigner" or "nonresident" relates to the jurisdiction in the right column above but NOT to the column on the left. You can be a "nonresident" of the Corporate state on the right and yet at the same time ALSO be a "citizen" or "resident" of the Republic/De Jure State above. This distinction is critical. If you are at all confused by this distinction, we strongly suggest reading the *Corporatization and Privatization of the Government* document referenced above so that the distinctions are clear.

The Corporate state on the left above enacts statutes that can and do only relate to those who are public entities (called "publici juris") that are government instrumentalities, employees, officers, and franchisees of the government called

“corporations”, all of whom are consensually associated with the government by virtue of exercising their right to contract with the government. Technically speaking, all such statutes are franchises implemented using the civil law. This is explained further in the following:

Government Instituted Slavery Using Franchises, Form #05.030

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

The U.S. Supreme Court has held that the ability to regulate private conduct is repugnant to the Constitution. Consequently, the government cannot enact statutes or law of any kind that would regulate the conduct of private parties. Therefore, nearly all civil statutes passed by any state or municipal government, and especially those relating to licensed activities, can and do only relate to public and not private parties that are all officers of the government and not human beings. This is exhaustively analyzed and proven in the following:

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037

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

We will now spend the rest of this section applying these concepts to how one might pursue a remedy for an injury to so-called “right” within a state court by invoking the jurisdiction of the Republic/De Jure state on the right and avoiding the jurisdiction of the Corporate state on the left.

Civil law attaches to one's voluntary choice of domicile/residence. Criminal law does not. De jure criminal law depends only on physical presence on the territory of the sovereign and the commission of an injurious act against a fellow sovereign on that territory. Laws like the vehicle code do have criminal provisions, but they are not de jure criminal law, but rather civil law that attaches to the domicile/residence of the party within a franchise agreement, which is the "driver license" and all the rights it confers to the government to regulate your actions as a "driver".

Within the forms and publications on this website there are two possible statuses that one may declare as a sovereign:

1. You are a transient foreigner and a citizen of ONLY the Kingdom of Heaven on earth. "My state" in this context means the Holy Bible.
2. You are a state national with a domicile in the Republic/De Jure state but not the Corporate state. "My state" in this context means the de jure state and excludes just about everything passed by the corporate state government, including all franchises such as marriage licenses, income taxes, etc. Franchises cannot be implemented in the de jure state but can only occur in the corporate state.

Both of the above statuses have in common that those who declare themselves to be either cannot invoke the statutory law of the Corporate state, but must invoke only the common law and the Constitution in their defense. There is tons of reference material on the common law in the following:

Sovereignty and Freedom: Section 7, Self Government

<http://famguardian.org/Subjects/Freedom/Freedom.htm>

The following book even has sample pleadings for the main common law actions:

Handbook of Common Law Pleading

<http://books.google.com/books?id=7gk-AAAIAAJ&printsec=titlepage>

Transient foreigners may not have a domicile or be subject to the civil laws in a place, but they don't need the civil laws to be protected. The Constitution attaches to the land, and not the status of the persons on that land.

*"It is locality that is determinative of the application of the Constitution, in such matters as judicial procedure, and not the status of the people who live in it."*  
[Balzac v. Porto Rico, 258 U.S. 298 (1922)]

The Constitution and the common law are the only thing one needs to protect oneself as a PRIVATE and not PUBLIC entity. That is why we place so much emphasis on the common law on this website. John Harris explains why in the following video:

**Federal and State Tax Withholding Options for Private Employers**

Copyright Family Guardian Fellowship , <http://famguardian.org/>  
Ver. 2.07

218

EXHIBIT: \_\_\_\_\_

*It's an Illusion*, John Harris  
<http://tpuc.org/node/558>

Those who are believers AND transient foreigners but not “citizens”, “residents” or “inhabitants” of either the Republic/De Jure state or the Corporate State DO in fact STILL have a state, which is the Kingdom of Heaven. That state has all the elements necessary to be legitimate: territory, people, and laws. The territory is the Earth, which the Bible says belongs to the Lord and not Caesar. It has people, which are your fellow believers. The laws are itemized in the Holy Bible and enumerated below:

*Laws of the Bible*, Form #13.001  
<http://sedm.org/Forms/FormIndex.htm>

In conclusion, those who are “transient foreigners” or “Nonresidents” in relation to the Corporate state can use the state court for protection, but they must:

1. Be careful to define which of the two possible jurisdictions they are operating within using the document referenced in this section.
2. Avoid federal court. All federal circuit and district courts are Article IV territorial courts in the legislative and not judicial branch of the government that may only officiate over franchises. They are not Article III constitutional courts that may deal with rights protected by the constitution. This is exhaustively proven with thousands of pages of evidence in:

*What Happened to Justice?*, Form #06.012  
<http://sedm.org/ItemInfo/Ebooks/WhatHappJustice/WhatHappJustice.htm>

3. Properly declare their status consistent with this document in their complaint. See the following forms as an example how to do this:

- 3.1. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>
- 3.2. *Federal Pleading/Motion/Petition Attachment*, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>
- 3.3. *Rules of Presumption and Statutory Interpretation*, Litigation Tool #01.006  
<http://sedm.org/Litigation/LitIndex.htm>

4. Respond to discovery relating to their status and standing with the following:

*Citizenship, Domicile, and Tax Status Options*, Form #10.003  
<http://sedm.org/Forms/FormIndex.htm>

5. Invoke the common law and not statutory law to be protected.
6. Be careful to educate the judge and the jury to prevent common injurious presumptions that would undermine their status. See:

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

7. Follow the rules of pleading and practice for the common law.
8. Ensure that those who sit on the jury have the same status as them by ensuring that those who are statutory “U.S. citizens” or franchise participants are excluded as having a financial conflict of interest.

### **15.15 How the government kidnaps your identity and your domicile and moves it to the federal zone or interferes with your choice of domicile**

Based on the foregoing discussion, it ought to be obvious that the government doesn't want you to know any of the following facts:

1. That all civil jurisdiction originates from your choice of domicile.
2. That all income taxation is a civil liability that originates from your choice of domicile.
3. That domicile requires your consent and is the equivalent of your consent to be civilly governed as required by the Declaration of Independence.
4. That because they need your consent to choose a domicile, they can't tax or even govern you civilly without your consent.
5. That domicile is based on the coincidence of physical presence and intent/consent to permanently remain in a place.

- 1 6. That unless you choose a domicile within the jurisdiction of the government that has general jurisdiction where you  
2 live, they have no authority to institute income taxation upon you.  
3 7. That no one can determine your domicile except you.  
4 8. That if you don't want the protection of government, you can fire them and handle your own protection, by changing  
5 your domicile to a different place or group or government or choosing no domicile at all. This then relieves you of an  
6 obligation to pay income taxes to support the protection that you no longer want or need.

7 Therefore, governments have a vested interest in hiding the relationship of “domicile” to jurisdiction and income taxation  
8 by removing it or at least obfuscating it in their “codes”. A number of irreconcilable conflicts of law are created by  
9 COMPELLING EVERYONE to have either a specific domicile or an earthly domicile. For instance:

- 10 1. If the First Amendment gives us a right to freely associate and also implies a right to DISASSOCIATE, how can we be  
11 compelled to associate with a “state” or the people in the locality where we live without violating the First  
12 Amendment? It may not be presumed that we moved to a place because we wanted to associate with the people there.  
13 2. Domicile creates a duty of allegiance, according to the cite above. All allegiance MUST be voluntary. How can the  
14 state compel allegiance by compelling a person to have or to choose an earthly domicile? What gives them the right to  
15 insist that the only legitimate type of domicile is associated with a government? Why can't it be a church, a religious  
16 group, or simply an association of people who want to have their own police force or protection service separated from  
17 the state? Since the only product that government delivers is “protection”, why can't people have the right to fire the  
18 government and provide their own protection with the tax money they would have paid the government?  
19 3. When one chooses a domicile, they create a legal or contractual obligation to support a specific government, based on  
20 the above. By compelling everyone to choose an earthly domicile whose object is a specific government or state, isn't  
21 the state interfering with our right to contract by compelling us to contract with a specific government for our  
22 protection? The Constitution, Article 1, Section 10 says no state shall make any law impairing the obligation of  
23 contracts. Implicit in this right to contract is the right NOT to contract. Every right implies the opposite right.  
24 Therefore, how can everyone be compelled to have a domicile without violating their right to contract?  
25 4. The U.S. Supreme Court also said that income taxation based on domicile is “quasi-contractual” in nature.

26 “Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and  
27 we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to  
28 enforce it outside the state where rendered, see *Wisconsin v. Pelican Insurance Co.*, [127 U.S. 265](#), 292, et seq.

29 8 S.Ct. 1370, compare *Fauntleroy v. Lum*, [210 U.S. 230](#), 28 S.Ct. 641, **still the obligation to**  
30 **pay taxes is not penal. It is a statutory liability, quasi**  
31 **contractual in nature, enforceable, if there is no exclusive**  
32 **statutory remedy, in the civil courts by the common-law action**  
33 **of debt or indebitatus assumpsit.** *United States v. Chamberlin*, [219 U.S. 250](#), 31 S.Ct.  
34 [155](#); *Price v. United States*, [269 U.S. 492](#), 46 S.Ct. 180; *Dollar Savings Bank v. United States*, 19 Wall. 227;  
35 and see *Stockwell v. United States*, 13 Wall. 531, 542; *Meredith v. United States*, 13 Pet. 486, 493. **This was**  
36 **the rule established in the English courts before the Declaration of Independence.** *Attorney General v. Weeks*,  
37 *Bunbury's Exch. Rep.* 223; *Attorney General v. Jewers and Batty*, *Bunbury's Exch. Rep.* 225; *Attorney General*  
38 *v. Hatton*, *Bunbury's Exch. Rep.* [296 U.S. 268, 272] 262; *Attorney General v. \_*, 2 Ans.Rep. 558; see  
39 *Comyn's Digest* (Title 'Dett,' A, 9); 1 *Chitty on Pleading*, 123; cf. *Attorney General v. Sewell*, 4 M.&W. 77. “  
40 [*Milwaukee v. White*, [296 U.S. 268](#) (1935)]

41 The “quasi-contract” they are referring to above is your voluntary choice of “domicile”, no doubt. How can they  
42 compel such a contract if the person who is the object of the compulsion refuses to “do business” with the state and  
43 also refuses to avail themselves of any of the benefits of membership in said state? Wouldn't that amount to slavery,  
44 involuntary servitude, and violate the Thirteenth Amendment prohibition against involuntary servitude?

45 Do you see how subtle this domicile thing is? It's a very sneaky way to draw you into the world system and force you to  
46 adopt and comply with earthly laws and a government that are hostile towards and foreign to God's laws. All of the above  
47 deceptions and ruses are designed to keep you enslaved and entrapped to support a government that does nothing for you  
48 and which you may even want to abandon or disassociate with.



### 15.15.1 Domicile on government, financial institution, and private employer forms

You should view every opportunity to complete a government form or any form that indicates a “domicile”, “residence”, or “permanent address” as:

1. A waiver of sovereign immunity under 28 U.S.C. §1603(b)(3) and 28 U.S.C. §1605(b)(2).
2. A change in status from "foreign" to "domestic" in relation to the government that created the form.
3. An agreement to become a “customer” of government protection called a “citizen”, “resident”, and/or “inhabitant” within a specific jurisdiction.
4. The conveyance of “consent to be governed” as the Declaration of Independence indicates.
5. An attempt to nominate a protector and delegate to them the authority to supervise and even penalize your activities under the authority of the civil law.
6. An agreement to pay for the protection of the specific government you have nominated to protect you.
7. A voluntary attempt on your part to surrender rights recognized in the Constitution in exchange for privileges and “benefits” under a franchise agreement and to change your status from a “transient foreigner” to a “person” subject to federal statutes. The most privileged status you can be in is to be a resident alien participating in federal franchises. The Declaration of Independence says that rights protected by the Constitution are “unalienable”, meaning that they CAN’T be sold, transferred, or bargained away in relation to any government by any commercial process, including a government franchise or application. Therefore, you are recognizing that the grantor of the benefit is not a government, but a private corporation.
8. An attempt to destroy equal protection mandated by the Constitution and make a specific government your "parens patriae", or government parent.

In short, anyone who asks you to fill out a government form or indicate a “domicile”, “residence”, or “permanent address” on their own private form is asking you the following question:

*“Who’s your daddy and where does he live? We want to notify him that you have selected him as your protector and agreed to become liable to subsidize his protection racket and his supervision of your otherwise private affairs. We don’t trust you so we want you to agree to sign this protection contract, nominate a protector, and agree to become his privileged employee or officer so he will ensure you won’t become a burden, bother, or injury to us.”*

There are several ways that you are often deceived into inadvertently declaring a domicile on federal territory on government forms.

1. By declaring that you maintain a domicile or live in the “United States”, which is defined as federal territory and excludes states of the Union pursuant to 26 U.S.C. §7701(a)(9) and (a)(10). This is done by filling out anything in the block labeled “permanent address” or “residence” and indicating anything in that block other than the de jure republic you were born within or the Kingdom of Heaven on Earth.

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > *Sec. 7701. [Internal Revenue Code]*  
[Sec. 7701. - Definitions](#)

*(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—*

*(9) United States*

*The term "United States" when used in a geographical sense includes only the [States](#) and the District of Columbia.*

*(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.*

People born and domiciled within the de jure states of the Union are domiciled in the “United States of America” or in the name of their state. For instance, under “country” put “California Republic” instead of “United States”.

2. By filling out a government form and indicating that you are a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 or “resident” or “permanent resident” pursuant to 26 U.S.C. §7701(b)(4)(B). All such persons have a legal domicile on federal territory. Collectively, these people are called “U.S. persons” pursuant to 26 U.S.C. §7701(a)(30).
3. By filling out a form that presumes you are a “U.S. person”, such as IRS Form 1040. That form is ONLY for use by “U.S. persons” pursuant to 26 U.S.C. §7701(a)(30) who have a legal domicile on federal territory. If you are not domiciled on federal territory, the only correct form to use is the IRS Form 1040NR. Even the 1040NR is a statutory “taxpayer” form and therefore needs either modification or an attachment to clarify that it is being submitted by a NONTAXPAYER.

**1040A 11327A Each**  
**U.S. Individual Income Tax Return**

Annual income tax return filed by citizens and residents of the United States. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions  
[2003 IRS Published Products Catalog, p. F-15;  
SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSDoc7130.pdf>]

4. By requesting or using a Social Security Number on any government form. Social Security Numbers can only lawfully be issued to persons with a legal domicile on federal territory. 20 CFR §422.104 says the number can only be issued to statutory “U.S. citizens” pursuant to 8 U.S.C. §1401 or statutory “permanent residents”, both of whom have in common a domicile on federal territory.

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.

---

TITLE 20--EMPLOYEES' BENEFITS  
CHAPTER III--SOCIAL SECURITY ADMINISTRATION  
PART 422\_ORGANIZATION AND PROCEDURES--Table of Contents  
Subpart B\_General Procedures  
Sec. 422.104 Who can be assigned a social security number.

(a) Persons eligible for SSN assignment.

We can assign you a social security number if you meet the evidence requirements in Sec. 422.107 and you are:

- (1) A United States citizen; or  
(2) An alien lawfully admitted to the United States for permanent residence or under other authority of law permitting you to work in the United States (Sec. 422.105 describes how we determine if a nonimmigrant alien is permitted to work in the United States); or

5. By requesting or using a Taxpayer Identification Number on any government form, you create a presumption that you are engaged in the “trade or business” franchise and are a statutory “resident” of federal territory. The only people who need them are “taxpayers” who are engaged in a “trade or business”/“public office” in the District of Columbia and therefore partaking of federal franchises. All such persons have an effective domicile in the District of Columbia because they are representing a federal corporation, the “United States” pursuant to 28 U.S.C. §3002(15)(A) and are officers of that corporation. 26 U.S.C. §7701(a)(39), 26 U.S.C. §7408(d), and Fed.R.Civ.Proc. 17(b) all place their effective domicile in the District of Columbia and not within the place they physically occupy by virtue of the fact that they are acting in a representative capacity as a “public officer”.

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.  
[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]  
[SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-26cfr301.7701-5.pdf>]

We will now spend the rest of the section talking about how to avoid the problem described in item 1 above. There are many occasions on government forms, and especially tax forms, where we will be asked if we are “residents” and what our “residence” is and we must be very careful what we put on these forms. If a “residence” must be established on a government form for any reason, the safest way to handle this situation as a Christian is as follows:

1. Line out the word “residence” and replace it with “domicile”.
2. In the block declaring “residence” or “permanent address”, put one of the following:
  - 2.1. “Kingdom of Heaven on Earth (not within any man made government)”.
  - 2.2. A geographical place that has no owner and no government, such as the middle of the ocean.
3. At the end of the address line put in parenthesis: “Not a domicile or residence.”
4. If they ask you if you are a “resident”, simply say “NO”.
5. Put a note at the bottom saying:

“See and rebut the following web address for details, if you disagree:  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/ChangeOfAddressAttachment.htm> “

A person who does all the above is what we call “civilly dead”. The status of being “civilly dead” is the only proper status for a devout Christian, and it is thoroughly described in:

Delegation of Authority Order from God to Christians, Form #13.007, Section 3.3  
DIRECT LINK: <http://sedm.org/Forms/SelfFamilyChurchGovnce/DelOfAuthority.pdf>  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>

Any location of “residence” other than “Kingdom of Heaven on Earth” or a place not within the jurisdiction of any man-made government, however, will prejudice your rights, violate the Bible, and result in idolatry towards man/government. In fact, we believe the word “residence” and “resident” were invented by the legal profession as a way to separate intent from the word “domicile” so that people would no longer have a choice of their legal home. Christians should be very wary of this devious legal trap and avoid it as indicated above.

“And have no fellowship with the unfruitful works of darkness, but rather expose [rebuke] them.”  
[Eph. 5:11, Bible]

There are also BIG advantages to declaring our domicile as being outside of federal jurisdiction in either the Kingdom of Heaven on Earth or a state of the Union, which is “foreign” with respect to the federal government. For instance, one's domicile determines the rules of decision of every court in which a person is sued. Below is an excerpt from the [Federal Rule of Civil Procedure 17](#)(b) which proves this:

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 [the “United States”, in this case, or its officers on official duty representing the 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.

The above may not seem like a big deal, until you consider that if a person declares "heaven" as their domicile, then the court has to use God's laws in the Holy Bible as the only rules of decision! They cannot quote ANY federal statute or even court ruling as authority for what they are doing. The only thing they can apply is God's law and the rulings of ecclesiastical courts on the subject. We would LOVE to see this in a tax trial. The government would get CREAMED! This tactic is what we affectionately call "courtroom evangelism". In the case of Christians, the Common Law is the nearest equivalent of God's law and that is the ONLY thing we can allow ourselves to be protected by as a devout Christian. Statutory law, on the other hand, is only law for GOVERNMENT actors and not private persons:

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

Below is an example of how to fill this out for the state of California to remove any presumptions about "residence". If you don't do this, the state will essentially legally "presume" that you are an "alien", a "resident", and a "taxpayer", and this will grossly prejudice your Constitutional rights:

<http://famguardian.org/TaxFreedom/Forms/Emancipation/ChangeOfAddressAttachment.htm>

A number of legal factors are used in determining one's domicile. The following facts and circumstances, although not necessarily conclusive, have probative value to support a claim of domicile within a particular state:

1. Continuous presence in the state.
2. Payment of ad valorem (property) taxes.
3. Payment of personal income taxes.
4. Reliance upon state sources for financial support.
5. Domicile in the state of family, or other relatives, or persons legally responsible for the person.
6. Former domicile in the state and maintenance of significant connections therein while absent.
7. Ownership of a home or real property.
8. Admission to a licensed practicing profession in the state.
9. Long term military commitments in the state.
10. Commitments to further education in the state indicating an intent to stay here permanently.
11. Acceptance of an offer of permanent employment in the state.
12. Location of spouse's employment, if any.
13. Address of student listed on selective service (draft or reserves) registration.

Other factors indicating an intent to make a state one's domicile may be considered. Normally, the following circumstances do not constitute evidence of domicile sufficient to effect classification as a domiciliary:

1. Voting or registration for voting.
2. The lease of living quarters.
3. A statement of intention to acquire a domicile in state.
4. Automobile registration; address on driver's license; payment of automobile taxes.
5. Location of bank or saving accounts.

To conclude this section, you may wish to look at a few of the government's forms that effectively ask you what your "domicile" is, so you can see what we are talking about in this section. Before we do, we must emphasize that in some cases, the version of a form we choose to file, even if it says nothing on the form about domicile, may determine our "residence"! This is VERY important. For instance, if we file a 1040NR form, we are claiming that we are not a "resident alien" and that we do not maintain a domicile in the "United States" (federal territory). Whereas, if we file a 1040 form, we are claiming that we are either a "resident" with a domicile in the "United States" (federal territory), or are a "U.S. citizen" who is described as a "alien" coming under a tax treaty with the United States if we attach a form 2555 to the 1040 form. Also keep in mind that only a "resident" can have a "residence", and that all "residents" are aliens under the tax code, as far

1 as we understand it. This is confirmed by our quote of [26 CFR §1.871-2](#) earlier in this section, which you may want to go  
2 back and read. With these important considerations, below are a few of the forms that determine our “domicile”:

3

1 **Table 16: Example forms that determine domicile**

#	Issuing agency	Form number	Form name	"Domicile"	Blocks that determine domicile	Amplification
1	IRS	<a href="#">1040</a> , 1040EZ, 1040A	U.S. Individual Income Tax Return	"United States" (federal territory)	None. Just filing the form does this.	
2	IRS	<a href="#">1040NR</a>	U.S. Nonresident Alien Income Tax Return	State of the Union or foreign country	None. Just filing the form does this.	
3	IRS	<a href="#">2555</a>	Foreign Earned Income Exclusion	Abroad (foreign country)	None. Just filing the form does this.	
4	IRS	<a href="#">W-8BEN</a>		Place indicated in Block 4	Block 4: "Permanent address"	Make sure you put "Heaven" here!
5	Dept. of State	<a href="#">DS-11</a>	Application for U.S. Passport or Registration	Place indicated in Block 13.	Block 13: "Permanent address"	Make sure you put "Heaven" here!
6	States	Change of address	<a href="#">Example: California DMV-14 form</a>	Place indicated in "New Correct Residence Address"	"New Correct residence address"	Make sure you put "Heaven" here!
7	States	Voter registration	Voter registration	State where filed		
8	States	Driver's license application	Driver's license application	State where filed (some states, not all)		In Oregon, you declare yourself to be a "resident" just by getting a state Driver's License. However, not all states do this.

2 Items 4 and 5 above are noteworthy, because they mention the phrase "Permanent address". Why do they use the phrase  
3 "permanent"? Because they want to DECEIVE you into thinking that you can't revoke or withdraw your request to be  
4 protected and are therefore FORCED to keep subsidizing them to protect you without your continuing consent. That way,  
5 they are the only ones who can unilaterally terminate the CONTRACTUAL protection arrangement. SCAM!

6 When you fill out government forms to reflect a domicile that is in the Kingdom of Heaven on Earth, some ignorant or  
7 wicked or atheist clerks may decide to argue with you. Below are the three most popular arguments you will hear, which  
8 are each accompanied by tactics that are useful in opposing them:

- 9 1. If you submit the government form to a private company or organization, they may say that they have an unofficial  
10 "policy" of not accepting such forms. In response to such tactics, find another company that will accept it. If all  
11 companies won't accept it, then sue the companies for discrimination and violation of First Amendment rights.
- 12 2. They may say that "domicile" is based on a physical place and that Heaven is not a physical place. In response to this,  
13 we must remember that the [First Amendment](#) prevents the government from "establishing a religion". Because of this  
14 prohibition, the government can't even "define" what a religion is:

15 *A problem common to both religion clauses of the First Amendment is the dilemma of defining religion. To*  
16 *define religion is in a sense to establish it--those beliefs that are included enjoy a preferred constitutional*  
17 *status. For those left out of the definition, the definition may prove coercive. Indeed, it is in this latter context,*  
18 *which roughly approximates the area covered by the free exercise clause, where the cases and discussion of the*  
19 *meaning of religion have primarily centered. Professor Kent Greeawalt challenges the effort, and all efforts, to*  
20 *define religion: "No specification of essential conditions will capture all and only the benefits, practices, and*  
21 *organizations that are regarded as religious in modern culture and should be treated as such under the*  
22 *Constitution."*  
23 [[First Amendment Law](#), Barron-Dienes, West Publishing, ISBN 0-314-22677-X, p. 432]

- 24 To even define what "Heaven" is or to say that it doesn't physically exist is effectively to establish a religion. In order  
25 to determine that "Heaven" is not a physical place, they would be violating the separation of church and state and  
26 infringing upon your [First Amendment](#) right to practice your religion.
- 27 3. They may say that no place can qualify as a domicile that you didn't occupy at one point or another. When they do  
28 this, the proper response is to say that they are interfering with your [First Amendment](#) religious rights and then to quote  
29 them the following scriptures, which suggest that we had an existence in Heaven before we ever came to earth and  
30 before time began:



1 "But God, who is rich in mercy, because of His great love with which He loved us, even when we were dead in  
2 trespasses, made us alive together with Christ (by grace you have been saved), and raised us up together,  
3 and made us sit together in the heavenly places in Christ Jesus, "  
4 [[Eph. 2:4-6](#), Bible, NKJV]  
5

6 "Before I formed you in the womb I knew you;  
7 Before you were born I sanctified you;  
8 I ordained you a prophet to the nations."  
9 [[Jeremiah 1:5](#), Bible, NKJV]  
10

11 "Therefore do not be ashamed of the testimony of our Lord, nor of me His prisoner, but share with me in the  
12 sufferings for the gospel according to the power of God, who has saved us and called us with a holy calling,  
13 not according to our works, but according to His own purpose and grace which was given to us in Christ Jesus  
14 before [earthly] time began."  
15 [[2 Tim. 1:8-9](#), Bible, NKJV]  
16

17 "For we are His workmanship, created in Christ Jesus for good works, which God prepared beforehand that  
18 we should walk in them."  
19 [[Eph. 2:10](#), Bible, NKJV]  
20

21 I will praise You, for I am fearfully and wonderfully made;  
22 Marvelous are Your works,  
23 And that my soul knows very well.  
24 My frame was not hidden from You,  
25 When I was made in secret,  
26 And skillfully wrought in the lowest parts of the earth.  
27 Your eyes saw my substance, being yet unformed.  
28 And in Your book they all were written,  
29 The [earthly] days fashioned for me,  
30 When as yet there were none of them.  
31 How precious also are Your thoughts to me, O God!  
32 How great is the sum of them!  
33 [[Psalm 139:14-17](#), Bible, NKJV]

34 Another approach that is useful against this tactic is to point out that the federal courts have ruled that:

35 "Similarly, when a person is prevented from leaving his domicile by circumstances not of his doing and  
36 beyond his control, he may be relieved of the consequences attendant on domicile at that place. In *Roboz*  
37 (*USDC D.C. 1963*) [*Roboz v. Kennedy*, 219 F.Supp. 892 (D.D.C. 1963), p. 24], a federal statute was involved  
38 which precluded the return of an alien's property if he was found to be domiciled in Hungary prior to a certain  
39 date. It was found that Hungary was Nazi-controlled at the time in question and that the persons involved  
40 would have left Hungary (and lost domicile there) had they been able to. Since they had been precluded from  
41 leaving because of the political privations imposed by the very government they wanted to escape (the father  
42 was in prison there), the court would not hold them to have lost their property based on a domicile that  
43 circumstances beyond their control forced them to retain."  
44 [*Conflicts in a Nutshell*, David D. Siegel and Patrick J. Borchers, ISBN 0-314-160669-3, 3rd Edition, West  
45 Group, p. 24]

46 We should always remember that we never chose to come here to earth, and our presence is involuntary. Therefore,  
47 everything we do while here is a matter of compulsion rather than true choice. This subject is covered more  
48 thoroughly in sections 4.11.6 through 4.11.6.4 of the Great IRS Hoax, Form #11.302 if you wish to investigate.  
49 Therefore, we can be relieved of the consequences attendant to domicile if we do not wish to have one here.

50 If all the above arguments are ineffective or when the government refuses to recognize your choice of Heaven as a  
51 domicile, remember also that the First Amendment STILL prevents them from compelling you to associate with any group,  
52 including a state, and that they can't compel you to belong to or consent to any earthly government or law, to accept or pay  
53 for protection you don't want and don't need, and which you can even prove is harmful to you. In effect, they cannot violate  
54 the very reason for their establishment, which is protecting you the way YOU, not THEM want to be protected.

## 15.15.2 How the tax code compels choice of domicile

The government has compelled domicile or interfered with receiving the benefits of your choice by any of the following means:

1. Nowhere in Internal Revenue Code is the word “domicile” admitted to be the source of the government’s jurisdiction to impose an income tax, even though the U.S. Supreme Court admitted this in *Miller Brothers Co. v. Maryland*, [347 U.S. 340](#) (1954). The word “domicile”, in fact, is only used in two sections of the entire 9,500 page Internal Revenue Code, Title 26. This is no accident, but a very devious way for the government to avoid getting into arguments with persons who it is accusing of being “taxpayers”. It avoids these arguments by avoiding showing Americans the easiest way to challenge federal jurisdiction, which is demanding proof from the government required by 5 U.S.C. §556(d), who is the moving party, that you maintain a domicile in the “United States” (federal territory). The two sections below are the only places where domicile is mentioned:
  - 1.1. 26 U.S.C. §7448(j)(1)(B)(vi): Annuities to surviving spouses and dependent children of judges.
  - 1.2. 26 U.S.C. §6091: Defines where returns shall be submitted in the case of deceased “taxpayers”, which is the “domicile” of the decedent when he died.
2. They renamed the word “domicile” on government tax forms. They did this so that income taxation “appears” to be based entirely on physical presence, when in fact is also requires voluntary consent as well. If you knew that the government needed your consent to become a “taxpayer”, then probably everyone would “un-volunteer” and the government would be left scraping for pennies. Below are some examples of other names they gave to “domicile”:
  - 2.1. “permanent address”
  - 2.2. “permanent residence”
  - 2.3. “residence”: defined above, and only applying to nonresident aliens. There is no definition of “residence” anywhere in the I.R.C. in the case of a “citizen”. Below is how *Volume 28 of the Corpus Juris Secundum (C.J.S.)* legal encyclopedia, Domicile, describes the distinction between “residence” and “domicile”:

*Corpus Juris Secundum*  
§4 Domicile and Residence Distinguished

### *b. Use of Terms in Statutes*

*The terms “domicile” and “residence,” as used in statutes, are commonly, although not necessarily, construed as synonymous. Whether the term “residence,” as used in a statute, will be construed as having the meaning of “domicile,” or the term “domicile” construed as “residence,” depends on the purpose of the statute and the nature of the subject matter, as well as the context in which the term is used. 32 It has been declared that the terms “residence” and “domicile” are almost universally used interchangeably in statute, and that since domicile and legal residence are synonymous, the statutory rules for determining the place of residence are the rules for determining domicile.<sup>34</sup> However, it has been held that “residence,” when used in statutes, is generally interpreted by the courts as meaning “domicile,” but with important exception.*

*Accordingly, whenever the terms “residence” and “domicile” are used in connection with subjects of domestic policy, the terms are equivalent, as they also are, generally, where a statute prescribes residence as a qualification for the enjoyment of a privilege or the exercise of a franchise. “Residence” as used in various particular statutes has been considered synonymous with “domicile.” 39 However, the terms are not necessarily synonymous.<sup>40</sup>*  
*[28 Corpus Juris Secundum, Domicile, §4 Domicile and Resident Distinguished]*

3. By telling you that you MUST have a “domicile”. For instance, the *Volume 28 of the Corpus Juris Secundum (C.J.S.)* section on “Domicile” says the following on this subject:

*Corpus Juris Secundum*  
§5 Necessity and Number

***“It is a settled principle that every person must have a domicile somewhere.<sup>3</sup> The law permits no individual to be without a domicile,<sup>42</sup> and an individual is never without a domicile somewhere.<sup>13</sup> Domicile is a continuing thing, and from the moment a person is born he must, at all times, have a domicile .”***  
*[28 Corpus Juris Secundum, Domicile, §5 Necessity and Number]*

*Corpus Juris Secundum*  
§9 Domicile by Operation of Law

1 “Whenever a person does not fix a domicile for himself, the law will fix one for him in accordance with the facts  
2 and circumstances of the case; 12 and an infant's domicile will be fixed by operation of law where it cannot be  
3 determined from that of the parents.”<sup>73</sup>  
4 [28 Corpus Juris Secundum, Domicile, §9 Domicile by Operation of Law]  
5

6 Indirectly, what they are suggesting in the above by FORCING you to have a domicile is that:

- 7 3.1. You cannot choose God as your sole Protector, but MUST have an earthly protector who cannot be yourself.  
8 3.2. Although the First Amendment gives you the right to freely associate, it does not give you the right to disassociate  
9 with ALL governments. This is an absurdity.  
10 3.3. Government has a monopoly on protection and that individuals are not allowed to fire the government and provide  
11 their own protection, either individually or collectively.  
12 4. By inventing new words that allow them to avoid mentioning “domicile” in their vague “codes” while giving you the  
13 impression that an obligation exists that actually is consensual. For instance, in [26 U.S.C. §911](#) is the section of the  
14 I.R.C. entitled “Citizens or residents of the United States living abroad”. This section identifies the income tax  
15 liabilities of persons domiciled in the “United States” (federal zone) who are living temporarily abroad. We showed  
16 earlier that if they have a domicile abroad, then they cannot be either “citizens” or “residents” under the I.R.C., because  
17 domicile is a prerequisite for being either. In that section, they very deceptively:  
18 4.1. Use the word “abode” in [26 U.S.C. §911\(d\)\(3\)](#) to describe one’s domicile so as to remove the requirement for  
19 “intent” and “consent” from consideration of the subject, even though they have no authority to ignore this  
20 requirement for consent in the case of anything but an “alien”.  
21 4.2. Don't even use the word “domicile” at all, and refuse to acknowledge that what “citizens” or “residents” both have  
22 in common is a “domicile” within the United States. They did this to preserve the illusion that even after one  
23 changes their domicile to a foreign country while abroad, the federal tax liability continues, when in fact, it  
24 legally is not required to. After domicile is changed, those Americans who changed it while abroad then are no  
25 longer called “citizens” under federal law, but rather “nationals” and “nonresident aliens”.  
26 4.3. They invented a new word called a “tax home”, as if it were a substitute for “domicile”, when in fact it is not. A  
27 “tax home” is defined in [26 U.S.C. §911](#) as a place where a person who has a temporary presence abroad treats  
28 himself or herself as a privileged “resident” in the foreign country but still also maintains a privileged “resident”  
29 and “domicile” status in the “United States”.

30 [TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART III > Subpart B > § 911](#)  
31 [§ 911. Citizens or residents of the United States living abroad](#)

32 (d) Definitions and special rules For purposes of this section—

33 (3) Tax home

34 The term “tax home” means, with respect to any individual, such individual’s home for purposes of section 162  
35 (a)(2) (relating to traveling expenses while away from home). An individual shall not be treated as having a  
36 tax home in a foreign country for any period for which his abode [domicile] is within the United States  
37 [federal zone].  
38

39 The only way the government can maintain your status as a “taxpayer” is to perpetuate you in a “privileged” state,  
40 so they simply don’t offer any options to leave the privileged state by refusing to admit to you that the terms  
41 “citizen” and “resident” presume you made a voluntary choice of domicile within their jurisdiction. I.R.C. section  
42 162 mentioned above is the section for privileged deductions, and the only persons who can take deductions are  
43 those engaged in the privileged “trade or business” excise taxable franchise. Therefore, the only person who  
44 would derive any benefit from deductions is a person with a domicile in the “United States” (federal territory) and  
45 who has earnings from that place which are connected with a “trade or business”, which means U.S. government  
46 (corporation) source income as a “public officer”.

### 47 **15.15.3 How the Legal Encyclopedia compels choice of domicile**

48 Even the legal encyclopedia tries to hide the nature of domicile. For instance, Volume 28 of the Corpus Juris Secundum  
49 (C.J.S.) at:

50 <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>

which we quoted in the previous section does not even mention the requirement for “allegiance” as part of domicile or the fact that allegiance must be voluntary and not compelled, even though the U.S. Supreme Court said this was an essential part of it:

*“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.”*  
[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

The legal encyclopedia in the above deliberately and maliciously omits mention of any of the following key concepts, even though the U.S. Supreme Court has acknowledged elements of them as we have shown:

1. That allegiance that is the foundation of domicile must be voluntary and cannot be coerced.
2. That external factors such as the withdrawal of one’s right to conduct commerce for failure to give allegiance causes domicile choice to no longer be voluntary.
3. That a choice of domicile constitutes an exercise of your First Amendment right of freedom of association and that a failure to associate with a specific government is an exercise of your right of freedom from compelled association.
4. That you retain all your constitutional rights even WITHOUT choosing a domicile within a specific government because rights attach to the land you are standing on and not the civil status you choose by exercising your right to associate and becoming a member of a “state” or municipality.

The result of maliciously refusing to acknowledge the above concepts is a failure to acknowledge the foundation of all just authority of every government on earth, which is the consent of the governed mentioned in our Declaration of Independence.

*“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed. --That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.”*  
[Declaration of Independence]

A failure to acknowledge that requirement results in a complete destruction of the sovereignty of the people, because the basis of all your sovereignty is that no one can do anything to you without your consent, unless you injured the equal rights of others. This concept is exhaustively described in the following document:

[Requirement for Consent](http://sedm.org/Forms/FormIndex.htm), Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

#### **15.15.4 How governments compel choice of domicile: Government ID**

In order to do business within any jurisdiction, and especially with the government and financial institutions, one usually needs identification documents. Such documents include:

1. State driver’s license. Issued by the Dept. of Motor Vehicles in your state.
2. State ID card. Issued by the Dept. of Motor Vehicles in your state.
3. Permanent resident green card.
4. National passport. Issued by the U.S. Dept. of State.
5. U.S. Citizen Card. Issued by the Dept. of State. These are typically used at border crossings.

All ID issued by the state governments, and especially the driver’s license, requires that the applicant be a “resident” of the “State of\_\_\_\_\_”. If you look up the definition of “resident” and “State of” or “State” or “in this State” within the state tax code, these terms are defined to mean a privileged alien with a domicile on federal territory not protected by the Constitution.

USA passports also require that you provide a domicile. The Dept. of State DS-11 Form in Block 17 requires you to specify a “Permanent Address”, which means domicile. See:

Domicile within the country is not necessary in order to be issued a national passport. All you need is proof of birth within that country. If you would like tips on how to obtain a national passport without a domicile within a state and without government issued identifying numbers that connect you to franchises, see:

*How to Apply for a Passport as a "National", Form #09.007*

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

State ID, however, always requires domicile within the state in order to be issued either a state driver's license or a state ID. Consequently, there is no way to avoid becoming privileged if you want state ID. This situation would seem at first to be a liability until you also consider that they can't lawfully issue a driver's license to non-residents. Imagine going down to the DMV and telling them that you are physically on state land but do not choose a domicile here and that you can't be compelled to and that you would like for them to certify that you came in to request a license and that you were refused and don't qualify. Then you can show that piece of paper called a "Letter of Disqualification" to the next police officer who stops you and asks you for a license. Imagine having the following dialog with the police officer when you get stopped:

*Officer: May I see your license and registration please?*

*You: I'm sorry, officer, but I went down to the DMV to request a license and they told me that I don't qualify because I am a non-resident of this state. I have a Letter of Disqualification they gave me while I was there stating that I made application and that they could not lawfully issue me a license. Here it is, officer.*

*Officer: Well, then do you have a license from another state?*

*You: My domicile is in a place that has no government. Therefore, there is no one who can issue licenses there. Can you show me a DMV office in the middle of the ocean, which is where my domicile is and where my will says my ashes will be PERMANENTLY taken to when I die. My understanding is that domicile or residence requires an intention to permanently remain at a place and I am not here permanently and don't intend to remain here. I am a perpetual traveler, a transient foreigner, and a vagrant until I am buried.*

*Officer: Don't get cute with me. If you don't produce a license, then I'm going to cite you for driving without a license.*

*You: Driving is a commercial activity and I am not presently engaged in a commercial activity. Do you have any evidence to the contrary? Furthermore, I'd love to see you explain to the judge how you can punish me for refusing to have that which the government says they can't even lawfully issue me. That ought to be a good laugh. I'm going to make sure the whole family is there for that one. It'll be better than Saturday Night Live!*

We allege that the purpose of the vehicle code in your state is NOT the promotion of public safety, but to manufacture "residents" and "taxpayers". The main vehicle by which states of the Union, in fact, manufacture "residents", who are privileged "public officers" that are "taxpayers" and aliens with respect to the government is essentially by compelling everyone to obtain and use state driver's licenses. This devious trap operates as follows:

1. You cannot obtain a state driver's license without being a "resident". If you go into any DMV office and tell them you are not a "resident", then they are not allowed to issue you a license. You can ask from them what is called a "Letter of Disqualification", which states that you are not eligible for a driver's license. You can keep that letter and show it to any police officer who stops you and wants your "license". He cannot then cite you for "driving without a license" that the state refuses to issue you, nor can he impound your car for driving without a license!

*California Vehicle Code*

"14607.6. (a) Notwithstanding any other provision of law, and except as provided in this section, **a motor vehicle is subject to forfeiture as a nuisance if it is driven on a highway in this state by a driver with a suspended or revoked license, or by an unlicensed driver, who is a registered owner of the vehicle at the time of impoundment and has a previous misdemeanor conviction for a violation of subdivision (a) of Section 12500 or Section 14601, 14601.1, 14601.2, 14601.3, 14601.4, or 14601.5.**

*(b) A peace officer shall not stop a vehicle for the sole reason of determining whether the driver is properly licensed.*



(c) (1) If a driver is unable to produce a valid driver's license on the demand of a peace officer enforcing the provisions of this code, as required by subdivision (b) of Section 12951, the vehicle shall be impounded regardless of ownership, unless the peace officer is reasonably able, by other means, to verify that the driver is properly licensed. Prior to impounding a vehicle, a peace officer shall attempt to verify the license status of a driver who claims to be properly licensed but is unable to produce the license on demand of the peace officer.

(2) A peace officer shall not impound a vehicle pursuant to this subdivision if the license of the driver expired within the preceding 30 days and the driver would otherwise have been properly licensed.

(3) A peace officer may exercise discretion in a situation where the driver without a valid license is an employee driving a vehicle registered to the employer in the course of employment. A peace officer may also exercise discretion in a situation where the driver without a valid license is the employee of a bona fide business establishment or is a person otherwise controlled by such an establishment and it reasonably appears that an owner of the vehicle, or an agent of the owner, relinquished possession of the vehicle to the business establishment solely for servicing or parking of the vehicle or other reasonably similar situations, and where the vehicle was not to be driven except as directly necessary to accomplish that business purpose. In this event, if the vehicle can be returned to or be retrieved by the business establishment or registered owner, the peace officer may release and not impound the vehicle.

(4) A registered or legal owner of record at the time of impoundment may request a hearing to determine the validity of the impoundment pursuant to subdivision (n).

(5) If the driver of a vehicle impounded pursuant to this subdivision was not a registered owner of the vehicle at the time of impoundment, or if the driver of the vehicle was a registered owner of the vehicle at the time of impoundment but the driver does not have a previous conviction for a violation of subdivision (a) of Section 12500 or Section 14601, 14601.1, 14601.2, 14601.3, 14601.4, or 14601.5, the vehicle shall be released pursuant to this code and is not subject to forfeiture.

(d) (1) This subdivision applies only if the driver of the vehicle is a registered owner of the vehicle at the time of impoundment. Except as provided in paragraph (5) of subdivision (c), if the driver of a vehicle impounded pursuant to subdivision (c) was a registered owner of the vehicle at the time of impoundment, the impounding agency shall authorize release of the vehicle if, within three days of impoundment, the driver of the vehicle at the time of impoundment presents his or her valid driver's license, including a valid temporary California driver's license or permit, to the impounding agency. The vehicle shall then be released to a registered owner of record at the time of impoundment, or an agent of that owner authorized in writing, upon payment of towing and storage charges related to the impoundment, and any administrative charges authorized by Section 22850.5, providing that the person claiming the vehicle is properly licensed and the vehicle is properly registered. A vehicle impounded pursuant to the circumstances described in paragraph (3) of subdivision (c) shall be released to a registered owner whether or not the driver of the vehicle at the time of impoundment presents a valid driver's license.

(2) If there is a community property interest in the vehicle impounded pursuant to subdivision (c), owned at the time of impoundment by a person other than the driver, and the vehicle is the only vehicle available to the driver's immediate family that may be operated with a class C driver's license, the vehicle shall be released to a registered owner or to the community property interest owner upon compliance with all of the following requirements:

(A) The registered owner or the community property interest owner requests release of the vehicle and the owner of the community property interest submits proof of that interest.

(B) The registered owner or the community property interest owner submits proof that he or she, or an authorized driver, is properly licensed and that the impounded vehicle is properly registered pursuant to this code.

(C) All towing and storage charges related to the impoundment and any administrative charges authorized pursuant to Section 22850.5 are paid.

(D) The registered owner or the community property interest owner signs a stipulated vehicle release agreement, as described in paragraph (3), in consideration for the nonforfeiture of the vehicle. This requirement applies only if the driver requests release of the vehicle.

(3) A stipulated vehicle release agreement shall provide for the consent of the signator to the automatic future forfeiture and transfer of title to the state of any vehicle registered to that person, if the vehicle is driven by a driver with a suspended or revoked license, or by an unlicensed driver. The agreement shall be in effect for only as long as it is noted on a driving record maintained by the department pursuant to Section 1806.1.



(4) The stipulated vehicle release agreement described in paragraph (3) shall be reported by the impounding agency to the department not later than 10 days after the day the agreement is signed.

(5) No vehicle shall be released pursuant to paragraph (2) if the driving record of a registered owner indicates that a prior stipulated vehicle release agreement was signed by that person.

(e) (1) The impounding agency, in the case of a vehicle that has not been redeemed pursuant to subdivision (d), or that has not been otherwise released, shall promptly ascertain from the department the names and addresses of all legal and registered owners of the vehicle.

(2) The impounding agency, within two days of impoundment, shall send a notice by certified mail, return receipt requested, to all legal and registered owners of the vehicle, at the addresses obtained from the department, informing them that the vehicle is subject to forfeiture and will be sold or otherwise disposed of pursuant to this section. The notice shall also include instructions for filing a claim with the district attorney, and the time limits for filing a claim. The notice shall also inform any legal owner of its right to conduct the sale pursuant to subdivision (g). If a registered owner was personally served at the time of impoundment with a notice containing all the information required to be provided by this paragraph, no further notice is required to be sent to a registered owner. However, a notice shall still be sent to the legal owners of the vehicle, if any. If notice was not sent to the legal owner within two working days, the impounding agency shall not charge the legal owner for more than 15-days' impoundment when the legal owner redeems the impounded vehicle.

(3) No processing charges shall be imposed on a legal owner who redeems an impounded vehicle within 15 days of the impoundment of that vehicle. If no claims are filed and served within 15 days after the mailing of the notice in paragraph (2), or if no claims are filed and served within five days of personal service of the notice specified in paragraph (2), when no other mailed notice is required pursuant to paragraph (2), the district attorney shall prepare a written declaration of forfeiture of the vehicle to the state. A written declaration of forfeiture signed by the district attorney under this subdivision shall be deemed to provide good and sufficient title to the forfeited vehicle. A copy of the declaration shall be provided on request to any person informed of the pending forfeiture pursuant to paragraph (2). A claim that is filed and is later withdrawn by the claimant shall be deemed not to have been filed.

(4) If a claim is timely filed and served, then the district attorney shall file a petition of forfeiture with the appropriate juvenile, municipal, or superior court within 10 days of the receipt of the claim. The district attorney shall establish an expedited hearing date in accordance with instructions from the court, and the court shall hear the matter without delay. The court filing fee, not to exceed fifty dollars (\$50), shall be paid by the claimant, but shall be reimbursed by the impounding agency if the claimant prevails. To the extent practicable, the civil and criminal cases shall be heard at the same time in an expedited, consolidated proceeding. A proceeding in the civil case is a limited civil case.”  
[California Vehicle Code, Section 14607.6, Sept. 20, 2004]

Below is evidence showing how one person obtained a “Letter of Disqualification” that resulted in being able to drive perpetually without having a state -issued driver's license.

<http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisTaxationDL-20060522.pdf>

2. Most state vehicle codes define “resident” as a person with a domicile in the “State”. Below is an example from the California Vehicle Code:

#### California Vehicle Code

516. “**Resident**” means any person who manifests an intent to live or be located in this state on more than a temporary or transient basis. Presence in the state for six months or more in any 12-month period gives rise to a rebuttable presumption of residency.

The following are evidence of residency for purposes of **vehicle** registration:

(a) Address where registered to vote.

(b) Location of employment or place of business.

(c) Payment of **resident** tuition at a public institution of higher education.

(d) Attendance of dependents at a primary or secondary school.

(e) Filing a homeowner's property tax exemption.

(f) Renting or leasing a home for use as a residence.

(g) Declaration of residency to obtain a license or any other privilege or benefit not ordinarily extended to a nonresident.

(h) Possession of a California driver's license.

(i) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

[SOURCE:

<http://www.leginfo.ca.gov/cgi-bin/waisgate?WAIISdocID=49966114921+5+0+0&WAIISaction=retrieve>]

#### California Vehicle Code

12505. (a) (1) For purposes of this division only and notwithstanding Section 516, residency shall be determined as a person's state of domicile. "State of domicile" means the state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has manifested the intention of returning whenever he or she is absent.

Prima facie evidence of residency for driver's licensing purposes includes, but is not limited to, the following:

(A) Address where registered to vote.

(B) Payment of resident tuition at a public institution of higher education.

(C) Filing a homeowner's property tax exemption.

(D) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

(2) California residency is required of a person in order to be issued a commercial driver's license under this code.

(b) The presumption of residency in this state may be rebutted by satisfactory evidence that the licensee's primary residence is in another state.

(c) Any person entitled to an exemption under Section 12502, 12503, or 12504 may operate a motor **vehicle** in this state for not to exceed 10 days from the date he or she establishes residence in this state, except that he or she shall obtain a license from the department upon becoming a **resident** before being employed for compensation by another for the purpose of driving a motor **vehicle** on the highways.

[SOURCE:

<http://www.leginfo.ca.gov/cgi-bin/waisgate?WAISdocID=49860512592+2+0+0&WAIAction=retrieve>]

516. "Resident" means any person who manifests an intent to live or be located in this state on more than a temporary or transient basis. Presence in the state for six months or more in any 12-month period gives rise to a rebuttable presumption of residency.

The following are evidence of residency for purposes of vehicle registration:

(a) Address where registered to vote.

(b) Location of employment or place of business.

(c) Payment of resident tuition at a public institution of higher education.

(d) Attendance of dependents at a primary or secondary school.

(e) Filing a homeowner's property tax exemption.

(f) Renting or leasing a home for use as a residence.

(g) Declaration of residency to obtain a license or any other privilege or benefit not ordinarily extended to a nonresident.

(h) Possession of a California driver's license.

(i) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

[SOURCE: <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=veh&group=00001-01000&file=100-680>]

3. The term "State" is then defined in the revenue codes to mean the federal areas within the exterior limits of the state. Below is an example from the California Vehicle Code:

California Revenue and Taxation Code

17017. "United States," when used in a geographical sense, includes the states, the District of Columbia, and the possessions of the United States.

17018. "State" includes the District of Columbia, and the possessions of the United States.

4. You must surrender all other state driver's licenses in order to obtain one from most states. Below is an example from the California Vehicle Code:

California Vehicle Code

12805. The department shall not issue a driver's license to, or renew a driver's license of, any person:

[...]

(f) Who holds a valid driver's license issued by a foreign jurisdiction unless the license has been surrendered to the department, or is lost or destroyed.

12511. No person shall have in his or her possession or otherwise under his or her control more than one driver's license.

Consequently, the vehicle code in most states, in the case of individuals not involved in “commercial activity”, applies mainly to “public officers” who are effectively “residents” of the federal zone with an effective “domicile” or “residence” there:

[26 U.S.C. §7701](#)

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(39) Persons residing outside United States

If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident shall be treated as residing in the District of Columbia for purposes of any provision of this title relating to—

(A) jurisdiction of courts, or

(B) enforcement of summons.

[SOURCE: [http://www4.law.cornell.edu/uscode/html/uscode26/usc\\_sec\\_26\\_00007701----000-.html](http://www4.law.cornell.edu/uscode/html/uscode26/usc_sec_26_00007701----000-.html)]

These persons are “taxpayers”. They are Americans who have contracted away their Constitutional rights in exchange for government “privileges” and they are the only “persons” who inhabit or maintain a “domicile” or “residence” in the “State” as defined above. Only people with a domicile in such “State” can be required to obtain a “license” to drive on the “highways”. While they are exercising “agency” on behalf of or representing the government corporation, they are “citizens” of that corporation and “residents”, because the corporation itself is a “citizen” and therefore a person with a domicile in the place where the corporation was formed, which for the “United States” is the District of Columbia:

“Corporations are also of all grades, and made for varied objects; **all governments are corporations, created by usage and common consent, or grants and charters which create a body politic for prescribed purposes; but whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise of power, they are all governed by the same rules of law, as to the construction and the obligation of the instrument by which the incorporation is made. One universal rule of law protects persons and property.** It is a fundamental principle of the common law of England, that the term freemen of the kingdom, includes 'all persons,' ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2 Inst. 4), and is incorporated into our institutions. The persons of the members of corporations are on the same footing of protection as other persons, and their corporate property secured by the same laws which protect that of individuals. 2 Inst. 46-7. 'No man shall be taken,' 'no man shall be disseised,' without due process of law, is a principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the federal government, by the amendments to the constitution.”  
[Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837)]

“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]

Federal Rules of Civil Procedure

[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 or one REPRESENTING a PUBLIC CORPORATION called the government as a "public officer", 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>]

If you don't want to be a "public officer" who has an effective "domicile" or "residence" in the District of Columbia under Federal Rule of Civil Procedure 17(b), 26 U.S.C. §§7701(a)(39), and 7408(d), then you have to divorce the state, create your own "state", and change your domicile to that new "state". For instance, you can form an association of people and choose a domicile within that association. This association would be referred to as a "foreign jurisdiction" within the vehicle code in most states. The association can become the "government" for that group, and issue its own driver's licenses and conduct its own "courts". In effect, it becomes a competitor to the corporate state for the affections, allegiance, and obedience of the people. This is capitalism at its finest, folks!

*California Vehicle Code*

12502. (a) The following persons may operate a motor vehicle in this state without obtaining a driver's license under this code:

- (1) A nonresident over the age of 18 years having in his or her immediate possession a valid driver's license issued by a foreign jurisdiction of which he or she is a resident, except as provided in Section 12505.  
[SOURCE:  
<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=veh&group=12001-13000&file=12500-12527>]

As long as the driver's licenses issued by the government you form meet the same standard as those for the state you are in, then it doesn't matter who issued it.

*California Vehicle Code*

12505. (a) (1) For purposes of this division only and notwithstanding Section 516, residency shall be determined as a person's state of domicile. "State of domicile" means the state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has manifested the intention of returning whenever he or she is absent.

[...]

- (e) Subject to Section 12504, a person over the age of 16 years who is a resident of a foreign jurisdiction other than a state, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or Canada, having a valid driver's license issued to him or her by any other foreign jurisdiction having licensing standards deemed by the Department of Motor Vehicles equivalent to those of this state, may operate a motor vehicle in this state without obtaining a license from the department, except that he or she shall obtain a license before being employed for compensation by another for the purpose of driving a motor vehicle on the highways.  
[SOURCE:  
<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=veh&group=12001-13000&file=12500-12527>]

As long as you take and pass the same written and driver's tests as the state uses, even your church could issue it! As a matter of fact, below is an example of a church that issues "Heaven Driver's Licenses" called "Embassy of Heaven":

<http://www.embassyofheaven.com/>

You can't be compelled by law to grant to your public "servants" a monopoly that compels you into servitude to them as a "public officer". In the United States, WE THE PEOPLE are the government, and not their representatives and "servants" who work for them implementing the laws that they pass. Consequently, you and your friends or church, as a "self-

governing body” can make your own driver’s license and in fact and in law, those licenses will by definition be “government-issued”. To wit:

*“The words ‘people of the United States’ and ‘citizens,’ are synonymous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives [they are the government, not their servants]. They are what we familiarly call the ‘sovereign people,’ and every citizen is one of this people, and a constituent member of this sovereignty. ...”*  
[Boyd v. State of Nebraska, 143 U.S. 135 (1892)]

*“From the differences existing between feudal sovereignties and Government founded on compacts, it necessarily follows that their respective prerogatives must differ. Sovereignty is the right to govern; a nation or State-sovereign is the person or persons in whom that resides. In Europe the sovereignty is generally ascribed to the Prince; here it rests with the people; there, the sovereign actually administers the Government; here, never in a single instance; our Governors are the agents of the people, and at most stand in the same relation to their sovereign, in which regents in Europe stand to their sovereigns. Their Princes have personal powers, dignities, and pre-eminences, our rulers have none but official; nor do they partake in the sovereignty otherwise, or in any other capacity, than as private citizens.”*  
[Chisholm, Ex’r. v. Georgia, 2 Dall. (U.S.) 419, 1 L.Ed. 454, 457, 471, 472 (1794)]

Anyone who won’t accept such a driver’s license should be asked to contradict the U.S. Supreme Court and to prove that you AREN’T part of the government as a person who governs his own life and the lives of other members of the group you have created. The following article also emphasizes that “We The People” are the government, and that our servants have been trying to deceive us into believing otherwise:

*We The People Are The American Government*, Nancy Levant  
<http://famguardian.org/Subjects/LawAndGovt/Articles/WeAreGovernment.pdf>

If you would like to know more about this fascinating subject, see the following book:

*Defending Your Right to Travel*, Form #06.010  
<http://sedm.org/ItemInfo/Ebooks/DefYourRightToTravel.htm>

Chances are good that you as a reader at one time or another procured government ID without knowing all the legal consequences described in this document. The existence of that ID and the evidence documenting your request for it can and probably will be used by the government against you as evidence that you are subject to their civil laws and a customer of their "protection racket". The best technique for rebutting such evidence is that appearing in the following document. The submission of this document is a MANDATORY part of becoming a Member of this fellowship, and hopefully you now understand why it is mandatory:

*Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>

In particular, see the following sections in the above document:

1. Section 9: Affidavit of Duress, Government ID Scam.
2. Section 10.8: Criminal Complaint Against Those Engaged in the Government ID Scam

#### **15.15.5 How employers and financial institutions compel choice of domicile**

Whenever you open a financial account or start a new job these days, most employers, banks, or investment companies will require you to produce “government ID”. Their favorite form of ID is the state issued ID. Unfortunately, unless you are an alien domiciled on federal territory within the exterior limits of the state who is not protected by the Constitution, you don’t qualify for state ID or even a state driver’s license. By asking for “government ID”, employers and financial institutions indirectly are forcing you to do the following as a precondition of doing business with them:

1. Surrender the benefits and protections of being a constitutional “citizen” in exchange for being a privileged statutory alien, and to do so WITHOUT consideration and without recourse.

2. Become a statutory “resident alien” pursuant to 26 U.S.C. §7701(b)(1)(A) domiciled on federal territory and subject to federal jurisdiction, who is a public officer within the federal government engaged in the “trade or business” franchise. See:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

3. Become a privileged statutory “resident alien” franchisee who is compelled to participate in what essentially amounts to a “protection racket”.

*“Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country. Being bound to the society by reason of their [intention of] dwelling in it, they are subject to its laws so long as they remain there, and, being protected by it, they must defend it, although they do not enjoy all the rights of citizenship. They have only certain privileges which the law, or custom, gives them. Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizen of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children.”*  
*[The Law of Nations, p. 87, E. De Vattel, Volume Three, 1758, Carnegie Institution of Washington; emphasis added.]*

4. Serving two masters and being subject simultaneously to state and federal jurisdiction. The federal government has jurisdiction over Constitutional aliens, including those within a state.

*“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].”*  
*[Matt. 6:24, Bible, NKJV. Written by a tax collector]*

One thing you can show financial institutions as an alternative to state ID or a state driver’s license that doesn’t connect you to the “protection franchise” and a domicile on federal territory is a USA passport procured without an SSN or TIN as a non-citizen national. What they do to deal with “difficult” people like that is say that they need TWO forms of government ID in order to open the account. Here is an example of what you might hear on this subject:

*“I’m sorry, but the Patriot Act [or some other obscure regulation] requires you to produce TWO forms of government issued ID to open an account with us.”*

Most people falsely presume that the above statement means that they ALSO need state ID in addition to the passport but this isn’t true. It is a maxim of law that the law cannot require an impossibility. If they are going to impose a duty upon you under the color of law by saying that you need TWO forms of ID, they must provide a way to comply without:

1. Compelling you to politically associate with a specific government in violation of the First Amendment.
2. Compelling you to participate in government franchises by providing an identifying number.
3. Misrepresenting your status as a privileged “resident alien”.
4. Violating your religious beliefs by nominating an Earthly protector and thereby firing God as your only protector.

There are lots of ways around this trap. For instance, the U.S. Supreme Court said WE are the government and that we govern ourselves through our elected representatives.

*“The words ‘people of the United States’ and ‘citizens,’ are synonymous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives. They are what we familiarly call the ‘sovereign people,’ and every citizen is one of this people, and a constituent member of this sovereignty.*  
*...”*  
*[Boyd v. State of Nebraska, 143 U.S. 135 (1892)]*

So what does “government id” really mean? A notary public is also a public officer and therefore part of the government.

*Chapter 1*  
*Introduction*  
*§1.1 Generally*

*A notary public (sometimes called a notary) is a public official appointed under authority of law with power, among other things, to administer oaths, certify affidavits, take acknowledgments, take depositions, perpetuate testimony, and protect negotiable instruments. Notaries are not appointed under federal law; they are appointed under the authority of the various states, districts, territories, as in the case of the Virgin Islands, and*



1 *the commonwealth, in the case of Puerto Rico. The statutes, which define the powers and duties of a notary*  
2 *public, frequently grant the notary the authority to do all acts justified by commercial usage and the "law*  
3 *merchant".*

4 [[Anderson's Manual for Notaries Public, Ninth Edition, 2001, ISBN 1-58360-357-3](#)]

5 If you hand the financial institution any of the following, you have satisfied their requirement for secondary ID without  
6 violating the law or being compelled to associate with or contract with the government:

- 7 1. Notarized piece of paper with your picture and your birth certificate on it. The notary is a government officer and  
8 therefore it is government ID.
- 9 2. Certified copy of your birth certificate by itself. The certification is from the government so its government ID.
- 10 3. ID issued by a government you formed and signed by the "Secretary of State" of that government. The people are the  
11 government according to the Supreme Court, so you can issue your own ID.

12 You have to be creative at times to avoid their attempts to compel you to sign up for government franchises, but it is still  
13 doable.

14 Another thing that nearly all financial institutions and private employers habitually do is PRESUME, usually wrongfully,  
15 that:

- 16 1. You are a "citizen" or a "resident" of the place you live or work. What citizens and residents have in common is a  
17 domicile within a jurisdiction. Otherwise, you would be called "nonresidents" or "transient foreigners".
- 18 2. Whatever residence or mailing address you give them is your domicile or residence address.

19 By making such a false presumption, employers and financial institutions in effect are causing you to make an "invisible  
20 election" to become a citizen or resident or domiciliary and to provide your tacit consent to be CIVILLY governed without  
21 even realizing it.

22 If you want to prevent becoming a victim of the false presumption that you are a statutory "citizen", "resident", and  
23 therefore domiciliary of the place you live or work, you must take special precautions to notify all of your business  
24 associates by providing a special form to them describing you as a "nonresident" of some kind. At the federal level, that  
25 form is the IRS Form W-8BEN or a suitable substitute, which identifies the holder as a "nonresident alien". IRS does not  
26 make a form for "nonresidents" who are not "aliens", unfortunately, so you must therefore modify their form or make your  
27 own form. For an article on how to fill out tax forms to ensure that you are not PRESUMED, usually prejudicially and  
28 falsely, to be a resident or citizen or domiciliary, see the following article:

[About IRS Form W-8BEN](#), Form #04.202

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

29 Sometimes, those receiving your declaration of nonresident status may try to interfere with that choice. For such cases, the  
30 following pamphlet proves that the only one who can lawfully declare or establish your civil status, including your  
31 "nonresident" status, is you. If anyone tries to coerce you to declare a civil status for yourself that you don't want to accept  
32 and don't consent to, you should provide an affidavit indicating that you were under duress and that they threatened to  
33 financially penalize you or not contract with you if you don't LIE on government forms and declare a status you don't  
34 want. The following pamphlet is also useful in proving that they have no authority to coerce you to declare any civil status  
35 you don't want:

[Your Exclusive Right to Declare or Establish Your Civil Status](#), Form #13.008

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

36 We should always keep in mind that whenever a financial institution or employer asks for a tax form, they are doing so  
37 under the color of law as a "withholding agent" (26 U.S.C. §7701(a)(16)) who is a public officer of the government.  
38 Because they are a public officer of the government in their capacity as a statutory "withholding agent", they still have a  
39 legal duty not to violate your rights, even if they otherwise are a private company. The Constitution applies to all officers  
40 and agents of the government, including statutory "withholding agents" while acting in that capacity. Financial institutions  
41 especially are aware of this fact, which is why if you ask them to give you their criteria for what ID they will accept in  
42 writing, they will say that it is a confidential internal document that they can't share with the public. They know they are

discriminating unlawfully as a public officer by rejecting your ID and they want to limit the legal liability that results from this by preventing you from having evidence to prove that they are officially discriminating. They keep such policies on their computer, protected by a password, and they will tell you that the computer doesn't let them print it out or that there isn't a field in their system for them to accept the type of ID that you have. THIS is a SCAM! Take a picture of the screen with your cellphone, page by page, in response to such a SCAM.

## 15.16 Summary and Conclusions

Based on the foregoing analysis and legally admissible evidence, we can safely conclude the following:

1. Think of the “state” as a club:

- 1.1. The “state” is the collection of all the sovereigns that occupy a specific territorial land mass.
- 1.2. The “government” are the people contracted and under oath to service the needs of the “state” and execute the business of the “state”. They are “protection contractors”. The “government” and the “state” are two separate and distinct groups that are NOT synonymous or the same. The “state” is the sovereign, while the “government” is the SERVANT of the sovereign.
- 1.3. Those who are members of the club are called “citizens” if they were born somewhere within the country and “residents” if they were born in a different country.
- 1.4. Those who are not members of the club are called “nonresidents” or “transient foreigners”.
- 1.5. Whether you are a “member” or a “nonmember” is determined by how you describe your “residence”, “permanent address”, or “domicile” on usually government and financial forms. No one but you can decide or control what you put on these forms.
- 1.6. Taxes are your “club membership dues”.
- 1.7. In return for membership, you are entitled to demand “services” or “benefits” from the government that serves the “state”.
- 1.8. No one can force you to join the club. The First Amendment protects your right to NOT join the club by prohibiting “compelled association”. That is why the First Amendment is the first amendment: Because the first and most important thing you must do when forming any “state” is to give everyone the right to NOT join!
- 1.9. Since no one can force you to join the club, no one can compel you to accept the liabilities associated with membership in the club and they must prove that you voluntarily consented to join the club before they can legally enforce those liabilities against you. Such liabilities include the duty to pay income taxes, to vote, and to serve as a jurist when summoned.
- 1.10. Membership in the club confers civil jurisdiction of the courts in order to protect your civil rights.
- 1.11. You do not need to be a member of the club in order for the government to enforce the criminal laws of the state against you. All that must be proven in order to enforce the criminal laws is that you were physically situated on the territory associated with the “state” and that you committed a criminal or harmful act that injured a specific other fellow sovereign.
- 1.12. There are TWO levels of club membership: Premium and Unleaded. The “Unleaded” version is basic domicile in the republic and not the “State” and this level buys you basic criminal protection and nothing more. The “Premium” level of membership requires you to become a “public officer” of the government so they can lawfully pay you bribes called “benefits” with money they stole from your neighbor. Because there are two levels of membership, then the “Premium” level violates the Constitution because it confers a “Title of Nobility”. The only other way to view this level and still be consistent with the Constitution is to view all those who participate as employees of a PRIVATE corporation that is NOT a de jure government. See:

*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>

2. Domicile is legally defined as the coincidence of physical presence in a place now or in the past, and the intention to return to and permanently inhabit that place. The Bible says that no place on earth is permanent and that the present earth will be destroyed, and therefore it is against God’s law to declare a domicile within any man-made political group on earth.
3. The place where a person “lives” and their legal “domicile” can be and often are two completely different places. Many people incorrectly confuse these two terms, and in so doing, unknowingly forfeit their right to choose whether they want to be subject to the civil laws where they are located.
4. Domicile is ordinarily associated with “citizens”, while “residence” is associated with privileged “aliens”. You can have only one “domicile” but as many “residences” as you want. Residence, in turn, is a product of your right to contract. When you sign up for a franchise such as the “trade or business”/income tax franchise, you become a “resident” within the statutes granting the privilege or franchise:

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. [Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975] [SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-26cfr301.7701-5.pdf>]

5. Those who have chosen a legal domicile outside of the place or state that they occupy at any given time are called “transient foreigners”. When you go on vacation temporarily to a place, you are a “transient foreigner” with respect to the government of that place. It is perfectly lawful to ALSO choose to be a transient foreigner in the place of your birth and the place where you live or to choose a domicile within a political group of your own making, such as a church, family, or political group. Those who do so have made a protected First Amendment choice to disassociate with what oftentimes is a corrupted government or state that is more harmful than protective of their personal interests.
6. The purpose of selecting a domicile is to nominate a king or ruler to provide a substitute for God’s protection. A choice of domicile amounts essentially to a contract to procure “protection” from a king or ruler to whom those protected owe “tribute” and “allegiance”. Serving anyone but God is idolatry and idolatry is condemned as the most serious sin a believer can commit in the Bible.

*“No servant can serve two masters; 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.”*  
[Jesus [God] speaking in Luke 16:13, Bible, NKJV]

7. You can only have a legal domicile in ONE PLACE at a time, because you can only owe undivided allegiance to one ruler at a time. As a consequence:
  - 7.1. You can only be a “citizen” in ONE PLACE at a time.
  - 7.2. If you are physically present in a place outside of your legal domicile, you are a “transient foreigner” and a “national” but not “citizen” in that place. For instance, Mexicans visiting the United States temporarily and who have not changed their “domicile” to the United States are called “Mexican Nationals” while they are here. When they return to the place of their domicile, they are called “Mexican citizens”.
  - 7.3. You cannot be a “citizen” under federal statutory law without having a domicile on federal territory. States of the Union are NOT federal territory.
  - 7.4. You can only owe income taxes to one government at a time. This is consistent with the fact that you must have a federal tax liability before you can have a state liability. It is also consistent with the conclusion that the states, when they collect state income taxes, are doing so in the capacity as federal territories and instrumentalities and not sovereign or independent governments. This type of abuse is facilitated by the unconstitutionally administered Buck Act, [4 U.S.C. §106](#), and its implementation found in [5 U.S.C. §5517](#). No state or federal constitution authorizes any state of the Union to act as a federal corporation, agency, territory, or instrumentality as described in [4 U.S.C. §110\(d\)](#) and any attempt to do so is a violation of the separation of powers doctrine and an act of TREASON punishable by death under [18 U.S.C. §2381](#).
8. Domicile constitutes your voluntary choice of the civil law system and the government you choose to live under. The purpose of law is to protect people by preventing harm but not mandating good. The purpose of government is to enforce and implement the law. Therefore, the purpose of government is to protect. You cannot be held responsible for obeying any civil law unless you voluntarily choose a legal domicile where it applies. This includes the civil code and the family code in your state.
9. Domicile is a First Amendment voluntary choice of political affiliation. The government cannot change your domicile without your consent. What the law dictionary calls “intent” really amounts to consent, and they are trying to hide the voluntary nature of the transaction by choosing different words to describe it. For instance:
  - 9.1. Only adults who have reached the age of majority can lawfully choose a legal domicile.
  - 9.2. Insane or incompetent persons cannot have a chosen domicile and take on the domicile of their caretakers.
  - 9.3. Children assume the domicile of their parents.
  - 9.4. Every government tax form in one way or another causes you to choose a domicile, and since the choice of form or they way you fill it out is your choice, then the domicile is also your choice. For instance, IRS Form 1040

causes you to choose a domicile in the “United States” (federal territory). IRS Form 1040NR is filled out by persons who do not have a domicile in the “United States” (federal territory).

10. No court of law or government official may lawfully interfere with your choice of domicile because:

10.1. Courts of justice may not lawfully involve themselves in “political questions”.

10.2. Public servants in the political branches of the government, including the Executive and Legislative branches, may not interfere with your First Amendment right to freely associate or disassociate.

11. A government that compels you to choose a domicile within their jurisdiction is engaging in unlawful slavery in violation of [42 U.S.C. §1994](#), involuntary servitude in violation of the [Thirteenth Amendment](#), extortion, racketeering in violation of [18 U.S.C. §1951](#), and violating your First Amendment right of freedom from compelled association.

12. Because choice of domicile is voluntary, income taxes based on it are also entirely voluntary and avoidable. The government does NOT want you to know that you can avoid income taxes, and so they will avoid discussing this and persecute all those who reveal it to the public.

13. Your domicile is whatever you say it is on a government form. Other evidentiary methods of determining legal domicile are ordinarily only employed where evidence of your direct declaration of domicile on a government form is not available. On government forms, “domicile” is synonymous with the terms “permanent address”.

14. Within the Internal Revenue Code Subtitle A and all state revenue codes, a “resident” is an alien with a domicile, presence, or existence on federal territory. A person who is not physically present on federal territory can become a “resident” there by engaging in “commerce” within the legislative jurisdiction of that forum. This, in fact, is the main method by which the federal government manufactures “taxpayers” out of sovereign Americans domiciled in states of the Union. The Social Security system causes them to conduct commerce within the legislative jurisdiction of the United States and thereby surrender sovereign immunity and become “resident aliens” pursuant to [28 U.S.C. §1605\(a\)\(2\)](#). Those engaging in such commerce are called “public officers” who are “effectively connected with a trade or business in the United States”. All those engaged in a “trade or business” are “resident aliens” of the United States. Older versions of the Treasury Regulations show this scam below:

[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.***

*[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]*

15. Driver’s licenses issued by state governments are the method of choice for compelling persons to declare a legal domicile within a state. Because the government cannot compel you to choose a domicile, they also cannot compel you to obtain or use a state driver’s license.

16. Domicile is an abstract term that is difficult to legally prove. Because it is difficult to prove, the government will avoid discussions of the term. That is why the term only appears twice in the entire 9,500 page Internal Revenue Code. They will also avoid discussing the term because they don’t want to acknowledge that they need your consent to both enforce the law against you and collect taxes from you.

17. Those who want to divorce the state which controls the place where they live may do so by declaring a domicile outside of their place of abode. Such persons are called:

17.1. “Transient foreigners”.

17.2. “Stateless persons” (in relation to the place they physically live).

18. Those who do not want to assume the liabilities of “domicile” within a jurisdiction cannot:

18.1. Register to vote within that jurisdiction.

18.2. Obtain a state driver’s license within that jurisdiction.

18.3. Serve as a jurist within that jurisdiction.

18.4. Indicate a “permanent address” on any government form that is within the jurisdiction of that government.

18.5. Apply for any government benefit, including Social Security, Medicare, etc.

18.6. Submit any form that implies a domicile there, such as the IRS Form 1040, which is only for use by “U.S. persons” with a legal domicile in the “United States” (federal territory). Instead, the 1040NR is the only proper form for “stateless persons” and “transient foreigners” to use in the context of federal taxation.

19. The only laws that may be enforced against “transient foreigners” are criminal laws. Civil laws require a legal domicile within the jurisdiction where the law applies. This is a result of the fact that the Declaration of Independence says that all just powers in a free government derive from the “consent of the governed” and that the only legitimate reason for the state to proceed against a person without his consent is when he is criminally injuring someone.
20. The Bible commands believers to be separate and sanctified, and to come out of the corrupted government that has become Satan's whore, which the Bible calls “Babylon the Great Harlot”. In effect, God commands us to DISASSOCIATE. We can do this legally and peacefully only by changing our domicile.

*After these things I saw another angel coming down from heaven, having great authority, and the earth was illuminated with his glory.*

*And he cried mightily with a loud voice saying, ‘Babylon the great is fallen, is fallen, and has become a dwelling place of demons, a prison for every foul spirit, and a cage for every unclean and hated bird!’*

*“For all the nations have drunk of the wine of the wrath of her fornication, the kings [politicians, who load us with debt] of the earth have committed fornication with her, and the merchants of the earth have become rich through the abundance of her luxury.’*

*And I heard another voice from heaven saying, ‘Come out of her, my people, lest you share in her sins, and lest you receive her plagues.’*

*“For her sins have reached to heaven, and God has remembered her iniquities.*

*“Render to her just as she rendered to you, and repay her double according to her works; in the cup which she has mixed, mix double for her.*

*“In the measure that she glorified herself and lived luxuriously, in the same measure give her torment and sorrow; for she says in her heart, ‘I sit as queen, and am no widow, and will not see sorrow.’*

*“Therefore her plagues [economic or stock market collapses] will come in one day—death and mourning and famine. And she will be utterly burned with fire [looting from all the greedy people who mortgaged themselves to the hilt and put their children into debt slavery to pay for their luxuries], for strong is the Lord God who judges her.”*  
*[Rev. 18:1-8, Bible, NKJV]*

21. If you want to divorce the state and become a "transient foreigner" wherever you go, we suggest the following resource:

[Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States](http://sedm.org/Forms/FormIndex.htm), Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>

22. The government is just like any other corporation. The only product it delivers is “protection”. Government does not have a monopoly on “protection”. A government that compels you to procure or pay for its protection against your will is engaged in racketeering and organized crime. If the cost of government protection exceeds its benefits, any person or group are free to divorce the state by abandoning their domicile, and to provide their own more cost effective protection. Anyone may compete directly with the government in “the protection business” or elect to fire all protectors and instigate “front door justice”. This is a direct result of the fact that the U.S. Supreme Court said the essential purpose of the Constitution was to confer upon We the People the right to be LEFT ALONE by the government.

*“The only protection I need is my Smith and Wesson.”*

*“The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone - the most comprehensive of rights and the right most valued by civilized men.”*  
*[Olmstead v. United States, 277 U.S. 438, 478 (1928) (Brandeis, J., dissenting); see also Washington v. Harper, 494 U.S. 210 (1990)]*

23. All income taxes are based on legal “domicile”. Income taxes support the police powers of the state, and the police powers of the state implement and enforce the law. If you don’t have a domicile in a place, then you can’t be liable for income taxes in that place because you are not being personally protected by the laws of that place.



24. Persons with a legal domicile on federal territory, which is called the “United States” in the Internal Revenue Code at [26 U.S.C. §7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d), are called “U.S. persons”. Persons with a domicile in a place are also called “inhabitants”. Under the Internal Revenue Code Sections 7701(a)(39) and 7408(d), persons who declare a domicile in the “United States” are treated as virtual residents of the District of Columbia and “taxpayers” there regardless of where they physically live. Statutory “U.S. persons” include statutory “citizens of the United States” under [8 U.S.C. §1401](#) and “residents” as defined in [26 U.S.C. §7701](#)(b)(1)(A).
25. Both “citizens” and “residents” have in common a “domicile” in a place and collectively are called “inhabitants”. Those without a domicile are called “transient foreigners”. IRS does NOT like people claiming they are “transient foreigners” because it destroys their ability to tax. They therefore omit this as an option on ALL their tax forms so you can’t properly declare your status as a “nontaxpayer”. The only time that either “citizens” or “resident” can have a tax liability under I.R.C. Subtitle A is when they are temporarily abroad pursuant to [26 U.S.C. §911](#). The U.S. Supreme Court confirmed in *Cook v. Tait* that taxation of “U.S. persons” abroad was permissible in *Cook v. Tait*, [265 U.S. 47](#) (1924). We have been able to identify NO provision of law that makes any statutory “citizen” or “resident” responsible for an income tax who is NOT temporarily abroad. Even then, they must be voluntarily engaged in a “trade or business”, which is a “public office”, in most cases to have any tax liability at all.
26. An “alien” or a “nonresident alien” with a domicile in the “United States” (federal territory) is called a “resident” in the Internal Revenue Code. You cannot lawfully be a “resident” and a “citizen” within the same jurisdiction at the same time.

## 16. Legal Authorities Proving that Consent is Required in Order to Become a “taxpayer”<sup>42</sup>

This section contains a list of all the sources of evidence we can find that validate the view that your consent in some form is required *before* you can become a “taxpayer” who can lawfully become the subject of IRS enforcement, and especially in regards to persons domiciled within states of the Union:

1. Federal statutory law may not be DIRECTLY enforced against members of the general public without publication in the Federal Register of implementing regulations.

[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.***

The only exceptions to the above rule are the following

- 1.1. A military or foreign affairs function of the United States. [5 U.S.C. §553](#)(a)(1).
- 1.2. A matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts. [5 U.S.C. §553](#)(a)(2).
- 1.3. Federal agencies or persons in their capacity as officers, agents, or employees thereof. [44 U.S.C. §1505](#)(a)(1).

<sup>42</sup> Adapted from: <http://famguardian.org/Subjects/Taxes/Articles/IncomeTaxVoluntary.htm>



There are NO regulations authorizing enforcement of the Internal Revenue Code, Subtitle A income tax, and therefore, it may ONLY lawfully be enforce against members of the above three specifically exempted groups. For further details on this subject along with an itemized list of the MISSING regulations, see:

*IRS Due Process Meeting Handout*, Form #03.008

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

2. Private entities, states and political subdivisions are NOT REQUIRED to enter into federal payroll deduction agreements:

*Internal Revenue Manual*

[5.14.10.2 \(09-30-2004\) Payroll Deduction Agreements](#)

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

3. The only people who earn reportable "wages" on an IRS form W-2 are those who VOLUNTARILY sign and submit IRS Form W-4. Those who don't earn no "wages". Therefore, if IRS directs the private employer to withhold at "single-zero" because the employee won't sign a form W-4, they cannot withhold ANYTHING because the withholding must be computed on reportable "wages" earned and NOT all earnings.

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

(b) Remuneration for services.

(1) Except as provided in subparagraph (2) of this paragraph, **the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a).** For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)-1 and 31.3401(d)-1 for the definitions of "employee" and "employer".

4. The filing of a withholding agreement (IRS Forms W-4 or W-9) or its equivalent is voluntary [[26 CFR 31.3402\(p\)-1\(b\)](#)].

[Code of Federal Regulations]

[Title 26, Volume 15]

[Revised as of April 1, 2006]

From the U.S. Government Printing Office via GPO Access

[CITE: 26CFR31.3402(p)-1]

[Page 258-259]

TITLE 26--INTERNAL REVENUE

CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY (CONTINUED)

PART 31\_EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE--Table of Contents

Subpart E

Collection of Income Tax at Source

Sec. 31.3402(p)-1 Voluntary withholding agreements.

(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.

(ii) In the case of an employee who desires to enter into an agreement under section 3402(p) with his

employer, if the employee performs services (in addition to those to be the subject of the agreement) the remuneration for which is subject to mandatory income tax withholding by such employer, or if the employee wishes to specify that the agreement terminate on a specific date, the employee shall furnish the employer with a request for withholding which shall be signed by the employee, and shall contain--

- (a) The name, address, and social security number of the employee making the request,
- (b) The name and address of the employer,
- (c) A statement that the employee desires withholding of Federal income tax, and applicable, of qualified State individual income tax (see paragraph (d)(3)(i) of Sec. 301.6361-1 of this chapter (Regulations on Procedures and Administration)), and
- (d) If the employee desires that the agreement terminate on a specific date, the date of termination of the agreement.

If accepted by the employer as provided in subdivision (iii) of this subparagraph, the request shall be attached to, and constitute part of, the employee's Form W-4. An employee who furnishes his employer a request for withholding under this subdivision shall also furnish such employer with Form W-4 if such employee does not already have a Form W-4 in effect with such employer.

(iii) No request for withholding under section 3402(p) shall be effective as an agreement between an employer and an employee until the employer accepts the request by commencing to withhold from the amounts with respect to which the request was made.

(2) An agreement under section 3402 (p) shall be effective for such period as the employer and employee mutually agree upon. However, either the employer or the employee may terminate the agreement prior to the end of such period by furnishing a signed written notice to the other. Unless the employer and employee agree to an earlier termination date, the notice shall be effective with respect to the first payment of an amount in respect of which the agreement is in effect which is made on or after the first "status determination date" (January 1, May 1, July 1, and October 1 of each year) that occurs at least 30 days after the date on which the notice is furnished. If the employee executes a new Form W-4, the request upon which an agreement under section 3402 (p) is based shall be attached to, and constitute a part of, such new Form W-4. (86 Stat. 944, 26 U.S.C. 6364; 68A Stat. 917, 26 U.S.C. 7805) [T.D. 7096, 36 FR 5216, Mar. 18, 1971, as amended by T.D. 7577, 43 FR 59359, Dec. 20, 1978; T.D. 8619, 60 FR 49215, Sept. 22, 1995]

5. The voluntary withholding agreement may be terminated at any time by the worker or the hiring entity [26 CFR §31.3402(p)-1(b)(2)].

[Code of Federal Regulations]  
[Title 26, Volume 15]  
[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 26CFR31.3402(p)-1]  
[Page 258-259]

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY (CONTINUED)  
PART 31 \_EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE--Table of Contents  
Subpart E  
Collection of Income Tax at Source  
Sec. 31.3402(p)-1 Voluntary withholding agreements.

(b) Form and duration of agreement.

(2) An agreement under section 3402 (p) shall be effective for such period as the employer and employee mutually agree upon. However, either the employer or the employee may terminate the agreement prior to the end of such period by furnishing a signed written notice to the other. Unless the employer and employee agree to an earlier termination date, the notice shall be effective with respect to the first payment of an amount in respect of which the agreement is in effect which is made on or after the first "status determination date" (January 1, May 1, July 1, and October 1 of each year) that occurs at least 30 days after the date on which the notice is furnished. If the employee executes a new Form W-4, the request upon which an agreement under section 3402 (p) is based shall be attached to, and constitute a part of, such new Form W-4. (86 Stat. 944, 26 U.S.C. 6364; 68A Stat. 917, 26 U.S.C. 7805) [T.D. 7096, 36 FR 5216, Mar. 18, 1971, as amended by T.D. 7577, 43 FR 59359, Dec. 20, 1978; T.D. 8619, 60 FR 49215, Sept. 22, 1995]

6. Payroll deduction agreements for taxes apply to CONSENTING employees of government agencies, federal employees and retirees, military personnel and Department of Defense employees who participate in the VOLUNTARY deduction program, IRM Part 5, Chapter 1, Section 7 (IRM 5.1.7.) <http://www.irs.gov/irm/part5/ch01s07.html> , see 26 U.S.C. §3402(p)(3)(A), 31 CFR §215.2(n)(1).

(p) Voluntary withholding agreements

(3) Authority for other voluntary withholding

*The Secretary is authorized by regulations to provide for withholding— (A) from remuneration for services performed by an employee for the employee's employer which (without regard to this paragraph) does not constitute wages, and*

---

[Code of Federal Regulations]  
[Title 31, Volume 2]  
[Revised as of July 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 31CFR215.2]  
[Page 61-62]

TITLE 31--MONEY AND FINANCE: TREASURY  
CHAPTER II--FISCAL SERVICE, DEPARTMENT OF THE TREASURY  
PART 215\_WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY AND COUNTY  
INCOME OR EMPLOYMENT TAXES BY FEDERAL AGENCIES--Table of Contents

Subpart A\_General Information  
[Sec. 215.2 Definitions](#)

(n) State income tax means any form of tax for which, under a State status:  
(1) Collection is provided, either by imposing on employers generally the duty of withholding sums from the compensation of employees and making returns of such sums to the State or by granting to employers generally the authority to withhold sums from the compensation of employees, if any employee voluntarily elects to have such sums withheld; and

7. The IRS "Questionable W-4 Program" and their "Lock-In Letter" apply to those employees of government agencies, federal employees and retirees, active military personnel and Department of Defense employees who CONSENTED to participate with the voluntary withholding agreement, not the private sector.
- 7.1. Withholding and reporting on those who do not submit IRS Form W-4 can ONLY lawfully be executed on "wages" as legally defined and NOT commonly understood.
- 7.2. Only those who voluntarily signed and submitted IRS Form W-4 and who are not otherwise engaged in a public office within the United States government can earn "wages" as legally defined pursuant to 26 CFR §31.3402(p)-1 and 26 CFR §31.3401(a)-3.
8. Withholding and reporting only applies to earnings connected to a "trade or business", which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office" in the United States government. See:

<p><i>The "Trade or Business" Scam</i> <a href="http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm">http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm</a></p>
--

9. All IRS information returns, including IRS Forms W-2, 1042-s, 1098, 1099, and K-1 can ONLY lawfully be used to report earnings connected with a "public office" in the United States government pursuant to [26 U.S.C. §6041](#). They may NOT be used to report PRIVATE earnings. If they are completed against PRIVATE persons who are NOT engaged in a public office or the "trade or business" franchise, the filer of these false reports then assumes the following legal liabilities:
- 9.1. They are civilly liable for damages under [26 U.S.C. §7434](#) for all the taxes that are illegally withheld or collected plus attorneys fees.
- 9.2. They are criminally liable for false or fraudulent reports under [26 U.S.C. §7206](#) and [7207](#) for up to ten years in jail.
- 9.3. They are criminally liable for conversion of private property to a public use in violation of [18 U.S.C. §654](#). As "withholding agents" for the U.S. government, they are prohibited from converting private property to a public use without the consent of the subject:

*"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)]

- 9.4. They are guilty of impersonating a “public officer” in violation of [18 U.S.C. §912](#). All “taxpayers” within I.R.C. Subtitle A are “public officers” engaged in a “trade or business”.
- 9.5. They are guilty of impersonating a statutory “U.S. citizen” in violation of [18 U.S.C. §911](#). All “taxpayers” within I.R.C. Subtitle A are statutory “U.S. citizen” temporarily abroad and coming under a tax treaty with a foreign country pursuant to [26 U.S.C. §911](#). It is illegal to serve in a “public office” in the U.S. government as anything other than a statutory “U.S. citizen”.

#### 4. Lack of Citizenship

##### §74. Aliens can not hold Offi

*It is a general principle that an alien can not hold a public office. In all independent popular governments, as is said by Chief Justice Dixon of Wisconsin, “it is an acknowledged principle, which lies at the very foundation, and the enforcement of which needs neither the aid of statutory nor constitutional enactments or restrictions, that the government is instituted by the citizens for their liberty and protection, and that it is to be administered, and its powers and functions exercised only by them and through their agency.”*

*In accordance with this principle it is held that an alien can not hold the office of sheriff.<sup>[2]</sup>*

[A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, p. 27, §74;

SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]

10. Those who are nonresident aliens, which includes most Americans born in and domiciled within the states of the Union, cannot have a tax liability if they have no earnings from the federal zone or the United States government under [26 U.S.C. §871](#). See:
11. Withholding and reporting on statutory “U.S. citizens” or “residents” (aliens) is only permitted when they are abroad pursuant to [26 U.S.C. §911](#). There is not statute or regulation that makes the liable to pay income taxes when they are situated in any one of the 50 states or federal territory. This is confirmed by the following:
- 11.1. 26 CFR §1.1-1(a)(2)(ii) defines “married individual” and “unmarried individuals” as aliens with earnings connected with a “trade or business”.
- 11.2. 26 CFR §1.1441-1(c) defines the term “individual” appearing on IRS Form 1040 as “U.S. Individual Income Tax Return” as being an “alien” or a “nonresident alien”. “Citizens” are nowhere included.
- 11.3. A statutory “U.S. citizen” only becomes a “taxpayer” when he is temporarily abroad under [26 U.S.C. §911](#) and therefore comes under a tax treaty with a foreign country as an “alien” in relation to the foreign country. He is an alien in relation to the foreign country in that condition, which is how he becomes a “taxpayer”. Even then, he must have earnings from a public office in the U.S. government called a “trade or business” to have any taxable income. EVERYTHING that goes on IRS Form 1040 is “trade or business” income because everything on the form is subject to “trade or business” deductions pursuant to [26 U.S.C. §162](#). This is also confirmed by [26 U.S.C. §871\(b\)\(1\)](#), which says that all the taxes in Section 1 are “trade or business” taxes.
12. Employment withholding taxes under Subtitle C of the Internal Revenue Code are classified as “gifts” to the U.S. Government, and therefore are technically not “taxes”. They don’t become “taxes” until the information return is attached to a tax return and the tax return is signed under penalty of perjury. This is the origin, in fact, of the requirement to attach all information returns to your tax return when you file it: To convert a “gift” into a “tax”. The IRS has no statutory authority to make this conversion, which is why they need your help. See *Great IRS Hoax*, Form #11.302, Section 5.6.8 for the proof: <http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>.
13. A nonresident alien not engaged in a “trade or business” as defined in 26 CFR §1.871-1(b)(1)(i) who does not work for the U.S. government and receives no payments from the U.S. government under [26 U.S.C. §871](#) can have no tax liability and need not withhold. This is confirmed by:
- 13.1. 26 CFR §1.872-2(f)
- 13.2. 26 CFR §31.3401(a)(6)-1(b)
- 13.3. [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#)
- 13.4. [26 U.S.C. §3401\(a\)\(6\)](#)
- 13.5. [26 U.S.C. §1402\(b\)](#)
- 13.6. [26 U.S.C. §7701\(a\)\(31\)](#)

14. Backup withholding under [26 U.S.C. §3406](#) is only done on “resident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and *not* “nonresident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
15. The term “employee” [31 CFR §215.2\(h\)\(1\)\(i\)](#) does not include retired personnel, pensioners, annuitants, or similar beneficiaries of the Federal Government, who are NOT performing active civilian service or persons receiving remuneration for services on a contract-fee basis. They are not subject to withholding and have no duty to file any form W-4 or W-9, unless they desire to VOLUNTARILY enter into agreements.

[Code of Federal Regulations]  
[Title 31, Volume 2]  
[Revised as of July 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 31CFR215.2]  
[Page 61-62]

TITLE 31--MONEY AND FINANCE: TREASURY  
CHAPTER II--FISCAL SERVICE, DEPARTMENT OF THE TREASURY  
PART 215\_WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY AND COUNTY  
INCOME OR EMPLOYMENT TAXES BY FEDERAL AGENCIES--Table of Contents  
Subpart A\_General Information  
[Sec. 215.2 Definitions](#)

(h)(1) Employees for the purpose of State income tax withholding, means all employees of an agency, other than members of the armed forces. For city and county income or employment tax withholding, it means:  
(i) Employees of an agency;

16. In most states, the withholding and deducting from pay for any federal taxes; fees and other charges (levy, lien, penalties or interest); or benefits and privileges (social security, Medicare, disability, etc.) must be knowingly and VOLUNTARILY agreed to in writing by BOTH parties (worker and company). It's state jurisdiction, not federal.
17. No law requires you to disclose a social security number except in the case of government officers and instrumentalities. [EEOC v. Information Systems Consulting CA3-92-0169-T IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF TEXAS DALLAS DIVISION](#). 26 CFR §301.6109-1(b)(1) requires the use of identifying numbers for “U.S. persons”, but all “[U.S. persons](#)” to which this regulation refers can only be offices and employees within the government. There is no similar regulation under 26 CFR Part 1 published in the Federal Register and therefore this requirement can only pertain to groups specifically exempted from the requirement for implementing regulations pursuant to 5 U.S.C. §553(a) and 44 U.S.C. §1501(a)(1), all of whom are instrumentalities of the government.

[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.

18. Accordingly, the federal government can only act on the States; and only in the strictly limited, exclusive jurisdiction of Article 1:8:17. There are no federal income taxes imposed upon an American working and living within the 50 states party to the more perfect Union, see [26 CFR §301.6361-4](#).

[Code of Federal Regulations]  
[Title 26, Volume 18]  
[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 26CFR301.6361-4]  
[Page 329]

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
PART 301\_PROCEDURE AND ADMINISTRATION--Table of Contents  
Seizure of Property for Collection of Taxes  
[Sec. 301.6361-4 Definitions.](#)



For purposes of the regulations in this part under subchapter E of chapter 64 of the Internal Revenue Code of 1954, relating to collection and administration of State individual income taxes--

(a) State agreement. The term "State agreement" means an agreement between a State and the Federal Government which was entered into pursuant to section 6363 and the regulations thereunder, and which provides for the Federal collection and administration of the qualified tax or taxes of that State.

(b) Qualified tax. The term "qualified tax" means a tax which is a "qualified State individual income tax", as defined in section 6362 (including subsection (f)(1) thereof, which requires that a State agreement be in effect) and the regulations thereunder.

(c) Chapters and subtitles. References in regulations in this part under subchapter E to chapters and subtitles are to chapters and subtitles of the Internal Revenue Code of 1954, unless otherwise indicated.

(d) Subchapter E. The term "subchapter E" means subchapter E of chapter 64 of the Internal Revenue Code of 1954, relating to collection and administration of State individual income taxes, as amended from time to time.

[T.D. 7577, 43 FR 59365, Dec. 20, 1978]

19. According to the United States Government Accounting Office, see (USGAO) report dated 09/15/03, it states in part,

"Under current law, the IRS does not have statutory authority to impose a penalty to enforce employer compliance with the reporting requirement. The reporting requirement was promulgated in Treasury regulations."

[[Reliability of Information on Taxpayers Claiming Many Withholding Allowances or Exemption from Federal Income Tax Withholding](#), GAO-03-913R]

20. The IRS clearly violates the law when it instructs the private sector entity to disregard the worker's W-4 (or its equivalent).

"The Company is not authorized to alter the form [W-4 or its equivalent] or to dishonor the worker's claim. The certificate goes into effect automatically"

[U.S. District Court Judge Huyett, [United States v. Malinowski](#), 347 F.Supp. 352 (1992)]

21. What the federal courts say about withholding:

Unless the withholder has reason to know that the party filing form 1001 is no longer eligible for exemption, the withholding party "is not responsible for misstatements made on Form 1001 by an owner of income," and hence would not be liable for tax which should have been withheld.

Defendants manifest curiosity as to whether plaintiff would pay tax in Sweden on the benefits received under the plan. But that is none of their concern.

[[Holmstrom v. PPG Industries](#), 512 F.Supp 552, 554 DC.WD.Pa. 1981;

Also see: [Murray v. City of Charleston](#), 96 U.S. 432 (1877)]

22. The private sector entity is not a duly authorized or delegated 'tax collector' under [IRC §6301](#), and no implementing regulation exists under 26 CFR.

23. The private sector entity is not a duly authorized or delegated "assessment officer" under [IRC §6201](#), and no implementing regulation exists under 26 CFR.

24. The private sector entity is not a duly authorized Withholding Agent (defined in [26 U.S.C. §7701\(a\)\(16\)](#) , [26 CFR §301.7701-16](#)) to withhold from one's pay or remuneration (IRC §§[1441](#), [1442](#), [1443](#), and specifically in [26 CFR §1.1441-7](#)).

25. The private sector entity lacks requisite [Form 2678](#) filed with the IRS, or a Form 8655 Reporting Agent Authorizing Certificate from the Treasury Financial Management Service, specific to each worker.

26. No state-federal agreements for administration of qualified state income taxes are authorized by [Part 215 of 31 CFR](#) specific to each private sector worker. The authority applies exclusively to federal government agencies and personnel; it does not extend to general population in States of the Union.

27. No Standard Agreement with the Secretary of the Treasury and Fiscal Assistant Secretary (or his delegates) pursuant to [31 CFR Subpart B-Standard Agreement 215.6](#) specific to each private sector worker exists.

28. No [Section 218](#) Voluntary Agreement exists for coverage of social security specific to each private sector worker, pursuant to [42 U.S.C. §418](#).

29. Consent for federal or state withholding and deductions from pay must be explicit, voluntary and in writing.

"Where rights secured by the Constitution are involved, there can be no rule making or legislation which would abrogate them."

[[Miranda v. Arizona](#), 384 U.S. 436, 491]



30. Employees of government agencies; federal employees, agents, representatives must act ONLY within the bounds of lawful authority pursuant to the Supreme Court case of Federal Crop Insurance vs. Merrill, 33 U.S. 380 at 384 (1947) that states:

*"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)]*

31. [26 U.S.C. §7608](#) states whom the Secretary has authorized to see one's books and records. According to 26 U.S.C. §7608(a), Revenue Officers are NOT authorized to see one's books and records.
32. According to 26 U.S.C. §7608(b) Revenue Officers are NOT authorized to enforce under subtitle E (liquor, tobacco and firearms).

[TITLE 26 > Subtitle F > CHAPTER 78 > Subchapter A > § 7608](#)  
[§ 7608. Authority of internal revenue enforcement officers](#)

*(b) Enforcement of laws relating to internal revenue other than subtitle E*

*(1) Any criminal investigator of the Intelligence Division of the Internal Revenue Service whom the Secretary charges with the duty of enforcing any of the criminal provisions of the internal revenue laws, any other criminal provisions of law relating to internal revenue for the enforcement of which the Secretary is responsible, or any other law for which the Secretary has delegated investigatory authority to the Internal Revenue Service, is, in the performance of his duties, authorized to perform the functions described in paragraph (2). (2) The functions authorized under this subsection to be performed by an officer referred to in paragraph (1) are— (A) to execute and serve search warrants and arrest warrants, and serve subpoenas and summonses issued under authority of the United States; (B) to make arrests without warrant for any offense against the United States relating to the internal revenue laws committed in his presence, or for any felony cognizable under such laws if he has reasonable grounds to believe that the person to be arrested has committed or is committing any such felony; and (C) to make seizures of property subject to forfeiture under the internal revenue laws.*

33. Every section of the private law, IRC and 26 U.S.C.- Internal Revenue Code had its origin in the legislature as a statute. Then to put the statute into law, an agency had to write a regulation which puts it into force and effect. Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF) is the only agency that wrote the regulation; the Internal Revenue is not a federal agency. BATF is the only agency that can contract with the IRS to apply and enforce BATF regulations, see [26 CFR §301.7513-1](#)(b)(1) and (b)(2).

*[Code of Federal Regulations]  
[Title 26, Volume 18]  
[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 26CFR301.7513-1]  
[Page 575-576]*

*TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY (CONTINUED)  
PART 301\_PROCEDURE AND ADMINISTRATION--Table of Contents  
Judicial Proceedings  
[Sec. 301.7513-1 Reproduction of returns and other documents.](#)*

*(b) Safeguards--(1) By private contractor.*

*Any person entering into a contract with the Internal Revenue Service for the performance of any of the services described in paragraph (a) of this section shall agree to comply, and to assume responsibility for compliance by his employees, with the following requirements:*

*(i) The films or photoimpressions, and reproductions made therefrom, shall be used only for the purpose of carrying out the provisions of the contract, and information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract;*

*(ii) All the services shall be performed under the supervision of the person with whom the contract is made or his responsible employees;*

*(iii) All material received for processing and all processed and reproduced material shall be kept in a locked and fireproof compartment in a secure place when not being worked upon;*

*(iv) All spoilage of reproductions made from the film or photoimpressions supplied to the contractor shall be*

destroyed, and a statement under the penalties of perjury shall be submitted to the Internal Revenue Service that such destruction has been accomplished; and

(v) All film, photoimpressions, and reproductions made therefrom, shall be transmitted to the Internal Revenue Service by personal delivery, first-class mail, parcel post, or express.

(2) By Federal agency. Any Federal agency entering into a contract with the Internal Revenue Service for the performance of any services described in paragraph (a) of this section, shall treat as confidential all material processed or reproduced pursuant to such contract.

34. Employees of government agencies; federal employees, agents, representatives know or should know that when they violate the [14th Amendment Section 3](#), they shall have engaged in insurrection or rebellion, for which they may lose their pay and retirement.
35. Employees of government agencies; federal employees, agents, representatives know or should know that under [26 U.S.C. §7433](#), they can be sued civilly for up to \$1,000,000 for their unauthorized collection actions.
36. Employees of government agencies; federal employees, agents, representatives know or should know that under [26 U.S.C. §7214](#)(a)(2), they can be sued criminally up to \$10,000 or imprisoned not more than 5 years, or both for their unlawful acts of demanding other or greater sums than are authorized by law.

## **17. Why states of the Union are “Foreign Countries” and “foreign states” with respect to most federal jurisdiction**

### **17.1 The two contexts: Constitutional v. Statutory**

The terms “foreign” and “domestic” are opposites. There are two contexts in which these terms may be used:

1. Constitutional: The U.S. Constitution is political document, and therefore this context is also sometimes called “political jurisdiction”.
2. Statutory: Congress writes statutes or “acts of Congress” to manage property dedicated to their care. This context is also called “legislative jurisdiction” or “civil jurisdiction”.

Any discussion of the terms “foreign” and “domestic” therefore must start by identifying ONE of the two above contexts. Any attempt to avoid discussing which context is intended should be perceived as an attempt to confuse, deceive, and enslave you by corrupt politicians and lawyers:

*“For where envy and self-seeking exist, confusion and every evil thing are there.”  
[James 3:16, Bible, NKJV]*

The separation of powers makes states of the Union STATUTORILY/LEGISLATIVELY FOREIGN and sovereign in relation to the national government but CONSTITUTIONALLY/POLITICALLY DOMESTIC for nearly all subject matters of legislation. Every occasion by any court or legal authority to say that the states and the federal government are not foreign relates to the CONSTITUTIONAL and not STATUTORY context. Below is an example of this phenomenon, where “sovereignty” refers to the CONSTITUTIONAL/POLITICAL context rather than the STATUTORY/LEGISLATIVE context:

*“The United States is not a foreign sovereignty as regards the several states, but is a concurrent, and, within its jurisdiction, paramount sovereignty.”  
[Clafin v. Houseman, 93 U.S. 130, 136 (1878)]*

### **17.2 Evidence in support**

The several states of the Union of states, collectively referred to as the United States of America or the “freely associated compact states”, are considered to be STATUTORILY/LEGISLATIVELY “foreign countries” and “foreign states” with respect to the federal government. An example of this is found in the Corpus Juris Secundum legal encyclopedia, in which federal territory is described as being a “foreign state” in relation to states of the Union:

*“§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]

Here is the definition of the term "foreign country" right from the Treasury Regulations:

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

Black's Law Dictionary, Sixth Edition, p. 498 helps make the distinction clear that the 50 Union states are foreign countries:

**Dual citizenship.** Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.  
[Black's Law Dictionary, Sixth Edition, p. 498]

Positive law from Title 28 of the U.S. Code agrees that states of the Union are foreign with respect to federal jurisdiction:

[TITLE 28 > PART I > CHAPTER 13 > Sec. 297.](#)  
[Sec. 297. - Assignment of judges to courts of the freely associated compact states](#)

(a) The Chief Justice or the chief judge of the United States Court of Appeals for the Ninth Circuit may assign any circuit or district judge of the Ninth Circuit, with the consent of the judge so assigned, to serve temporarily as a judge of any duly constituted court of the freely associated compact states whenever an official duly authorized by the laws of the respective compact state requests such assignment and such assignment is necessary for the proper dispatch of the business of the respective court.

(b) The Congress consents to the acceptance and retention by any judge so authorized of reimbursement **from the countries** referred to in subsection (a) of all necessary travel expenses, including transportation, and of subsistence, or of a reasonable per diem allowance in lieu of subsistence. The judge shall report to the Administrative Office of the United States Courts any amount received pursuant to this subsection

Definitions from Black's Law Dictionary:

**Foreign States:** "Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense."  
[Black's Law Dictionary, Sixth Edition, p. 648]

**Foreign Laws:** "The laws of a foreign country or sister state."  
[Black's Law Dictionary, Sixth Edition, p. 647]

**Dual citizenship.** Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.  
[Black's Law Dictionary, Sixth Edition, p. 498]

Legal encyclopedia Corpus Juris Secundum:

"Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states..."  
[81A Corpus Juris Secundum (C.J.S.), United States, §29, legal encyclopedia]

The phrase "except in so far as the United States is paramount" refers to subject matters delegated to the national government under the United States Constitution. For all such subject matters ONLY, "acts of Congress" are NOT foreign and therefore are regarded as "domestic". All such subject matters are summarized below. Every other subject matter is legislatively "foreign" and therefore "alien":

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)]

"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)]

"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)]

2. Postal fraud. See Article 1, Section 8, Clause 7 of the U.S. Constitution.
3. Counterfeiting under Article 1, Section 8, Clause 6 of the U.S. Constitution.
4. Treason under Article 4, Section 2, Clause 3 of the U.S. Constitution.
5. Interstate commercial crimes under Article 1, Section 8, Clause 3 of the U.S. Constitution.
6. Jurisdiction over naturalization and exportation of Constitutional aliens.
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).

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

11 The Courts also agree with this interpretation:

12 "It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247  
13 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  
14 internal affairs of the states; and emphatically not with regard to legislation."  
15 [Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

16  
17 "The difficulties arising out of our dual form of government and the opportunities for differing opinions  
18 concerning the relative rights of state and national governments are many; but for a very long time this court  
19 has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or  
20 their political subdivisions. The same basic reasoning which leads to that conclusion, we think, requires like  
21 limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."  
22 [Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

23  
24 "The States between each other are sovereign and independent. They are distinct and separate sovereignties,  
25 except so far as they have parted with some of the attributes of sovereignty by the Constitution. They continue  
26 to be nations, with all their rights, and under all their national obligations, and with all the rights of nations in  
27 every particular; except in the surrender by each to the common purposes and objects of the Union, under the  
28 Constitution. The rights of each State, when not so yielded up, remain absolute."  
29 [Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]

30  
31 "In determining the boundaries of apparently conflicting powers between states and the general government,  
32 the proper question is, not so much what has been, in terms, reserved to the states, as what has been, expressly  
33 or by necessary implication, granted by the people to the national government; for each state possess all the  
34 powers of an independent and sovereign nation, except so far as they have been ceded away by the  
35 constitution. The federal government is but a creature of the people of the states, and, like an agent appointed  
36 for definite and specific purposes, must show an express or necessarily implied authority in the charter of its  
37 appointment, to give validity to its acts."  
38 [People ex re. Atty. Gen. v. Naglee, 1 Cal. 234 (1850)]

39 The motivation behind this distinct separation of powers between the state and federal government was described by the  
40 Supreme Court. Its ONLY purpose for existence is to protect our precious liberties and freedoms. Hence, anyone who tries  
41 to confuse the CONSTITUTIONAL and STATUTORY contexts for legal terms is trying to STEAL your rights.

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

52 Going along with the foregoing, people who are domiciled in states of the Union are also described statutorily as  
53 "nationals" but not "citizens" under all "Acts of Congress". They are "citizens" under the Constitution, but not under  
54 federal statutory law. This is an important consequence of the Separation of Powers Doctrine, which is described below:



If you would like more details on why you are a “national” and not a “citizen” within all Acts of Congress, please read the free references below:

1. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>
2. Federal Enforcement Authority in States of the Union, Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>
3. Nonresident Alien Position, Form #05.020;  
<http://sedm.org/Forms/FormIndex.htm>

### **17.3 Rebutted arguments against our position**

A favorite tactic of members of the legal profession in arguing against the conclusions of this section is to cite the following U.S. Supreme Court cites and then to say that the federal and state government enjoy concurrent jurisdiction within states of the Union.

*"The laws of the United States are laws in the several States, and just as much binding on the citizens and courts thereof as the State laws are. The United States is not a foreign sovereignty as regards the several States, but is a concurrent, and, within its jurisdiction, paramount sovereignty. Every citizen of a State is a subject of two distinct sovereignties, having concurrent jurisdiction in the State,-concurrent as to place and persons, though distinct as to subject-matter."*  
[*Clafflin v. Houseman*, 93 U.S. 130, 136 (1876)]

*"And the powers of the General Government, and of the State, although both exist and are exercised within the same territorial limits, are yet separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres."*  
[*Ableman v. Booth*, 62 U.S. 506, 516 (1858)]

The issue raised above relates to the concept of what we call “dual sovereignty”. Can two entities be simultaneously sovereign over a single geographic region and the same subject matter? Let’s investigate this intriguing matter further, keeping in mind that such controversies result from a fundamental misunderstanding of what “sovereignty” really means.

We allege and a book on Constitutional government also alleges that it is a legal impossibility for two sovereign bodies to enjoy concurrent jurisdiction over the same subject, and especially when it comes to jurisdiction to tax.

*"§79. This sovereignty pertains to the people of the United States as national citizens only, and not as citizens of any other government. 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/>]

What detractors are trying to do is deceive you, because they are confusing federal “States” described in federal statutes with states of the Union mentioned in the Constitution. These two types of entities are mutually exclusive and “foreign” with respect to each other.

*"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution . . . and excludes from the term the signification attached to it by writers on the law of nations.' This case was followed in *Barney v. Baltimore*, 6 Wall. 280, 18 L.Ed. 825, and quite recently in *Hooe v. Jamieson*, 166 U.S. 395, 41 L.Ed. 1049, 17 Sup.Ct. Rep. 596. The same rule was applied to citizens of territories in *New Orleans v. Winter*, 1 Wheat. 91, 4 L.Ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In *Scott v.**



Jones, 5 How. 343, 12 L.Ed. 181, and in *Miners' Bank v. Iowa ex rel. District Prosecuting Attorney*, 12 How. 1, 13 L.Ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."  
[Downes v. Bidwell, [182 U.S. 244](#) (1901) ]

The definition of "State" for the purposes of federal income taxes confirms that states of the Union are NOT included within the definitions used in the Internal Revenue Code, and that only federal territories are. This is no accident, but proof that there really is a separation of powers and of legislative jurisdiction between states of the Union and the Federal government:

TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
CHAPTER 4 - THE STATES  
[Sec. 110. Same; definitions](#)

(d) The term "State" includes any [Territory](#) or possession of the United States.

---

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
[§ 7701. Definitions](#)

(a) Definitions

(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.

We like to think of the word "sovereignty" in the context of government as the combination of "exclusive authority" with "exclusive responsibility". The Constitution in effect very clearly divides *authority* and *responsibility* for specific matters between the states and federal government based on the specific subject matter, and ensures that the functions of each will never overlap or conflict. It delegates certain powers to each of the two sovereigns and keeps the two sovereigns from competing with each other so that public peace, tranquility, security, and political harmony have the most ideal environment in which to flourish.

If we therefore examine the Constitution and the Supreme court cases interpreting it, we find that the complex division of authority that it makes between the states and the federal government accomplishes the following objectives:

1. Delegates primarily **internal** matters to the states. These matters involve mainly public health, morals, and welfare and require exclusive legislative authority within the state.

"While the states are not sovereign in the true sense of that term, but only quasi sovereign, yet in respect of all powers reserved to them they are supreme-as independent of the general government as that government within its sphere is independent of the States." *The Collector v. Day*, 11 Wall. 113, 124. And since every addition to the national legislative power to some extent detracts from or invades the power of the states, it is of vital moment that, in order to preserve the fixed balance intended by the Constitution, the powers of the general government [[298 U.S. 238, 295](#)] be not so extended as to embrace any not within the express terms of the several grants or the implications necessarily to be drawn therefrom. 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. The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, *Jones v. United States*, [137 U.S. 202, 212](#), 11 S.Ct. 80; *Nishimur Ekiu v. United States*, [142 U.S. 651, 659](#), 12 S.Ct. 336; *Fong Yue Ting v. United States*, [149 U.S. 698](#), 705 et seq., 13 S.Ct. 1016; *Burnet v. Brooks*, [288 U.S. 378, 396](#), 53 S.Ct. 457, 86 A.L.R. 747."  
[*Carter v. Carter Coal Co.*, [298 U.S. 238](#), 56 S.Ct. 855 (1936)]

"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)]

2. Delegates primarily **external** matters to the federal government, including diplomatic and military and postal and commerce matters. These include such things as:
  - 2.1. Article 1, Section 8, Clause 3 of the constitution authorizes the feds to tax and regulate foreign commerce and interstate commerce, but **not** intrastate commerce.
  - 2.2. Article 1, Section 8, Clauses 11-16 authorize the establishment of a military and the authority to make war.
  - 2.3. Article 1, Section 8, Clause 4 allows the fed to determine uniform rules for naturalization and immigration from outside the country. However, it does not take away the authority of states to naturalize as well.
  - 2.4. Article 1, Section 8, Clause 17: Exclusive authority over community property of the states called federal “territory”.
3. Ensures that the same criminal offense is never prosecuted or punished twice or simultaneously under two sets of laws.

“Consequently no State court will undertake to enforce the criminal law of the Union, except as regards the arrest of persons charged under such law. It is therefore clear, that the same power cannot be exercised by a State court as is exercised by the courts of the United States, in giving effect to their criminal laws...”

“There is no principle better established by the common law, none more fully recognized in the federal and State constitutions, than that an individual shall not be put in jeopardy twice for the same offense. This, it is true, applies to the respective governments; but its spirit applies with equal force against a double punishment, for the same act, by a State and the federal government.....

Nothing can be more repugnant or contradictory than two punishments for the same act. It would be a mockery of justice and a reproach to civilization. It would bring our system of government into merited contempt.”  
[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

4. Ensures that the two sovereigns never tax the same objects or activities, because then they would be competing for revenues.

“Two governments acting independently of each other **cannot** exercise the same power for the same object.”  
[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

As far as the last item above goes, which is that of taxation, however, the U.S. Supreme Court has stated:

“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. 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)]

“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)]

“The grant of the power to lay and collect taxes is, like the power to regulate commerce, made in general terms, and has never been understood to interfere with the exercise of the same power by the State; and hence has been drawn an argument which has been applied to the question under consideration. But the two grants are not, it is conceived, similar in their terms or their nature. Although many of the powers formerly [22 U.S. 1, 199] exercised by the States, are transferred to the government of the Union, yet the State

governments remain, and constitute a most important part of our system. The power of taxation is indispensable to their existence, and is a power which, in its own nature, is capable of residing in, and being exercised by, different authorities at the same time. We are accustomed to see it placed, for different purposes, in different hands. Taxation is the simple operation of taking small portions from a perpetually accumulating mass, susceptible of almost infinite division; and a power in one to take what is necessary for certain purposes, is not, in its nature, incompatible with a power in another to take what is necessary for other purposes. Congress is authorized to lay and collect taxes, and to pay the debts, and provide for the common defence and general welfare of the United States. This does not interfere with the power of the States to tax [internally] for the support of their own governments; nor is the exercise of that power by the States [to tax INTERNALLY], an exercise of any portion of the power that is granted to the United States [to tax EXTERNALLY]. In imposing taxes for State purposes, they are not doing what Congress is empowered to do. Congress is not empowered to tax for those purposes which are within the exclusive province of the States. When, then, each government exercises the power of taxation, neither is exercising the power of the other. But, when a State proceeds to regulate commerce with foreign nations, or among the several States, it is exercising the very power that is granted to Congress, [22 U.S. 1, 200] and is doing the very thing which Congress is authorized to do. There is no analogy, then, between the power of taxation and the power of regulating commerce. “ [Gibbons v. Ogden, 22 U.S. 21 (1824)]

“In Slaughter-house Cases, 16 Wall. 62, it was said that the police power is, from its nature, incapable of any exact definition or limitation; and in Stone v. Mississippi, 101 U.S. 818, that it is 'easier to determine whether particular cases come within the general scope of the power than to give an abstract definition of the power itself, which will be in all respects accurate.' That there is a power, sometimes called the police power, which has never been surrendered by the states, in virtue of which they may, within certain limits, control everything within their respective territories, and upon the proper exercise of which, under some circumstances, may depend the public health, the public morals, or the public safety, is conceded in all the cases. Gibbons v. Ogden, 9 Wheat. 203. In its broadest sense, as sometimes defined, it includes all legislation and almost every function of civil government. Barbier v. Connolly, 113 U.S. 31; S. C. 5 Sup.Ct. Rep. 357. [ . . . ] Definitions of the police power must, however, be taken subject to the condition that the state cannot, in its exercise, for any purpose whatever, encroach upon the powers of the general [federal] government, or rights granted or secured by the supreme law of the land.

“Illustrations of interference with the rightful authority of the general government by state legislation-which was defended upon the ground that it was enacted under the police power-are found in cases where enactments concerning the introduction of foreign paupers, convicts, and diseased persons were held to be unconstitutional as conflicting, by their necessary operation and effect, with the paramount authority of congress to regulate commerce with foreign nations, and among the several states. In Henderson v. Mayor of New York, 92 U.S. 263, the court, speaking by Mr. Justice MILLER, while declining to decide whether in the absence of congressional action the states can, or how far they may, by appropriate legislation protect themselves against actual paupers, vagrants, criminals, [115 U.S. 650, 662] and diseased persons, arriving from foreign countries, said, that no definition of the police power, and 'no urgency for its use, can authorize a state to exercise it in regard to a subject-matter which has been confided exclusively to the discretion of congress by the constitution.' Chy Lung v. Freeman, 92 U.S. 276. And in Railroad Co. v. Husen, 95 U.S. 474, Mr. Justice STRONG, delivering the opinion of the court, said that 'the police power of a state cannot obstruct foreign commerce or interstate commerce beyond the necessity for its exercise; and, under color of it, objects not within its scope cannot be secured at the expense of the protection afforded by the federal constitution.' “ [New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885)]

And the Federalist Paper # 45 confirms this view in regards to taxation:

“It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as external taxes throughout the States; but it is probable that this power will not be resorted to, except for supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by previous collections of their own; and that the eventual collection, under the immediate authority of the Union, will generally be made by the officers, and according to the rules, appointed by the several States. Indeed it is

**extremely probable, that in other instances, particularly in the organization of the judicial power, the officers of the States will be clothed with the correspondent authority of the Union.**

“Should it happen, however, that separate collectors of internal revenue should be appointed under the federal government, the influence of the whole number would not bear a comparison with that of the multitude of State officers in the opposite scale. “

“Within every district to which a federal collector would be allotted, there would not be less than thirty or forty, or even more, officers of different descriptions, and many of them persons of character and weight, whose influence would lie on the side of the State. The 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 former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State. The operations of the federal government will be most extensive and important in times of war and danger; those of the State governments, in times of peace and security. As the former periods will probably bear a small proportion to the latter, the State governments will here enjoy another advantage over the federal government. The more adequate, indeed, the federal powers may be rendered to the national defense, the less frequent will be those scenes of danger which might favor their ascendancy over the governments of the particular States.”

[Federalist Paper No. 45 (Jan. 1788), James Madison]

The introduction of the Sixteenth Amendment did not change any of the above, because Subtitle A income taxes only apply to persons domiciled within the federal United States, or *federal zone*, including persons temporarily abroad per 26 U.S.C. §911. Even the Supreme Court agreed in the case of *Stanton v. Baltic Mining* that the Sixteenth Amendment “conferred no new powers of taxation”, and they wouldn’t have said it and repeated it if they didn’t mean it. Whether or not the Sixteenth Amendment was properly ratified is inconsequential and a nullity, because of the limited applicability of Subtitle A of the Internal Revenue Code primarily to persons domiciled in the federal zone no matter where resident. The Sixteenth Amendment authorized that:

Sixteenth Amendment

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

And in fact, the above described amendment is *exactly* what an income tax under Subtitle A that only operates against persons domiciled within the federal zone does: collect taxes on incomes without apportionment. Furthermore, because the federal zone is not protected by the Constitution or the Bill of Rights (see *Downes v. Bidwell*, 182 U.S. 244 (1901)), then there can be no violation of constitutional rights from the enforcement of the I.R.C. there. As a matter of fact, since due process of law is a requirement only of the Bill of Rights, and the Bill of Rights doesn’t apply in the federal zone, then technically, Congress doesn’t even need a law to legitimately collect taxes in these areas! The federal zone, recall, is a totalitarian socialist democracy, not a republic, and the legislature and the courts can do anything they like there without violating the Bill of Rights or our Constitutional rights.

With all the above in mind, let’s return to the original Supreme Court cites we referred to at the beginning of the section. The Constitution and the Bill of Rights, which are the “laws” of the United States, apply equally to both the union states AND the federal government, as the cites explain. That is why either state or federal officers both have to take an oath to support and defend the Constitution before they take office. However, the statutes or legislation passed by Congress, which are called “Acts of Congress” have much more limited jurisdiction inside the Union states, and in most cases, do not apply at all. For example:

TITLE 18 > PART III > CHAPTER 301 > Sec. 4001.  
Sec. 4001. - Limitation on detention; control of prisons

(a) No citizen shall be imprisoned or otherwise detained by the United States except pursuant to an Act of Congress.

The reason for the above is because the federal government has no police powers inside the states because these are reserved by the Tenth Amendment to the state governments. Likewise, the feds have no territorial jurisdiction for most subject matters inside the states either. See *U.S. v. Bevans*, 16 U.S. 336 (1818).

Now if we look at the meaning of “Act of Congress”, we find such a definition in [Rule 54\(c\) of the Federal Rules of Criminal Procedure](#) prior to Dec. 2002, wherein is defined "Act of Congress." Rule 54(c) states:

*Federal Rule of Civil Procedure 54(c ), prior to Dec. 2002*

*"Act of Congress" includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession."*

Keep in mind, the Internal Revenue Code is an “Act of Congress.” The reason such “Acts of Congress” cannot apply within the sovereign states is because the federal government lacks what is called “police powers” inside the union states, and the Internal Revenue Code requires police powers to implement and enforce. THEREFORE, THE QUESTION IS, ON WHICH OF THE FOUR LOCATIONS NAMED IN RULE 54(c) IS THE UNITED STATES DISTRICT COURT ASSERTING JURISDICTION WHEN THE U.S. ATTORNEY HAULS YOUR ASS IN COURT ON AN INCOME TAX CRIME? Hint, everyone knows what and where the District of Columbia is, and everyone knows where Puerto Rico is, and territories and insular possessions are defined in [Title 48 United States Code](#), happy hunting!

The preceding discussion within this section is also confirmed by the content of [4 U.S.C. §72](#). Subtitle A is primarily a “privilege” tax upon a “trade or business”. A “trade or business” is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
[§ 7701. Definitions](#)

(a) Definitions

(26) Trade or business

*"The term 'trade or business' includes the performance of the functions of a [public office](#)."*

Title 4 of the U.S. Code then says that all “public offices” MUST exist ONLY in the District of Columbia and no place else, except as expressly provided by law:

[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.*

If the we then search all the titles of the U.S. Code electronically, we find only one instance where “public offices” are “expressly provided” by law to a place other than the seat of government in connection with the Internal Revenue Code. That reference is found in [48 U.S.C. §1612](#), which expressly provides that public offices for the U.S. Attorney are extended to the Virgin Islands to enforce the provisions of the Internal Revenue Code.

Moving on, we find in [26 U.S.C. §7601](#) that the IRS has enforcement authority for the Internal Revenue Code only within what is called “internal revenue districts”. [26 U.S.C. §7621](#) authorizes the President to establish these districts. Under [Executive Order 10289](#), the President delegated the authority to define these districts to the Secretary of the Treasury in 1952. We then search the Treasury Department website for Treasury Orders documenting the establishment of these internal revenue districts:

<http://www.ustreas.gov/reg/>

The only orders documenting the existence of “internal revenue districts” is Treasury Orders 150-01 and 150-02. Treasury Order 150-01 established internal revenue districts that included federal land within states of the Union, but it was repealed in 1998 as an aftermath of the IRS Restructuring and Reform Act and replaced with Treasury Order 150-02. Treasury Order 150-02 used to say that all IRS administration must be conducted in the District of Columbia. Therefore, pursuant to



26 U.S.C. §7601, the IRS is only authorized to enforce the I.R.C. within the District of Columbia, which is the only remaining internal revenue district. That treasury order was eventually repealed but there is still only one remaining internal revenue district in the District of Columbia. This leads us full circle right back to our initial premise, which is:

1. The definition of the term “United States” found in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d), which is defined as the federal zone, means what it says and says what it means.
2. Subtitle A of the Internal Revenue Code may only be enforced within the only remaining internal revenue district, which is the District of Columbia.
3. There is no provision of law which “expressly extends” the enforcement of the Internal Revenue Code to any land under exclusive state jurisdiction.
4. The Separation of Powers Doctrine therefore does not allow anyone in a state of the Union to partake of the federal “privilege” known as a “trade or business”, which is the main subject of tax under Subtitle A of the I.R.C. This must be so because it involves a public office and all public offices must exist ONLY in the District of Columbia.
5. The only source of federal jurisdiction to tax is foreign commerce because the Constitution does not authorize any other type of tax internal to a state of the Union other than a direct, apportioned tax. Since the I.R.C. Subtitle A tax is not apportioned and since it is upon a privileged “trade or business” activity, then it is indirect and therefore need not be apportioned.

Q.E.D.-Quod Erod Demonstrandum (proven beyond a shadow of a doubt)

We will now provide an all-inclusive list of subject matters for which the federal government definitely does have jurisdiction within a state, and the Constitutional origin of that power. For all subjects of federal legislation other than these, the states of the Union and the federal government are FOREIGN COUNTRIES and FOREIGN STATES with respect to each other:

1. Foreign commerce pursuant to Article 1, Section 8, Clause 3 of the United States Constitution. This jurisdiction is described within 9 U.S.C. §1 et seq.
2. Counterfeiting pursuant to Article 1, Section 8, Clause 5 of the United States Constitution.
3. Postal matters pursuant to Article 1, Section 8, Clause 7 of the United States Constitution.
4. Treason pursuant to Article 4, Section 2, Clause 2 of the United States Constitution.
5. Federal contracts, franchises, and property pursuant to Article 4, Section 3, Clause 2 of the United States Constitution. This includes federal employment, which is a type of contract or franchise, wherever conducted, including in a state of the Union.

In relation to that last item above, which is federal contracts and franchises, Subtitle A of the Internal Revenue Code fits into that category, because it is a franchise and not a “tax”, which relates primarily to federal employment and contracts. The alleged “tax” in fact is a kickback scheme that can only lawfully affect federal contractors and employers, but not private persons. Those who are party to this contract or franchise are called “effectively connected with a trade or business”. Saying a person is “effectively connected” really means that they consented to the contract explicitly in writing or implicitly by their conduct. To enforce the “trade or business” franchise as a contract in a place where the federal government has no territorial jurisdiction requires informed, voluntary consent in some form from the party who is the object of the enforcement of the contract. The courts call this kind of consent “comity”. To wit:

*"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)]*

When the federal government wishes to enforce one of its contracts or franchises in a place where it has no territorial jurisdiction, such as in China, it would need to litigate in the courts in China just like a private person. However, if the contract is within a state of the Union, the Separation of Powers Doctrine requires that all “federal questions”, including federal contracts, which are “property” of the United States, must be litigated in a federal court. This requirement was eloquently explained by the U.S. Supreme Court in *Alden v. Maine*, 527 U.S. 706 (1999). Consequently, even though the federal government enjoys no territorial jurisdiction within a state of the Union for other than the above subject matters



explicitly authorized by the Constitution itself, it *still* has subject matter jurisdiction within federal court over federal property, contracts and franchises, which are synonymous. Since the Internal Revenue Code is a federal contract or franchise, then the federal courts have jurisdiction over this issue with persons who participate in the “trade or business” franchise.

Finally, below is a very enlightening U.S. Supreme Court case that concisely explains the constitutional relationship between the exclusive and plenary *internal* sovereignty of the states or the Union and the exclusive *external* sovereignty of the federal government:

“It will contribute to the elucidation of the question if we first consider the differences between the powers of the federal government in respect of foreign or external affairs and those in respect of domestic or internal affairs. That there are differences between them, and that these differences are fundamental, may not be doubted.

The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the federal government can exercise no powers except [299 U.S. 304, 316] those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the states such portions as it was thought desirable to vest in the federal government, leaving those not included in the enumeration still in the states. *Carter v. Carter Coal Co.*, 298 U.S. 238, 294, 56 S.Ct. 855, 865. That this doctrine applies only to powers which the states had is self-evident. And since the states severally never possessed international powers, such powers could not have been carved from the mass of state powers but obviously were transmitted to the United States from some other source. During the Colonial period, those powers were possessed exclusively by and were entirely under the control of the Crown. By the Declaration of Independence, ‘the Representatives of the United States of America’ declared the United (not the several) Colonies to be free and independent states, and as such to have ‘full Power to levy War, conclude Peace, contract Alliances, establish Commerce and to do all other Acts and Things which Independent States may of right do.’

As a result of the separation from Great Britain by the colonies, acting as a unit, the powers of external sovereignty passed from the Crown not to the colonies severally, but to the colonies in their collective and corporate capacity as the United States of America. Even before the Declaration, the colonies were a unit in foreign affairs, acting through a common agency—namely, the Continental Congress, composed of delegates from the thirteen colonies. That agency exercised the powers of war and peace, raised an army, created a navy, and finally adopted the Declaration of Independence. Rulers come and go; governments end and forms of government change; but sovereignty survives. A political society cannot endure [299 U.S. 304, 317] without a supreme will somewhere. Sovereignty is never held in suspense. When, therefore, the external sovereignty of Great Britain in respect of the colonies ceased, it immediately passed to the Union. See *Penhallow v. Doane*, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925. That fact was given practical application almost at once. The treaty of peace, made on September 3, 1783, was concluded between his Britannic Majesty and the ‘United States of America.’ 8 Stat., *European Treaties*, 80.

The Union existed before the Constitution, which was ordained and established among other things to form ‘a more perfect Union.’ Prior to that event, it is clear that the Union, declared by the Articles of Confederation to be ‘perpetual,’ was the sole possessor of external sovereignty, and in the Union it remained without change save in so far as the Constitution in express terms qualified its exercise. The Framers’ Convention was called and exerted its powers upon the irrefutable postulate that though the states were several their people in respect of foreign affairs were one. Compare *The Chinese Exclusion Case*, 130 U.S. 581, 604, 606 S., 9 S.Ct. 623. In that convention, the entire absence of state power to deal with those affairs was thus forcefully stated by Rufus King:

‘The states were not ‘sovereigns’ in the sense contended for by some. They did not possess the peculiar features of [external] sovereignty,—they could not make war, nor peace, nor alliances, nor treaties. Considering them as political beings, they were dumb, for they could not speak to any foreign sovereign whatever. They were deaf, for they could not hear any propositions from such sovereign. They had not even the organs or faculties of defence or offence, for they could not of themselves raise troops, or equip vessels, for war.’ 5 *Elliot’s Debates*, 212.1 [299 U.S. 304, 318] It results that the investment of the federal government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution. The powers to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have vested in the federal government as necessary concomitants of nationality. Neither the Constitution nor the laws passed in pursuance of it have any force in foreign territory unless in respect of our own citizens (see *American Banana Co. v. United Fruit Co.*, 213 U.S. 347, 356, 29 S.Ct. 511, 16 Ann.Cas. 1047); and operations of the nation in such territory must be governed by treaties, international understandings and compacts, and the principles of international law. As a member of the family of nations, the right and power of the United

States in that field are equal to the right and power of the other members of the international family. Otherwise, the United States is not completely sovereign. The power to acquire territory by discovery and occupation ( Jones v. United States, 137 U.S. 202, 212, 11 S.Ct. 80), the power to expel undesirable aliens (Fong Yue Ting v. United States, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016), the power to make such international agreements as do not constitute treaties in the constitutional sense (Altman & Co. v. United States, 224 U.S. 583, 600, 601 S., 32 S.Ct. 593; Crandall, *Treaties, Their Making and Enforcement* (2d Ed.) p. 102 and note 1), none of which is expressly affirmed by the Constitution, nevertheless exist as inherently inseparable from the conception of nationality. This the court recognized, and in each of the cases cited found the warrant for its conclusions not in the provisions of the Constitution, but in the law of nations.

In Burnet v. Brooks, 288 U.S. 378, 396, 53 S.Ct. 457, 461, 86 A.L.R. 747, we said, 'As a nation with all the attributes of sovereignty, the United States is vested with all the powers of government necessary to maintain an effective control of international relations.' Cf. Carter v. Carter Coal Co., supra, 298 U.S. 238, at page 295, 56 S.Ct. 855, 865. [299 U.S. 304, 319] Not only, as we have shown, is the federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate and manifold problems, the President alone has the power to speak or listen as a representative of the nation. He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, 'The President is the sole organ of the nation in its external relations, and its sole representative with foreign nations.' *Annals, 6th Cong., col. 613.* The Senate Committee on Foreign Relations at a very early day in our history ( February 15, 1816), reported to the Senate, among other things, as follows:

'The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee considers this responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch.' 8 U.S.Sen.Reports Comm. on Foreign Relations, p. 24.

It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an [299 U.S. 304, 320] exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the federal government in the field of international relations-a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment-perhaps serious embarrassment-is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially is this true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular and other officials. Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence and documents relating to the negotiation of the Jay Treaty-a refusal the wisdom of which was recognized by the House itself and has never since been doubted. In his reply to the request, President Washington said:

'The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely [299 U.S. 304, 321] impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all the papers respecting a negotiation with a foreign power would be to establish a dangerous precedent.' 1 Messages and Papers of the Presidents, p. 194.

The marked difference between foreign affairs and domestic affairs in this respect is recognized by both houses of Congress in the very form of their requisitions for information from the executive departments. In the case of every department except the Department of State, the resolution directs the official to furnish the

information. In the case of the State Department, dealing with foreign affairs, the President is requested to furnish the information 'if not incompatible with the public interest.' A statement that to furnish the information is not compatible with the public interest rarely, if ever, is questioned. "  
[United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936)]

If you would like to learn more about the relationship between federal and state sovereignty exercised within states of the Union, we recommend an excellent, short, succinct book on the subject as follows:

*Conflicts in a Nutshell*, 2<sup>nd</sup> Edition, David D. Seigel, West Publishing, 1994, ISBN 0-314-02952-4  
<http://west.thomson.com/product/22088447/product.asp>

## **18. The money you pay to government is an illegal bribe to public officials**

The money you pay either through Subtitle C withholding or through Subtitle A 1040 returns amounts to extortion under the color of law and a compelled bribe because there is no liability statute and no Constitutional authority to collect inside states of the Union. The payments amount to extortion because:

1. The IRS threatens and pressures private employers to withhold on their employees.
2. Private employers make payment of income taxes based on the above pressure a precondition of obtaining or keeping a job.
3. The IRS and the Department of Justice terrorize and legally harass employers who choose not to withhold. Case in point is Arrow Plastics, whose proprietor Dick Simkanin was hounded for three straight years in what amounts to an abuse of the legal system and forced labor in violation of [18 U.S.C. §1589](#). The DOJ had to endlessly pester three different grand juries and he appeared to testify in front of the two but they didn't get an indictment until they were able to keep him away from the third grand jury.

This illegally paid and collected money contributes to the corruption and delinquency of our elected or appointed officers, because it enhances their power and influence and causes them to commit treason against the republic by transforming it into a socialist democracy and starting up all kinds of government handout programs. Here is the law making this bribe illegal:

[TITLE 18 > PART 1 > CHAPTER 11 > Sec. 201.](#)  
[Sec. 201. - Bribery of public officials and witnesses](#)

(b) Whoever -

(1) directly or indirectly, corruptly gives, offers or promises anything of value to any public official or person who has been selected to be a public official, or offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity, with intent -

(A) to influence any official act; or

(B) to influence such public official or person who has been selected to be a public official to commit or aid in committing, or collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

(C) to induce such public official or such person who has been selected to be a public official to do or omit to do any act in violation of the lawful duty of such official or person;

(2) being a public official or person selected to be a public official, directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity, in return for:

(A) being influenced in the performance of any official act;

(B) being influenced to commit or aid in committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud on the United States; or

(C) being induced to do or omit to do any act in violation of the official duty of such official or person;

(3) directly or indirectly, corruptly gives, offers, or promises anything of value to any person, or offers or promises such person to give anything of value to any other person or entity, with intent to influence the testimony under oath or affirmation of such first-mentioned person as a witness upon a trial, hearing, or other proceeding, before any court, any committee of either House or both Houses of Congress, or any

agency, commission, or officer authorized by the laws of the United States to hear evidence or take testimony, or with intent to influence such person to absent himself therefrom;

(4) directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity in return for being influenced in testimony under oath or affirmation as a witness upon any such trial, hearing, or other proceeding, or in return for absenting himself therefrom; shall be fined under this title or not more than three times the monetary equivalent of the thing of value, whichever is greater, or imprisoned for not more than fifteen years, or both, and may be disqualified from holding any office of honor, trust, or profit under the United States.

Since Article 4, Section 4, Clause 1 of the U.S. Constitution requires that the United States Government shall guarantee a republican form of government to each state in the union, then anyone who pays such bribes or accepts them is committing treason by doing so. They are also subsidizing the oppression of fellow Americans, treason, and conspiracy against the rights of their fellow Americans. Have you ever been to the zoo and seen the sign that says “Please don’t feed the animals”? Well, I think we need one on every federal building and on every Internal Revenue Service form you fill out. The animals are your public dis-servants!

Since you must be a “public officer” of the U.S. government in order to be the proper subject of Subtitle C employment taxes as indicated above, your voluntary payment of employment taxes amounts to a bribe to procure public office!

[TITLE 18 > PART I > CHAPTER 11 > Sec. 210.](#)  
[Sec. 210.](#) - Offer to procure appointive public office

Whoever pays or offers or promises any money or thing of value, to any person, firm, or corporation in consideration of the use or promise to use any influence to procure any appointive office or place under the United States for any person, shall be fined under this title or imprisoned not more than one year, or both

That’s right, you have made yourself into a criminal by volunteering to pay Subtitle C Employment Taxes and the judges and your Congressmen just look the other way because they are bought and paid for with your bribes, which you never would have paid if they had told you the truth to begin with.

That’s not all folks. Recall from our investigation earlier in section 2.8.10 that the Federal Reserve is a private, for profit trust which is not part of the federal U.S. government. It is foreign to the U.S. government. It is not federal, there are no “reserves” and calling it this is a **FRAUD!** Even the federal courts agreed that the Federal Reserve is a private trust in *Lewis v. U.S.*, 680 F.2d. 1238, 1241 (1982). Also recall that most of the income tax revenues go to the Federal Reserve to pay off the national debt to the private, foreign Federal Reserve. In that capacity, the U.S. Congress and the IRS are acting as collection agents for a foreign principal. Did your Congressman register as an agent of a foreign principal as required by law to indicate that he is a collection agent of that foreign principal?

[TITLE 18 > PART I > CHAPTER 11 > Sec. 219.](#)  
[Sec. 219.](#) - Officers and employees acting as agents of foreign principals

(a) Whoever, being a public official, is or acts as an agent of a foreign principal required to register under the Foreign Agents Registration Act of 1938 or a lobbyist required to register under the Lobbying Disclosure Act of 1995 in connection with the representation of a foreign entity, as defined in section 3(6) of that Act shall be fined under this title or imprisoned for not more than two years, or both.

(b) Nothing in this section shall apply to the employment of any agent of a foreign principal as a special Government employee in any case in which the head of the employing agency certifies that such employment is required in the national interest. A copy of any certification under this paragraph shall be forwarded by the head of such agency to the Attorney General who shall cause the same to be filed with the registration statement and other documents filed by such agent, and made available for public inspection in accordance with section 6 of the Foreign Agents Registration Act of 1938, as amended.

(c) For the purpose of this section "public official" means Member of Congress, Delegate , or Resident Commissioner [IRS Commissioner!], either before or after he has qualified, or an officer or employee or person acting for or on behalf of the United States, or any department, agency, or branch of Government thereof, including the District of Columbia, in any official function, under or by authority of any such department, agency, or branch of Government

You might want to do a Freedom of Information Act (FOIA) request of your Congressman and ask him for his Foreign Agent Registration documents. What? He doesn’t have them? Prosecute the criminal and have him thrown in jail for two years like the IRS mafia did to Congressman James Traficant! Your Congressmen and their henchmen at the IRS are



1 *traitors and criminals*, and these laws prove it! Anyone who sends their hard-earned money to Washington, D.C. is  
2 subsidizing criminal activity and is involved in a financial crimes enterprise in violation of [18 U.S.C. §225](#), and they are  
3 subsidizing bank robbery under [18 U.S.C. §2113](#) and the monetary transactions derived from unlawful activity under [18](#)  
4 [U.S.C. 1957](#). In short, they are traitors. You can't pay Subtitle C taxes, which are technically gifts, without being a  
5 criminal and in effect bribing your Congressman and the IRS. Remember, it is Congress who decides how the money you  
6 donate is spent.

7 What about your private employer? His federal Employer Identification Number is what identifies him as part of the  
8 Federal Corporation called the United States government identified in [28 U.S.C. §3002](#)(15)(A). He is acting as a *voluntary*  
9 agent of the federal government under the "color of law". In order to act as such an agent, he has to fill out IRS Form 2678  
10 in accordance with [26 U.S.C. §3504](#) and be designated as a "withholding agent" by the Secretary of the Treasury, which  
11 most private employers have *never* done. Here is that section:

12 [TITLE 26 > Subtitle C > CHAPTER 25 > Sec. 3504.](#)  
13 [Sec. 3504. - Acts to be performed by agents](#)

14 *In case a fiduciary, agent, or other person has the control, receipt, custody, or disposal of, or pays the wages of*  
15 *an employee or group of employees, employed by one or more employers, the Secretary, under regulations*  
16 *prescribed by him, is authorized to designate such fiduciary, agent, or other person to perform such acts as*  
17 *are required of employers under this title and as the Secretary may specify. Except as may be otherwise*  
18 *prescribed by the Secretary, all provisions of law (including penalties) applicable in respect of an employer*  
19 *shall be applicable to a fiduciary, agent, or other person so designated but, except as so provided, the employer*  
20 *for whom such fiduciary, agent, or other person acts shall remain subject to the provisions of law (including*  
21 *penalties) applicable in respect of employers*

22 Congress, through the above statute, may not delegate to the Secretary an authority that they themselves do not have.  
23 Remember that the only "employees" they are referring to above are federal "employees" and the reason the Secretary has  
24 jurisdiction to appoint such agents is because he is exercising in rem jurisdiction over wages paid to "public offices" of the  
25 United States government, because part of those wages belong to the federal government and are a kickback that must be  
26 recovered, as we reveal in section 5.6.13 of the [Great IRS Hoax](#), Form #11.302. At the point that your private employer  
27 submits IRS Form 2678 and "volunteers" to be a withholding agent, the form says the following about his obligations:

28 *"It is understood that the agent and the employer or payer are subject to all provisions of law and regulations*  
29 *(including penalties) which apply to employers or payers."*

30 However, even if your private, nonfederal employer tried to volunteer as a "withholding agent", the Constitution doesn't  
31 authorize the federal government or the Secretary of the Treasury to appoint *private* employers within states of the Union as  
32 "withholding agents" for Subtitle A taxes so they are acting *illegally*.

33 *"Illegal. Against or not authorized by law."*  
34 *[Black's Law Dictionary, Sixth Edition, p. 747]*

35 *"The Government of the United States, therefore, can claim no powers which are not [explicitly] granted to it*  
36 *by the Constitution, and the powers actually granted must be such as are expressly given, or given by necessary*  
37 *implication."*  
38 *[Buffington v. Day, 11 Wall. 113, [78 U.S. 122](#) (1871)]*

39 You can confirm the above assertions by requesting a copy of his delegation order and seeing whether it says the Secretary  
40 can do this with private employers. You will find as we have in doing so that he *doesn't* have this authority. If he doesn't  
41 have that authority, then he can't delegate it to the IRS. That means your private employer is *not* operating with the  
42 authority of federal law and really has *no lawful authority* at all to act as a "withholding agent" as defined in [26 U.S.C.](#)  
43 [§7701](#)(a)(16). If his actions as a *voluntary* federal agent result in an oppression of your sacred Constitutional rights, then he  
44 is liable under equity jurisdiction in any state court for the injury or tort that he causes you. Plain and simple. Even if your  
45 employer isn't being compensated for his acts as a federal agent, he can be prosecuted under the same standards as a  
46 government employee! This opens a whole new realm of possibilities, folks.

47 As an agent of a foreign principal, the federal reserve, your private employer is part of this criminal conspiracy and treason  
48 against the constitutional republic. He is a communist and a socialist, in fact, as we showed in the introduction to this  
49 chapter. This is especially true if he forces you to pay payroll taxes by threatening to fire or discipline you if you don't file  
50 a W-4 with him or her to initiate withholding. Since he has no lawful authority to deduct or withhold the taxes, being  
51 outside the exclusive territorial jurisdiction of the United States government under Subtitles A or C of the I.R.C., then

coercing you to deduct or withhold or filing a W-4 without your consent is a clear violation of the Fifth Amendment, which says that we can't be deprived of our property without due process of law or just compensation.

There aren't a lot of private employees who would resort to suing their employers, because this would amount to looking a gift horse in the mouth, but this is what most ignorant employers deserve for their negligent and harmful administration of payroll tax withholding. If your employer in effect discriminates against you because you refuse to volunteer, ignorantly and wrongfully thinking that he has the authority by law to compel you to withhold, then you have a case with the Equal Employment Opportunity Commission (EEOC for employment discrimination based on your religious beliefs and based on [8 U.S.C. §1324\(a\)\(3\)\(A\)](#)). The same argument applies if they won't accept the government form you choose to submit to stop withholding, which in most cases is the Amended W-8BEN form we have on our website. If they say they won't accept the Amended W-8BEN and demand a W-4, then they are violating your First Amendment rights by telling you how you can or must communicate with your government. Free speech implies the ability to either *not* communicate at all with your government or to communicate on the forms that YOU choose. If you have a coercive or tyrannical employer, then lodging a formal complaint with the EEOC might be an effective strategy to twist their arm. You'll have your employer scurrying like cockroaches when the lights come on with such tactics, folks!

## **19. Social Security: The legal vehicle for extending Federal Jurisdiction outside the federal zone using Private/contract law**

In previous sections, we have demonstrated the proper very limited application of the Internal Revenue Code using the code itself and showing why its definitions are entirely consistent with the Separation of Powers Doctrine that is the foundation of the United States Constitution. See the link below for details on the Separation of Powers Doctrine:

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

In this section, we will further expand these important legal concepts to show how the reach of the I.R.C. is extended outside the federal zone using the Social Security program, which is private law, and how this is done perfectly legally and constitutionally. The concepts in this section are very important and often go completely overlooked even by the most seasoned freedom researchers. So please read carefully.

We must always remember that there are TWO sources of jurisdiction: public law or private law. Public law is confined to the territory of the sovereign while private law may operate "extraterritorially" because it is a product of your right to contract. This is hinted at by Bouvier's Maxims of Law, which say on this subject:

*"Debitum et contractus non sunt nullius loci.  
Debt and contract are of no particular place."  
[Bouvier's Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]*

Congress sometimes enacts the equivalent of a "proposed private contract" that "activates" when we consent to its provisions. This type of an enactment is called a "special law" or a "private law". Social Security and the Internal Revenue Code Subtitle A are examples of private law. For details, see:

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

A section of the code, such as the Internal Revenue Code or the Social Security Act, which is quoted in court can only be cited as "prima facie" evidence, according to [1 U.S.C. §204](#) and the legislative notes thereunder. "Prima facie" evidence is presumptive evidence. Below are some important limitations relating to the abuse of "presumption" in federal courts relating to income tax issues.

1. Based on the Supreme Court in *Vlandis v. Kline*, 412 U.S. 441 (1973), presumption that prejudices any constitutionally protected right is unconstitutional and may not be used in any court of law against a party protected by the Bill of Rights.
2. A "statutory presumption", such as that found in [1 U.S.C. §204](#), relating to admission into evidence of anything that is not positive law, may only be used against a party who is *not* protected by the Bill of Rights.



3. Those who reside inside the federal zone and who therefore are not parties to the Constitution, may not therefore exclude “prima facie” evidence or statutes that are not “positive law” from evidence. Such a person has no Constitutional rights that can be prejudiced. Therefore, he is not entitled to “due process of law”.
4. A person who is protected by the Constitution and the Bill of Rights should have the right to exclude “prima facie” evidence in his or her trial because it prejudices his or her constitutional rights.
5. A court which allows any statute from the Internal Revenue Code, Title 26, into evidence in any federal court in a trial involving a person who maintains a domicile in an area covered by the Constitution is:
  - 5.1. Engaging in kidnapping, by moving the domicile of the party to an area that has no rights, in violation of [18 U.S.C. §1201](#).
  - 5.2. Engaging in a “conspiracy against rights” in violation of [18 U.S.C. §241](#).

Based on the above, it is VERY important to know which codes within the U.S. Code are positive law and which are not. Those that are not “positive law” may not be cited in a trial involving a person domiciled in a state of the Union and not on federal property, because such a person is protected by the Bill of Rights. The U.S. Code provides a list of Titles of the U.S. Code that are not “positive law” within the legislative notes section of [1 U.S.C. §204](#). Among the titles of the U.S. Code that are NOT “positive law” include:

1. [Title 26: Internal Revenue Code](#).
2. [Title 42: Social Security](#).
3. [Title 50: The Military Selective Service Act \(military draft\)](#).

Yes, folks, that’s right: Americans domiciled in states of the Union may *not* lawfully have any sections of the above titles of the U.S. Code cited in any trial involving them in a federal court, because it violates due process by imposing prejudicial presumptions. They may also not have any ruling of a federal court below the Supreme Court cited as authority against them PROVIDED, HOWEVER that:

1. They provide proof of their domicile within a state of the Union. See: <http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisForTaxation.htm>
2. They file using Diversity of Citizenship pursuant to Article III, Section 2 of the Constitution but NOT under 28 U.S.C. §1332. Diversity of citizenship under 28 U.S.C. §1332 only applies to federal territories and possessions and not states of the Union because the definition of “State” within 28 U.S.C. §1332(e) does not include states of the Union.
3. They do not implicate themselves as “taxpayers” by citing anything from the Internal Revenue Code in their own pleading, which would be an indirect admission that they are subject to it. See: <http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm>
4. They do not fill out and sign any government forms that create any employment or agency between them and the federal government, such as the W-4, 1040, of SS-5 forms.
5. They attach the following form to all pleadings filed in federal court to protect their status as a foreign sovereign:  

[Federal Pleading/Motion/Petition Attachment](#), Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>

The most prevalent occasion where the above requirements are violated with most Americans is applying for the Social Security program using the SS-5 form. Completing, signing, and submitting that form creates an agency and employment with the federal government. The submitter becomes a Trustee, a federal “employee”, and “federal personnel” pursuant to 5 U.S.C. §552a(a)(13), and therefore accepts federal jurisdiction from that point forward. We have written an exhaustive free pamphlet that analyzes all the reasons why this is the case, which may be found at:

[Resignation of Compelled Social Security Trustee](http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf)  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

The above pamphlet also serves the double capacity of an electronically fillable form you can send in to eliminate this one important source of federal jurisdiction and restore your sovereignty so that the Internal Revenue Code may not be cited as authority against you in a court of law.

The reason why signing up for Social Security creates a nexus for federal jurisdiction and a means to cite it against a person is that:

1. Signing up for Social Security makes one into a “Trustee”, agent, and fiduciary of the United States government under [26 U.S.C. §6903](#) over federal property. 20 CFR §422.103(d) says the Social Security Number and Card belong to the government. When you fill out the SS-5 form, it is an application to take custody of this “property” as a “transferee”, “trustee”, “fiduciary”, and “public officer”. The United States government is a foreign corporation with respect to a state of the Union, but it becomes a “domestic” corporation when you are acting as its officer, “employee” and agent.

*“The United States Government is a foreign corporation with respect to a state.” [N.Y. v. re Merriam 36 N.E. 505; 141 N.Y. 479; affirmed 16 S.Ct. 1073; 41 L.Ed. 287] [underlines added]”*  
[\[19 Corpus Juris Secundum \(C.J.S.\), Corporations §884\]](#)

2. The United States Government is defined as a “federal corporation” in [28 U.S.C. §3002\(15\)\(A\)](#):

[TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE](#)  
[PART VI - PARTICULAR PROCEEDINGS](#)  
[CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE](#)  
[SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS](#)  
[Sec. 3002. Definitions](#)

(15) *“United States” means -*

(A) *a Federal corporation;*

(B) *an agency, department, commission, board, or other entity of the United States; or*

(C) *an instrumentality of the United States.*

3. The Trust you are acting as a Trustee for is an “employee” of the United States government within the meaning of the Internal Revenue Code under 26 CFR §31.3401(c)-1.
4. You, when acting as a Trustee, are an “officer or employee” of a federal corporation called the “United States”.
5. The legal “domicile” of the Trust you are acting on behalf of is the “District of Columbia”. This is where the “res” or “corpus” of the Social Security Trust or “public trust” has its only legal existence as a “person”. See:  
<http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisForTaxation.htm>
6. The Social Security Number functions as the legal equivalent of a de facto “Trustee License Number”. Whenever you write your name in combination with this license number anywhere on a piece of paper, and especially in conjunction with your all caps name, such as “JOHN SMITH”, you are indicating that you are acting in a Trustee capacity as a “public officer” of the U.S. government. The only way to remove such a presumption is to black out the number or not put it on the form, and then to correct whoever sent you the form or notice to clarify that you are not acting as a Trustee or government employee, but instead are acting as a natural person. See:  
<http://sedm.org/ItemInfo/RespLtrs/AboutSSNs/AboutSSNs.htm>
7. As an “officer or employee of a corporation”, you are the proper subject of the penalty and criminal provisions of the Internal Revenue Code under:  
7.1. [26 U.S.C. §6671\(b\)](#)  
7.2. [26 U.S.C. §7343](#)
8. The requirement to file federal income tax returns by the Social Security Trustee originates not from any liability statute, but from his or her status as a “public officer” and “trustee” of the government:

*I: DUTY TO ACCOUNT FOR PUBLIC FUNDS*  
*§ 909. In general.-*

**It is the duty of the public officer, like any other agent or trustee, although not declared by express statute, to faithfully account for and pay over to the proper authorities all moneys which may come into his hands upon the public account, and the performance of this duty may be enforced by proper actions against the officer himself, or against those who have become sureties for the faithful discharge of his duties.**

*[Treatise on the Law of Public Offices and officers, p. 609, §909; Floyd Mechem, 1890;*  
*SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]*

9. The Internal Revenue Code becomes enforceable against you without the need for implementing regulations. The following statutes say that implementing regulations published in the Federal Register are not required in the case of federal employees, agencies, or contractors:
- 9.1. [5 U.S.C. §553\(a\)\(1\)](#).
- 9.2. [5 U.S.C. §553\(a\)\(2\)](#).
- 9.3. [44 U.S.C. §1505\(a\)\(1\)](#).

10. As a Trustee over the Social Security Trust and the “public trust”, you are a “public officer” engaged in a “trade or business” as defined in [26 U.S.C. §7701\(a\)\(26\)](#). Consequently, the earnings of the federal corporation you preside over as Trustee are taxable under the Internal Revenue Code. You are exercising the functions of a “public office” because you are exercising fiduciary duty over payments paid to the Federal Government. You are in business with Uncle Sam and essentially become a “Kelly Girl”. Income taxes are really just the “profits” of the Social Security trust created when you signed up for the program, which are “kicked back” to the mother corporation called the “United States”.
11. All items that you take deductions on under [26 U.S.C. §162](#), earned income credit under [26 U.S.C. §32](#), or a graduated rate of tax under 26 U.S.C. §1 become “effectively connected with a trade or business”, which is a code word for saying that they are public property, because a “trade or business” is a “public office”. This “trade or business” then becomes a means of earning you “revenue” or “profit” as a private individual, because it serves to reduce your tax liability as a Trustee filing 1040 returns for the Social Security Trust. What the government won’t tell you, however, is that the best way to reduce your federal tax liability is simply to either not sign up for Social Security to begin with, or to quit immediately, nor are they going to show you how to quit! See the following article for more details on “The trade or business scam” for further details:  
<http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>
12. Below is what the Supreme Court said about all property you donated for “public use” by the Trust in acquiring reduced tax liability:

“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)]

- Therefore, whatever you take deductions on comes under the jurisdiction of the Internal Revenue Code, which is the vehicle by which the “public” controls the use of your formerly private property that you have usually unwittingly and illegally donated to a “public use” to procure the “benefit” associated with the “trade or business” franchise. Every “benefit” has a string attached, and in this case, the string is that you as Trustee, and all property you donate for temporary use by the Trust then comes under the jurisdiction of the Internal Revenue Code and the Social Security Act.
13. Your Trust employer, the “United States” foreign corporation, is your new boss and the beneficiary of the Social Security Trust you work for as an officer. As your new boss, it does not need territorial jurisdiction over you. All it needs is “in rem” jurisdiction over the property you donated to the trust, which includes all your earnings. That jurisdiction derives from Article 4, Section 3, Clause 2 of the Constitution. All this property, while it is donated to a public use, becomes federal property under government management. That is why the Slave Surveillance Number is assigned to all accounts: to track government property, contracts, and employees.

“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 ‘§510 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, 1856 WL 8721 (U.S.1856)]

14. Because the property already is government property while you are using it in connection with a “trade or business”, then you implicitly have already given the government permission to repossess that which always was theirs. That is why they can issue a “Notice of Levy” without any judicial process and immediately and conveniently take custody of your bank accounts, personal property, and retirement funds: Because they have the mark of the Beast, the Slave Surveillance Number on them, which means you already gave them to your new benefactor and caretaker, the United States Government.

15. The United States Government does not need territorial jurisdiction over you in order to drag you into federal court while you are acting as one of its Trustees and fiduciaries under [26 U.S.C. §6903](#). Any matter relating to federal contracts, whether they are federal government franchises, Trust Contracts or federal employment contracts (with the “Trustee”), may ONLY be heard in a federal court. It is a violation of the separation of powers doctrine for a state to hear a matter which might affect the federal government. See [Alden v. Maine, 527 U.S. 706 \(1999\)](#). Federal Jurisdiction over Trustees is indeed “subject matter jurisdiction”, but it doesn’t derive primarily from the Internal Revenue Code. Instead it derives from the agency and contract you maintain as a “Trustee”:

*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. 75 In the absence of an applicable federal statute, the federal courts must determine according to their own criteria the appropriate measure of damages. 76 State law may, however, be adopted as the federal law of decision in some instances. 77  
[American Jurisprudence, 2d, United States, Section 42: Interest on Claim]*

16. The U.S. Supreme Court has always given wide latitude to the Legislative and Executive branches of the government to manage their own “employees” and officers and “property”, which includes both its Social Security Trusts and the Trustees who are exercising agency over the Trust and its corpus or property. You better bow down and worship your new boss: Uncle Sam!

A few authorities supporting why the Federal Government may not cite federal statutes or caselaw against those who are not its employees or contractors follows:

1. Federal courts are administrative courts 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.

1.2. Subject matter jurisdiction:

1.2.1. “Public laws” which operate throughout the states of the Union upon the following subjects:

1.2.1.1. Postal fraud. See Article 1, Section 8, Clause 7 of the U.S. Constitution..

1.2.1.2. Counterfeiting under Article 1, Section 8, Clause 6 of the U.S. Constitution.

1.2.1.3. Treason under Article 4, Section 2, Clause 3 of the U.S. Constitution.

1.2.1.4. Interstate commercial crimes under Article 1, Section 8, Clause 3 of the U.S. Constitution.

1.2.1.5. 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.

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. Subtitle A of the Internal Revenue Code.

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.

3. There is no federal common law within states of the Union, according to the Supreme Court in *Erie R. Co. 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, pursuant to Article III, Section 2 of the 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 R. Co. v. Tompkins, 304 U.S. 64 (1938)]*

**“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.”*



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 caselaw.
5. The [Federal Rule of Civil Procedure 17\(b\)](#) say that the capacity to sue or be sued is determined by the law of the individual's domicile. This means that if a person is domiciled in a state and not within an 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.

Therefore, in the case of a private citizen who has:

1. Provided proof of their domicile within a state of the Union. See:  
<http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisForTaxation.htm>
2. Declared their citizenship properly on government forms so as to correctly reflect their domicile outside the "United States". See:

Why You are a "national", "state national", and Constitutional but not Statutory Citizen  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

3. Responded to a federal civil lawsuit using Diversity of Citizenship, pursuant to Article 3, Section 2 of the Constitution but NOT [28 U.S.C. §1332](#).
4. Not implicated themselves as "taxpayers" by citing anything from the Internal Revenue Code or any other federal franchise in their own pleading, which would be an indirect admission that they are subject to it. See:  
<http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm>
5. Not filled out and sign any government forms that create any employment or agency between them and the federal government, such as the W-4, 1040, of SS-5 forms.
6. Sent in and admitted into evidence the free document below:

Resignation of Compelled Social Security Trustee  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

. . . is unconditionally Sovereign and may not lawfully be dragged into a federal court for an income tax matter or any other federal employment or contract or civil matter. All parties wishing to litigate against them must instead do so in a state, not federal court. The federal courts may not therefore be used to destroy or undermine their sovereignty without violating the Constitution and the separation of powers doctrine. Below is the reason why, in the context of States of the Union, but the justification is equally pertinent to the people they were created to serve and protect, at least in the context of their own right to self-governance and self-determination:

*Although the Constitution grants broad powers to Congress, our federalism requires that Congress treat the States in a manner consistent with their status as residuary sovereigns and joint participants in the governance of the Nation. See, e.g., United States v. Lopez, 514 U. S., at 583 (concurring opinion); Printz, 521 U. S., at 935 ; New York, 505 U.S., at 188 . The founding generation thought it "neither becoming nor convenient that the several States of the Union, invested with that large residuum of sovereignty which had not been delegated to the United States, should be summoned as defendants to answer the complaints of private persons." In re Ayers, 123 U. S., at 505 . The principle of sovereign immunity preserved by constitutional design "thus accords the States the respect owed them as members of the federation." Puerto Rico Aqueduct and Sewer Authority, 506 U.S., at 146 ; accord, Coeur d'Alene Tribe, supra, at 268 (recognizing "the dignity and respect afforded a State, which the immunity is designed to protect").*

*Petitioners contend that immunity from suit in federal court suffices to preserve the dignity of the States. Private suits against nonconsenting States, however, present "the indignity of subjecting a State to the coercive process of judicial tribunals at the instance of private parties," In re Ayers, supra, at 505; accord, Seminole Tribe, 517 U.S., at 58 , regardless of the forum. Not only must a State defend or default but also it must face the prospect of being thrust, by federal fiat and against its will, into the disfavored status of a debtor, subject to the power of private citizens to levy on its treasury or perhaps even government buildings or property which the State administers on the public's behalf.*

*In some ways, of course, a congressional power to authorize private suits against nonconsenting States in their own courts would be even more offensive to state sovereignty than a power to authorize the suits in a federal forum. Although the immunity of one sovereign in the courts of another has often depended in part on comity or agreement, the immunity of a sovereign in its own courts has always been understood to be within the sole control of the sovereign itself. See generally Hall, 440 U.S., at 414 -418. A power to press a State's own courts into federal service to coerce the other branches of the State, furthermore, is the power first to turn the*



State against itself and ultimately to commandeer the entire political machinery of the State against its will and at the behest of individuals. Cf. *Coeur d'Alene Tribe*, supra, at 276. Such plenary federal control of state governmental processes denigrates the separate sovereignty of the States.

It is unquestioned that the Federal Government retains its own immunity from suit not only in state tribunals but also in its own courts. In light of our constitutional system recognizing the essential sovereignty of the States, we are reluctant to conclude that the States are not entitled to a reciprocal privilege.

Underlying constitutional form are considerations of great substance. Private suits against nonconsenting States--especially suits for money damages--may threaten the financial integrity of the States. It is indisputable that, at the time of the founding, many of the States could have been forced into insolvency but for their immunity from private suits for money damages. Even today, an unlimited congressional power to authorize suits in state court to levy upon the treasuries of the States for compensatory damages, attorney's fees, and even punitive damages could create staggering burdens, giving Congress a power and a leverage over the States that is not contemplated by our constitutional design. The potential national power would pose a severe and notorious danger to the States and their resources.

A congressional power to strip the States of their immunity from private suits in their own courts would pose more subtle risks as well. "The principle of immunity from litigation assures the states and the nation from unanticipated intervention in the processes of government." *Great Northern Life Ins. Co. v. Read*, 322 U.S., at 53. When the States' immunity from private suits is disregarded, "the course of their public policy and the administration of their public affairs" may become "subject to and controlled by the mandates of judicial tribunals without their consent, and in favor of individual interests." In *re Ayers*, supra, at 505. While the States have relinquished their immunity from suit in some special contexts--at least as a practical matter--see Part III, infra, this surrender carries with it substantial costs to the autonomy, the decisionmaking ability, and the sovereign capacity of the States.

A general federal power to authorize private suits for money damages would place unwarranted strain on the States' ability to govern in accordance with the will of their citizens. Today, as at the time of the founding, the allocation of scarce resources among competing needs and interests lies at the heart of the political process. While the judgment creditor of the State may have a legitimate claim for compensation, other important needs and worthwhile ends compete for access to the public fisc. Since all cannot be satisfied in full, it is inevitable that difficult decisions involving the most sensitive and political of judgments must be made. If the principle of representative government is to be preserved to the States, the balance between competing interests must be reached after deliberation by the political process established by the citizens of the State, not by judicial decree mandated by the Federal Government and invoked by the private citizen. "It needs no argument to show that the political power cannot be thus ousted of its jurisdiction and the judiciary set in its place." *Louisiana v. Jumel*, 107 U.S. 711, 727-728 (1883).

By " `split[ting] the atom of sovereignty,'" the founders established " `two orders of government, each with its own direct relationship, its own privy, its own set of mutual rights and obligations to the people who sustain it and are governed by it.'" *Saenz v. Roe*, 526 U.S. \_\_\_, n. 17 (1999), quoting *U.S. Term Limits, Inc. v. Thornton*, 514 U.S. 779, 838 (1995) (concurring opinion). "The Constitution thus contemplates that a State's government will represent and remain accountable [only] to its own citizens [and not to the federal government]." *Printz*, 521 U.S., at 920. When the Federal Government asserts authority over a State's most fundamental political processes, it strikes at the heart of the political accountability so essential to our liberty and republican form of government.

The asserted authority would blur not only the distinct responsibilities of the State and National Governments but also the separate duties of the judicial and political branches of the state governments, displacing "state decisions that `go to the heart of representative government.'" *Gregory v. Ashcroft*, 501 U.S. 452, 461 (1991). A State is entitled to order the processes of its own governance, assigning to the political branches, rather than the courts, the responsibility for directing the payment of debts. See id., at 460 ("Through the structure of its government, and the character of those who exercise government authority, a State defines itself as a sovereign"). If Congress could displace a State's allocation of governmental power and responsibility, the judicial branch of the State, whose legitimacy derives from fidelity to the law, would be compelled to assume a role not only foreign to its experience but beyond its competence as defined by the very constitution from which its existence derives.

Congress cannot abrogate the States' sovereign immunity in federal court; were the rule to be different here, the National Government would wield greater power in the state courts than in its own judicial instrumentalities. Cf. *Howlett*, 496 U.S., at 365 (noting the anomaly that would arise if "a State might be forced to entertain in its own courts suits from which it was immune in federal court"); *Hilton*, 502 U.S., at 206 (recognizing the "federalism-related concerns that arise when the National Government uses the state courts as the exclusive forum to permit recovery under a congressional statute"). [*Alden v. Maine*, 527 U.S. 706 (1999)]

Furthermore, any government representative, and especially who is from the Dept. of Justice or the IRS, who cites a case below the Supreme Court or any section from the Internal Revenue Code or Title 42 of the U.S. Code in the case of a

person who is a "national" but not a "citizen" under federal law, who maintains a domicile in a state of the Union and not within federal jurisdiction, and who is not a "Trustee" or federal "employee" or contractor, is:

1. Abusing caselaw for political purposes, usually with willful intent to deceive the hearer.
2. Violating Federal Rule of Civil Procedure 17(b), which establishes that the only law and case law that may be cited in any federal civil trial is the law that derives from the domicile of the party.

Federal courts, incidentally, are NOT allowed to involve themselves in such "political questions", and therefore should not allow this type of abuse of caselaw, but judges with a conflict of interest 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. Below is what the Supreme Court said about the authority of itself, and by implication all other federal courts, to involve itself in strictly political matters:

*"But, fortunately for our freedom from political excitements in judicial duties, this court [the U.S. Supreme Court] can never with propriety be called on officially to be the umpire in questions merely political. The adjustment of these questions belongs to the people and their political representatives, either in the State or general government. These questions relate to matters not to be settled on strict legal principles. They are adjusted rather by inclination, or prejudice or compromise, often.*

[...]

*Another evil, alarming and little foreseen, involved in regarding these as questions for the final arbitrament of judges would be that, in such an event, all political privileges and rights would, in a dispute among the people, depend on our decision finally. We would possess the power to decide against, as well as for, them, and, under a prejudiced or arbitrary judiciary, the public liberties and popular privileges might thus be much perverted, if not entirely prostrated. But, allowing the people to make constitutions and unmake them, allowing their representatives to make laws and unmake them, and without our interference as to their principles or policy in doing it, yet, when constitutions and laws are made and put in force by others, then the courts, as empowered by the State or the Union, commence their functions and may decide on the rights which conflicting parties can legally set up under them, rather than about their formation itself. Our power begins after theirs [the Sovereign People] ends. Constitutions and laws precede the judiciary, and we act only under and after them, and as to disputed rights beneath them, rather than disputed points in making them. We speak what is the law, jus dicere, we speak or construe what is the constitution, after both are made, but we make, or revise, or control neither. The disputed rights beneath constitutions already made are to be governed by precedents, by sound legal principles, by positive legislation [e.g. "positive law"], clear contracts, moral duties, and fixed rules; they are per se questions of law, and are well suited to the education and habits of the bench. But the other disputed points in making constitutions, depending often, as before shown, on policy, inclination, popular resolves and popular will and arising not in respect to private rights, not what is meum and tuum, but in relation to politics, they belong to politics, and they are settled by political tribunals, and are too dear to a people bred in the school of Sydney and Russel for them ever to intrust their final decision, when disputed, to a class of men who are so far removed from them as the judiciary, a class also who might decide them erroneously, as well as right, and if in the former way, the consequences might not be able to be averted except by a revolution, while a wrong decision by a political forum can often be peacefully corrected by new elections or instructions in a single month; and if the people, in the distribution of powers under the constitution, should ever think of making judges supreme arbiters in political controversies when not selected by nor, frequently, amenable to them nor at liberty to follow such various considerations in their judgments as [48 U.S. 53] belong to mere political questions, they will dethrone themselves and lose one of their own invaluable birthrights; building up in this way -- slowly, but surely -- a new sovereign power in the republic, in most respects irresponsible and unchangeable for life, and one more dangerous, in theory at least, than the worst elective oligarchy in the worst of times. Again, instead of controlling the people in political affairs, the judiciary in our system was designed rather to control individuals, on the one hand, when encroaching, or to defend them, on the other, under the Constitution and the laws, when they are encroached upon. And if the judiciary at times seems to fill the important station of a check in the government, it is rather a check on the legislature, who may attempt to pass laws contrary to the Constitution, or on the executive, who may violate both the laws and Constitution, than on the people themselves in their primary capacity as makers and amenders of constitutions."*

[Luther v. Borden, 48 U.S. 1 (1849)]

We know that the content of this section may appear strange at first reading, but after you have gone back and read the Resignation of Compelled Social Security Trustee document, there is simply no other logical conclusion that a person can reach based on the overwhelming evidence presented there that so clearly describes how the Social Security program operates from a legal perspective.

A number of tax honesty advocates will attempt to cite 26 U.S.C. §7701(a)(9) and (a)(10) as proof that federal jurisdiction does not extend into the states for the purposes of the Internal Revenue Code.

(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.

Federal district and circuit courts have been known to label such arguments based on these definitions in the Internal Revenue Code as "frivolous". Their reasons for doing so have never been completely or truthfully revealed anywhere but here, to the best of our knowledge. Now that we know how the government ropes sovereign Americans into their jurisdiction based on the analysis in this section, we also know that it is indeed "frivolous" to state that federal jurisdiction does not extend into the states in the case of those who are "Trustees" or federal "employees" or federal contractors, such as those who participate in Social Security. Since we know that the effective legal domicile of the Trust is indeed the District of Columbia per Federal Rule of Civil Procedure 17(b), we also know that anyone who litigates in a federal court and does not deny all of the following will essentially be presumed to be a federal "employee" and Trustee acting on behalf of the Social Security Trust:

1. The all caps name in association with him. His proper name is the lower case Christian Name. The all caps name is the name of the Social Security Trust that was created when you completed and submitted the SS-5 form to sign up for Social Security.
2. The Trustee license number called the Social Security Number associated with him. If you admit the number is yours, then you admit that you are acting as a Social Security Trustee. Only trustees can use the license number.
3. The receipt of income connected to a "trade or business" on form 1099's. All earnings identified on a 1099 are "presumed" to be "effectively connected with a trade or business", which is a "public office" in the United States government as a "Trustee" and fiduciary over federal payments.
4. The receipt of "wage" income in connection with a W-4. Receipt of "wages" are evidence from 26 CFR §31.3401(a)-3(a) that you consented to withhold and participate in Social Security.
5. The existence of consent in signing the SS-5 form. The Trust contract created by this form cannot be lawful so long as it was either signed without your consent or was signed for you by your parents without your informed consent.
6. The voluntary use of the Slave Surveillance Number. Instead, all uses must be identified as compelled. Responsibility for a compelled act falls on the person instituting the compulsion, and not the actor.

A very good way to fulfill all of the above is to avoid filling out government forms and when compelled to do so, to attach the following form:

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

If you would like techniques for dealing with the compelled disclosure or use of Social Security Numbers or Taxpayer Identification Numbers, please refer later to section 24.2.

## **20. Successfully Responding to Criticism of this Book**

### **20.1 What about IRS Statements and Publications?<sup>43</sup>**

When people read this pamphlet, they frequently ask:

<sup>43</sup> Extracted from article at: <http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>.

1 "What about the IRS Publications? What you are saying conflicts with what they say and what the IRS tells me  
2 on the telephone. Who should I listen to?"

3 The federal courts and the IRS' own Internal Revenue Manual answer this question quite forcefully, and the answer is NOT  
4 THE IRS OR ITS PUBLICATIONS! This may sound hard to believe, but our corrupt federal courts refuse to hold the IRS  
5 accountable for any of the following:

- 6 1. The content of their publications or even their forms. See IRM Section 4.10.7.2.8.
- 7 2. Following its own written procedures found in the [Internal Revenue Manual \(IRM\)](#)
- 8 3. Following the procedural regulations developed by the Secretary of the Treasury under [26 CFR Part 601](#).
- 9 4. The oral agreements or statements that its representatives make, even when their delegation order authorizes them to  
10 make such agreements. Instead, most settlements and agreements must be reduced to writing or they are  
11 unenforceable.

12 For this determination, we rely on the following cases, downloaded from the VersusLaw website  
13 (<http://www.versuslaw.com>) and posted prominently on our website. Read the authorities for yourself. We have  
14 highlighted the most pertinent parts of these authorities:

15 **Table 17:** Things IRS is NOT responsible or accountable for

Not responsible for:	Controlling Case(s):
Following revenue rulings, handbooks, etc	<a href="#">CWT Farms Inc. v. Commissioner of Internal Revenue</a> , 755 F.2d. 790 (11th Cir. 03/19/1985)
Following procedures in the <a href="#">Internal Revenue Manual (IRM)</a>	<a href="#">U.S. v. Will</a> , 671 F.2d. 963 (1982)
Following procedural regulations found in <a href="#">26 CFR Part 601</a>	1. <a href="#">Einhorn v. Dewitt</a> , 618 F.2d. 347 (5th Cir. 06/04/1980) 2. <a href="#">Luhning v. Glotzbach</a> , 304 F.2d. 560 (4th Cir. 05/28/1962)
Oral agreements or statements	<a href="#">Boulez v. C.I.R.</a> , 258 U.S.App. D.C. 90, 810 F.2d. 209 (1987)

16 The most blatant and clear statement was made in the case of *CWT Farms, Inc.*, above, which ruled:

17 "It is unfortunately all too common for government manuals, handbooks, and in-house publications to contain  
18 statements that were not meant or are not wholly reliable. If they go counter to governing statutes and  
19 regulations of the highest or higher dignity, e.g. regulations published in the Federal Register, they do not bind  
20 the government, and persons relying on them do so at their peril. *Caterpillar Tractor Co. v. United States*, 589  
21 F.2d. 1040, 1043, 218 Ct.Cl. 517 (1978) (A Handbook for Exporters, a Treasury publication). *Dunphy v. United*  
22 *States* [529 F.2d. 532, 208 Ct.Cl. 986 (1975)], *supra* (Navy publication entitled All Hands). In such cases it is  
23 necessary to examine any informal publication to see if it was really written to fasten legal consequences on the  
24 government. *Dunphy*, *supra*. See also *Donovan v. United States*, 139 U.S. App. D.C. 364, 433 F.2d. 522  
25 (D.C.Cir.), cert. denied, 401 U.S. 944, 91 S.Ct. 955, 28 L.Ed.2d. 225 (1971). (*Employees Performance*  
26 *Improvement Handbook*, an FAA publication)(merely advisory and directory publications do not have  
27 mandatory consequences). *Bartholomew v. United States*, 740 F.2d. 526, 532 n. 3 (7th Cir. 1984)(quoting  
28 *Fiorentino v. United States*, 607 F.2d. 963, 968, 221 Ct.Cl. 545 (1979), cert. denied, 444 U.S. 1083, 100 S.Ct.  
29 1039, 62 L.Ed.2d. 768 (1980).

30 *Lecroy* 's proposition that the statements in the handbook were binding is inapposite to the accepted law among  
31 the circuits that publications are not binding. \*fn15 We find that the Commissioner did not abuse his discretion  
32 in promulgating the challenged regulations. First, Farms and International did not justifiably rely on the  
33 Handbook. Taxpayers who rely on Treasury publications, which are mere guidelines, do so at their peril.  
34 *Caterpillar Tractor v. United States*, 589 F.2d. 1040, 1043, 218 Ct.Cl. 517 (1978). Further, the Treasury's  
35 position on the sixty-day rule was made public through proposed section 1.993-2(d)(2) in 1972, before the  
36 taxable years at issue. *Charbonnet v. United States*, 455 F.2d. 1195, 1199- 1200 (5th Cir.1972). See also  
37 *Wendland v. Commissioner of Internal Revenue*, 739 F.2d. 580, 581 (11th Cir.1984). Second, whatever harm  
38 has been suffered by Farms and International resulted from a lack of prudence. As even the *Lecroy* 751 F.2d. at  
39 127. See also 79 T.C. at 1069. "  
40 [*CWT Farms Inc. v. Commissioner of Internal Revenue*, 755 F.2d. 790 (11th Cir. 03/19/1985)]

41 Even the IRS' own [Internal Revenue Manual \(IRM\)](#) warns you that you **can't** depend on their publications, which include  
42 all of their forms!:

43 "IRS Publications, issued by the National Office, explain the law in plain language for taxpayers and their  
44 advisors... While a good source of general information, publications should not be cited to sustain a position."  
45 [[IRM 4.10.7.2.8](#) (05-14-1999)]

After reading the above, additional conclusions and inferences can safely and soundly be drawn by implication:

1. If the IRS is not responsible for following its own internal regulations found in [26 CFR Part 601](#), then it couldn't possibly be held liable for what it puts in its publications to the public EITHER. They could literally lie through their teeth and fool everyone into thinking they were "taxpayers" and not be held liable.
2. In the *Boulez* case above, an IRS representative who had explicit authority to make an agreement with the "taxpayer" still could not be held accountable for an oral agreement. This implies that all the phone advice given by IRS agents on their national 800 number cannot be relied upon as a basis for "good faith belief".
3. ONLY the Statutes at Large, as well as the regulations written by the Secretary of the Treasury found in [26 CFR Part 1](#) and [26 CFR Part 301](#), may be relied upon as having the "force of law", as the courts above described. Since [26 U.S.C.](#) (also called the Internal Revenue Code) was never enacted as positive law, it stands only as "prima facie evidence of law" which may be rebutted by citing the sections of the Statutes at Large from which it was compiled.

To put one last nail in the coffin of this issue, below is a quote from a book entitled *Tax Procedure and Tax Fraud*, Patricia Morgan, 1999, ISBN 0-314-06586-5, West Group:

p. 21: "As discussed in §2.3.3, the IRS is not bound by its statements or positions in unofficial pamphlets and publications."

p. 34: "6. IRS Pamphlets and Booklets. The IRS is not bound by statements or positions in its unofficial publications, such as handbooks and pamphlets."

p. 34: "7. Other Written and Oral Advice. Most taxpayers' requests for advice from the IRS are made orally. Unfortunately, the IRS is not bound by answers or positions stated by its employees orally, whether in person or by telephone. According to the procedural regulations, 'oral advice is advisory only and the Service is not bound to recognize it in the examination of the taxpayer's return.' 26 CFR §601.201(k)(2). In rare cases, however, the IRS has been held to be equitably estopped to take a position different from that stated orally to, and justifiably relied on by, the taxpayer. The Omnibus Taxpayer Bill of Rights Act, enacted as part of the Technical and Miscellaneous Revenue Act of 1988, gives taxpayers some comfort, however. It amended section 6404 to require the Service to abate any penalty or addition to tax that is attributable to advice furnished in writing by any IRS agent or employee acting within the scope of his official capacity. Section 6404 as amended protects the taxpayer only if the following conditions are satisfied: the written advice from the IRS was issued in response to a written request from the taxpayer; reliance on the advice was reasonable; and the error in the advice did not result from inaccurate or incomplete information having been furnished by the taxpayer. Thus, it will still be difficult to bind the IRS even to written statements made by its employees. As was true before, taxpayers may be penalized for following oral advice from the IRS."

If the IRS isn't held accountable in a court of law for what they say or even what they write, then they are, by implication, totally unaccountable to the public that they were put into existence to "serve". The Internal Revenue SERVICE, therefore, only SERVES the interests of itself and not the public at large. Furthermore, we believe the same rules should apply to Americans submitting their tax returns as those that apply to the IRS: not liable or responsible for what is written on the return. For instance, the "I declare under penalty of perjury" should be replaced with "I declare that this return as accurate and trustworthy as the advice and writings of the IRS". That is equivalent to saying that it is untrue and NOT trustworthy, and that will get you off the hook and also point out the hypocrisy and lawlessness of the IRS! What is good for the goose is good for the gander. Any other approach would be to condone hypocrisy and lawlessness and tyranny on the part of our government. Why aren't IRS agents required to sign their correspondence under penalty of perjury like all of the communication coming from the "taxpayer" so they CAN be held accountable? Here is what the U.S. Supreme Court had to say about this kind of hypocrisy and lawlessness. You be the judge!:

"Our government is the potent, the omnipresent teacher. For good or ill, it teaches the whole people by its example. Crime is contagious. If the government becomes a lawbreaker [or a hypocrite with double standards], it breeds contempt for the law; it invites every man to become a law unto himself; it invites anarchy. To declare that in the administration of the criminal law the end justifies the means...would bring terrible retribution. Against that pernicious doctrine this Court should resolutely set its face."  
[Justice Brandeis, *Olmstead v. United States*, 277 U.S. 438, 485 (1928)]

If you would like to know more about what constitutes a "reasonable basis for belief" about one's tax liability, a free memorandum of law is available on the subject at the address below:

[Reasonable Belief About Income Tax Liability](http://sedm.org/Forms/FormIndex.htm), Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>



The exhaustive analysis of all sources of law in the article above concludes that the only sources of information you can use in forming a reasonable belief about tax liability are:

1. The Constitution.
2. Rulings of the Supreme Court and not lower Courts.
3. The Statutes at large after January 2, 1939.

The above article also concludes that no other resource of information, including the advice of a tax professional or the Internal Revenue Code, are reasonable sources of authoritative belief that are useful in forming a reasonable belief that can stand court scrutiny and survive a criminal prosecution.

## **20.2 What about the rulings of the federal courts on these issues?**

Some, and especially the IRS, upon reading and responding to this pamphlet, 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 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."*  
*[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 nto a geographic region.
3. Falsely presuming that federal district and circuit caselaw 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 caselaw as a means of political propaganda.
6. Involving the federal courts in strictly "political questions" beyond their jurisdiction. See the following:

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.

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 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)]

*"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:

<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.*

1 As the Burjan court noted, citing Fed. R. Crim. P. 12, subject matter jurisdiction is so important that it  
2 cannot be waived and may be noticed at any stage of the proceeding, see *Government of the Canal Zone v.*  
3 *Burjan*, 596 F.2d. at 693, whereas the Ninth Circuit in *Powell* rested its ruling that venue need be proved by  
4 only a preponderance on the relative unimportance of venue as evidenced by its waivability. There is a clear  
5 distinction between the question of which court of a sovereign may try an accused for a violation of its laws and  
6 whether the sovereign's law has been violated at all.

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

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

### 16 **20.3 Summary of Flawed Arguments**

17 Our website contains a free pamphlet below, which summarizes most of the flawed tax arguments you should avoid in your  
18 dealings with the government:

Flawed Tax Arguments to Avoid, Form #08.004  
<http://sedm.org/Forms/FormIndex.htm>

### 19 **20.4 Rebutted Version of the IRS Pamphlet “The Truth About Frivolous Tax Arguments”**

20 The pamphlet available below on our website contains a detailed rebuttal to most of the false statements and propaganda  
21 you are likely to hear from the IRS. In an effort to conserve space, we have not included it in this book. If you are writing  
22 a representative of the IRS to complain about the illegal enforcement of the Internal Revenue Code, you may wish to send  
23 this document and ask them to rebut the rebuttal:

Rebutted Version of the IRS pamphlet: “The Truth About Frivolous Tax Arguments”, Form #08.005  
<http://sedm.org/Forms/FormIndex.htm>

### 24 **20.5 Rebutted Version of Congressional Research Service Report 97-59A entitled “Frequently Asked Questions** 25 **Concerning the Federal Income Tax”**

26 The pamphlet available below on our website contains a detailed rebuttal to the Congressional Research Service Report 97-  
27 59A entitled Frequently Asked Questions Concerning the Federal Income Tax. If you write your Congressman to complain  
28 about the illegal activities of the IRS, in many cases, you will receive the original copy of this report. It is filled with errors  
29 and propaganda that we believe you should know about. If you are writing your Congressman or political representative to  
30 complain about the illegal enforcement of the Internal Revenue Code, you might want to send them this rebutted report and  
31 ask them to rebut it:

Rebutted Version of Congressional Research Service Report 97-59A: Frequently Asked Questions Concerning the Federal  
Income Tax, Form #08.006  
<http://sedm.org/Forms/FormIndex.htm>

### 32 **20.6 Rebutted Version of Dan Evans “Tax Resister FAQ”**

33 The pamphlet available below on our website contains a detailed rebuttal to most of the false statements and propaganda  
34 you are likely to hear from members of the legal profession concerning the illegal enforcement of the Internal Revenue  
35 Code. Mr. Evans is an asset protection attorney. If you are dealing with a state-licensed tax professional, you may want to  
36 present him with this document and ask him to rebut the rebuttal.

## **21. Tax Withholding and Employment forms**

### **21.1 General Techniques for filling out withholding forms**

The following techniques are available to those who want to make sure that the withholding forms they submit are accurate and do not contain false presumptions that will prejudice their rights. Note that if you are a federal "employee", you are prevented by law from modifying the W-4, but you can modify any other withholding form. Those who are not in deed and in fact federal "employees" can even modify the W-4, and the most important modification is to change the word "employee" to "private employee". Otherwise, they will be committing perjury under penalty of perjury if they are forced by a private employer to submit such a form:

1. Most IRS Forms are available on the IRS website in editable Adobe Acrobat format. You can download the form and then electronically modify it to suit your fancy. In most cases, the employer may not even realize that the form has been tampered with. This is the "stealth" approach and it is very effective.
2. Change the perjury statement at the end of the withholding form so that you are outside the jurisdiction of the IRS. That way, even if the IRS thinks that it is false, they can't punish the submitter for it. FORM 6 does this.
3. Provide an incomplete mailing address, incomplete personal information such as a missing middle name, and identifying number on the withholding form
  - 3.1. Attach a note to the payroll department telling them to use TWO addresses, a bogus (incomplete or blank or "Fifth Amendment") one on the W-4 and another different one to mail the checks that appears on the note.
  - 3.2. You should only use this approach if you have the word "duress" inconspicuously appearing somewhere on the W-4 form, or else the IRS may try to prosecute you for a false or fraudulent W-4.
4. As we pointed out earlier in section 7 entitled "Legal Requirements Pertaining to Private Employers", the only number that anyone can be required to provide on a withholding form is a Taxpayer Identification Number (TIN). Since most people don't have a Taxpayer Identification Number and aren't lawfully eligible for either a Social Security Number or Taxpayer Identification Number, then they aren't required to provide anything on a withholding form, and especially not an SSN. If the submitter puts an SSN on an IRS Form in place of a TIN, then they are giving their implicit and tacit consent:
  - 4.1. To be treated as a "taxpayer"
  - 4.2. For the IRS to treat the SSN as a TIN.BAD IDEA!
5. Below are some creative options around the SSN/TIN scam of the IRS:
  - 5.1. Use the standard IRS Form and include the Tax Form Attachment, Form 11 later, to remove false presumptions and protect your status.
  - 5.2. Place "None" in the block.
  - 5.3. Where it says "Social Security Number", erase that text so it is blank, and fill in any number you want.

Whatever the case, whenever employers, government, or financial institutions insist that you fill out tax withholding paperwork, it is always best to attach the following forms:

1. Tax Form Attachment, Form 11, Section 27.8 later.
2. Affidavit of Citizenship, Domicile, and Tax Status, Form 16, Section 27.13 later.

### **21.2 Put "Not Subject" Rather than "Exempt" on government forms**

Another devious technique frequently used on government forms to trick "nontaxpayers" into making an unwitting election to become "taxpayers" is:

1. Omit the "not subject" option.
2. Present the "exempt" option as the only method for avoiding the liability described.
3. Define the term "exempt" to exclude persons who are "not subject".

This form of abuse exploits the common false presumption among most Americans, which is the following:

1                   “Government forms present ALL of the lawful options available to avoid the liability described.”

2     In fact, government is famous for limiting options in order to advantage or benefit them. In effect, they are constraining  
3     your options to compel you to select the lesser of evils and remove the ability to avoid all evil. This devious technique is  
4     also called an “adhesion contract”. In summary, they are violating the First Amendment by instituting compelled  
5     association in which you are coerced to engage in commercial activity with them and become subject to their pagan laws.

6     There are two ways that one can use to describe oneself on government forms:

- 7     1. “Exempt”. This is a person who is otherwise subject to the provision of law administering the form because they are  
8       an “individual” or “person” and yet who is expressly made exempt by a particular provision of the statutes forming the  
9       franchise agreement. This option appears on most government forms.
- 10    2. “Not subject”. This would be equivalent to a “nontaxpayer” who is not a “person” or franchisee within the meaning of  
11     the statute in question. You almost never see this option on government forms.

12    There is a world of difference between these two statuses and we MUST understand the difference before we can know  
13    whether or how to fill out a specific government form describing our status. In this section we will show you how to  
14    choose the correct status above and all the affects that this status has on how we fill out government forms.

15    We will begin our explanation with an illustration. If you are domiciled in California, you would describe yourself as  
16    “subject” to the laws in California. However, in relation to the laws of every other civil jurisdiction outside of California,  
17    you would describe yourself as:

- 18    1. “Not subject” to the civil laws of that place unless you are physically visiting that place.
- 19    2. Not ANYTHING described in the civil law that the government has jurisdiction over or may impose a “duty” upon,  
20       such as a “person”, “individual”, “taxpayer”, etc.
- 21    3. Not a “foreign person” because not a “person” under the civil law.
- 22    4. “foreign”.
- 23    5. A “nonresident”.
- 24    6. A “transient foreigner”.

25    A human being who is domiciled in California, for instance, would not be subject to the civil laws of China unless he was  
26    either visiting China or engaged in commerce within the legislative jurisdiction of China with people who were domiciled  
27    there and therefore protected by the civil laws there. He would not describe himself as being “exempt” from the laws of  
28    China, because one cannot be “exempt” without FIRST also being “subject” by having a domicile or residence within that  
29    foreign jurisdiction. Another way of stating this is that he would not be a “person” under the civil laws of China and would  
30    be “foreign” unless and until he either physically moved there or changed his domicile or residence to that place and  
31    thereby became a “protected person” subject to the civil jurisdiction of the Chinese government.

32    All income taxation within the United States of America takes the form of an excise tax upon an “activity” implemented by  
33    the civil law. In the case of the Internal Revenue Code, Subtitle A, that activity is called a “trade or business”. This fact  
34    exhaustively proven in the following amazing article:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

35    A “trade or business” is then defined in 26 U.S.C. §7701(a)(26) as follows:

36                   [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
37                   [§ 7701. Definitions](#)

38                   (a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent  
39                   thereof—

40                   (26) “The term ‘trade or business’ includes the performance of the functions [activities] of a public office.”

41    Those who therefore lawfully engage in a public office in the U.S. government BEFORE they sign or submit any tax form  
42    are then described as a “franchisee” called a “taxpayer” under the terms of the excise tax or franchise agreement codified in



Internal Revenue Code, Subtitle A. Those who are not “public officers” also cannot lawfully “elect” themselves into “public office” by signing or submitting a tax form either, because this would constitute impersonating an officer or employee of the government in violation of 18 U.S.C. §912. This is confirmed by 26 U.S.C. §7701(a)(31) , which describes all those who are nonresident within the “United States” (federal zone) and not engaged in the “trade or business”/“public office” activity as being a “foreign estate”, which simply means “not subject”, to the Internal Revenue Code, Subtitle A franchise or excise tax:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
[§ 7701. Definitions](#)

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(31) Foreign estate or trust

(A) Foreign estate

The term “foreign estate” means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

The entity or “person” described above would NOT be “exempt”, but rather simply “not subject”. The reason is that the term “exempt” has a specific legal definition that does not include the situation above. Notice that the term “exempt” is used along with the word “individual”, meaning that you must be a “person” and an “individual” BEFORE you can call yourself “exempt”:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > Sec. 7701.  
[Sec. 7701. - Definitions](#)

(b)(5) **Exempt individual defined**

For purposes of this subsection -

(A) In general

An individual is an exempt individual for any day if, for such day, such individual is -

(i) a foreign government-related individual,

(ii) a teacher or trainee,

(iii) a student, or

(iv) a professional athlete who is temporarily in the United States to compete in a charitable sports event described in section 274(l)(1)(B).

(B) Foreign government-related individual

The term “foreign government-related individual” means any individual temporarily present in the United States by reason of -

(i) diplomatic status, or a visa which the Secretary (after consultation with the Secretary of State) determines represents full-time diplomatic or consular status for purposes of this subsection,

(ii) being a full-time employee of an international organization, or

(iii) being a member of the immediate family of an individual described in clause (i) or (ii).

(C) Teacher or trainee

The term “teacher or trainee” means any individual -

(i) who is temporarily present in the United States under subparagraph (J) or (Q) of section 101(15) of the Immigration and Nationality Act (other than as a student), and

(ii) who substantially complies with the requirements for being so present.

(D) Student

The term "student" means any individual -

(i) who is temporarily present in the United States -

(I) under subparagraph (F) or (M) of section 101(15) of the Immigration and Nationality Act, or

(II) as a student under subparagraph (J) or (Q) of such section 101(15), and (ii) who substantially complies with the requirements for being so present.

(E) Special rules for teachers, trainees, and students

(i) Limitation on teachers and trainees

An individual shall not be treated as an exempt individual by reason of clause (ii) of subparagraph (A) for the current year if, for any 2 calendar years during the preceding 6 calendar years, such person was an exempt person under clause (ii) or (iii) of subparagraph (A). In the case of an individual all of whose compensation is described in section 872(b)(3), the preceding sentence shall be applied by substituting "4 calendar years" for "2 calendar years".

(ii) Limitation on students

For any calendar year after the 5th calendar year for which an individual was an exempt individual under clause (ii) or (iii) of subparagraph (A), such individual shall not be treated as an exempt individual by reason of clause (iii) of subparagraph (A), unless such individual establishes to the satisfaction of the Secretary that such individual does not intend to permanently reside in the United States and that such individual meets the requirements of subparagraph (D)(ii).

The Internal Revenue Code itself does not and cannot regulate the conduct of those who are not "taxpayers".

"Revenue Laws relate to taxpayers [public officers, employees, instrumentalities, and elected officials of the Federal Government] and not to non-taxpayers [PRIVATE American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. 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)]

Consequently, all tax forms you fill out PRESUPPOSE that the person filling it out is a franchisee called a "taxpayer" who occupies a public office within the U.S. government and who is therefore a "person" or an "individual". Since the Internal Revenue Code is civil law, it also must presuppose that all "persons" or "individuals" described within it are domiciled on federal territory that is no part of a state of the Union. This is confirmed by the definition of "United States" found in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d), which is defined as the federal zone and no part of any state of the Union. If you do not lawfully occupy such a public office, it would therefore constitute fraud and impersonating a public officer in violation of 18 U.S.C. §912 to even fill such a form out. If a company hands a "nontaxpayer" a tax form to fill out, the only proper response is ALL of the following, and any other response will result in the commission of a crime:

1. To not complete or sign any provision of the form.
2. To line out the entire form.
3. To write above the line "Not Applicable".
4. To NOT select the "exempt" option within the form or select any status at all on the form. If you aren't subject to the Internal Revenue Code because you don't have a domicile on federal territory and don't engage in taxable activities, then you can't be described as a "person", "individual", "taxpayer", or anything else who might be subject to the I.R.C.

"The foregoing considerations would lead, in case of doubt, to a construction of any statute as intended to be confined in its operation and effect to the territorial limits over which the lawmaker has general and legitimate power. 'All legislation is prima facie territorial.' Ex parte Blain, L. R. 12 Ch. Div. 522, 528; State

1 v. Carter, 27 N. J. L. 499; People v. Merrill, 2 Park. Crim. Rep. 590, 596. Words having universal scope, such  
2 as 'every contract in restraint of trade,' 'every person who shall monopolize,' etc., will be taken, as a matter of  
3 course, to mean only everyone subject to such legislation, not all that the legislator subsequently may be able  
4 to catch. In the case of the present statute, the improbability of the United States attempting to make acts done  
5 in Panama or Costa Rica criminal is obvious, yet the law begins by making criminal the acts for which it gives  
6 a right to sue. We think it entirely plain that what the defendant did in Panama or Costa Rica is not within the  
7 scope of the statute so far as the present suit is concerned. Other objections of a serious nature are urged, but  
8 need not be discussed."  
9 [*American Banana Co. v. U.S. Fruit*, 213 U.S. 347 at 357-358]

- 10 5. To either not return the form to the person who asked for it or to return it with the modifications above.  
11 6. If you return the form to the person who asked for it, to clarify on the form why you are not "exempt", but rather "not  
12 subject".  
13 7. To attach the following form to the tax form:

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

14 Another alternative to all the above would be to simply add a "Not subject" option or to select "Exempt" and then redefine  
15 the word to add the "not subject" option to the definition. Then you could attach the Tax Form Attachment mentioned  
16 above, which also redefines words on the government form to immunize yourself from government jurisdiction.

17 If we had an honorable government that loved the people under its care and protection more than it loved deceiving you out  
18 of and stealing your money, then they would indicate at the top of the form in big bold letters EXACTLY what laws are  
19 being enforced and who the intended audience is so that those who are not required to fill it out would not do so. However,  
20 if they did that, hardly anyone would ever pay taxes again. Of this SCAM, the Bible and a famous bible commentary says  
21 the following:

22 "Getting treasures by a lying tongue [or by deliberate omission intended to deceive] is the fleeting fantasy of  
23 those who seek death."  
24 [*Prov. 21:6*, Bible, NKJV]

25 "As religion towards God is a branch of universal righteousness (he is not an honest man that is not devout), so  
26 righteousness towards men is a branch of true religion, for he is not a godly man that is not honest, nor can  
27 he expect that his devotion should be accepted; for, 1. Nothing is more offensive to God than deceit in  
28 commerce. A false balance is here put for all manner of unjust and fraudulent practices [of our public dis-  
29 servants] in dealing with any person [within the public], which are all an abomination to the Lord, and  
30 render those abominable [hated] to him that allow themselves in the use of such accursed arts of thriving. It  
31 is an affront to justice, which God is the patron of, as well as a wrong to our neighbour, whom God is the  
32 protector of. Men [in the IRS and the Congress] make light of such frauds, and think there is no sin in that  
33 which there is money to be got by, and, while it passes undiscovered, they cannot blame themselves for it; a  
34 blot is no blot till it is hit, Hos. 12:7, 8. But they are not the less an abomination to God, who will be the  
35 avenger of those that are defrauded by their brethren. 2. Nothing is more pleasing to God than fair and  
36 honest dealing, nor more necessary to make us and our devotions acceptable to him: A just weight is his  
37 delight. He himself goes by a just weight, and holds the scale of judgment with an even hand, and therefore is  
38 pleased with those that are herein followers of him. A balance cheats, under pretence of doing right most  
39 exactly, and therefore is the greater abomination to God."  
40 [*Matthew Henry's Commentary on the Whole Bible*; Henry, M., 1996, c1991, under Prov. 11:1]

41 In the case of income tax forms, for instance, the warning described above would say the following:

- 42 1. This form is only intended for those who satisfy all the following conditions:  
43 1.1. "taxpayer" as defined in 26 U.S.C. §7701(a)(14):

44 "Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and  
45 not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the  
46 Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and  
47 no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers]  
48 Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws."  
49 [*Economy Plumbing & Heating v. U.S.*, 470 F.2d. 585 (1972)]

- 50 1.2. Lawfully engaged in a "public office" in the U.S. government, which is called a "trade or business" in the  
51 Internal Revenue Code, Subtitle A at 26 U.S.C. §7701(a)(26).

1.3. Exercising the public office ONLY within the District of Columbia as required by 4 U.S.C. §72, which is within the only remaining internal revenue district.

2. If you do not satisfy all the requirements indicated above, then you DO NOT need to fill out this form, nor can you claim the status of “exempt”.
3. This form is ONLY for use by “taxpayers”. If you are a “nontaxpayer”, then we don’t have a form you can use to document your status. This is because our mission statement only allows us to help “taxpayers”. It is self-defeating to help “nontaxpayers” because it only undermines our revenue and importance. We are a business and we only focus our energies on things that make money for us, such as deceiving “nontaxpayers” into thinking they are “taxpayers”. That is why we don’t put a “nontaxpayer” or “not subject” option on our forms: Because we want to self-servingly and prejudicially presume that EVERYONE is engaged in our franchise and subject to our plunder and control.

*IRM 1.1.1.1 (02-26-1999)*  
*IRS Mission and Basic Organization*

*The IRS Mission: **Provide America’s taxpayers top quality service** by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.*

We hope that you have learned from this section that:

1. He who makes the rules or the forms always wins the game. The power to create includes the power to define.
2. All government forms are snares or traps designed to trap the innocent and ignorant into servitude to the whims of corrupted politicians and lawyers.

*“The Lord is well pleased for His righteousness’ sake; **He will exalt the law and make it honorable. But this is a people robbed and plundered!** [by the IRS] **All of them are snared in [legal] holes [by the sophistry of greedy IRS 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, 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 42:21-25, Bible, NKJV]*

3. The snare is the presumptions which they deliberately do not disclose on the forms and which are buried in the “words of art” contained in their void for vagueness codes. See:

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

4. The main reason for reading and learning the law is to reveal all the presumptions and deceptive “words of art” that are hidden on government forms so that you can avoid them.

*“My [God’s] people are destroyed [and enslaved] for lack of knowledge [of God’s Laws and the lack of education that produces it].”*  
*[Hosea 4:6, Bible, NKJV]*

*“And thou shalt teach them ordinances and laws [of both [God](#) and [man](#)], and shalt shew them the way wherein they must walk, and the work [of obedience to God] that they must do.”*  
*[Exodus 18:20, Bible, NKJV]*

*“This **Book of the Law shall not depart from your mouth, but you shall meditate in it day and night, that you may observe to do according to all that is written in it.** For then you will make your way prosperous, and then you will have good success. Have I not commanded you? Be strong and of good courage; do not be afraid, nor be dismayed, for the LORD your God is with you wherever you go.”*  
*[Joshua 1:8-9, Bible, NKJV]*

5. Government forms deliberately do not disclose the presumptions that are being made about the proper audience for the form in order to maximize the possibility that they can exploit your legal ignorance to induce you to make a “tithe” to their state-sponsored civil religion and church of socialism. That religion is exhaustively described below:

*Socialism: The New American Civil Religion, Form #05.016*  
<http://sedm.org/Forms/FormIndex.htm>

- 1 6. All government forms are designed to encourage you to waive sovereign immunity and engage in commerce with the  
2 government. Government does not make forms for those who refuse to do business with them such as “nontaxpayers”,  
3 “nonresidents”, or “transient foreigners”. If you want a form that accurately describes your status as a “nontaxpayer”  
4 and which preserves your sovereignty and sovereign immunity, you will have to design your own. Government is  
5 *never* going to make it easy to reduce their own revenues, importance, power, or control over you. Everyone in the  
6 government is there because they have the largest possible audience of “customers” for their services. Another way of  
7 saying this is that they are going to do everything within their power to rig things so that it is impossible to avoid  
8 contracting with or doing business with them. This approach has the effect of compelling you to contract with them in  
9 violation of Article 1, Section 10 of the Constitution, which is supposed to protect your right to NOT contract with the  
10 government.
- 11 7. The Thirteenth Amendment prohibits involuntary servitude. Consequently, the government cannot lawfully impose  
12 any duty, including the duty to fill out or submit a government form. Therefore, you should view every opportunity  
13 that presents itself to fill out a government form as an act of contracting away your rights.
- 14 8. In the case of government tax forms, the purpose of all government tax forms is to ask the following presumptuous and  
15 prejudicial question:

16 “What kind of ‘taxpayer’ are you?”

17 . . .rather than the question:

18 “Are you a ‘taxpayer’?”

19 The above approach results in what the legal profession refers to as a “leading question”, which is a question  
20 contaminated by a prejudicial presumption and therefore inadmissible as evidence. Federal Rule of Evidence 611(c )  
21 expressly forbids such leading questions to be used as evidence, which is also why no IRS form can really qualify as  
22 evidence that can be used against anyone: It doesn’t offer a “nontaxpayer” or a “foreigner” option. An example of  
23 such a question is the following:

24 “Have you always beat your wife?”

25 The presumption hidden within the above leading question is that you are a “wife beater”. Replace the word “wife  
26 beater” with “taxpayer” and you know the main method by which the IRS stays in business.

### 27 **21.3 Modifications to Withholding Forms are Completely Legal**

28 26 CFR §31.3402(f)(5)-1 is the only statute or regulation that we could find that governs the legality of making  
29 modifications to any kind of payroll withholding form. That regulation governs only the W-4 form, and it says the  
30 following:

31 *Title 26: Internal Revenue*  
32 *PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*  
33 *Subpart E—Collection of Income Tax at Source*  
34 *§ 31.3402(f)(5)-1 Form and contents of withholding exemption certificates.*

35 (a) For further guidance, see §31.3402(f)(5)–1T(a).

36 (b) Invalid Form W–4. A Form W–4 does not meet the requirements of section 3402(f)(5) or this section and is  
37 invalid if it contains an alteration or unauthorized addition. For purposes of §31.3402(f)(2)–1(e) and this  
38 paragraph—

39 (1) An alteration of a withholding exemption certificate is any deletion of the language of the jurat or other  
40 similar provision of such certificate by which the employee certifies or affirms the correctness of the completed  
41 certificate, or any material defacing of such certificate;

42 (2) An unauthorized addition to a withholding exemption certificate is any writing on such certificate other than  
43 the entries requested (e.g., name, address, and number of exemptions claimed).

44 The language above governs only the W-4. For all other types of withholding forms, such as the IRS Form W-8BEN or the  
45 IRS Form 8823 you can do whatever you want with them. The W-4 is regulatable only because it is a federal employment  
46 form, and only federal employees can fill it out. Congress has always had the authority to control what its’ “employees” do



without violating the Constitution. For the W-4 form, the technique for changing that form without violating the above regulation is simply:

1. Write “Not valid without the signed attachment”.
2. Create an attachment that redefines the phrases on the form that you want to mean something else. That way, the language isn’t modified but the MEANING or significance of the language is modified.

We’ll now devote the remainder of this section to all forms EXCEPT the W-4.

The reason there aren’t any laws governing changes to any forms other than the W-4 is that non-employees use them who are protected by the Constitution. The First Amendment guarantees us a right to prescribe when and how we communicate with our government. Absent the authority of law, IRS has no basis to tell private employers or payroll clerks that they cannot accept W-4 or W-8BEN forms that have been altered, either manually or electronically by a person who is a non-employee and not a federal instrumentality.

Many people have tried in the past to submit modified versions of payroll tax withholding forms to their private employers, and have been told by the payroll clerk that they cannot make changes to the form. We asked the payroll clerks what the basis was for that determination. They cited the following reference as their basis, which doesn’t mention any source of statute, regulation, or IRS guidance that says they can’t accept a modified W-4 form:

*“Any unauthorized change or addition to a Form W-4 makes it invalid. That includes taking out any language by which the employee certifies that the form is correct. A Form W-4 is also invalid if, by the date an employee presents it to his or her employer, he or she indicates in any way that it is false. An employee who files a false Form W-4 may be subject to a \$500 penalty. An invalid Form W-4 should not be used to figure withholding. The employee should be told the form is invalid and be asked for another one. If the employee does not offer a valid Form W-4, the employer should withhold taxes as if the employee were single and claiming no withholding allowances. If, however, an earlier Form W-4 for the worker that is valid exists, the employer should withhold in conformity with that form.”*

*[2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54. Available at: <http://panelpublishers.com/>]*

Without a supporting statute and regulation, the above guide has no basis to make such a recommendation. Here are some facts about this rather tenuous advice given in the above manual:

1. The employer in the above instance is acting as a voluntary, uncompensated agent of the federal government in administering the Internal Revenue Code.
2. As a voluntary agent of the federal government, the employer is subject to all of the same constraints as the government itself in respecting the constitutional rights of its private employees.
3. For a private employer to refuse to allow an American not living or working on federal property to define how he communicates with his government is a violation of the following Constitutional Rights:
  - 3.1. First Amendment. It:
    - 3.1.1. Amounts to “compelled association”, whereby he is being forced to join the ranks of people who are “taxpayers”, “socialists”, “federal employees”, and “government serfs”.
    - 3.1.2. Forces him to commit perjury under penalty of perjury on a W-4 form by falsely claiming that he is an “employee”, which we know is simply a “public office” within the United States government.
  - 3.2. In addition, the employer and/or payroll clerk has violated the Fifth Amendment rights of the employee by forcing him to have, to disclose, and to use a Social Security Number. This is a felony, in violation of 42 U.S.C. §408.
  - 3.3. The employer has also interfered with the unalienable right to Contract of the employee under Article 1, Section 10 of the Constitution. Under the Constitution, Americans have a God-given right to prescribe the terms and conditions under which they are willing to “volunteer” to join the tax system. As we emphasize exhaustively in our *Great IRS Hoax*, Form #11.302, our system of income taxation under Subtitle A of the Internal Revenue Code is completely voluntary, and we as sovereign Americans can choose to either NOT volunteer, or to prescribe the precise terms and conditions under which they choose to volunteer.
  - 3.4. They are enticing the employee into slavery to the federal government, in violation of the [Thirteenth Amendment](#) and [18 U.S.C. §1583](#).

[TITLE 18 > PART 1 > CHAPTER 77 > Sec. 1583.](#)  
[Sec. 1583. - Enticement into slavery](#)

Whoever kidnaps or carries away any other person, with the intent that such other person be sold into involuntary servitude, or held as a slave; or

Whoever entices, persuades, or induces any other person to go on board any vessel or to any other place with the intent that he may be made or held as a slave, or sent out of the country to be so made or held -

Shall be fined under this title or imprisoned not more than 20 years, or both. If death results from the violation of this section, or if the violation includes kidnapping or an attempt to kidnap, aggravated sexual abuse or the attempt to commit aggravated sexual abuse, or an attempt to kill, the defendant shall be fined under this title or imprisoned for any term of years or life, or both

The “place” they are enticing them into above is the “federal zone”. It is a virtual place and they become a virtual “inhabitant” of that place by virtue of being a federal “employee”, which is what it says in the upper left corner of the W-4 form. See section 4.8 of the Great IRS Hoax, Form #11.302 at:

<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

- 3.5. They are an accessory to the crime of “forced labor” upon the private employee and sovereign American in violation of 18 U.S.C. §1589(2) and the Thirteenth Amendment. The employee is forced to work almost half the year for the federal and state government to pay off a tax bill that he didn’t owe.

TITLE 18 > PART 1 > CHAPTER 77 > Sec. 1589.  
Sec. 1589. - Forced labor

Whoever knowingly provides or obtains the labor or services of a person -

(2) by means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or ...

4. The above violations of Constitutional rights result in a tort, for which the payroll clerk is personally and individually liable. The employer is equally liable, because he is responsible for the behavior of his/her employees. The employee has a claim against them for damages, and that claim has to be paid out of their personal pay and benefits. If they don’t want to pay the claim against them after the employee sues them in court, then they, not the employee, is faced with suing the employer to recover the damages the employee won against them, and thereby looking a gift horse in the mouth.
5. Since few private employees would dare attempt to bite the very hand that feeds them, then few would attempt to prosecute their employers for the wrongful actions of their payroll clerks. However, the payroll clerks individually could be sued without any repercussion to the employer, making it possible to get a remedy for the wrong without being fired. In addition, if the payroll clerk was acting under the advice of the corporate or business counsel or accountant, these people can also be added as defendants if the employee wants to expand the audience of people who will compensate him for his injuries.

In addition, the IRS publications make similar claims to those found in the above payroll training handbook. The IRS, however, says in their own Internal Revenue Manual that you can’t rely on the publications:

*"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)]

The courts say the same thing as the above. See section 16 earlier entitled “What about the IRS Publications”. That section also reveals that payroll clerks also can’t trust anything the IRS tells them on the phone or sends to them in correspondence. The only adequate basis for belief is documented in the pamphlet below and note that the Internal Revenue Code ISN’T EVEN MENTIONED as a source of “reasonable belief”!

Reasonable Belief About Income Tax Liability, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

So once again, the errant payroll clerk, the employer’s corporate counsel, and their accountant don’t have a legal leg to stand on by claiming that you aren’t allowed to make changes to payroll withholding forms. They are defenseless if

employees sue them in state court, and employees ought to take every opportunity to do that in state court. Stay out of federal court, because the judges are corrupt beyond belief.

Employees who feel brave should take the time to explain all of the above to the payroll clerk, the corporate counsel, and employers. Our main enemy is ignorance and fear. Employees who don't feel confident enough to confront these people can instead simply respond by filing and serving personally a lawsuit on the payroll clerk, and/or the corporate counsel and accountant *as individuals*, and not name their employer as a Defendant. Then maybe these ignorant people will quit hurting people who simply want their property rights respected. This will cause them to think twice next time about arbitrarily violating people's constitutional rights.

One final option for changing the W-4 form presents itself. Recall that the government says you can't trust any IRS Form or publication as a basis for belief, and that the terms used on the forms are not defined anywhere. You can use this characteristic to your advantage by simply putting a note at the bottom of the form which says "Not valid without the attached signed statement". Then the attached signed statement can redefine words and phrases on the attached form as follows:

#### **W-4 ATTACHMENT**

1. The individual signing the attached form declares that it was signed outside of the jurisdiction of the Internal Revenue Service and the Internal Revenue Code and was not signed within any Internal Revenue District. Crimes can only be punished or penalized based on where they were committed, and therefore no penalty made be instituted by the government or the IRS in connection with anything that might be false on this form.
2. The term "employee" as used on the attached W-4 form means a natural person who meets all of the following criteria:
  - 2.1. Lives in a state of the Union and completely outside of the legislative jurisdiction of the federal government and the Internal Revenue Code
  - 2.2. Who is *not* an "employee" as defined in 26 U.S.C. §3401(c ) or 26 CFR §31.3401(c )-1.
  - 2.3. Does not volunteer to submit this form, but is doing so under threat and duress from his employer.
  - 2.4. Is a "nonresident alien" who does not consent to withholding of any federal or state tax or insurance contribution from his paycheck.
  - 2.5. Wants 100% of his earnings paid directly to him.
3. The term

*"Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or I am entitled to claim exempt status" on the attached W-4 form means the following:*

Shall instead mean the following instead:

*"I declare under penalty of perjury from without the 'United States' under the laws of the United States of America under 28 U.S.C. §1786(1) and only when litigated in a state court with a jury trial that the foregoing facts when interpreted and understood in accordance with the signed attachment are true, correct, and complete to the best of my knowledge and ability."*

4. The word "EXEMPT" written in block 7 of the attached form does not mean "exempt" under [26 U.S.C. §7701\(b\)\(5\)](#), but instead means a "nontaxpayer" who is "not liable" for any Internal Revenue Tax.
5. The content of this form is copyrighted and may NOT be entered into any electronic information, shared with state taxing authorities, or reproduced for any reason. The fine for dishonoring the copyright shall be \$1 Million payable personally by the individual who did not, and not by the government.
6. Information on this form MAY NOT be entered into any computer system of the employer unless and until it:
  - 6.1. Has been forwarded with the attachment to the IRS. If only the W-4 is forwarded without the attachment, then it becomes completely invalid and nonconsensual.

- 6.2. The employer does not act of IRS commands over the phone without a written, notarized affidavit documenting the request from the IRS showing the real, legal name of the agent giving the instructions they would like the employer to comply with. This affidavit must also include an address where the IRS agent may be personally served with legal process for his wrongdoing and an agreement to waive personal service in lieu of Certified mail instead.
- 6.3. The worker has been given the original copy of the above affidavit so that he may use it to personally serve the agent and prosecute him for his wrongdoing and for exceeding his delegated authority.
7. I further also certify that the content of the attached form is no more reliable or trustworthy than the IRS' Publications or forms themselves, about which the IRS says the following:

*"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)]*

<b>Private, nonfederal, "Nonemployee" Certification</b>	
Signature:_____	Date:_____
Name:_____	
Position:_____	
Private (nonfederal) Employer name:_____	

The above approach doesn't physically modify the form, but simply defines or redefines what the words and phrases mean. The government will never be able to outlaw definitions of terms, because only you know what you mean by what you say on the form. This will absolutely drive the IRS buggy and there won't be a thing they can do about it!

## **21.4 The W-4 Form**

We'll start off this section with a little history regarding the W-4. Few people realize what the "W" in the form number means. It stands for "WAR". The W-4 form was first introduced as a method of voluntary withholding to fund the Second World War. It was part of a voluntary program called the "Victory Tax", which was first introduced in 1942. The number "4" actually means "FOR". If you reverse the characters, and substitute the meaning of each, you get "FOR WAR". After World War II ended, our government just conveniently decided to have people continue participating. Every expansion of the federal tax system has occurred as an expediency to fund a large scale war. The first federal income tax was passed in 1862 to fund the Civil War and later repealed in 1872. The second income tax, began in 1942 as the Victory Tax Act, just continued indefinitely after the war. It is still a voluntary donation program, but our federal government, unlike the first income tax, conveniently refuses to admit that it is voluntary or how to unvolunteer, and goes after people who remind the public that it is voluntary.

If you go to the website called "Tax History", there is a graph which shows that a very tiny percentage of Americans paid federal income tax before 1942.

<http://taxhistory.com/>

When the Victory Tax Act was instituted in 1942, the growth in those participating was exponential, because it was considered a patriotic duty to contribute to winning the war.

In the current I.R.C. and Treasury Regulations, the W-4 Form is called a "voluntary withholding agreement". Below is an example from [26 U.S.C. §3402\(p\)](#):

[TITLE 26](#) > [Subtitle C](#) > [CHAPTER 24](#) > § 3402  
[§ 3402. Income tax collected at source](#)

**(p) Voluntary withholding agreements**

**(1) Certain Federal payments**

1 (A) In general

2 If, at the time a specified Federal payment is made to any person, a request by such person is in  
3 effect that such payment be subject to withholding under this chapter, then for purposes of this  
4 chapter and so much of subtitle F as relates to this chapter, such payment shall be treated as if it  
5 were a payment of wages by an employer to an employee.

6 (B) Amount withheld

7 The amount to be deducted and withheld under this chapter from any payment to which any request  
8 under subparagraph (A) applies shall be an amount equal to the percentage of such payment  
9 specified in such request. Such a request shall apply to any payment only if the percentage specified  
10 is 7 percent, any percentage applicable to any of the 3 lowest income brackets in the table under  
11 section 1 (c), or such other percentage as is permitted under regulations prescribed by the  
12 Secretary.

13 (C) Specified Federal payments

14 For purposes of this paragraph, the term “specified Federal payment” means—

15 (i) any payment of a social security benefit (as defined in section 86 (d)),

16 (ii) any payment referred to in the second sentence of section 451 (d) which is treated as insurance  
17 proceeds,

18 (iii) any amount which is includible in gross income under section 77 (a), and

19 (iv) any other payment made pursuant to Federal law which is specified by the Secretary for  
20 purposes of this paragraph.

21 (D) Requests for withholding

22 Rules similar to the rules that apply to annuities under subsection (o)(4) shall apply to requests  
23 under this paragraph and paragraph (2).

24 (2) Voluntary withholding on unemployment benefits

25 If, at the time a payment of unemployment compensation (as defined in section 85 (b)) is made to any person, a  
26 request by such person is in effect that such payment be subject to withholding under this chapter, then for  
27 purposes of this chapter and so much of subtitle F as relates to this chapter, such payment shall be treated as if  
28 it were a payment of wages by an employer to an employee. The amount to be deducted and withheld under this  
29 chapter from any payment to which any request under this paragraph applies shall be an amount equal to 10  
30 percent of such payment.

31 (3) Authority for other voluntary withholding

32 The Secretary is authorized by regulations to provide for withholding—

33 (A) from remuneration for services performed by an employee for the employee’s employer which  
34 (without regard to this paragraph) does not constitute wages, and

35 (B) from any other type of payment with respect to which the Secretary finds that withholding would  
36 be appropriate under the provisions of this chapter,

37 if the employer and employee, or the person making and the person receiving such other type of  
38 payment, agree to such withholding. Such agreement shall be in such form and manner as the  
39 Secretary may by regulations prescribe. For purposes of this chapter (and so much of subtitle F as  
40 relates to this chapter), remuneration or other payments with respect to which such agreement is  
41 made shall be treated as if they were wages paid by an employer to an employee to the extent that  
42 such remuneration is paid or other payments are made during the period for which the agreement is  
43 in effect.

44 The W-4 form is also called a “withholding exemption certificate” in the regulations because it serves a dual purpose:

45 Title 26: Internal Revenue



PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 31.3402(f)(2)-1 Withholding exemption certificates.

(a) On commencement of employment. On or before the date on which an individual commences employment with an employer, the individual shall furnish the employer with a signed withholding exemption certificate relating to his marital status and the number of withholding exemptions which he claims, which number shall in no event exceed the number to which he is entitled, or, if the statements described in §31.3402(n)-1 are true with respect to an individual, he may furnish his employer with a signed withholding exemption certificate which contains such statements. For form and contents of such certificates, see §31.3402(f)(5)-1. The employer is required to request a withholding exemption certificate from each employee, but if the employee fails to furnish such certificate, such employee shall be considered as a single person claiming no withholding exemptions.

The IRS Form W-4 itself is somewhat deceptive. For instance:

1. Even though 26 U.S.C. §3402(p) and the regulation 26 CFR §31.3401(a)-3 identify it as a “voluntary withholding agreement”, the form itself says nothing about the fact that it is either an “agreement” or that it is “voluntary”. The reason the form doesn’t say that is the IRS doesn’t want you to know that they need your permission or consent to withhold, so they add an extra level of indirection which deceives most private companies into withholding against the wishes of their workers.
2. The upper left corner of the form says “Employee Withholding Allowance Certificate”. This means that only “employees” can fill it out, which are then defined in 26 CFR §31.3401(c )-1 as federal employees. If you aren’t a federal employee but fill out the form anyway, then you are in effect giving the federal government permission to treat you as a federal “employee”.
3. The form is very small, and leaves no room to indicate the existence of duress, to qualify the language, or to add explanatory information. This is because the IRS simply doesn’t want to be notified that it is receiving what amounts to stolen property in violation of 18 U.S.C. §2315 if the worker did not explicitly consent to the withholding by voluntarily signing a W-4. If the IRS were concerned about honoring the requirement for consent, as they should be, then they would provide a block on the form to indicate the presence of duress or extortion and would advise private employers not to withhold against the wishes of the worker.

A sample W-4 form is available at the link below:

[http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormw4\\_01.pdf](http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormw4_01.pdf)

A W-4, whether used as a “voluntary withholding agreement” or a “withholding exemption certificate”, remains in effect until withdrawn by the original submitter.

*Title 26: Internal Revenue*  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 31.3402(f)(4)-1 Period during which withholding exemption certificate remains in effect.

(a) In general.

Except as provided in paragraphs (b) and (c) of this section, a withholding exemption certificate which takes effect under section 3402(f) of the Internal Revenue Code of 1954, or which on December 31, 1954, was in effect under section 1622(h) of the Internal Revenue Code of 1939, shall continue in effect with respect to the employee until another withholding exemption certificate takes effect under section 3402(f). Paragraphs (b) and (c) of this section are applicable only for withholding exemption certificates furnished by the employee to the employer before January 1, 1982. See §31.3402(f)(4)-2 for the rules applicable to withholding exemption certificates furnished by the employee to the employer after December 31, 1981.

A federal “employee” who has no income tax liability is described in 26 U.S.C. §3402(n) and 26 CFR §31.3402(n)-1. This person uses the W-4 as an Exempt form to stop withholding:

*Title 26: Internal Revenue*  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 31.3402(n)-1 Employees incurring no income tax liability.

Notwithstanding any other provision of this subpart, an employer shall not deduct and withhold any tax under chapter 24 upon a payment of wages made to an employee after April 30, 1970, if there is in effect with respect to the payment a withholding exemption certificate furnished to the employer by the employee which contains statements that—

(a) The employee incurred no liability for income tax imposed under subtitle A of the Code for his preceding taxable year; and

(b) The employee anticipates that he will incur no liability for income tax imposed by subtitle A for his current taxable year.

For purposes of section 3402(n) and this section, an employee is not considered to incur liability for income tax imposed under subtitle A if the amount of such tax is equal to or less than the total amount of credits against such tax which are allowable to him under part iv of subchapter A of chapter 1 of the Code, other than those allowable under section 31 or 39. For purposes of section 3402(n) and this section, “liability for income tax imposed under subtitle A” shall include liability for a qualified State individual income tax which is treated pursuant to section 6361(a) as if it were imposed by chapter 1 of the Code. An employee is not considered to incur liability for such a State income tax if the amount of such tax does not exceed the total amount of the credit against such tax which is allowable to him under section 6362(b)(2) (B) or (C) or section 6362(c)(4). For purposes of this section, an employee who files a joint return under section 6013 is considered to incur liability for any tax shown on such return. An employee who is entitled to file a joint return under such section shall not certify that he anticipates that he will incur no liability for income tax imposed by subtitle A for his current taxable year if such statement would not be true in the event that he files a joint return for such year, unless he filed a separate return for his preceding taxable year and anticipates that he will file a separate return for his current taxable year.

For rules relating to invalid withholding exemption certificates, see §31.3402(f)(2)–1(e), and for rules relating to submission to the Internal Revenue Service of withholding exemption certificates claiming a complete exemption from withholding, see §31.3402(f)(2)–1(g).

On the other hand, a person who is a private worker associated with a private company and not a federal “employee”, can and should use an IRS Form W-8 to control and stop his withholding, because in most cases he:

1. Is not an “employee” as defined in the Internal Revenue Code, [26 U.S.C. §3401\(c\)](#) ) and the regulations thereunder at 26 CFR §31.3401(c)-1.
2. Is a nonresident alien under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
3. Is a “national” but not a “citizen” under federal law. See: <http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

A person domiciled in a state of the Union who is not a federal “employee” cannot submit a W-4 without committing perjury under penalty of perjury, in fact. If you would like instructions on how to use the correct form, the W-8, see:

[About IRS Form W-8BEN, Form #04.202](#)  
<http://sedm.org/Forms/FormIndex.htm>

## **21.5 W-4 Exempt: Why most Americans domiciled in the states are NOT “Exempt Individuals” under the I.R.C.**

Below is a definition of “exempt” from Black’s Law Dictionary:

“Exempt. To release, discharge, waive, relieve from liability. To relieve, excuse, or set free from a duty or service imposed upon the general class to which the individual exempted belongs; as to exempt from military service. [ . . . ] See also Exemption; Exemption laws.”  
[Black’s Law Dictionary, Sixth Edition, p. 571]

A better and clearer definition of “exempt” is provided in the book The Institutes of Biblical Law:

“Quite logically, the federal income tax legislation calls what the taxpayer is allowed to keep an ‘exemption’ by the state, i.e., an act of grace. All a man’s property and income, his artistic and commercial products, are, in terms of this claim to sovereignty and eminent domain, the property of the state, or at least under the control and use of the state.

“Only as the sovereign power and saving grace of the triune God are asserted and accepted can the claims of the state to be the source of sovereignty and grace be undercut and nullified.”

“Exempt individuals” are statutorily defined in [26 U.S.C. §7701\(b\)\(5\)](#).

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#).  
[Sec. 7701](#). – Definitions

(b)(5) Exempt individual defined  
For purposes of this subsection –

(A) In general

An individual is an exempt individual for any day if, for such day, such individual is –

- (i) a foreign government-related individual,
- (ii) a teacher or trainee,
- (iii) a student, or
- (iv) a professional athlete who is temporarily in the United States to compete in a charitable sports event described in section 274(l)(1)(B).

(B) Foreign government-related individual

The term “foreign government-related individual” means any individual temporarily present in the United States by reason of –

- (i) diplomatic status, or a visa which the Secretary (after consultation with the Secretary of State) determines represents full-time diplomatic or consular status for purposes of this subsection,
- (ii) being a full-time employee of an international organization, or
- (iii) being a member of the immediate family of an individual described in clause (i) or (ii).

(C) Teacher or trainee

The term “teacher or trainee” means any individual –

- (i) who is temporarily present in the United States under subparagraph (J) or (Q) of section 101(15) of the Immigration and Nationality Act (other than as a student), and
- (ii) who substantially complies with the requirements for being so present.

(D) Student

The term “student” means any individual –

- (i) who is temporarily present in the United States –
  - (I) under subparagraph (F) or (M) of section 101(15) of the Immigration and Nationality Act, or
  - (II) as a student under subparagraph (J) or (Q) of such section 101(15), and
- (ii) who substantially complies with the requirements for being so present.

(E) Special rules for teachers, trainees, and students

(i) Limitation on teachers and trainees

An individual shall not be treated as an exempt individual by reason of clause (ii) of subparagraph (A) for the current year if, for any 2 calendar years during the preceding 6 calendar years, such person was an exempt person under clause (ii) or (iii) of subparagraph (A). In the case of an individual all of whose compensation is described in section 872(b)(3), the preceding sentence shall be applied by substituting “4 calendar years” for “2 calendar years”.

(ii) Limitation on students

For any calendar year after the 5th calendar year for which an individual was an exempt individual under clause (ii) or (iii) of subparagraph (A), such individual shall not be treated as an exempt individual by reason of clause (iii) of subparagraph (A), unless such individual establishes to the satisfaction of the Secretary that such individual does not intend to permanently reside in the United States and that such individual meets the requirements of subparagraph (D)(ii).

To be “exempt”, one must first be otherwise liable in general for something and then lose the liability by virtue of meeting some special provision of the I.R.C. listed above. Most people are not “exempt individuals” because they do not meet any of the above criteria, and only those who are “exempt” should be filling out the word “EXEMPT” on a W-4 form. As we point out repeatedly throughout this book and especially our [Tax Fraud Prevention Manual](#), Form #06.008, the W-4, in fact, is the WRONG form to be using to stop withholding for most Americans. The correct form is the W-8BEN Form, which may be used by “nationals” and “nonresident aliens”. We showed earlier in section 23.2 and following that this is the status of Americans born in states of the Union and living and working outside of federal jurisdiction.

Being an “exempt individual” and being an “nontaxpayer” are entirely different things that are not equivalent. The term “nontaxpayer” is not even defined in the Internal Revenue Code or the legal dictionary and is only defined by the courts,

but it means someone who is not subject to the jurisdiction of the Internal Revenue Code because he or she does not come under its provisions. This condition may be caused by any one of the following factors and possibly others not listed:

1. One is a “nonresident” of the jurisdiction, meaning that he is not subject to the territorial jurisdiction of the law or statute.
2. One is not engaged in any excise taxable activity identified in the code and has no earnings that would “effectively connect” them to the I.R.C. Recall that 26 CFR §1.1-1(a)(2)(ii) says that only income of “aliens” and “nonresident aliens” which is “effectively connected with a trade or business” is subject to the code. Since “trade or business” is statutorily defined in 26 U.S.C. §7701(a)(26) as the “functions of a public office”, if one is not engaged in a public office, is not a federal corporation involved in interstate or foreign commerce coming under the provisions of Article 1, Section 8, Clause 3 of the Constitution, then one is not the proper subject of the code.
3. One is not the subject of the code by virtue of a Constitution restriction on the taxing power of Congress. For instance, Article 1, Section 9, Clause 4 and Article 1, Section 2, Clause 3 specifically state that the federal government has no power to institute direct taxes on anything other than a State, and may not directly tax individuals. If one is an individual domiciled in a state of the Union, then one is not the proper subject of any direct federal tax, and this includes all of Subtitle A of the Internal Revenue Code.

Of the two statuses, “exempt” and “nontaxpayer”, the preferable one to have is that of a “nontaxpayer”, which is a person not subject to the jurisdiction of the Internal Revenue Code at all. For instance, people domiciled in China are all “nontaxpayers” relative to the Internal Revenue Code. As soon as they either get involved in importing goods into the country, which is foreign commerce, or engage in a “public office” in the United States government for compensation, then they become subject to federal jurisdiction because they involved themselves in an excise taxable privileged activity. Likewise, a person who lives in California is a “nonresident” and an “alien” with respect to an adjacent state such as Nevada, and therefore is a “nontaxpayer” with respect to Nevada state tax laws.

## **21.6 DO NOT Use Forms W-7 and W-9!**

Form W-7 which is used for requesting Individual Taxpayer Identification Numbers (TINs), may ONLY be used by “aliens”.

### 26 CFR §301.6109-1(d)(3)

(3) IRS individual taxpayer identification number -- (i) Definition. *The term IRS individual taxpayer identification number means a taxpayer identifying number issued to an alien individual by the Internal Revenue Service, upon application, for use in connection with filing requirements under this title. The term IRS individual taxpayer identification number does not refer to a social security number or an account number for use in employment for wages. For purposes of this section, the term alien individual means an individual who is not a citizen or national of the United States.*

Form W-9 is also the improper form because it is only for “U.S. persons” with a domicile on federal territory. These persons are described in 26 U.S.C. §7701(a)(30) as “citizens” or “resident”, both of whom have in common a domicile in the “United States”. The perjury statement requires you to admit that you are a “U.S. person”, which is false and fraudulent in the case of a person domiciled within a state of the Union.

EINs also qualify as “TINs” under 26 U.S.C. §6109. If the only natural persons that IRS can issue TINs to are “aliens”, then “aliens” are the ONLY “taxpayers” under the I.R.C. The forms W-7 and W-9 MAY NOT be used by either “U.S. citizens”, “nonresident aliens” or “nationals but not citizens”. In fact, the top of the W-7 form specifically says that it is not for use by either “citizens” or “nationals”. The W-9 form does not say this but has the same restrictions. Furthermore, the instructions for IRS Form W-9, in fact, confirm that only “U.S. persons” may use the form. A statutory “U.S. person” (26 U.S.C. §7701(a)(30)) is either a “citizen” or a “resident” of the “United States” who maintains a domicile in the federal zone. That ain’t you, folks! This subject is covered in more detail in the pamphlet entitled “Who are ‘taxpayers’ and who needs a ‘Taxpayer Identification Number’” available at:

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

The only people who have to furnish identifying numbers are statutory “U.S. persons”. “Nonresident aliens” and “nationals” domiciled in the states are NOT “U.S. persons” under the I.R.C. and DO NOT have to provide any identifying number as defined below:

[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.*

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. - Definitions](#)

(a)(30) [United States](#) person

The term “United States person” means -

(A) a [citizen](#) or [resident](#) of the United States,

(B) a domestic partnership,

(C) a domestic [corporation](#),

(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

(E) any trust if -

(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

If you as a “nonresident alien” and/or a “national but not a citizen” then you shouldn’t be filling out either a W-7 or a W-9 to request or certify a number that no law requires you to have. The reason that “nonresident aliens” are not and cannot be required to have identifying number is precisely because they are “nonresident” to exclusive/plenary federal jurisdiction because living within the exclusive jurisdiction of a state of the Union, which is the equivalent of a foreign country in the context of the Internal Revenue Code. Congress is without lawful authority to dictate anything for these people, because they are outside of federal jurisdiction. The Supreme Court said so below, keeping in mind that the Internal Revenue Code qualifies as “legislation” with respect to the quote below:

***“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)]*

For those private workers who are confronted by ignorant and coercive employers into providing an identifying number, we have provided a substitute W-9 later in section 27.9 which satisfies the requirement without sacrificing the worker’s sovereignty or committing perjury in declaring themselves to be “U.S. persons”. We encourage private employers and workers to use this form instead of the original IRS W-9. Note that the form says “Do not send to the IRS”. It doesn’t matter what the worker submits because private employers aren’t required, according to the IRS’ own Internal Revenue Manual, to do withholding, and especially not against the wishes of the worker.

Internal Revenue Manual  
[Section 5.14.10.2 \(09-30-2004\)](#)  
Payroll Deduction Agreements

2. **Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

## 21.7 **IRS Form W-8BEN**

The content of this section derives from an article on the web. If you wish to see the complete article along with all the form examples, please consult:

[About IRS Form W-8BEN](#), Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>



## 21.7.1 Why Must We Use It?

The most important aspect of your relationship to the IRS and state taxing authorities is the withholding forms you fill out which identify your citizenship, domicile, and taxpayer status. They are the first contact most people ever have with the tax system and they can have a profound and long-lasting affect on the future interactions one might have with the government. If you either fill out the wrong withholding form or you fill out the right form incorrectly, you can severely prejudice your rights under the law. Nearly every American knows about the IRS Form W-4 withholding form because the private company they work for has most likely mandated (illegally, we might add) that it be filled out and submitted before they are allowed to start work. Not many people, however, know that this is the wrong form to fill out for most Americans and that there is another, better form that more truthfully and accurately represents their status to the payroll department. That form is the IRS Form W-8BEN. Those who submit this form are exempt from backup withholding and 1099 reporting:

*"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) **are exempt from backup withholding and Form 1099 reporting.**"*  
*[IRS Publication 515, Year 2000, p. 3]*

The IRS Form W-8BEN identifies the submitter as a "[nonresident alien](#)", which is the status that most Americans born in states of the Union have by default. We won't explain here all the nuances of why this is the case, because you can read as much detail about the subject as you like in the following sources:

- [Nonresident Alien Position, Form #05.020](#)-memorandum of law on why people domiciled in states of the Union are nonresident aliens  
<http://sedm.org/Forms/FormIndex.htm>
- [Why Domicile and Becoming a "Taxpayer" Require Your Consent](#)-explains why income taxes are based on "domicile" and why you don't have a "domicile" in the "United States" and therefore cannot be a "resident"
- [Legal Basis for the term "Nonresident Alien", Form #05.036](#) -pamphlet  
<http://sedm.org/Forms/FormIndex.htm>
- [You're Not a "resident" under the Internal Revenue Code](#)  
<http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm>

Very briefly, the reason that "[nonresident alien](#)" is the correct status for Americans born in states of the Union is that they are:

1. "nationals" under [8 U.S.C. §1101](#)(a)(21) because they owe allegiance to their state, which is "[foreign](#)" to the legislative jurisdiction of the federal government.
2. "state nationals". See:  
Why You are a "national", "state national", and Constitutional but not Statutory Citizen  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>
3. Not statutory "citizens" as defined in [8 U.S.C. §1401](#). [Click here](#) for an article on this subject.
4. Not statutory "residents" or "aliens", which are equivalent, as defined in [26 U.S.C. §7701](#)(b)(1)(A). [Click here](#) for an article on this subject.
5. Not "[individuals](#)". All "[individuals](#)" are federal "[public officers](#)" or "[franchisees](#)" domiciled on federal [territory](#). See:
  - 5.1. [Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes](#), Form #05.008  
<http://sedm.org/Forms/MemLaw/WhyThiefOrEmployee.pdf>
  - 5.2. [Why Statutory Civil Law is Law for Government and Not Private Persons](#), Form #05.037  
<http://sedm.org/Forms/MemLaw/StatLawGovt.pdf>
  - 5.3. [Government Instituted Slavery Using Franchises](#), Form #05.030  
<http://sedm.org/Forms/MemLaw/Franchises.pdf>

The IRS Form W-4 can only be used for public (government) employment withholding. This is confirmed by the content of [26 CFR §31.3121\(b\)-3](#)(c), which says that services performed outside the "[United States](#)", which is defined as the federal zone in [26 U.S.C. §7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d) and not expanded anywhere else to include states of the Union, do not constitute "employment" within the meaning of I.R.C. Subtitles A and C.

*Title 26: Internal Revenue*  
*PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*  
*Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)*

General Provisions  
§ 31.3121(b)-3 Employment; services performed after 1954.

(a) In general. Whether services performed after 1954 constitute employment is determined in accordance with the provisions of section 3121(b).

(b) Services performed within the United States [federal zone]. Services performed after 1954 within the United States (see §31.3121(e)-1) by an employee for his employer, unless specifically excepted by section 3121(b), constitute employment. With respect to services performed within the United States, the place where the contract of service is entered into is immaterial. The citizenship or residence of the employee or of the employer also is immaterial except to the extent provided in any specific exception from employment. Thus, the employee and the employer may be citizens and residents of a foreign country [such as states of the Union] and the contract of service may be entered into in a foreign country, and yet, if the employee under such contract performs services within the United States, there may be to that extent employment.

"(c) Services performed outside the United States—(1) In general. Except as provided in paragraphs (c)(2) and (3) of this section, services performed outside the United States (see §31.3121(e)-1) do not constitute employment."

Private employers who decide to use the W-4 effectively become "public employers" by partaking in the governments social insurance scheme and must turn their formerly private employees into "public officers" and Kelly Girls on loan from Uncle Sam as part of this "scheme".

IRM 5.14.10.2 (09-30-2004)  
Payroll Deduction Agreements

2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements. Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

[<http://www.irs.gov/irm/part5/ch14s10.html>]

However, the IRS Form W-8BEN, unlike the W-4, has many appropriate uses. It can be used:

- To stop employment withholding. When this form is submitted, the employer must stop ALL withholding, including Medicare, Socialist Security, and FICA, and Federal Income Tax.
- Change your legal "domicile" (OFFSITE LINK) to a place outside the jurisdiction of the federal government and the tax laws. See block 4 of the W-8BEN Form. See sections 1515.16 earlier for more information on this important subject.
- Open tax-free accounts at financial institutions, all without a "Taxpayer Identification Number"
- Change your status with the IRS to that of a "nontaxpayer"
- To Stop W-2 earnings reports to the Federal Government.
- To avoid the W-4 Exempt penalty. There is no regulation that allows the submitter of a W-8BEN to be penalized for submitting it, even if it is wrong.

Most people don't know about this very useful form, and the main reason is because the government doesn't want the secret getting out! The IRS has done their best to discourage people from using this form by, for instance:

1. Emphasizing that nonresident aliens under 26 U.S.C. §871(a), who have earnings not connected with a "trade or business" are subject to a flat 30% tax rate, even though this tax only applies to corporations involved in very specific types of transactions and does not apply to natural persons. This deceives natural persons into avoiding being nonresident aliens in order to avoid paying a usually higher tax rate, when in fact, such an approach would produce NO tax liability in most cases.
2. Not putting anything on the form about the fact that nonresident aliens with no earnings connected with a "trade or business" are not subject to withholding, even though the regulations at 26 CFR §31.3401(a)(6)-1(b), shown below, indicate that no withholding is required. Since the form doesn't mention that nonresident aliens in most cases are not subject to withholding, then people naturally gravitate to the W-4, because it is the only IRS Form that mentions an exemption from withholding. This causes them to use the WRONG form, thus maximizing the illegal flow of donations to the IRS by misinformed and deceived Americans.
3. Not putting anything on the form indicating that no Social Security Number is required in the case of nonresident aliens, even though the regulations at 26 CFR §1.1441-6(c)(1) say none is required.

4. By not mentioning that nonresident aliens not engaged in a "trade or business" do not earn any "taxable income", as shown below and in [26 U.S.C. §864\(b\)\(1\)\(A\)](#), [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#), [26 U.S.C. §3401\(a\)\(6\)](#), [26 U.S.C. §1402\(b\)](#).
5. By not providing any other form for use by nonresident aliens that will stop withholding other than the [W-8BEN](#) and the [8233](#) and doing a very confusing job in their [Publication 515](#) explaining the differences between these two forms. This causes most people to throw up their hands and opt for the simplest option, which of course causes them to commit perjury under penalty of perjury on the W-4 by pronouncing themselves as government employees engaged in a privileged, taxable "trade or business".

There are many reasons why the IRS Form W-4 is *not* the correct form, and those reasons are beyond the scope of this article because covered much more thoroughly elsewhere. The most authoritative articles on the subject are listed below:

- [Income Tax Withholding and Reporting Course](#), Form #12.004  
<http://sedm.org/Forms/FormIndex.htm>
- [Federal Tax Withholding](#), Form #04.102  
<http://sedm.org/Forms/FormIndex.htm>
- [Tax Withholding and Reporting: What the Law Says](#), Form #04.103  
<http://sedm.org/Forms/FormIndex.htm>
- [Federal and State Tax Withholding Options for Private Employers, sections 19.1 through 19.4](#) –pamphlet  
<http://sedm.org/Forms/FormIndex.htm>
- [Great IRS Hoax](#), Form #11.302, Section 5.6.20: Why you aren't an "exempt" individual. **This section clearly establishes that most Americans SHOULD NOT be filing a W-4 Exempt. Read and heed!**
- [Sovereignty Forms and Instructions Online](#), Form #10.004, [Instructions, Step 4.13: Stop Employer Withholding of Income Taxes](#)
- [Great IRS Hoax](#), Form #11.302, Section 5.6.7: You Don't Earn "Wages" so your Earnings Can't Be Taxed
- [Great IRS Hoax](#), Form #11.302, Section 5.6.8: Employment Withholding Taxes are "Gifts" to the U.S. government
- [Great IRS Hoax](#), Form #11.302, Section 5.6.13: The Federal Employee Kickback Program Position
- [Great IRS Hoax](#), Form #11.302, Section 5.6.15: Your Private Employer Isn't Authorized to Act as a Federal Withholding Agent

Because of the many pitfalls of using the IRS Form W-8BEN, you may decide to use our alternative or Substitute W-8 form that avoids all these pitfalls below. The following form avoids the use of all of the IRS' favorite "words of art" and very clearly spells out all the applicable laws so that the clerks are properly educated about the requirements of law:

<a href="#">Affidavit of Citizenship, Domicile, and Tax Status</a> , Form #02.001 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
--

1  
2   **21.7.2   Citizenship, Domicile, and Tax Status Options Summary**

**Table 18: “Citizenship status” vs. “Income tax status”**

#	Citizenship status	Place of birth	Domicile	Accepting tax treaty benefits?	Defined in	Tax Status under 26 U.S.C./Internal Revenue Code			
						“Citizen” (defined in 26 CFR 1.1-1)	“Resident alien” (defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii))	“Nonresident alien INDIVIDUAL” (defined in 26 CFR §1.1441-1(c)(3))	“Nonresident alien NON-individual” (defined in 26 U.S.C. §7701(b)(1)(B))
1	“U.S. citizen” or “Statutory U.S. citizen”	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	NA	8 U.S.C. §1401	Yes (only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924))	No	No	No
2	“U.S. national”	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	NA	8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1408 8 U.S.C. §1452	No (see 26 U.S.C. §7701(b)(1)(B))	No	Yes (see IRS Form 1040NR for proof)	No
3.1	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	State of the Union	NA (ACTA agreement)	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1	No	No	No	Yes
3.2	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	Yes	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1	No	No	Yes	No
3.3	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	No	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1	No	No	No	Yes
4.1	“alien” or “Foreign national”	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	NA	8 U.S.C. §1101(a)(3)	No	Yes	No	No
4.2	“alien” or “Foreign national”	Foreign country	State of the Union	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.3	“alien” or “Foreign national”	Foreign country	State of the Union	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes
4.4	“alien” or “Foreign national”	Foreign country	Foreign country	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.5	“alien” or “Foreign national”	Foreign country	Foreign country	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes



1 NOTES:

- 2 1. A nonresident alien individual who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a resident alien is treated as a “nonresident alien” for the  
3 purposes of withholding under I.R.C. Subtitle C but retains their status as a “resident alien” under I.R.C. Subtitle A. See 26 CFR §1.1441-1(c)(3)(ii).  
4 2. What turns a “nonresident alien NON-individual” into a “nonresident alien individual” is:  
5 2.1. Being an an alien and NOT a “national” AND  
6 2.2. Meets one or more of the following two criteria found in 26 CFR §1.1441-1(c)(3)(ii):  
7 2.2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).  
8 2.2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as  
9 determined under 26 CFR §301.7701(b)-1(d).  
10 3. If you were born in a state of the Union and maintain a domicile there, then you are described in item 3.1 of the table.  
11 4. All “taxpayers” are aliens or “nonresident aliens”. You cannot be a “citizen” and a taxpayer at same time. The definition of “individual” found in 26 CFR §1.1441-  
12 1(c)(3) does NOT include “citizens”. The only occasion where a “citizen” can also be an “individual” is when they are abroad under 26 U.S.C. §911 and interface  
13 to the I.R.C. under a tax treaty with a foreign country as an alien pursuant to 26 CFR §301.7701(b)-7(a)(1)

14 *And when he had come into the house, Jesus anticipated him, saying, "What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take*  
15 *customs or [taxes](#), from their sons [citizens and subjects] or from strangers ["[aliens](#)", which are synonymous with "[residents](#)" in the tax code, and exclude "[citizens](#)"?]"*

16 *Peter said to Him, "From strangers ["[aliens](#)"/"[residents](#)" ONLY. See [26 CFR §1.1-1\(a\)\(2\)\(ii\)](#) and [26 CFR §301.6109-1\(d\)\(3\)](#)]."*

17 *Jesus said to him, "Then the sons ["[citizens](#)" of the Republic, who are all sovereign "[nationals](#)" and "[nonresident aliens](#)" under federal law] are free [sovereign over*  
18 *their own person and labor. e.g. [SOVEREIGN IMMUNITY](#)]."*  
19 *[[Matt. 17:24-27](#), Bible, NKJV]*

**Table 19: Affect of domicile on citizenship status**

Description	CONDITION		
	Domicile WITHIN the FEDERAL ZONE and located in FEDERAL ZONE	Domicile WITHIN the FEDERAL ZONE and temporarily located abroad in foreign country	Domicile WITHOUT the FEDERAL ZONE and located WITHOUT the FEDERAL ZONE
Location of domicile	“United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)	“United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)	Without the “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> , and 4 U.S.C. §110(d)
Physical location	Federal territories, possessions, and the District of Columbia	Foreign nations ONLY (NOT states of the Union)	Foreign nations states of the Union Federal possessions
Tax Status	“U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>	“U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>	“Nonresident alien” <a href="#">26 U.S.C. §7701(b)(1)(B)</a>
Tax form(s) to file	IRS Form 1040	IRS Form 1040 plus 2555	IRS Form 1040NR: “alien individuals”, “nonresident alien individuals” <u>No filing requirement</u> : “non-citizen nationals”
Status if DOMESTIC national	Citizen <a href="#">8 U.S.C. §1401</a> (Not required to file if physically present in the “United States” because no statute requires it)	Citizen abroad <a href="#">26 U.S.C. §911</a> (Meets presence test)	“non-citizen National” <a href="#">8 U.S.C. §1101(a)(21)</a> <a href="#">8 U.S.C. §1101(a)(22)(B)</a> <a href="#">8 U.S.C. §1408</a> <a href="#">8 U.S.C. §1452</a>
Status if FOREIGN national	“Resident alien” <a href="#">26 U.S.C. §7701(b)(1)(A)</a>	“Resident alien abroad” <a href="#">26 U.S.C. §911</a> (Meets presence test)	“Nonresident alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(ii)</a> “Alien”: <a href="#">8 U.S.C. §1101(a)(3)</a> “Alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(i)</a>

**NOTES:**

1. “United States” is defined as federal territory within 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d), and 4 U.S.C. §110(d). It does not include any portion of a Constitutional state of the Union.
2. The “District of Columbia” is defined as a federal corporation but not a physical place, a “body politic”, or a de jure “government” within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: *Corporatization and Privatization of the Government*, Form #05.024; <http://sedm.org/Forms/FormIndex.htm>.
3. American nationals who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign country, are “nationals” but not “citizens” under federal law. They also qualify as “nonresident aliens” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). See sections 4.11.2 of the *Great IRS Hoax* for details.
4. Temporary domicile in the middle column on the right must meet the requirements of the “Presence test” documented in IRS publications.
5. “FEDERAL ZONE”=District of Columbia and territories of the United States in the above table
6. The term “individual” as used on the IRS Form 1040 means an “alien” engaged in a “trade or business”. All “taxpayers” are “aliens” engaged in a “trade or business”. This is confirmed by 26 CFR §1.1441-1(c)(3), 26 CFR §1.1-1(a)(2)(ii), and [5 U.S.C. §552a\(a\)\(2\)](#). Statutory “U.S. citizens” as defined in [8 U.S.C. §1401](#) are not “individuals” unless temporarily abroad pursuant to [26 U.S.C. §911](#) and subject to an income tax treaty with a foreign country. In that capacity, statutory “U.S. citizens” interface to the I.R.C. as “aliens” rather than “U.S. citizens” through the tax treaty.

1

2 **Table 20: Meaning of geographical “words of art”**

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
“State”	Union state	Federal state	Federal state	Union state	Union state	Union state
“in this State” or “in the State” <sup>44</sup>	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
“State” <sup>45</sup> (State Revenue and taxation code only)	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
“several States”	Union states collectively <sup>46</sup>	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**

3 **NOTES:**

- 4 4. The term “Federal state” or “Federal ‘States’” as used above means a federal territory as defined in [4 U.S.C. §110\(d\)](#) and EXCLUDES states of the Union.
- 5 5. The term “Union state” means a “State” mentioned in the United States Constitution, and this term EXCLUDES and is mutually exclusive to a federal “State”.
- 6 6. If you would like to investigate the various “words of art” that lawyers in the federal government use to deceive you, we recommend the following:
- 7 6.1. *Sovereignty Forms and Instructions Online*, Form #10.004, Cites by Topic:
- 8 <http://famguardian.org/TaxFreedom/FormsInstr-Cites.htm>
- 9 6.2. *Great IRS Hoax*, Form #11.302, Sections 3.9.1 through 3.9.1.28.
- 10
- 11
- 12
- 13

<sup>44</sup> 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>

<sup>45</sup> 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>

<sup>46</sup> See, for instance, U.S. Constitution Article IV, Section 2.

1

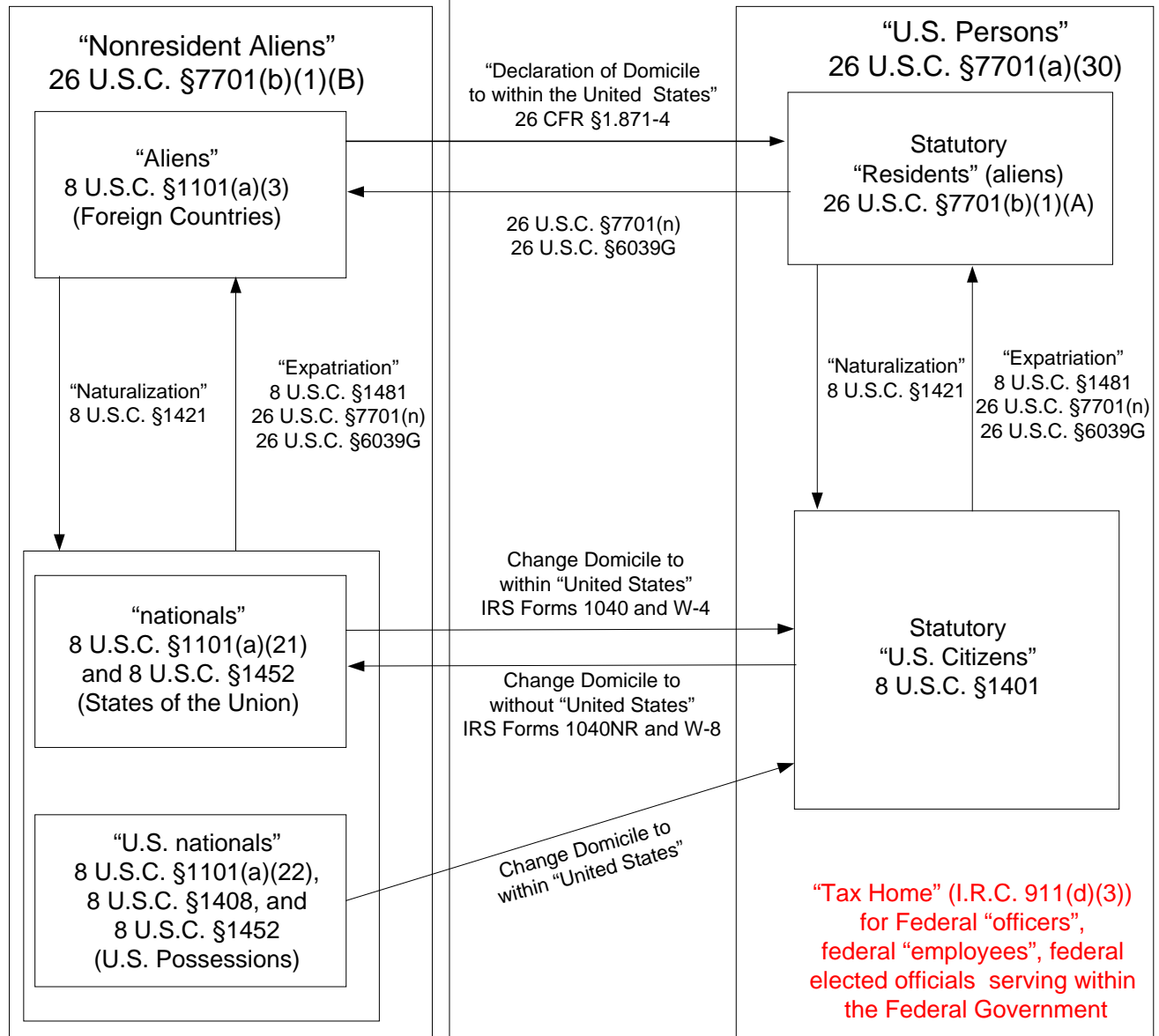
2 **Figure 4: Citizenship and domicile options and relationships**

## NONRESIDENTS

Domiciled within  
States of the Union OR  
Foreign Countries  
Without the "United States"

## INHABITANTS

Domiciled within Federal  
Territory within the  
"United States"  
(e.g. District of Columbia)



3

4

5

### 21.7.3 Withholding on Nonresident Aliens

Nonresident alien tax withholding is described in the following:

Withholding of Tax on Nonresident Aliens and Foreign Corporations, IRS Publication 515  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub515.pdf>

The IRS website contains propaganda intended to deceive private employers in the states of the Union into withholding earnings of nonresident aliens who have “income from sources within the United States” at:

NRA Withholding  
<http://www.irs.gov/businesses/small/international/article/0,,id=104997,00.html>

This propaganda advises “withholding agents” to withhold 30% of the payments made to nonresident aliens from “sources within the United States” and to file an IRS Form 1042 documenting the amount of earnings and withholding. The information provided is deceptive and constructively fraudulent, because:

1. The term “U.S.” means the statutory but not constitutional "United States" and therefore federal territory not within the limits of any constitutional state in the context of the Internal Revenue Code Subtitle A income tax. See [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and [4 U.S.C. §110\(d\)](#). They don't define this term anywhere on their website that we could find. I wonder why? This is the only logical conclusion one can reach after reading the rulings of the Supreme Court on the issue of federal jurisdiction within states of the Union such as the following:

*“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)]*

*“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) ]*

2. The Internal Revenue Code is NOT positive law, but private law and religion which obligates no one in a state of the Union to do anything who doesn't first volunteer to be subject to its provisions by signing a contract called a W-4 or an SS-5. See the memorandum of law on this subject below:

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

3. Even if the Internal Revenue Code was positive law or public law , private employers in states of the Union are not subject to federal jurisdiction and applying for an Employer Identification Number doesn't make them subject either.

[IRM 5.14.10.2 \(09-30-2004\)](#)  
*Payroll Deduction Agreements*

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

4. Private employers exclusively within states of the Union are NOT the subject of the article, because they do not qualify as “withholding agents” as we pointed out earlier in section 1.
5. The federal income tax described under I.R.C. Subtitle A is measured by the receipt of “income” in connection with a “trade or business”. This is the privileged activity being “taxed”, and it is an avoidable activity that few private employees are engaged in, because they do not in deed and in fact hold a privileged “public office” as required by [26 U.S.C. §7701\(a\)\(26\)](#).



The IRS website admits some of the truths above, but you really have to dig for it. In the International Taxpayer Glossary, it says the following about withholding of those who have no income from the statutory but not constitutional “United States”, meaning federal territory not within any state of the Union:

*Services performed outside the U.S*

*Compensation paid to a nonresident alien (other than a resident of Puerto Rico) for services performed outside the United States [federal territory] is not considered wages and is not subject to graduated withholding or 30% withholding.*

[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=96594,00.html>]

IRS Publication 519, Year 2000 agrees with the above, by saying the following:

*Income Subject to Tax*

*Income from sources outside the United States that is not effectively connected with a trade or business in the United States is not taxable if you receive it while you are a nonresident alien. The income is not taxable even if you earned it while you were a resident alien or if you became a resident alien or a U.S. citizen after receiving it and before the end of the year.*

[IRS Publication 519, Year 2000, p. 26]

A person who meets the requirement above of being a nonresident alien with no income from the statutory “United States” (federal; territory), whether connected to a trade or business or not under [26 U.S.C. §871](#), is described in the regulations as follows, under 26 CFR §1.871-1(b)(1)(i):

*Title 26: Internal Revenue*

[PART 1—INCOME TAXES](#)

[nonresident alien individuals](#)

[§ 1.871-1 Classification and manner of taxing alien individuals.](#)

*(a) Classes of aliens.*

*For purposes of the income tax, alien individuals are divided generally into two classes, namely, resident aliens and nonresident aliens. Resident alien individuals are, in general, taxable the same as citizens of the United States; that is, a resident alien is taxable on income derived from all sources, including sources without the United States. See §1.1-1(b). Nonresident alien individuals are taxable only on certain income from sources within the United States and on the income described in section 864(c)(4) from sources without the United States which is effectively connected for the taxable year with the conduct of a trade or business in the United States. However, nonresident alien individuals may elect, under section 6013 (g) or (h), to be treated as U.S. residents for purposes of determining their income tax liability under Chapters 1, 5, and 24 of the code. Accordingly, any reference in §§1.1-1 through 1.1388-1 and §§1.1491-1 through 1.1494-1 of this part to nonresident alien individuals does not include those with respect to whom an election under section 6013 (g) or (h) is in effect, unless otherwise specifically provided. Similarly, any reference to resident aliens or U.S. residents includes those with respect to whom an election is in effect, unless otherwise specifically provided.*

**(b) Classes of nonresident aliens —**

**(1) In general. For purposes of the income tax, nonresident alien individuals are divided into the following three classes:**

**(i) Nonresident alien individuals who at no time during the taxable year are engaged in a trade or business in the United States.**

*(ii) Nonresident alien individuals who at any time during the taxable year are, or are deemed under §1.871-9 to be, engaged in a trade or business in the United States, and*

*(iii) Nonresident alien individuals who are bona fide residents of Puerto Rico during the entire taxable year.*

*An individual described in subdivision (i) or (ii) of this subparagraph is subject to tax pursuant to the provisions of subpart A (section 871 and following), part II, subchapter N, chapter 1 of the Code, and the regulations thereunder. See §§1.871-7 and 1.871-8. The provisions of subpart A do not apply to individuals described in subdivision (iii) of this subparagraph, but such individuals, except as provided in section 933 with respect to Puerto Rican source income, are subject to the tax imposed by section 1 or section 1201(b). See §1.876-1.*

Some important things to note at the point are:

1. There is no IRS withholding form that accurately states and reflects the fact that a nonresident alien whose earnings originate outside the U.S. [federal territory or the U.S. government] is not subject to withholding, even though the IRS states this in IRS Publication 515 and on their website as well. This is no accident, but simply proof that the IRS wants to make it as difficult as impossible for nonresident aliens to obey the law by not withholding in cases where they aren't required to. This ensures that such protected persons have to surrender their rights and privacy by engaging in the indignity of filing a return, disclosing all their personal information, and begging for money back that never should have been withheld or reported in the first place.

*Services performed outside the U.S. [federal zone]*

*Compensation paid to a nonresident alien (other than a resident of Puerto Rico) for services performed outside the United States [federal zone] is not considered wages and is not subject to graduated withholding or 30% withholding.*

[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=96594,00.html>]

2. IRS does not want to recognize the fact that one can be a nonresident alien without being an "individual" or an "alien", even though this is in fact the case. The reason is that they don't want to recognize that the average American is beyond their reach and not subject to their jurisdiction. None of the withholding or reporting forms available from the IRS on the subject of nonresident aliens are intended for use or available for use by the average American who is NOT:

2.1. A "beneficial owner"

2.2. A "U.S. person"

2.3. An "individual"

2.4. An "alien"

When you try to add an option to the form, some recipients balk and just wrongfully PRESUME that there couldn't be any status OTHER than the options appearing on the form. This too is a deliberate attempt to interfere with the rights of persons not subject to federal jurisdiction by removing remedies from them to document and protect their status.

3. The only IRS Form that American Nationals who are nonresident aliens can use to stop withholding is the W-8BEN.
4. The standard IRS Form W-8BEN provides no way to avoid disclosing the Beneficial Owner, even though there is no requirement in the I.R.C. itself to do so. Older versions of the W-8 form did not require disclosing the Beneficial Owner. A Beneficial Owner is defined in the regulations as a "taxpayer", and since you aren't a "taxpayer", then you can't use the standard IRS Form without replacing the term "Beneficial owner" with "nonresident alien". See the following for details:

<http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm>

5. The standard IRS Form W-8BEN does not provide a block to indicate which of the above three types of nonresident aliens the submitter is, and this determination is very important because it affects whether withholding is or is not necessary. Those who are not "effectively connected to a trade or business" mentioned in paragraph (b)(1) above and all of whose earnings originate outside of the federal zone would not need withholding. The IRS doesn't want to provide a form for nonresident aliens that shows how they can avoid the requirement for withholding. This forces employers to have to read the publications to find out, which few will do, or call up the IRS to ask, in which case they are sure to get LIES. The reason they will get LIES is because the courts refuse to hold the IRS responsible for anything they say, print, or do. This is discussed at:

<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

The combination of all the above factors combine to introduce just enough ambiguity and uncertainty for private employers that they just roll over and screw their workers rather than obey what the law actually says. This also explains why, if you use the W-8BEN Form to stop withholding, you should use the amended form we provide in order to avoid this trap.

#### **21.7.4 Why the government agrees with this article about the liabilities of "nonresident aliens"**

Both the Internal Revenue Code and the government's own publications say that "[nonresident aliens](#)" without income from a "trade or business in the United States" are not liable for income taxes.

1. A "[trade or business](#)" is defined in [26 U.S.C. §7701](#)(a)(26) as including ONLY "the functions of a public office", meaning that the person is a Congressman, President, Judge, or political appointee in receipt of excise taxable privileges.

2. All Information Returns, including the W-2, 1098, and 1099, have as a prerequisite the receipt of "trade or business" earnings. See [26 U.S.C. §6041](#).
3. "Trade or business" is further clarified in [26 U.S.C. §864](#) as:

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > Sec. 864](#)  
[Sec. 864. - Definitions and special rules](#)

(b) [Trade or business within the United States](#)

For purposes of [this part \[part II, part II, and chapter 3\]](#), the term "trade or business within the United States" includes the performance of [personal services](#) within the United States at any time within the taxable year, but *does not include* -

(1) Performance of personal services for foreign employer

The performance of [personal services](#) -

(A) for a [nonresident alien](#) individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

Below are some brief examples demonstrating why "nonresident aliens" with no income connected with a public office are "nontaxpayers":

- 1 [26 CFR §31.3401\(a\)-6](#) says that nonresident aliens whose earnings originate from outside the statutory "United States" (federal territory) or which are not connected with a "trade or business" are not subject to withholding:

[Title 26](#)  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3401\(a\)\(6\)-1 Remuneration for services of nonresident alien individuals.](#)

(a) In general.

All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, **if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section.** In regard to wages paid under this section after February 28, 1979, the term "nonresident alien individual" does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).

(b) Remuneration for services performed outside the United States.

**Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.**

- 2 [26 U.S.C. §3406\(g\)](#) and [26 CFR §31.3406\(g\)-1\(e\)](#) both say that foreign persons are not subject to backup withholding or information reporting

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3406](#)  
[§ 3406. Backup withholding](#)

(g) Exceptions

(1) Payments to certain payees

Subsection (a) shall not apply to any payment made to— (A) any organization or governmental unit described in subparagraph (B), (C), (D), (E), or (F) of section 6049 (b)(4), or (B) any other person specified in regulations.

(2) Amounts for which withholding otherwise required Subsection (a) shall not apply to any amount for which withholding is otherwise required by this title.

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)

[§ 31.3406\(g\)-1 Exception for payments to certain payees and certain other payments.](#)

(e) Certain reportable payments made outside the United States by foreign persons, foreign offices of United States banks and brokers, and others.

For reportable payments made after December 31, 2000, a payor is not required to backup withhold under section 3406 on a reportable payment that qualifies for the documentary evidence rule described in §1.6049-5(c)(1) or (4) of this chapter, whether or not documentary evidence is actually provided to the payor, unless the payor has actual knowledge that the payee is a United States person. Further, no backup withholding is required for payments upon which a 30-percent amount was withheld by another payor in accordance with the withholding provisions under chapter 3 of the Internal Revenue Code and the regulations under that chapter. For rules applicable to notional principal contracts, see §1.6041-1(d)(5) of this chapter.

[Federal Thrift Savings Plan \(TSP\) retirement system pamphlet OC-96-21](#) says:

**3. How much tax will be withheld on payments from the TSP?**

The amount withheld depends upon your status, as described below. Participant. **If you are a nonresident alien, your payment will not be subject to withholding for U.S. income taxes. (See Question 2.)** If you are a U.S. citizen or a resident alien, your payment will be subject to withholding for U.S. income taxes. If you are a U.S. citizen or resident alien when you separate, you will receive from your employing agency the tax notice "Important Tax Information About Payments From Your TSP Account," which explains the withholding rules that apply to your various withdrawal options.  
[TSP Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>, p. 3]

Tax Treatment of TSP Payments:

[...]

**A nonresident alien participant** who never worked for the U.S. Government in the United States will not be liable for U.S. income tax.

**A nonresident alien beneficiary of a nonresident alien participant** will not be liable for U.S. income tax if the participant never worked for the U.S. Government in the United States

[TSP Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>, p. 2. Keep in mind that "United States" above is defined as federal territory not within any constitutional state and "worked for the U.S. government" is defined as a "trade or business" in 26 U.S.C. 7701(a)(26), which is then described as "the functions of a public office"]

[26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#) says

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > §861](#)  
[§861. Income from sources within the United States](#)

(a) **Gross income from sources within United States**

The following items of gross income shall be treated as income from sources within the United States:

(3) **Personal services**

Compensation for labor or personal services performed in the United States; **except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if—**

(C) **the compensation is for labor or services performed as an employee of or under a contract with—**

(i) **a nonresident alien, foreign partnership, or foreign corporation, not engaged in [trade or business](#) within the United States, or**

(ii) **an individual who is a citizen or resident of the United States, a domestic partnership, or a domestic corporation, if such labor or services are performed for an office or place of business maintained in a foreign country or in a possession of the United States by such individual, partnership, or corporation.**

[26 U.S.C. §3401\(a\)\(6\): Definitions](#)

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) **Wages**

**For purposes of this chapter, the term “wages” means all remuneration** (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; **except that such term shall not include remuneration paid—**

**(6) for such services, performed by a nonresident alien individual, as may be designated by regulations prescribed by the Secretary; or**

**26 U.S.C. §1402(b)** says:

[TITLE 26 > Subtitle A > CHAPTER 2 > §1402](#)  
[§ 1402. Definitions](#)

**(b) Self-employment income**

*The term “self-employment income” means the net earnings from self-employment derived by an individual (other than a nonresident alien individual, except as provided by an agreement under section 233 of the Social Security Act) during any taxable year; except that such term shall not include—*

**IRS Publication 515, entitled "Withholding of tax on Nonresident Aliens and Foreign Entities", year 2000,** says on p. 3 the following:

*"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting."*

**26 CFR §1.872-2: Exclusions from gross income of nonresident alien individuals**

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

**(f) Other exclusions.**

**Income which is from sources without [outside] the United States [federal territory per 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual.** To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

**26 U.S.C. §7701(a)(31): Definitions**

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

**(31) Foreign estate or trust**

**(A) Foreign estate**

*The term “foreign estate” means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.*

**26 CFR §1.871-7(a)(4): Taxation of nonresident alien individuals not engaged in U.S. business**

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.871-7 Taxation of nonresident alien individuals not engaged in U.S. business.](#)



(a) Imposition of tax

(4) Except as provided in §§1.871-9 and 1.871-10, a nonresident alien individual not engaged in trade or business in the United States during the taxable year has no income, gain, or loss for the taxable year which is effectively connected for the taxable year with the conduct of a trade or business in the United States. See section 864(c)(1)(B) and §1.864-3.

11 26 U.S.C. §6012(a) [1954 code] says:

Returns with respect to income taxes under subtitle A...

(5) ...nonresident alien individuals not subject to the tax imposed by §871...may be exempted from the requirement to making returns.

If you would like to learn more about the above, see our free Memorandum of Law below:

The "Trade or Business" Scam

<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>

### 21.7.5 Traps to Avoid on This Deceptive Form-WATCH OUT!

The [Standard IRS Form W-8BEN](#) contains several tricks or traps that you should avoid like the plague because they will cause you to commit perjury under penalty of perjury on the form if you don't. The [Amended IRS Form W-8BEN](#) version of the form avoids these traps but you should still be very aware of them as you fill out this form.

Before we proceed, we should point out that these types of tricks are not unique. They are found throughout the world and are done by virtually every (usually corrupt) government on the planet. For instance, the [Canadian Income Tax Act, Section 2](#), imposes the income tax on "[residents](#)" and never defines what a "resident" is! They use the same definition as that in the Internal Revenue Code at 26 U.S.C. §7701(b)(1)(A), which means "alien":

[26 U.S.C. §7701\(b\)\(1\)\(A\) Resident alien](#)

(b) Definition of **resident alien** and nonresident alien

(1) In general

For purposes of this title (other than subtitle B) -

(A) **Resident alien**

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

(i) Lawfully admitted for permanent residence

*Such individual is a lawful permanent resident of the United States at any time during such calendar year.*

(ii) Substantial presence test

*Such individual meets the substantial presence test of paragraph (3).*

(iii) First year election

*Such individual makes the election provided in paragraph (4).*

The reason the [Canadian Income Tax Act](#) doesn't define the term "[resident](#)" is because if they told people what it means, which is an "alien" with a domicile in Canada, then they wouldn't have any taxpayers! Even the Canadian Revenue Agency admits that the Income Tax Act doesn't define the term "resident":

Canadian Revenue Agency Pamphlet IT-221R3, entitled "Determination of an Individual's Residence Status"

¶2. The term "resident" is not defined in the Income Tax Act (the "Act"), however, the Courts have held "residence" to be "a matter of the degree to which a person in mind and fact settles into or maintains or centralizes his ordinary mode of living with its accessories in social relations, interests and conveniences at or in the place in question." In determining the residence status of an individual for purposes of the Act, it is also necessary to consider subsection 250(3) of the Act, which provides that, in the Act, a reference to a person "resident" in Canada includes a person who is "ordinarily resident" in Canada. The Courts have held that an individual is "ordinarily resident" in Canada for tax purposes if Canada is the place where the individual, in the settled routine of his or her life, regularly, normally or customarily lives. In making a determination of residence status, all of the relevant facts in each case must be considered, including residential ties with Canada and length of time, object, intention and continuity with respect to stays in Canada and abroad.

You really have to dig to find a definition of "resident", and it is found in the Immigration and Refugee Protection Act as follows:

[Immigration and Refugee Protection Act](#)  
PART 1 IMMIGRATION TO CANADA  
DIVISION 5 LOSS OF STATUS AND REMOVAL  
[Loss of Status](#)

[46.](#)  
(1) A person loses permanent resident status  
(a) when they become a Canadian citizen;

Therefore, you ought to expect this kind of trickery whenever you are reading tax acts from any country. The corruption is universal, throughout the world. Get used to it and get educated so you aren't victimized by it. Once you know that all income taxes throughout the world are based on the following maxim of law, you will know what you are looking for in the law itself and usually will find it somewhere, often hidden deep in the regulations.

*"Citizens abroad and aliens at home."*

By abroad, we mean in a foreign country under [26 U.S.C. §911](#). By "at home", we mean federal territory or the U.S. government. This explains a lot. For instance, it also explains why the IRS Form 1040 is not named "U.S. citizen Income Tax Return" and why they have no legal authority to even make such a form.

#### **21.7.5.1 You're NOT a "U.S. resident", "U.S. citizen", "citizen", or "U.S. person"**

As we pointed out in the introduction, the term "resident" means an "alien" with a domicile on federal territory, which is what "[United States](#)" is defined as in [26 U.S.C. §7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d).

[26 U.S.C. §7701\(b\)\(1\)\(A\) Resident alien](#)  
(b) Definition of **resident alien** and nonresident alien  
(1) In general

For purposes of this title (other than subtitle B) -

(A) **Resident alien**  
**An alien individual shall be treated as a resident of the United States** with respect to any calendar year if (and only if) such individual meets the requirements of clause (i), (ii), or (iii):  
(i) Lawfully admitted for permanent residence  
Such individual is a lawful permanent resident of the United States at any time during such calendar year.  
(ii) Substantial presence test  
Such individual meets the substantial presence test of paragraph (3).  
(iii) First year election  
Such individual makes the election provided in paragraph (4).

Therefore, as a person domiciled in a state of the Union, you are NOT:

1. A "[citizen](#)" under 26 CFR §1.1-1(c) or "U.S. citizen" defined in [8 U.S.C. §1401](#) or [26 U.S.C. §3121](#)(e).
2. A "[resident](#)" (alien) of the "United States" (federal territory/federal zone) as defined in [26 U.S.C. §7701](#)(b)(1)(A).
3. A statutory "[U.S. person](#)" as defined in [26 U.S.C. §7701](#)(a)(30).

You can confirm the above yourself by reading the law found in the following insightful free references:

1. [You're Not a "citizen" under the Internal Revenue Code:](#)

<http://famguardian.org/Subjects/Taxes/Citizenship/NotACitizenUnderIRC.htm>

2. [You're Not a "resident" under the Internal Revenue Code:](http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm)

<http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm>

3. [Why You are a "national", "state national", and Constitutional but not Statutory Citizen:](http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf)

<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

4. [Nonresident Alien Position](http://sedm.org/Forms/FormIndex.htm), Form #05.020:

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

### 21.7.5.2 You're NOT a "Beneficial Owner"

The term "[beneficial owner](#)" is used throughout the form. Some interesting facts about the "Beneficial Owner" trap:

1. The term "beneficial owner" is nowhere defined in the Internal Revenue Code.
2. The term "beneficial owner" did not appear on the W-8 form before 2001. It was added after we started educating people in states of the Union about their "nonresident alien" status, and we surmise that the reason this was done was to improve "voluntary compliance". He..he..he.
3. There is not statutory requirement anywhere in the I.R.C. mandating that you reveal who the "beneficial owner" is or identify any Beneficial Owner at all! This is a devious trick designed to incriminate who the owners of the income are and to create a false presumption that they are "taxpayers" so the IRS can go after them. Therefore, you can lawfully replace this term with "Nonresident alien" by lining it out, and there is no law the recipient can point to that says you can't do that.
4. The term "beneficial owner" is defined only once in the treasury regulations below:

[26 CFR §1.1441-1: Withholding of tax on nonresident aliens and foreign corporations and Tax Free Covenant Bonds](#)

(c) Definitions—

(6) **Beneficial owner**—

(i) General rule.

*This paragraph (c)(6) defines the term beneficial owner for payments of income other than a payment for which a reduced rate of withholding is claimed under an income tax treaty. The term beneficial owner means the person who is the owner of the [income](#) for tax purposes and who beneficially owns that [income](#). A person shall be treated as the owner of the [income](#) to the extent that it is required under U.S. tax principles to include the amount paid in gross income under section 61 (determined without regard to an exclusion or exemption from [gross income](#) under the Internal Revenue Code). Beneficial ownership of income is determined under the provisions of section 7701(l) and the regulations under that section and any other applicable general U.S. tax principles, including principles governing the determination of whether a transaction is a conduit transaction. Thus, a person receiving income in a capacity as a nominee, agent, or custodian for another person is not the beneficial owner of the [income](#). In the case of a scholarship, the student receiving the scholarship is the beneficial owner of that scholarship. In the case of a payment of an amount that is not income, the beneficial owner determination shall be made under this paragraph (c)(6) as if the amount were income.*

(ii) Special rules—

(A) General rule. The beneficial owners of [income](#) paid to an entity described in this paragraph (c)(6)(ii) are those persons described in paragraphs (c)(6)(ii)(B) through (D) of this section.

From the definition above, we can see that the "beneficial owner" is a "[taxpayer](#)"! You can't identify yourself as a "beneficial owner" on this form if you are a "nontaxpayer". WATCH OUT! The [Amended IRS Form W-8BEN](#) solves this problem by replacing the term "beneficial owner" with "Nonresident alien".

### 21.7.5.3 You're NOT an "Individual" but rather a "transient foreigner"

The term "individual" is the only box provided on the [Standard IRS Form W-8BEN](#) that natural persons can check. Like the "beneficial owner" scam above, it too has a malicious intent/aspect:

1. Like the term "beneficial owner", it is associated with "[taxpayers](#)", who are persons engaged in a "public office."

2. The term "[individual](#)", like that of "[beneficial owner](#)", is nowhere defined anywhere in the Internal Revenue Code. The term "individual" is only defined in the treasury regulations. The definition in the regulations is found at 26 CFR §1.1441-1(c)(3)(i):

[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.*

*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.*

Do you see "[U.S. citizens](#)" (which are defined under [8 U.S.C. §1401](#)) mentioned above under the definition of "individual"? They aren't there, which means the only way they can become "taxpayers" is to visit a foreign country and become an "alien" under the terms of a tax treaty with a foreign country under the provisions of [26 U.S.C. §911](#). When they do this, they attach IRS Form 2555 to the IRS Form 1040 that they file.

In fact, the only place that the term "individual" is statutorily defined is in [5 U.S.C. §552a](#)(a)(2), which means:

[TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES](#)

[PART I > CHAPTER 5 > SUBCHAPTER II > § 552a](#)

[§ 552a. Records maintained on individuals\(a\)](#)

***(a) Definitions.***— *For purposes of this section—*

*(2) the term "individual" means a citizen of the United States or an alien lawfully admitted for permanent residence;*

The above statute is the Act that regulates IRS use and protection of your tax information. Notice that:

1. "[nonresident aliens](#)" don't appear there and therefore are implicitly excluded. Expressio unius est exclusio alterius.
2. The "individual" they are referring to must meet the definitions found in BOTH 5 U.S.C. §552a(a)(2) and 26 CFR §1.1441-1(c)(3) because the Privacy Act is also the authority for protecting tax records, which means he or she or it can ONLY be a "resident", meaning an alien with a domicile in the statutory but not constitutional "United States" (federal territory per 4 U.S.C. §110(d) and 26 U.S.C. §7701(a)(9) and (a)(10)). Therefore, those who claim to be "individuals" indirectly are making a usually invisible election to be treated as a "resident", which is an alien with a domicile in the statutory "United States" (federal zone). Nonresident aliens are nowhere mentioned in the Privacy Act.
3. The code section is under [Title 5 of the U.S. Code](#), which is called "GOVERNMENT ORGANIZATION AND EMPLOYEES". They are treating you as part of the government, even though you aren't. The reason is that unless you have a domicile in the federal zone (which is what "[United States](#)" is defined as under I.R.C. Subtitle A in [26 U.S.C. §§7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d)) or have income connected with a "[trade or business](#)", which is defined in [26 U.S.C. §7701](#)(a)(26) as "the functions of a public office", you can't be a "taxpayer" without at least volunteering by submitting an IRS form W-4, which effectively amounts to an "election" to become a "public officer" and a "Kelly Girl" on loan to your private employer from Uncle Sam.

What the IRS Form W-8BEN is doing is fooling you into admitting that you are an "individual" as defined above, which means that you just made an election or choice to become a "[resident alien](#)" instead of a nonresident alien". They don't have any lawful authority to maintain records on "nonresident aliens", so you have to become a "resident" by filling out one of their forms and lying about your status by calling yourself an "individual". Instead, what you really are is a "transient foreigner"

*"Transient foreigner. One who visits the country, without the intention of remaining."*

The [Amended IRS Form W-8BEN](#) solves this problem by adding an additional option indicating "Transient foreigner" under Block 3. That way, you have deprived the IRS of the ability to keep records about you because you do not fit the definition of "individual", as required by the [Privacy Act](#).

For more information about how they have to make you into a "resident" and an "individual" to tax you, see the following informative resources:

1. [Why Domicile and Becoming a "Taxpayer" Require Your Consent](#), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>
2. [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>
3. [Nonresident Alien Position](#), Form #05.020, Section 7 entitled [How "Nonresident Alien Nontaxpayers" are tricked into becoming "Resident Alien Taxpayers"](#)  
<http://sedm.org/Forms/FormIndex.htm>

#### **21.7.5.4     You're Not an "alien" but rather a "nonresident alien"**

A popular technique promoted and encouraged by the IRS is to:

1. Deliberately confuse which context they are referring to in relation to geographic words such as "alien":
  - 1.1. The statutory context connected with federal territory ONLY.
  - 1.2. The constitutional context connected with constitutional states of the Union and NOT federal territory.
2. Try to get you to believe that statutory and constitutional aliens are equivalent. They ARE NOT.
3. When they use the "United States", to refuse to clarify WHICH of the three United States.
4. Deliberately confuse statutory "nonresident aliens" with statutory "aliens".
5. Falsely tell you or imply that "nonresident aliens" are a subset of all "aliens" and include only those aliens that are not resident within the jurisdiction of the United States.
6. Refuse to define what a statutory "nonresident alien" is and what is included in the definition within [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
7. Define what it ISN'T, and absolutely refuse to define what it IS.
8. Refuse to acknowledge that "nationals" as defined in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1101\(a\)\(22\)](#) are "nonresident aliens" but NOT "aliens", at least within the Internal Revenue Code.

All of the deliberate confusion and deception surrounding statutory "nonresident alien" status is introduced and perpetuated mainly in the IRS publications and the Treasury Regulations. It is not found in the Internal Revenue Code. "Nonresident aliens" and "aliens" are not equivalent in law, and confusing them has the following direct injurious consequences against those who are "non-citizen nationals":

1. Prejudicing their ability to claim "nonresident alien" status at financial institutions and employers. This occurs because without either a Treasury Regulation or IRS publication they can point to which proves that they are a "nonresident alien", they will not have anything they can show these institutions in order that their status will be recognized when they open accounts or pursue employment. This compels them in violation of the law because of the ignorance of bank clerks and employers into declaring that they are "U.S. persons" and enumerating themselves just in order to obtain the services or employment that they seek.
2. Placing non-citizen nationals into the status of having to accept the severe legal disabilities of being an "alien", which the government calls "alienage".
3. Unlawfully preventing non-citizen nationals from being able to change their domicile if they mistakenly claim to be "residents" of the United States. 26 CFR §1.871-5 says that an intention of an "alien" to change his domicile/residence is insufficient to change it whereas a similar intention on the part of a "non-citizen national" is sufficient.

The above injuries to the rights of non-citizen nationals is very important, because we prove in the following document and elsewhere on our website that all persons born within and domiciled within the exclusive jurisdiction of a state of the Union are "non-citizen nationals" pursuant to 8 U.S.C. §1101(a)(21), and so this injury is widespread and vast in its consequences:

[Why You are a "national", "state national", and Constitutional but not Statutory Citizen](#)  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

Let's examine some of the IRS deception to disguise the availability of "nonresident alien" status to non-citizen nationals so that they don't use it. Below is the definition of "Nonresident alien":

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

*(b) Definition of resident alien and nonresident alien*

*(1) In general*

*(B) Nonresident alien*

**An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).**

Below are two consistent definitions of "alien":

[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.*

*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).*

[TITLE 8 > CHAPTER 12 > SUBCHAPTER I > § 1101](#)  
[§ 1101. Definitions](#)

*(a) As used in this chapter—*

*(3) The term "alien" means **any person not a citizen or national of the United States.***

Notice based on the above definitions that:

1. They define what "alien" and "nonresident alien" are **NOT**, but *not* what the **ARE**.
2. The definition of "nonresident alien" is **NOT** a subset of "alien". The two overlap, but neither is a subset of the other.
3. That there are two classes of entities that are "nonresident aliens", which include:
  - 3.1. "Aliens" with no domicile or residence within the "United States"
  - 3.2. "nationals" with no domicile or residence within federal territory called the statutory "United States". These include "nationals" as defined in [8 U.S.C. §1101\(a\)\(21\)](#) domiciled in states of the Union and born there, and "nationals of the United States" as defined in [8 U.S.C. §1101\(a\)\(22\)\(B\)](#) who are domiciled in federal possessions and born there.

Item 3.2 above is corroborated by:

1. The content of IRS Publication 519, which obtusely mentions what it calls "U.S. nationals", which it then defines as persons domiciled in American Samoa and Swains Island who do not elect to become statutory "U.S. citizens".

*"A U.S. national is an **alien** who, although not a U.S. citizen, owes his or her allegiance to the United States. U.S. nationals include American Samoans, and Northern Mariana Islanders who choose to become U.S. nationals instead of U.S. citizens"*  
[\[IRS Publication 519: Tax Guide for Aliens, Year 2007, p. 43\]](#)

The above statement is partially ***false***. A "U.S. national" is NOT an "alien", because aliens exclude "nationals of the United States" based on the definition of "alien" found in 26 CFR §1.1441-1(c)(3)(i) and 8 U.S.C. §1101(a)(3) and they are, in fact talking about such a "national of the United States", which is what "U.S. national" implies. The "U.S. national" to which they refer also very deliberately is neither mentioned nor defined anywhere in the Internal Revenue Code or the Treasury Regulations as being "nonresident aliens", even though they in fact are and Pub. 519 admits that they are. The only statutory definition of "U.S. national" is found in 8 U.S.C. §1101(a)(22)(B) and 8 U.S.C. §1408.



However, the existence of this person is also found on IRS Form 1040NR itself, which mentions it as a status as being a “nonresident alien”.

- 26 U.S.C. §877(a), which describes a “nonresident alien” who lost citizenship to avoid taxes and therefore is subject to a special assessment as a punishment for that act of political dis-association. Notice the statute doesn’t say a “citizen of the United States” losing citizenship, but a “nonresident alien”. The “citizenship” they are referring to is the “nationality” described in 8 U.S.C. §1101(a)(21) and NOT the statutory “U.S. citizen” status found in 8 U.S.C. §1401.

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART II > Subpart A > § 877  
§ 877. Expatriation to avoid tax

(a) Treatment of expatriates

(1) In general

Every nonresident alien individual to whom this section applies and who, within the 10-year period immediately preceding the close of the taxable year, lost United States citizenship shall be taxable for such taxable year in the manner provided in subsection (b) if the tax imposed pursuant to such subsection (after any reduction in such tax under the last sentence of such subsection) exceeds the tax which, without regard to this section, is imposed pursuant to section 871.

So let’s get this straight: 8 U.S.C. §1101(a)(3) and 26 CFR §1.1441-1(c)(3)(i) both say that you cannot be an “alien” if you are a “national of the United States” and therefore a “U.S. national” and yet, the IRS publications such as IRS Pub 519 and the Treasury Regulations frequently identify these same “nationals” as “aliens”. Earth calling IRS. Hello? Anybody home? The IRS knows that the key to being sovereign as an American National born in a state of the Union and domiciled there is being a nonresident alien not engaged in a trade or business. So what do they do to prevent people from achieving this status? They surround the status with cognitive dissonance, lies, falsehoods, and mis-directions. Hence one of our favorite sayings:

*“The truth about the income tax is so precious to the government that it must be surrounded by a bodyguard of lies, confusion, and cognitive dissonance.”*  
[Unknown]

Nowhere within the Internal Revenue Code, the Treasury Regulations, or IRS Pub. 519 will you find a definition of the term “national” which is mentioned in 8 U.S.C. §1101(a)(21), 8 U.S.C. §1101(a)(3), and which describes a person born within and domiciled within a state of the Union. However, these persons are treated the same as “U.S. nationals”, which means they are “nonresident aliens” and not “aliens”. Consequently, unlike aliens, those who are “nationals”:

- Are not bound by any of the regulations pertaining to “aliens”, because they are NOT “aliens” as legally defined..
- Do not have to file IRS Form 8840 in order to associate with the “foreign state” they are domiciled within in order to be automatically exempt from I.R.C. Subtitle A taxes.
- Are forbidden to file a “Declaration of Intention” to become “U.S. residents” pursuant to 26 CFR §1.871-4 and IRS Form 1078.

If you are still confused at this point about non-citizen nationals and who they are, you may want to go back to examine the diagrams and tables at the end of section 4 earlier until the relationships become clear in your mind.

Why does the IRS play this devious sleight of hand? Remember: every thing happens for a reason, and here are some of the reasons:

- IRS has a vested interest to maximize the number of “taxpayers” contributing to their scam. Taxation is based on legal domicile.

“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)]

Therefore, IRS has an interest in compelling persons domiciled in states of the Union into falsely declaring their domicile within the "United States". The status that implies domicile is "U.S. persons" as defined in 26 U.S.C. §7701(a)(30). "U.S. persons" include either statutory "citizens of the United States" as defined in 8 U.S.C. §1401 or "resident aliens" as defined in 26 U.S.C. §7701(b)(1)(A) and both have in common a legal domicile in the "United States".

2. IRS does not want people born within and domiciled within constitutional states of the Union, who are "non-citizen nationals" pursuant to [8 U.S.C. §1101\(a\)\(21\)](#) but NOT statutory "U.S. nationals" per 8 U.S.C. §1101(a)(22) and 8 U.S.C. §1408 to know that "nationals" are included in the definition of "nonresident alien". This would cause a mass exodus from the tax system and severely limit the number of "taxpayers" that they may collect from.
3. IRS wants to prevent non-citizen nationals from using the nonresident alien status so as to force them, via presumption, into falsely declaring their status to be that of a "U.S. person" as defined in 26 U.S.C. §7701(a)(30). This will create a false presumption that they maintain a domicile on federal territory and are therefore subject to federal jurisdiction and "taxpayers".
4. By refusing to define EXACTLY what is included in the definition of "nonresident alien" in both Treasury Regulations and IRS publications or acknowledging that "nationals" are included in the definition, those opening bank accounts at financial institutions and starting employment will be deprived of evidence which they can affirmatively use to establish their status with these entities, which in effect compels presumption by financial institutions and employers within states of the Union that they are "U.S. persons" who MUST have an identify number, such as a Social Security Number or a Taxpayer Identification Number. This forces them to participate in a tax system that they can't lawfully participate in without unknowingly making false statements about their legal status by mis-declaring themselves to be "U.S. persons".

Below are several examples of this deliberate, malicious IRS confusion between "aliens" and "nonresident aliens" found within the Treasury Regulations that we have found so far, where "nonresident aliens" are referred to as "aliens". All of these examples are the result of a false presumption that "nonresident aliens" are a subset of all "aliens", which is NOT the case. We were able to find no such confusion within the I.R.C., but it is rampant within the Treasury Regulations.

1. IRS Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Corporations. This confusion is found throughout this IRS publication.
2. IRS Publication 519: Tax Guide for Aliens. This publication should not even be discussion "nonresident aliens", because they aren't a subset of "aliens".
3. 26 CFR §1.864-7(b)(2):

*[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[Page 318-321]*

*TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
(CONTINUED)  
PART 1 \_INCOME TAXES--Table of Contents  
Sec. 1.864-7 Definition of office or other fixed place of business.*

*(b) Fixed facilities--*

*(2) Use of another person's office or other fixed place of business. **A nonresident alien individual or a foreign corporation shall not be considered to have an office or other fixed place of business merely because such alien individual or foreign corporation uses another person's office or other fixed place of business, whether or not the office or place of business of a related person, through which to transact a trade or business, if the trade or business activities of the alien individual or foreign corporation in that office or other fixed place of business are relatively sporadic or infrequent, taking into account the overall needs and conduct of that trade or business.***

4. 26 CFR §1.864-7(d)(1)(i)(b):

*[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[Page 318-321]*

*TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
(CONTINUED)*

PART 1\_INCOME TAXES--Table of Contents  
Sec. 1.864-7 Definition of office or other fixed place of business.

(d) Agent activity.

(1) Dependent agents.

(i) In general.

In determining whether a nonresident alien individual or a foreign corporation has an office or other fixed place of business, the office or other fixed place of business of an agent who is not an independent agent, as defined in subparagraph (3) of this paragraph, shall be disregarded unless such agent

(a) has the authority to negotiate and conclude contracts in the name of the nonresident alien individual or foreign corporation, and regularly exercises that authority, or

(b) has a stock of merchandise belonging to the nonresident alien individual or foreign corporation from which orders are regularly filed on behalf of such alien individual or foreign corporation.

A person who purchases goods from a **nonresident alien individual** or a foreign corporation shall not be considered to be an agent for **such alien individual** or foreign corporation for purposes of this paragraph where such person is carrying on such purchasing activities in the ordinary course of its own business, even though such person is related in some manner to the nonresident alien individual or foreign corporation. For example, a wholly owned domestic subsidiary corporation of a foreign corporation shall not be treated as an agent of the foreign parent corporation merely because the subsidiary corporation purchases goods from the foreign parent corporation and resells them in its own name. However, if the domestic subsidiary corporation regularly negotiates and concludes contracts in the name of its foreign parent corporation or maintains a stock of merchandise from which it regularly fills orders on behalf of the foreign parent corporation, the office or other fixed place of business of the domestic subsidiary corporation shall be treated as the office or other fixed place of business of the foreign parent corporation unless the domestic subsidiary corporation is an independent agent within the meaning of subparagraph (3) of this paragraph.

5. 26 CFR §1.872-2(b)(1):

[Code of Federal Regulations]  
[Title 26, Volume 9]  
[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[Page 367-369]

TITLE 26--INTERNAL REVENUE  
CHAPTER 1--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
(CONTINUED)  
PART 1\_INCOME TAXES--Table of Contents  
Sec. 1.872-2 Exclusions from gross income of nonresident alien individuals.

(b) Compensation paid by foreign employer to participants in certain exchange or training programs.

(1) Exclusion from income.

Compensation paid to a **nonresident alien individual** for the period that the nonresident alien individual is temporarily present in the United States as a nonimmigrant under subparagraph (F) (relating to the admission of students into the United States) or subparagraph (J) (relating to the admission of teachers, trainees, specialists, etc., into the United States) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15) (F) or (J)) shall be excluded from gross income if the **compensation is paid to such alien** by his foreign employer. Compensation paid to a nonresident alien individual by the U.S. office of a domestic bank which is acting as paymaster on behalf of a foreign employer constitutes compensation paid by a foreign employer for purposes of this paragraph if the domestic bank is reimbursed by the foreign employer for such payment. A nonresident alien individual who is temporarily present in the United States as a nonimmigrant under such subparagraph (J) includes a nonresident alien individual admitted to the United States as an "exchange visitor" under section 201 of the U.S. Information and Educational Exchange Act of 1948 (22 U.S.C. 1446), which section was repealed by section 111 of the Mutual Education and Cultural Exchange Act of 1961 (75 Stat. 538).

6. 26 CFR §1.6012-3(b)(2)(i).

7. 26 CFR §31.3401(a)(6)-1A(c).

- 1 8. 26 CFR §509.103(b)(3).  
2 9. 26 CFR §509.108(a)(1)

3 It is a maxim of law that things with similar but not identical names are NOT the same in law:

4 *Talis non est eadem, nam nullum simile est idem.*  
5 *What is like is not the same, for nothing similar is the same. 4 Co. 18.*  
6 *[Bouvier's Maxims of Law, 1856;*  
7 *SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

8 We prove extensively on this website that the only persons who are “taxpayers” within the Internal Revenue Code are  
9 “resident aliens”. Here is just one example:

10 *NORMAL TAXES AND SURTAXES*  
11 *DETERMINATION OF TAX LIABILITY*  
12 *Tax on Individuals*  
13 *Sec. 1.1-1 Income tax on individuals.*

14 *(a)(2)(ii) For taxable years beginning after December 31, 1970, the tax imposed by section 1(d), as amended by*  
15 *the Tax Reform Act of 1969, shall apply to the income effectively connected with the conduct of a trade or*  
16 *business in the United States by a married alien individual who is a nonresident of the United States for all or*  
17 *part of the taxable year or by a foreign estate or trust. For such years the tax imposed by section 1(c), as*  
18 *amended by such Act, shall apply to the income effectively connected with the conduct of a trade or business in*  
19 *the United States by an unmarried alien individual (other than a surviving spouse) who is a nonresident of*  
20 *the United States for all or part of the taxable year. See paragraph (b)(2) of section 1.871-8.” [26 CFR § 1.1-*  
21 *1(a)(2)(ii)]*

22 It is a self-serving, malicious attempt to STEAL from the average American for the IRS to confuse a “non-citizen national”  
23 who is a “nonresident alien” and a “nontaxpayer” with a “resident alien taxpayer”. This sort of abuse MUST be stopped  
24 IMMEDIATELY. These sort of underhanded and malicious tactics:

- 25 1. Are a violation of constitutional rights and due process of law because they cause an injury to rights based on false  
26 presumption. See:  
27 1.1. Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017  
28 <http://sedm.org/Forms/FormIndex.htm>  
29 1.2. Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34:

30 *(1) [8:4993] **Conclusive presumptions affecting protected interests:** A conclusive presumption may be*  
31 *defeated where its application would impair a party's constitutionally-protected liberty or property interests. In*  
32 *such cases, conclusive presumptions have been held to violate a party's due process and equal protection*  
33 *rights. [Vlandis v. Kline (1973) 412 U.S. 441, 449, 93 S.Ct 2230, 2235; Cleveland Bd. of Ed. v. LaFleur*  
34 *(1974) 414 US 632, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are*  
35 *unfit violates process]*  
36 *[Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34]*

- 37 1.3. Vlandis v. Kline, 412 U.S. 441 (1973):

38 **Statutes creating permanent irrebuttable presumptions have long been disfavored under the Due Process**  
39 **Clauses of the Fifth and Fourteenth Amendments.** In Heiner v. Donnan, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed.  
40 **772 (1932)**, the Court was faced with a constitutional challenge to a federal statute that created a conclusive  
41 presumption that gifts made within two years prior to the donor's death were made in contemplation of death,  
42 thus requiring payment by his estate of a higher tax. In holding that this irrefutable assumption was so arbitrary  
43 and unreasonable as to deprive the taxpayer of his property without due process of law, the Court stated that it  
44 had ‘held more than once that a statute creating a presumption which operates to deny a fair opportunity to  
45 rebut it violates the due process clause of the Fourteenth Amendment.’ Id., at 329, 52 S.Ct., at 362. See, e.g.,  
46 Schlesinger v. Wisconsin, 270 U.S. 230, 46 S.Ct. 260, 70 L.Ed. 557 (1926); Hooper v. Tax Comm'n, 284 U.S.  
47 **206, 52 S.Ct. 120, 76 L.Ed. 248 (1931).** See also Tot v. United States, 319 U.S. 463, 468-469, 63 S.Ct. 1241,  
48 **1245-1246, 87 L.Ed. 1519 (1943); Leary v. United States, 395 U.S. 6, 29-53, 89 S.Ct. 1532, 1544-1557, 23**  
49 **L.Ed.2d 57 (1969).** Cf. Turner v. United States, 396 U.S. 398, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d 610  
50 **(1970).**  
51 [Vlandis v. Kline, 412 U.S. 441 (1973)]

2. Destroy the separation of powers between the state and federal government. The states of the Union and the people domiciled therein are supposed to be foreign, sovereign, and separate from the Federal government in order to protect their constitutional 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)]*

3. Destroy the sovereignty of persons born and domiciled within states of the Union who would otherwise be "stateless persons" and "foreign sovereigns" in relation to the federal government.
4. Cause a surrender of sovereign immunity pursuant to 28 U.S.C. §1605(b)(3) by involuntarily connecting sovereign individuals with commerce with the federal government in the guise of illegally enforced taxation.
5. Causes Christians to have to serve TWO masters, being the state and federal government, by having to pay tribute to TWO sovereigns. This is a violation of the following scriptures.

*"No servant can serve two masters; 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."*  
*[Luke 16:13, Bible, NKJV]*

#### **21.7.5.5 Tricks pulled usually by unscrupulous institutions**

Another trick that employers and financial institutions will try to do when you are either opening an account or applying for employment is print their own version of the IRS Form W-8 or W-8BEN. They may insist that you sign their version even if you brought along your own version. In response to that tactic, it's best to:

1. Line out all references to "beneficial owner" and replace with "nonresident alien". The Beneficial Owner is a "[taxpayers](#)" and you're not a taxpayer! The IRS introduced this term for the first time in 2001 on the W-8 form as a way to create false presumptions about people being "taxpayers" and to increase the number of "[taxpayers](#)". WATCH OUT!

**Beneficial owner.** *For payments other than those for which a reduced rate of withholding is claimed under an income tax treaty, the beneficial owner of income is generally the person who is required under U.S. tax principles to include the income in gross income on a tax return.* A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. *[A person is ALSO not a beneficial owner if he is a "nontaxpayer"! This is the part they conveniently omitted.]* In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.  
*[IRS Form W-8BEN Instructions]*

2. Write on their COERCED W-8BEN Form the following:

*"Attached W-8BEN supersedes this one. This form submitted under duress. I am a "nonresident alien" not engaged in a 'trade or business'" defined in 26 CFR §1.871-1(b)(1)(i). Pursuant to 26 U.S.C. §6041, there is no law requiring any information return reporting in my case, including IRS Forms 1042-S, W-2, and 1099".*

Then sign next to that statement on their form. Then attach your Amended IRS Form W-8BEN and staple it to the front of theirs. Then make sure you keep clean, hopefully certified copies of everything you submitted if there is a legal dispute with the bank or employer later. This is VERY important, because when IRS wants to levy an account, the first thing they will look at is the signature card of the account holder, to which this form will usually be attached. If the account is owned by a foreign person with no Social Security Number, then they can't levy it!

3. If they balk at allowing you to do this, then have give them the pamphlet below and insist that they answer the questions at the end in writing. If the clerk won't do it, hand it to the branch manager. If the branch manager won't do



it, tell them to fax it to their legal department and that you will come back tomorrow to finish the application after you have your answers.

Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"? 2, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>

4. If they refuse to face the fact that they are violating your First Amendment rights and violating the Thirteenth Amendment by forcing you into slavery in the process of forcing you to basically commit perjury under penalty of perjury on a form and filling it out to in a way you don't consent to, then its best to move onto another financial institution or employer. The one you are dealing with obviously doesn't believe in "customer service" and has forgotten who the REAL customer is. If we had a righteous government that protected us like they were supposed to, you would be able to lodge a complaint with the DOJ or the FTC and have the bank prosecuted for extortion. Smaller institutions tend to be much more flexible than the huge network of corporate monopolies that the government has fostered and developed with the specific intent of violating your rights.

Incidentally, these same institutions may insist on filing an [IRS Form 1042-S](#) on money they pay you. They will do this because of [propaganda/deception](#) contained on the IRS website at the link below, which encourage them to do so that they will recruit, or should we say "compel", more "taxpayers":

<http://www.irs.gov/businesses/small/international/article/0,,id=104997,00.html>

When they do this, we suggest following the guidelines in [Frequently Asked Question #4 below](#).

#### **21.7.5.6 Deception in IRS Publication 519 relating to definition of "United States"**

IRS Publication 519, Year 2005, uses the following language to infer that the term "United States" as used in the Internal Revenue Code, includes the 50 states of the Union for the purposes of jurisdiction to tax under Subtitle A of the Internal Revenue Code:

##### *Substantial Presence Test*

*Example. You were physically present in the United States on 120 days in each of the years 2003, 2004, and 2004. To determine if you meet the substantial presence test for 2005, count the full 120 days of presence in 2006, 40 days in 2004 (1/3 of 130), and 20 days in 2003 (1/6 of 120). Because the total for the 3-0year period is 180 days, you are not considered a resident under the substantial presence test for 2005.*

*"The term United States includes the following areas.*

- "All 50 states and the District of Columbia."*
- "The territorial waters of the United States"*

*[...]*

*"The term does not include U.S. possessions and territories or U.S. airspace."*

*[IRS Publication 519, Year 2005, p. 4*

*SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub519-2005.pdf>]*

We have several points to make about the above reference:

1. The above cite was added to the publication in about 2004 in an apparent response to the content of this book, as a way to deceive the readers and stop the spread of the nonresident alien position.
2. The definition comes from an IRS Publication, which the IRS Internal Revenue Manual admits is UNTRUSTWORTHY and not guaranteed to be accurate:

*"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)]*

See also:



3. The text above is an EXAMPLE which does not infer or imply or specify the context in which it may suitably be used. There are actually THREE and not ONE context in which the term "United States" could be referring to or implied and only one of them is used in the above example, which is the third one listed below:
- 3.1. The meaning of the term "United States" within the Internal Revenue Code, Subtitle A.
  - 3.2. The meaning of the term "United States" within ordinary speech, which most people associate with the COUNTRY to include states of the Union.
  - 3.3. The meaning of "United States" in the context of jurisdiction over aliens (not "citizens" or "nationals") temporarily present in the country "United States", which in this context includes all 50 states and the District of Columbia.

In the context of item 3.3 above, the U.S. Supreme Court has repeatedly affirmed the plenary power of Congress over Constitutional but NOT statutory aliens in this country, wherever they are located to include areas within the exclusive jurisdiction of states of the Union:

*In accord with ancient principles of the international law of nation-states, the Court in The Chinese Exclusion Case, 130 U.S. 581, 609 (1889), and in Fong Yue Ting v. United States, 149 U.S. 698 (1893), held broadly, as the Government describes it, Brief for Appellants 20, that the power to exclude aliens is "inherent in sovereignty, necessary for maintaining normal international relations and defending the country against foreign encroachments and dangers - a power to be exercised exclusively by the political branches of government . . . ." Since that time, the Court's general reaffirmations of this principle have [408 U.S. 753, 766] been legion. 6 The Court without exception has sustained Congress' "plenary power to make rules for the admission of aliens and to exclude those who possess those characteristics which Congress has forbidden." Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967). "[O]ver no conceivable subject is the legislative power of Congress more complete than it is over" the admission of aliens. Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909). [Kleindienst v. Mandel, 408 U.S. 753 (1972)]*

*While under our constitution and form of government the great mass of local matters is controlled by local authorities, the United States, in their relation to foreign countries and their subjects or citizens, are one nation, invested with powers which belong to independent nations, the exercise of which can be invoked for the maintenance of its absolute independence and security throughout its entire territory. The powers to declare war, make treaties, suppress insurrection, repel invasion, regulate foreign commerce, secure republican governments to the states, and admit subjects of other nations to citizenship, are all sovereign powers, restricted in their exercise only by the constitution itself and considerations of public policy and justice which control, more or less, the conduct of all civilized nations. As said by this court in the case of Cohens v. Virginia, 6 Wheat. 264, 413, speaking by the same great chief justice: "That the United States form, for many, and for most important purposes, a single nation, has not yet been denied. In war, we are one people. In making peace, we are one people. In all commercial regulations, we are one and the same people. In many other respects, the American people are one; and the government which is alone capable of controlling and managing their interests in all these respects is the government of the Union. It is their government, and in that character they have no other. America has chosen to [130 U.S. 581, 605] be in many respects, and to many purposes, a nation; and for all these purposes her government is complete; to all these objects, it is competent. The people have declared that in the exercise of all powers given for these objects it is supreme. It can, then, in effecting these objects, legitimately control all individuals or governments within the American territory."*

[. . .]

*"The power of exclusion of foreigners being an incident of sovereignty belonging to the government of the United States as a part of those sovereign powers delegated by the constitution, the right to its exercise at any time when, in the judgment of the government, the interests of the country require it, cannot be granted away or restrained on behalf of any one. The powers of government are delegated in trust to the United States, and are incapable of transfer to any other parties. They cannot be abandoned or surrendered. Nor can their exercise be hampered, when needed for the public good, by any considerations of private interest. The exercise of these public trusts is not the subject of barter or contract." [Chae Chan Ping v. U.S., 130 U.S. 581 (1889)]*

Therefore, in regard to control over Constitutional but NOT statutory aliens present anywhere within the American confederation, the general government legislates over all the territory of the American Union, including those of the states. However, this power does NOT extend to statutory aliens, and a "national" is a statutory but not a constitutional alien. The way the feds try to abuse this situation to unlawfully extend their jurisdiction and control over nationals in constitutional states of the Union is to confuse WHICH "United States" they mean and to try to confuse statutory and constitutional aliens

to make them indistinguishable with word games. Consequently, for the purposes of determining “permanent residence” of aliens ONLY, the term “United States” as used in item 3 above must be interpreted to include the 50 states of the Union as the IRS indicates above. HOWEVER:

1. The Presence Test indicated does *not* refer to “citizens” or “nationals”. The Presence Test is found in [26 U.S.C. §7701\(b\)\(3\)](#) and references ONLY “aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and not “nonresident aliens” defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) or “citizens” defined in 26 CFR §1.1-1(c). Therefore, an alien domiciled in a state of the Union could be a “resident” within the meaning of the presence test while neither a “citizen” nor a “national” would be considered a “resident” under the *SAME* test when located in the SAME place. Under the I.R.C., one cannot be a “resident” (which is an alien with a domicile) and either a “citizen” or a “national” at the *same* time. This is confirmed by the Law of Nations, which the Founding Fathers used to write the Constitution:

*“Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country. Being bound to the society by reason of their dwelling in it, they are subject to its law so long as they remain there, and being protected by it, they must defend it, although they do not enjoy all the rights of citizens. They have only certain privileges which the law, or custom, gives them. Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizens of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children.”*  
[Law of Nations, Vattel, p. 87]  
SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-LawOfNations.pdf>

2. Remember that the only context in which “residence” is defined or described anywhere in the Internal Revenue Code is in the context of “aliens”, and not in the context of either “citizens” or “nationals”. See 26 CFR §1.871-2 and section 15.6 earlier. Therefore, a person who is a “national” but not a “citizen” and a “nonresident alien” can NOT have a “residence” as defined anywhere in the Internal Revenue Code.
3. For the purposes of determining *tax liability and not residency of all persons*, we must defer to the definition of “United States” found in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10), which is limited to the District of Columbia and nowhere expanded in the I.R.C. Subtitle A to include any other place.

Based on the foregoing, we must conclude that the IRS’ statement above is a deception and a ruse intended to [compel false presumption under the influence of CONSTRUCTIVE FRAUD](#) that will maximize the illegal flow of [PLUNDER](#) (OFFSITE LINK) to the federal government. It is provided as an example and cannot mean the legal definition of “United States” used in the Internal Revenue Code. If they wish to imply that ALL THREE of the contexts in which the term “United States” could be used are *the same*, then they should say so and provide statutory and regulatory authority for saying so. Until then, we must defer to the definition of “United States” found within [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d). This is a consequence of the following doctrine of the Supreme Court:

*“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. 297](#) (1904)]

## 21.7.6 How to Complete IRS Form W-8BEN

Most American companies are not familiar with the IRS form W-8BEN and are clueless how to deal with it for those who want to use it to stop withholding or open accounts without Social Security Numbers. It is very important to understand how this form is used and the proper way to fill it out. You must know more about this form than the people you encounter at private employers and financial institutions in order to get the trust and cooperation from them that enacted law demands and requires. Therefore, you should study this subject carefully to avoid embarrassing yourself, making your employer feel threatened, or creating a big scene in the payroll department. Below are the IRS instructions for completing this form:

[Instructions for Form W-8BEN, IRS Catalog Number 25576H](#)-very revealing. Look at the red, highlighted text. Show this to your financial institution or withholding agent  
<http://sedm.org/Forms/Tax/W-8BEN/IRSFormW-8BENLine6InstNo.1tosendw-Form.pdf>

The IRS Form W-8BEN deliberately omits key information indicating that withholding is not authorized on nonresident aliens with no [trade or business](#) earnings because the IRS wants to incentivize private companies to use the WRONG

form, the W-4 Exempt, to stop withholding. This amounts in effect to a conspiracy against rights in violation of [18 U.S.C. §241](#) and compelled association in violation of the [First Amendment](#), we might add. However, when you use this form, the IRS should quit receiving W-2 reports, which takes you completely off the radar screen. This is confirmed by [26 U.S.C. §6041\(a\)](#), which says that Information Returns, including the [W-2](#), [1098](#), and [1099](#), are only required in the case of "trade or business" earnings. Use of this form to stop withholding may therefore require the recipient to read the Treasury Regulations in order to learn that no withholding or Social Security Number is required for nonresident aliens not engaged in a "trade or business", which payroll, financial institutions, or managers are often unwilling to do. It is natural for humans to avoid and resist change, risk, or extra work, so you should expect this sort of response when you try to use this. Compounding the problem is that:

1. The [American Payroll Association \(APA\)](#) publishes information for payroll clerks that is flat out wrong on the subject of nonresident withholding in the case of those not engaged in a "trade or business". See the book entitled: *The Payroll Source*, 2002; American Payroll Association; Michael P. O'Toole, Esq.; ISBN 1-930471-24-6.
2. The other main source of payroll trade publications is [RIA](#), which also publishes flat out wrong information about the subject of "nonresident aliens" not engaged in a "trade or business" in the following publications: *Principles of Payroll Administration*; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price, CPP; [RIA](#), 117 West Stevens Ave; Valhalla, NY 10595; ISBN 0-7913-5230-7.

You may therefore encounter some resistance by mostly uninformed payroll or management people or financial institutions if you attempt to use this form to stop withholding, because they are usually too busy or too lazy to read for themselves what the regulations say and prefer to follow the above publications that are simply wrong on the subject of nonresident alien tax withholding for those not "effectively connected with a trade or business". Try not to make them your enemy if they refuse to learn or read what the law says. You may need to go above the head of the payroll or bank clerk if you encounter such resistance, but be patient, knowledgeable, kind, and firm in demanding that they obey the law. We have made available [a link to an attachment](#) to the W-8BEN form which makes it easier to convince the skeptics you encounter that the regulations say no withholding is authorized or necessary for nonresident aliens not engaged in a "trade or business".

Whenever we complete government forms, the first thing to remember is that even the Standard government forms usually contain false presumptions or statements that will prejudice one's rights and which typically would slip by unnoticed by the general public. This is especially true of the "words of art" used on the form and the perjury statement at the end of the government form. Therefore, it is usually unwise to use the government's Standard forms, and to instead use a modified or what we call an "Amended" form. Amended forms are the only kinds of forms we recommend and the [Family Guardian Website](#) contains a catalog of both the original government forms and the Amended versions below:

#### Federal Forms and Publications

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

Whenever possible, you must use the Amended forms or else you will suffer having your rights unjustly prejudiced by the government. All of the SEDM response letters which include government forms as exhibits or attachments include blank Amended, and not Standard, government forms, and you should not substitute the Standard government form unless compelled to do so.

All the above preliminaries now aside, we can get to work showing you how to fill out the IRS Form W-8BEN to attach to your IRS or state response letter. Below is a link to both the Standard and Amended IRS Form W-8BEN, so you can compare and see the differences for yourself:

- [Instructions for Form W-8BEN, IRS Catalog Number 25576H](#)-very revealing. Look at the red, highlighted text. Show this to your financial institution or withholding agent  
<http://sedm.org/Forms/Tax/W-8BEN/IRSFormW-8BENLine6InstNo.1tosendw-Form.pdf>
- [IRS Form W-8 Instructions for Requester of Forms W-8BEN, W-8ECI, W-8EXp, and W-8IMF, Catalog 26698G](#)-this form prescribes guidance on how to make substitute W-8BEN forms, so it must be authorized  
<http://sedm.org/Forms/Tax/W-8BEN/IRSFormW-8Inst-RequesterOfForms-0506.pdf>
- [Standard IRS Form W-8BEN](#):  
<http://sedm.org/Forms/Tax/W-8BEN/IRSFormW8ben.pdf>

- [Standard IRS Form W-8BEN Instructions](http://sedm.org/Forms/Tax/W-8BEN/IRSFormw8ben-Inst.pdf)-watch out. They play tricks with the word "individual", "U.S. person", and "beneficial owner".
- [Amended IRS Form W-8BEN:](http://sedm.org/Forms/Tax/W-8BEN/IRSFormW8BENAmendeds.pdf)
- Attachment to IRS Form W-8BEN found later in sections 27.5 and 27.6 later.

Remember the following requirements for the IRS Form W-8BEN:

1. **About SSNs on TINs on the W-8BEN Form: (IMPORTANT!)**

- 1.1. If you don't have a "Taxpayer Identification Number" and only have a "Social Security Number", do NOT write the SSN on the W-8BEN Form because it is not a "[Taxpayer Identification Number](#)", which is confirmed by reading [26 CFR §301.6109-1\(d\)\(3\)](#).
- 1.2. If you aren't a federal "employee" on official government business, you can't use the SSN on any government form. [20 CFR §422.103](#) says the SSN and the card are public/government property. You aren't allowed to use public property for private use and doing so makes you a criminal and a thief. The only people who can use an SSN on a W-8 form are those engaged in a type of federal employment called a "[trade or business](#)", which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office". The employment compensation for this position consists of deferred employment compensation called "Social Security Benefits", Medicare, FICA, deductions on your tax return under [26 U.S.C. §162](#), etc. This subject is covered much more thoroughly in the article below:

*About SSN's and TIN's on Government Forms and Correspondence*, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

- 1.3. [26 CFR §1441-6\(c\)\(1\)](#) says that TINs and SSNs are NOT REQUIRED on the W-8 form if a "certificate of residence" is provided. That certificate of residence consists of Block 4, which is the "Permanent Address". If you put anything in that block, and if the place identified is OTHER than federal territory, which is what the "United States" is defined as in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d), then the result will be that the financial institution or private employer is NOT required to collect any identifying number. The memorandum on "Why income taxes and domicile are voluntary" also proves that the "Permanent Address" in Block 4 is a "word of art" for "domicile" or "residence", which are both synonymous and explains how to fill out that block to avoid government jurisdiction. Below is the regulation which says this:

Title 26: Internal Revenue  
**PART 1—INCOME TAXES**  
*Withholding of Tax on Nonresident Aliens and Foreign Corporations and Tax-Free Covenant Bonds*  
**Sec. 1.1441-6 Claim of reduced withholding under an income tax treaty.**

(c) **Exemption from requirement to furnish a taxpayer identifying number** and special documentary evidence rules for certain income.

(1) *General rule.*

**In the case of income described in paragraph (c)(2) of this section, a withholding agent may rely on a beneficial owner withholding certificate [IRS Form W-8BEN] described in paragraph (b)(1) of this section without regard to the requirement that the withholding certificate include the beneficial owner's taxpayer identifying number.** In the case of payments of income described in paragraph (c)(2) of this section made outside the United States [federal zone] (as defined in Sec. 1.6049-5(e)) with respect to an offshore account (as defined in Sec. 1.6049-5(c)(1)), **a withholding agent may, as an alternative to a withholding certificate described in paragraph (b)(1) of this section, rely on a certificate of residence described in paragraph (c)(3) of this section** or documentary evidence described in paragraph (c)(4) of this section, relating to the beneficial owner, that the withholding agent has reviewed and maintains in its records in accordance with Sec. 1.1441-1(e)(4)(iii). In the case of a payment to a person other than an individual, the certificate of residence or documentary evidence must be accompanied by the statements described in paragraphs (c)(5)(i) and (ii) of this section regarding limitation on benefits and whether the amount paid is derived by such person or by one of its interest holders. The withholding agent maintains the reviewed documents by retaining either the documents viewed or a photocopy thereof and noting in its records the date on which, and by whom, the documents were received and reviewed. This paragraph (c)(1) shall not apply to amounts that are exempt from withholding based on a claim that the income is effectively connected with the conduct of a trade or business in the United States.

2. **Block 2, "Country of incorporation or origin":** should ALWAYS say "None: Not an organization or 'individual' but a PRIVATE man or woman".



3. Block 3, "Type of nonresident alien": Check "Transient foreigner" on the [modified version of the form](#). DO NOT check any of the other options, including "Individual". An "Individual" is defined in [5 U.S.C. §552a\(a\)\(2\)](#) as "a citizen of the United States or an alien lawfully admitted for permanent residence;". Both of these entities are "[U.S. persons](#)" defined under [26 U.S.C. §7701\(a\)\(30\)](#) who have a "domicile" in the "[United States](#)". You DON'T want to be such as person. The amended version of the form adds a new checkbox entitled "Transient foreigner", so that you don't have to check the "Individual" box. For further information on why you are not an "[individual](#)", a "[U.S. person](#)", a "[U.S. citizen](#)", or a "[resident](#) (alien)", see the following free research:
- 3.1. [Why Domicile and Becoming a "Taxpayer" Require Your Consent:](#)  
<http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisForTaxation.htm>
  - 3.2. [You're Not a "citizen" under the Internal Revenue Code:](#)  
<http://famguardian.org/Subjects/Taxes/Citizenship/NotACitizenUnderIRC.htm>
  - 3.3. [You're Not a "resident" under the Internal Revenue Code:](#)  
<http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm>
  - 3.4. [Why You are a "national", "state national", and Constitutional but not Statutory Citizen:](#)  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>
4. Block 4, Permanent Address. This is the "legal address" where the receiving organization will assume you maintain a domicile. It is your international tax home. IMPORTANT: Please read the very important article entitled "Why income taxes are based on 'domicile' and are voluntary because domicile is voluntary" at: <http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisForTaxation.htm>. It's best to put "None (on earth)" in this block to remove any presumptions. You can also put "Heaven (or none on earth)" or "Homeless" for reasons [clearly stated here](#). Heaven has no tax treaty with any earthly country and God is a "nontaxpayer". If you put anyplace but heaven and you are submitting the form to a financial institution to open an account that will earn interest or dividends, the institution may attempt to do backup withholding and send it to the IRS, which you want to avoid. A "permanent address" outside of federal jurisdiction, outside the federal "United States", and within a state of the Union counts as a "foreign" address relative to federal jurisdiction, but some misinformed financial institution and businesses may wrongfully assume that an address in a sovereign state of the Union is within federal jurisdiction and not accept the form, even though it is perfectly legitimate. If you want an example about how to define your "permanent home" to skeptical financial institution, go to: <http://famguardian.org/TaxFreedom/Forms/FinInst/IRA rollover Attachment.htm>.
5. Blocks 5: If you include a mailing address that is in a state of the Union and outside the federal zone, ensure that in the "Country" block, you write your state name and the word "Republic" after it. Do NOT use the phrase "State of\_\_\_", because this area is federal territory within the exterior limits of the state of the Union. Also ensure that you put next to the street address in parenthesis "NOT a domicile or residence". For instance, if the address is in Washington state, simply write "Washington". The reason you can and should do this is that states of the Union are "foreign" with respect to the legislative jurisdiction for nearly all subject matters, and especially for the purposes of federal income taxes and the entire Internal Revenue Code. See [Great IRS Hoax](#), Form #11.302, Chapter 5 for exhaustive evidence of why this is the case.
6. [Great IRS Hoax](#), Form #11.302, Chapter 5 for exhaustive evidence of why this is the case.
7. Block 6, "U.S. taxpayer identification number": should always say "NONE" if you are a biological person who is not filing on behalf of a business. The box "SSN or TIN" should have "SSN" lined out and "TIN circled". See the "[About SSNs/TINs on Tax Correspondence](#)" article.
- About SSN's and TIN's on Government Forms and Correspondence*, Form #07.004  
<http://sedm.org/Forms/FormIndex.htm>
8. There should be no reference numbers in block 8. It should read "NONE" so that none can later be added
9. Blocks 9 and 10: Should be blank if you were born in a state of the Union and are a "national" but not a "citizen" under federal law, which most people born in states of the Union are.
10. Unlike the W-4Exempt form, the W-8BEN says right at the top that it is NOT sent to the IRS. Stopping withholding using this form cannot get you in trouble like a W-4 Exempt can, where the IRS commonly tries to illegally assess a \$500 false W-4 penalty. The reason it is not sent to the IRS is that they have no jurisdiction over nonresident aliens, but only over PAYMENTS to nonresident aliens originating from the U.S. government.

The W-8 form says that it is *not* submitted to the IRS and the receiving organization has no authority to dictate what you can or should put on the form. If they do, demand the implementing regulation for such authority and ask them to prove that they are designated officially as federal "Withholding agents", who are the only people who can receive the form anyway. The subject of "withholding agent" status is discussed in the "[Federal and State Tax Withholding Options for Private Employers](#)" pamphlet, Section 4 if you want to read more. Unlike the W-4 form, there are also no statutes or

regulations that prevent you from modifying the form to suit your liking. If they give you a hard time about accepting the form, then present them with either of the following two pamphlets:

1. Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?, Form #05.013- [SEDM Form](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
2. Federal Tax Withholding, Form #04.102- [SEDM Form](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

. . .and then demand that they rebut the evidence at the end with a signed affidavit under penalty of perjury. Make them prove their point that you can't do what you say you are doing. Most of the time, they wouldn't know the truth if their life depended on it because they are acting out of ignorance, fear, presumption, and laziness rather than knowledge.

### 21.7.7 Examples

Below is a blank W-8BEN with an attached example showing how a person who is a "national" but not a "citizen" under federal law and who was born in a state of the Union, would fill out the W-8BEN Form:

[Example IRS Form W-8BEN](http://sedm.org/Forms/Tax/W-8BEN/IRSFormW8BENExample.pdf)  
<http://sedm.org/Forms/Tax/W-8BEN/IRSFormW8BENExample.pdf>

Most private companies and financial institutions have an agenda to terrorize and browbeat informed Americans into either not submitting or falsifying the W-8BEN form so that it is untrue. Consequently, you should follow our example as much as you can. Also, do not allow them to substitute their version of the form for yours, and if they insist, fill out both forms, and then on their form write "Not valid without the attached alternate W-8BEN and the attachment supersedes this entire form" and then staple them together and submit them together and keep the original copy for yourself and give them the photocopy. This will give you legal evidence that you can use at a later date if there is a dispute about your status with the institution or with the government. It will also provide proof that you were under duress when you signed the form and cannot be held accountable for the consequences.

### 21.7.8 Opening Bank Accounts as a Nonresident Alien Not Engaged in a "trade or business" without a "Taxpayer Identification Number"

Many people attempt to use the AMENDED IRS Form W-8BEN available on this page to open bank accounts as nonresident aliens not engaged in a "trade or business" without using an SSN or TIN. They are successful doing this all the time, but it requires careful attention to detail and proper procedure that will be described in this section. The regulations under Title 31 of the U.S. Code explain why this permissible, which say:

*Title 31: Money and Finance: Treasury*  
[PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS](#)  
[Subpart C—Records Required To Be Maintained](#)  
[§ 103.34 Additional records to be made and retained by banks.](#)

**(a)(3) A taxpayer identification number required under paragraph (a)(1) of this section need not be secured for accounts or transactions with the following:**

(i) Agencies and instrumentalities of Federal, state, local or foreign governments;

(ii) judges, public officials, or clerks of courts of record as custodians of funds in controversy or under the control of the court;

(iii) aliens who are (A) ambassadors, ministers, career diplomatic or consular officers, or (B) naval, military or other attaches of foreign embassies and legations, and for the members of their immediate families;

(iv) aliens who are accredited representatives of international organizations which are entitled to enjoy privileges, exemptions and immunities as an international organization under the International Organization Immunities Act of December 29, 1945 (22 U.S.C. 288), and the members of their immediate families;



(v) aliens temporarily residing in the United States for a period not to exceed 180 days; (vi) aliens not engaged in a trade or business in the United States who are attending a recognized college or university or any training program, supervised or conducted by any agency of the Federal Government;

(vii) unincorporated subordinate units of a tax exempt central organization which are covered by a group exemption letter,

(viii) a person under 18 years of age with respect to an account opened as a part of a school thrift savings program, provided the annual interest is less than \$10; (ix) a person opening a Christmas club, vacation club and similar installment savings programs provided the annual interest is less than \$10; and

(x) non-resident aliens who are not engaged in a trade or business in the United States. In instances described in paragraphs (a)(3), (viii) and (ix) of this section, the bank shall, within 15 days following the end of any calendar year in which the interest accrued in that year is \$10 or more use its best effort to secure and maintain the appropriate taxpayer identification number or application form therefor.

If you are going to try to open a bank account or checking account as a nonresident alien not engaged in a "trade or business" without a "Taxpayer Identification Number", we recommend the following procedure:

1. Use the New Hire Paperwork Attachment, Form #04.203 instead of the standard IRS form W-8BEN. This form gives detailed instructions to the institution about what they must do, and anticipates and answers all their questions with IRS publications, statutes, and regulations that they can rely on to validate everything you are asking for. It uses our Amended IRS Form W-8BEN.

New Hire Paperwork Attachment, Form #04.203

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

2. If they won't take the above because it doesn't answer all their questions, you can also give them the Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001 instead of either the standard IRS Form W-8BEN or the AMENDED IRS Form W-8BEN. Use of this form is authorized by 26 CFR §1.1441-6(c)(1) above, which says that

[26 CFR §1.1441-6\(c\)\(1\)](#)

*"a withholding agent may, as an alternative to a withholding certificate described in paragraph (b)(1) of this section, rely on a certificate of residence described in paragraph (c)(3) of this section or documentary evidence described in paragraph (c)(4) of this section, relating to the beneficial owner, that the withholding agent has reviewed and maintains in its records in accordance with Sec. 1.1441-1(e)(4)(iii). In the case of a payment to a person other than an individual, the certificate of residence or documentary evidence must be accompanied by the statements described in paragraphs (c)(5)(i) and (ii) of this section regarding limitation on benefits and whether the amount paid is derived by such person or by one of its interest holders. The withholding agent maintains the reviewed documents by retaining either the documents viewed or a photocopy thereof and noting in its records the date on which, and by whom, the documents were received and reviewed. This paragraph (c)(1) shall not apply to amounts that are exempt from withholding based on a claim that the income is effectively connected with the conduct of a trade or business in the United States."*

3. If they will not accept our Affidavit of Citizenship, Domicile and Tax Status, then give them an Amended IRS Form W-8BEN, because you are NOT a "beneficial owner" and you would be committing perjury under penalty of perjury to describe yourself as such by using the STANDARD IRS Form W-8BEN. Nevertheless, you should STILL modify the perjury statement at the end of the Amended IRS Form W-8BEN to add the language "Not valid without attached Affidavit of Citizenship, Domicile, and Tax Status" and attach the Affidavit of Citizenship, Domicile and Tax Status form anyway.
4. If they will not take either any of your own forms but insist on using their OWN W-8BEN Form, then:
  - 4.1. Use their STANDARD IRS Form W-8BEN.
  - 4.2. Attach a completed version of our Tax Form Attachment, Form #04.201 completed as per the instructions. Add language above the perjury statement of the STANDARD IRS Form W-8BEN to read:

*"Not valid without attached Tax Form Attachment and Affidavit of Citizenship, Domicile, and Tax Status".*

5. If you are opening a interest bearing account, the bank or financial institution may try to indicate that you MUST provide an SSN or TIN so they can report the earnings to the IRS. This requirement ONLY applies to persons who are engaged in a "trade or business", which is NOT you. All such earnings reports are filed pursuant to 26 U.S.C. §6041 are ONLY authorized in the case of persons actually engaged in a "trade or business", which isn't you. If they try to insist that you ARE engaged in a "trade or business", simply present them with the following form and demand that

they rebut the evidence and the content of the [Affidavit of Citizenship, Domicile and Tax Status](#). If they can't, they are acting beyond their lawful authority.

6. Below are some good questions to ask them if they try to deny you the account or service:

6.1. "Is your decision to deny me an account a result of a legal requirement or simply bank policy?"

6.2. If they say "legal requirement", then ask them:

*"Please produce the statute AND implementing regulation authorizing you to deny the application."*

6.3. If they say "bank policy" ask them the following and later fax their response to us so we can improve this article based on it.:

*"Please provide a copy of the bank policy document."*

Below is one example of such a policy document from the Washington Mutual bank, which by the way is completely consistent with everything in this article:

[Washington Mutual Policy Document, 3/22/2007](#)

7. You should also remind them that the ONLY circumstances when they can LAWFULLY DEMAND an identifying number from a nonresident alien is when he meets either of the following TWO constraints. Otherwise, [31 CFR §306.10](#) Footnote 10 specifically exempts a nonresident alien not engaged in a "trade or business" from the requirement to provide an identifying number, even for interest bearing accounts:

7.1. He is engaged in a "[trade or business](#)", which you are not. The [IRS Form 1042-S Instructions](#), for instance, say the a TIN may ONLY be required if the person is engaged in a "trade or business". [Click here](#) for details of why you are NOT engaged in a "trade or business"

7.2. He is availing himself of a tax treaty benefit, which you are not. You SHOULD NOT fill out any part of Part II, Blocks 9 and 10 of the IRS Form W-8BEN, nor EVER identify yourself as a "Beneficial Owner", but rather a nonresident alien not engaged in a "trade or business" who is NOT availing himself of any treaty benefit.

Below is the text of that regulation:

[31 CFR §306.10](#)

<sup>2</sup> ***Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States, and other persons or organizations as may be exempted from furnishing such numbers under regulations of the Internal Revenue Service.***

Your chances of succeeding at getting an account without an SSN or TIN as a nonresident alien not engaged in a "trade or business" will be improved if you really study and do your homework before visiting the bank. Some tactics that will also improve your chances include the following:

1. **REMEMBER:** The purpose of this exercise is FREEDOM from government slavery and obeying the law! You are a government slave not only because of your own legal ignorance, but also because of the ignorance of bank employees. No one learns the law anymore, including attorneys in law school. Instead, they are taught procedures that are a consequence more of corporate and public policy than what the law actually says. Ignorance is the enemy, not people!

1.1. Don't walk into a financial institution self-righteously beating your chest and demanding your rights. This turns people off. Having rights is about people respecting other people. The essence of rights is RESPECT. You will portray yourself as a HYPOCRITE if you demand YOUR rights and disrespect those of others.

*"God resists the proud, but gives grace to the humble."*  
[[James 4:6](#), Bible, NKJV]

1.2. Bank employees don't want to read or learn the law. Nobody likes change and everyone will be resistant to change. Don't force-feed them if they don't want to learn. Don't threaten them with a lawsuit. They just want a comfortable, SAFE place to work and to avoid any kind of liability at all costs. Be patient and reasonable with them. Appear humble and instructive at all times. Do more listening than talking. HONEY always works better than LEMON.

- 1.3. If you can't get anywhere with low-level bank clerks, then move up the food chain to a supervisor and explain your predicament. Higher level people usually read and learn more of the law than the people at the bottom of the food chain. If you want to raise a legal issue, bank managers are better candidates for this.
- 1.4. You will get a lot farther if you try to appear helpful, and distract the conversation so the employee doesn't have time to scrutinize your paperwork. Ask lots of personal questions and show interest in them to distract them from raking you over the coals. The truth and the law is more than most people are prepared to deal with, thanks to a dysfunctional public education system that doesn't teach law anymore.
- 1.5. If you don't follow the above approach, then ultimately what most financial institutions will do is refer you to the company legal department MAILING ADDRESS. They won't give you a phone number, but will instruct you to WRITE the legal department. This is a polite way to FLIP YOU OFF because the attorneys who ultimately will read your letter know they are violating the law and will therefore throw your correspondence in the trash to preserve their plausible deniability and limit their corporate and personal liability for violating the law. If they try to pull this trick, insist on a name, a phone number, and an email address to talk to a real live person who won't evade responsibility to answer your questions or throw your correspondence in the trash because it would introduce personal liability.
2. Emphasize to the bank or financial institution that according to the [IRS Form W-8BEN Instructions](#), the reporting and/or withholding requirement only applies to income from "U.S. Sources". Show them the definition of "[United States](#)" found in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and ask them where states of the Union are mentioned in the definition below:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#). [Internal Revenue Code]  
[Sec. 7701. - Definitions](#)

(a) Definitions

(9) United States

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

(10) State

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

In support of the above, you can also show them the rules of statutory construction, which say on this subject:

**"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]

**"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 \(2000\)](#)]

3. Before you even attempt trying to open an account as a nonresident alien not engaged in a "trade or business", do your homework so you can forcefully present your case to any timid bank clerk you come in contact with:
- 3.1. Read and reread this article several times and make sure you understand EVERYTHING. Follow all the links contained here and verify the laws for yourself.

3.2. Read our free pamphlet below, so you completely understand WHY you are doing what you are doing and all the law behind it.

*Nonresident Alien Position*, Form #05.020

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

3.3. Read and understand all the forms we mention in this article so you know what they are for and what is on them without even looking at them. Fill them in, print them out, and have them ready to go when you walk into any bank. Preparedness and KNOWLEDGE is everything. The people in banks and financial institutions do what they do all day and every day. You aren't going to be able to give them any advice about how to do their job unless you are prepared and know as much as they do about what it requires.

4. Practice perfecting your approach with a friend or in another town at several smaller banks. As you are perfecting your approach, start with a small bank where the people are more friendly and accommodating. As your experience grows, work your way up to the bigger bank. That way you will have time to perfect your approach before you appear on a national "blacklist" somewhere. Don't give up after the first attempt, but simply keep trying and improving.

5. If the problem is with providing an identifying number and the above doesn't work, then the following alternatives may prove helpful:

5.1. Ask them what you are not doing that you need to be doing in order to get an account as a nonresident alien. This may cause them to explain what aspect of either their policy or the law itself that they think you are not in compliance with so that you can converge on a solution.

5.2. Ask them if they will open a NON INTEREST BEARING ACCOUNT instead without a number.

5.3. Remind them that even the IRS' own website says the only case where a Nonresident Alien can be compelled to submit a TIN is the case where he is either engaged in a "trade or business" or is availing himself of a treaty benefit, and that you satisfy NEITHER criteria and therefore are specifically exempted from the requirement pursuant to [31 CFR §306.10](#), footnote 10.

5.4. Attach the following pamphlet to the application and demand that they rebut the questions at the end if they disagree. Tell them you have all the time in the world to receive a response from them but that you don't want to violate the laws clearly documented therein.

*Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?*, Form #05.013

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

6. Sometimes, bank employees will be reluctant to reveal to you their real reason for denying you the account you seek. In most cases, it is a "policy" decision and judgment call that has absolutely nothing to do with the law and is intended to minimize their risk exposure. They know that if they tell you why they are denying you the account, then they may increase their risk exposure by creating an appearance that they are discriminating certain customers or classes of customers. This can be very embarrassing and destroy the business inside the bank if other customers see that they are discriminating against you. Some factors that bank employees will use in their surreptitious "policy decision" include the following:

6.1. If you say you are a nonresident alien but have a local state driver's license that you have had for years, they will assume you are lying and not want you as a customer. Remember, if you have a state driver's license, and you can't get a license in most states without an SSN, and you tell them that you don't have an SSN, then they will think you are lying but will be reluctant to admit that is what they are concluding. Consequently, it's best to say you don't have a local driver's license and either give them an international driving permit or say that you just got there and haven't been issued one yet.

6.2. If the mailing address on your W-8BEN is not in a foreign country, then they will ASSume that you have a domicile in the "United States", which we know is false. That will cause them to think that you are lying about the fact that you are a "nonresident alien". We know that states of the Union are "foreign states" for the purposes of federal jurisdiction, but we also know that few bank employees, including even bank managers, have ever attempted to read the law. In response, show them the definition of "[United States](#)" right from [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) in step 2 above. Alternatively, you can give them a foreign PO box instead, but don't use the phrase "PO box" in the address. Use "Suite \_\_\_\_" or something like that instead so you don't draw attention to yourself.

6.3. They may not believe that you do not have a Social Security Number. In response, you can show them the [Resignation of Compelled Social Security Trustee](#) you sent in as a requirement of becoming a member, but make sure you remove the number at the end.

7. You shouldn't be handing them anything that would connect you to a government-issued number, including an old state-issued driver's license or passport that you got with a number. You should assume that they are going to run everything and if they find anything with a number, they are going to update their records later and add it, and then call you up and ask you why you committed FRAUD on the account application. Therefore, it's best to get a new passport without a number, get rid of your state-issued driver's license and get an international license or privately issued

license. [Click here](#) for details on how to get an international driving permit. [Click here](#) for instructions on how to apply for a passport as a "national" but not "citizen". It's not fraud to get a new passport without a number, because you were never lawfully eligible for Social Security anyway, and because such numbers can only be issued to federal employees in the official conduct of their employment duties, and you are not such a person if you are appearing to get the passport as a "private" rather than a "public" individual. See:

*Resignation of Compelled Social Security Trustee*

<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

8. If they don't like the content of Block 4 of the W-8BEN, which is the "Permanent Address" ([domicile](#)) because you put "None", you might instead try any one of the following alternatives, and ask them WHICH one they will accept, and why they WON'T accept any particular one. Remember that the main goal is to satisfy the requirements of [26 CFR §1.1441-6\(c\)\(1\)](#) mentioned above with *some form* of affidavit or evidence. The main purpose of this regulations is to prove that you aren't domiciled in the "United States" (federal zone) and are NOT domiciled in a foreign country and subject to the terms of an income tax treaty, because both of these would require you to submit an identifying number. A person domiciled in a state of the Union satisfies NEITHER and therefore has not requirement to provide a number:

8.1. "Transient foreigner"

8.2. "No domicile"

8.3. Religious objection to having a "domicile" and then show them the following article:

*Why Domicile and Becoming a "Taxpayer" Require Your Consent*

<http://famguardian.org/Subjects/Taxes/Remedies/DomicileBasisForTaxation.htm>

9. If they don't like the content of Block 5 of the IRS Form W-8BEN, the Mailing Address, then give them a foreign mailing address. Get a foreign PO box, for instance. This generally helps quite a bit to convince them of that you are a "foreign person". Remember that states of the Union are "foreign states" for the purposes of federal legislative jurisdiction and that they ought to be willing to accept an address within a state of the Union to satisfy the Mailing Address in Block 5. Typically, however, clerks at banks don't read the law and don't understand this concept and most are not patient enough to even allow you to explain this to them, so just make it easier for them and avoid a confrontation by simply giving them a foreign address to use. If you want to know why the states of the Union are "foreign" and they are willing to allow you to explain it, you can give them a copy of the following pamphlet.

*Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?*, Form #05.013

<http://sedm.org/Forms/MemLaw/WhoAreTaxpayers.pdf>

10. If all else fails, remember that you can always go to a different bank or a different branch of the SAME bank. Smaller banks or more accommodating. We have done this and it works.

### 21.7.9 Backup withholding

Those who claim to be "nonresident aliens" not engaged in a "trade or business" and who are not "individuals" are sometimes subjected to unlawful backup withholding by ignorant financial institutions and private employers who refuse to read and obey the law as written. This section will provide tools and procedures to fight such forms of involuntary servitude and THEFT under the color of law.

The IRS website confirms that backup withholding of 30% on nonresident aliens is not authorized:

#### Backup Withholding

*Generally, backup withholding applies only to resident aliens and not to nonresident aliens. The payer who neglects or refuses to do backup withholding when required will himself be held liable for the amount of the backup withholding which should have been withheld from any payments. Under regulations which took effect on January 1, 2001, generally, if the status of the payee as a foreign person or a U.S. person cannot be determined, then the payee may be assumed to be a U.S. person subject to backup withholding. For additional information on the documentation to determine the status of a foreign payee refer to [NRA Withholding](#).*

[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=104910,00.html>]

Below is a summary of the requirements for backup withholding:

1. Required by:
  - 1.1. [26 U.S.C. §3406](#).
  - 1.2. [26 CFR §31.3406-0 through 26 CFR §31.3406\(j\)-1](#).
2. Withholding set at 31% of "reportable payments". See [26 CFR §31.3406\(a\)-1\(a\)](#).



3. "reportable payments" are payments "effectively connected with a [trade or business](#)", which means a public office in the government, pursuant to:
  - 3.1. [26 U.S.C. §3406\(b\)](#).
  - 3.2. [26 U.S.C. §6041](#). All information returns filed or reported must be connected with a "trade or business" as required by paragraph (a) of this section.
  - 3.3. [26 U.S.C. §6049](#) in the case of interest payments
  - 3.4. [26 U.S.C. §6042](#) in the case of dividend payments
  - 3.5. [26 U.S.C. §6044](#) in the case of patronage dividends
4. None of the regulations talk about the "trade or business" requirement. It is ONLY found in [26 U.S.C. §6041\(a\)](#), which is where the obligation to report is established.
5. Backup withholding is specifically prohibited:
  - 5.1. On reportable payments that qualify for the documentary evidence rule found in [26 CFR §1.6049-5\(c\)\(1\)](#) or (4).
  - 5.2. For amounts already subject to withholding of 30%.

"Nonresident aliens" who are not engaged in a "trade or business" cannot lawfully become the subject of backup withholding per item 3 above. If a financial institution or private employer indicates that they want to do it anyway we suggest:

1. [26 U.S.C. §3406](#) also authorizes backup withholding in the case of those who refuse to provide a TIN. The requirement to FURNISH a TIN is described in 26 CFR §301.6109-1(b). Those who are "nonresident aliens" but not "individuals" as identified in that section are not listed as having a requirement. Neither are "nonresident alien individuals" who are NOT engaged in a "trade or business". Therefore, by the rules of statutory construction, they are not required to deduct, withhold, or report.

*"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]

2. If the payer gives you guff when you say you don't have to provide a TIN and are not eligible, give them the following:

**Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205**  
<http://sedm.org/Forms/FormIndex.htm>

3. If the payer gives you guff about whether you are or can choose to be a "nonresident alien" who is not an "individual":
  - 3.1. Show them FORM #13 in section 27.13, which proves that you are a "nontaxpayer" who doesn't need to withhold or deduct because you earn no "gross income" and your estate is a "foreign estate" as described in [26 U.S.C. §7701\(a\)\(31\)](#).
  - 3.2. Show them the definition of "individual" in [26 CFR §1.1441-1\(c\)\(3\)](#) and ask them to prove that you meet the definition of "nonresident alien individual". They won't be able to prove it so they can't impose a requirement to provide either a number or withhold.
  - 3.3. Show them [26 U.S.C. §871](#), which only taxes earnings of "nonresident alien individuals", not "nonresident aliens" who are NOT "[individuals](#)".
  - 3.4. Show them the following, which proves that you have an unalienable right to declare and establish any civil status you want and that a failure to respect that status constitutes a violation of your First Amendment right of freedom from compelled association:

**Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008**  
<http://sedm.org/Forms/FormIndex.htm>

- 3.5. Remind them that all franchises are contracts and that contracts are unenforceable in the presence of duress. Insist on your right to not be compelled to contract with the government by being forced to engage in federal franchises such as the "[trade or business](#)" franchise. This is covered further in the following:

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

4. Showing them the legal authorities described above.
5. Submitting an [AMENDED IRS Form W-8BEN](#) to a withholding agent. This causes them to not be able to withhold:



"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from [backup withholding](#) and Form 1099 reporting."  
[IRS Publication 515, Year 2000, p. 3]

The phrase "(or applicable documentary evidence)" above also covers the following form we prefer over the Standard IRS Form W-8BEN:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

6. Using the following forms to educate them above what a "trade or business" and to prove that you aren't engaged in one:

6.1. *Demand for Verified Evidence of "Trade or Business" Activity: Information Return*, Form #04.007  
<http://sedm.org/Forms/FormIndex.htm>

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

If you are a "nonresident alien" or "foreigner" but not a "person" or "individual", DO NOT use the [Standard IRS Form W-8BEN](#) because it contains "words of art" that will prejudice your status and make you look like a "taxpayer" as described in section 5 of the following:

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

Instead use either of the following:

1. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>
2. [AMENDED IRS Form W-8BEN](#)

For further details on backup withholding, see the following resources:

1. *Income Tax Withholding and Reporting Course*, Form #12.004-contains a summary of all withholding and reporting requirements, including backup withholding. Present this to your private employers and financial institutions if they are unsure of the law  
<http://sedm.org/Forms/FormIndex.htm>
2. *Backup Withholding "B" Processes* -IRS Website  
<http://www.irs.gov/businesses/small/article/0,,id=98151.00.html>

### **21.7.10 Frequently Asked Questions**

Q1: What if the financial institution or employer points to the W-8 Form and says the address is not "foreign" because it is in the "United States"?

A1: They obviously aren't reading the law. [26 U.S.C. §7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d) define the "United States" to mean federal territory not within any constitutional state and no place in the I.R.C. is this definition expanded to include states of the Union. You have four choices, listing in descending order of preference:

- a. You can hand them the pamphlet below, clearly showing that the states of the union are "foreign states" and therefore "foreign addresses"

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

- b. You can give them a foreign address outside the country, which you may have gotten as a PO box.
- c. You can give them the address of a relative outside the country and have them temporarily forward mail to you. Then after the account is opened, you can change the address.
- d. If they try to argue with you about the use of the word "includes" in the definition of "United States" found in [26 U.S.C. §7701](#)(a)(9) and (a)(10), you may want to give them the free memorandum of law below, which proves that they cannot lawfully "presume" things that don't actually appear in the code itself.

3  
4 Q2: What if a financial institution won't accept my W-8 to open an account or stop the withholding?

5  
6 A2: Hand them pamphlet below and demand that they rebut the evidence by answering the questions at the end.

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

7  
8 Q3: What if a financial institution says the [USA Patriot Act](#) requires them to collect a Social Security Number, even from  
9 nonresident aliens who are not required to have one?

10 A3: Ask them to show you the provision [in the act](#) that requires this. Then show them the definitions of "United States" in  
11 the act itself, which does not include nonfederal land within states of the Union. You can also show them note #2 in [31](#)  
12 [CFR §306.10](#), which says the following:

13 [31 CFR §306.10](#)

14 <sup>2</sup> *Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in*  
15 *trade or business within the United States, international organizations and foreign corporations not engaged*  
16 *in trade or business and not having an office or place of business or a financial or paying agent within the*  
17 *United States, and other persons or organizations as may be exempted from furnishing such numbers under*  
18 *regulations of the Internal Revenue Service.*

19 [SOURCE: <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=91cf1eb1a8e0cb0a3551dc7dad0b353b;idno=31;region=DIV1;q1=%20trade%20or%20business%20;rgn=div8;view=text;node=31:2.1.1.2.23.2.5.1>]  
21  
22

23 Q4: What if the financial institution or employer insists on preparing [IRS Form 1042-S](#) on my earnings even though I'm  
24 not subject to withholding and have no tax liability?

25 A4: The [IRS Form 1042-S](#) has only one block for reporting earnings, which is Block 2 entitled "[Gross income](#)". This is the  
26 same "gross income" identified in [26 U.S.C. §61](#), which makes you into a "[taxpayer](#)" subject to the I.R.C.! WATCH OUT!  
27 You can't earn "[gross income](#)" as defined in the I.R.C. without being a "[taxpayer](#)", and the reason the IRS will encourage  
28 financial institutions and private employers to fill out this form even in cases when it is not required, is to manufacture  
29 more "[taxpayers](#)" using false presumption to prejudice your constitutional rights. We cover this in our free pamphlet  
30 below:

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

31 If you object to this form being filed on you by a financial institution or employer, and if the payer fills this form out on you  
32 despite your hopefully vociferous objections, then you should make sure that the Exemption Code in Block 6 reads "03,  
33 which means "Not from 'U.S. sources'" and the tax rate in block 5 is "00.00". Then, when you get a copy of this form from  
34 them at the end of the year, you can file a corrected version by checking the "AMENDED" block and reporting "0" for  
35 "Gross income" in block 2. *It is VERY important to go back and fix this erroneous report with an AMENDED version of*  
36 *the form you file after the payee files his or you will end up being hounded by IRS computers for nonpayment. BAD NEWS.*

37 We must always remember that the [IRS Form 1042-S](#) is a type of Information Return, and that the only authority for  
38 demanding information returns is [26 U.S.C. §6041](#). This section says that the *only* occasion where information returns are  
39 required is in the case of those in receipt of "[trade or business](#)" income, which means income from a "public office" in the  
40 United States government. If you aren't engaged in a "public office" in the United States government and don't have  
41 earnings from the U.S. government, then there is nothing to report and no report need be filed, and if a report IS mistakenly

1 filed, then the "[Gross income](#)" block must be zero and the tax rate must be zero. This is consistent with the content of [26](#)  
2 [U.S.C. §871](#) and [26 CFR §1.872-2](#), which says:

3 *Title 26: Internal Revenue*  
4 *PART 1—INCOME TAXES*  
5 *nonresident alien individuals*  
6 *§ 1.872-2 Exclusions from gross income of nonresident alien individuals.*

7 *(f) Other exclusions.*

8 *Income which is from sources without [outside] the United States [federal territory per 26 U.S.C.*  
9 *§7701(a)(9) and (a)(10) and 4 U.S.C. §110(d)], as determined under the provisions of sections 861 through*  
10 *863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual*  
11 *unless such income is effectively connected for the taxable year with the conduct of a trade or business in the*  
12 *United States by that individual.* To determine specific exclusions in the case of other items which are from  
13 sources within the United States, see the applicable sections of the Code. For special rules under a tax  
14 convention for determining the sources of income and for excluding, from gross income, income from sources  
15 without the United States which is effectively connected with the conduct of a trade or business in the United  
16 States, see the applicable tax convention. For determining which income from sources without the United States  
17 is effectively connected with the conduct of a trade or business in the United States, see section [864\(c\)\(4\)](#) and  
18 [§1.864-5](#).

19 Don't take our word for it. Read [the instructions for the form](#) yourself. It should also be pointed out that instructions for the  
20 form say that if you aren't engaged in a "[trade or business](#)", which is everyone except federal employees and federal  
21 business entities and contractors participating in "social insurance" (e.g. SOCIALIST INSECURITY), then you don't have  
22 to provide a Social Security Number either:

23 **Box 14, Recipient's U.S. Taxpayer Identification Number (TIN)**

24 *You must obtain and enter a U.S. taxpayer identification number (TIN) for:*

- 25
  - *Any recipient whose income is effectively connected with the conduct of a trade or business in the*
- 26 *United States.*

27 *[IRS Form 1042-S Instructions, p. 14]*

28 **21.7.11 Saving and reusing completed forms**

29 The form W-8BEN is frequently used when corresponding with the IRS and state taxing authorities as a way to remind the  
30 government that a person has no taxable income. Once you have completed the form, it is best to keep the original in a safe  
31 place and reuse it by photocopying it and attaching it to correspondence. This will save you lots of work and time. We  
32 scan in ours and make it into an Adobe Acrobat PDF and just reprint it whenever we need it.

33 **21.7.12 Further reading and research on withholding**

**Table 21:** Further reading and research on withholding

Reference	Item	Available at:
Federal Tax Withholding		<a href="http://sedm.org/Forms/MemLaw/FedTaxWithholding.pdf">http://sedm.org/Forms/MemLaw/FedTaxWithholding.pdf</a>
Family Guardian Website	Federal and State Tax Withholding Options for Private Employers pamphlet	<a href="http://famguardian.org/Publications/FedStateWHOptions/FedStateWHOptions.pdf">http://famguardian.org/Publications/FedStateWHOptions/FedStateWHOptions.pdf</a>
Sovereignty Forms and Instructions	Sovereignty Forms and Instructions Online, Form #10.004, Instructions Step 3.13: Change Your U.S. Citizenship Status	<a href="http://famguardian.org/TaxFreedom/Instructions/3.13ChangeUSCitizenshipStatus.htm">http://famguardian.org/TaxFreedom/Instructions/3.13ChangeUSCitizenshipStatus.htm</a>
Sovereignty Forms and Instructions	Sovereignty Forms and Instructions Online, Form #10.004, Instructions Step 3.14: Change Your Filing Status to Nonresident Alien and De-number Yourself	<a href="http://famguardian.org/TaxFreedom/Instructions/3.14ChangeFilingStatus.htm">http://famguardian.org/TaxFreedom/Instructions/3.14ChangeFilingStatus.htm</a>
Sovereignty Forms and Instructions	Sovereignty Forms and Instructions Online, Form #10.004, Instructions Step 4.13: Stop Employer Withholding of Income Taxes	<a href="http://famguardian.org/TaxFreedom/Instructions/4.13StopEmployerWH.htm">http://famguardian.org/TaxFreedom/Instructions/4.13StopEmployerWH.htm</a>
About SSN's and TIN's on Government Forms and Correspondence, Form #05.012	Why you don't want to put an identifying number on the correspondence and how to avoid it	<a href="http://sedm.org/ItemInfo/RespLtrs/AboutSSNs/AboutSSNs.htm">http://sedm.org/ItemInfo/RespLtrs/AboutSSNs/AboutSSNs.htm</a>

## 21.8 IRS Form 8233

Another withholding form used by Nonresident aliens is the IRS Form 8233, entitled “Exemption From Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual”. An example of such a form is available at:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm8233.pdf>

This form is not appropriate for use by a person born within and domiciled within a state (who is a “national” or “state national” and not a “U.S. citizen”) or who is not a federal “employee” so it should not be used. It is primarily intended for use by people from other countries who are here temporarily to work for the federal government.

An examination of the IRS Form 8233 indicates that it is intended for those who are involved in “personal services”. The term “personal services” is then defined as follows:

26 U.S.C. §861 Income from Sources Within the United States

(a)(3) "...Compensation for labor or **personal services** performed in the United States shall not be deemed to be income from sources within the United States if-

(C) the compensation for labor or services performed as an **employee** of or under contract with--

(i) a **nonresident alien**, not engaged in a **trade or business in the United States**..."

26 CFR Sec. 1.469-9 Rules for certain rental real estate activities.

(b)(4) PERSONAL SERVICES. **Personal services** means any work performed by an individual in connection with a **trade or business**. However, personal services do not include any work performed by an individual in the individual's capacity as an investor as described in section 1.469-5T(f)(2)(ii).

Therefore, what is meant by “personal services” is labor in connection with a “trade or business”. Recall that a “trade or business” is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”. Therefore, most Americans are not involved in “personal services” and should not be using this form.

The form itself also indicates that if you are not receiving “personal services” income, then you should use the W-8BEN Form instead of the 8233 form.

## 21.9 The I-9 Form<sup>47</sup>

### 21.9.1 Background

The United States Citizenship and Immigration Services form I-9 is available on the USCIS website at:

<http://uscis.gov/graphics/formsfee/forms/i-9.htm>

The purpose of this form is described at the above link:

*All U.S. employers are responsible for completion and retention of Form I-9 for each individual they hire for employment in the United States. This includes citizens and noncitizens. On the form, the employer must verify the employment eligibility and identity documents presented by the employee and record the document information on the Form I-9. Acceptable documents are listed on the back of the form, and detailed below under "Special Instructions."*

[USCIS Website, <http://uscis.gov/graphics/formsfee/forms/i-9.htm>]

The key terms above is "U.S. employers". This means "employers" in the "United States" as defined under federal law. "United States" is defined in the Internal Revenue Code [26 U.S.C. §7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d) as the national government and not any geographic place. Statutory "employers" are defined in [26 U.S.C. §3401](#)(d) as those with "employees". "employees" are then defined in 26 CFR §31.3401(c)-1 as elected or appointed employees of the United States government. Therefore, private employers are not only not required to enter into agreements to deduct or withhold, but also are not required to use the I-9 form.

The USCIS website also contains a series of Frequently Asked Questions at the address below:

<http://uscis.gov/graphics/howdoi/eev.htm>

Noteworthy is the first question:

#### ***Frequently Asked Questions About Employment Eligibility***

*Do citizens and nationals of the U.S. need to prove, to their employers, they are eligible to work? Yes. While citizens and nationals of the U.S. are automatically eligible for employment, they too must present proof of employment eligibility and identity and complete an Employment Eligibility Verification form (Form I-9). **Citizens of the U.S. include persons born in Puerto Rico, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands. Nationals of the U.S. include persons born in American Samoa, including Swains Island.***

[USCIS Website, Frequently Asked Questions, <http://uscis.gov/graphics/howdoi/eev.htm>, Emphasis added]

Notice how those born in a state, who are not "Citizens of the U.S." or "Nationals of the U.S." as defined above, are NOT mentioned? Obviously, the I-9 form is municipal law for the federal zone that has no bearing upon states of the Union, which are and always have been foreign and sovereign with respect to the federal government, except for very few subject matters.

While the United States government may lie to us or twist the facts on a myriad of issues, the purported "requirement" of the INS Form I-9 for general private sector employment is a particularly abrasive and loathsome case. The INS Form I-9 (if it were enforceable here in the states of the Union) would create a *de facto* system of mandatory federal ID in order to get a job. That is not to be tolerated.

As you likely know, Family Guardian exists to promote, educate, and revitalize the concept of individual liberty in America. The goal is to make each and every American vividly aware of his/her inalienable rights so that the government can no longer use tricks, subtle deception, and outright lies to control and dominate Citizens.

The phrase "inalienable rights" comes directly from the Declaration of Independence, which is the first organic law of the United States of America. This is not merely Original Intent's position, it is also the position adopted by Congress, and

<sup>47</sup> Adapted from Original Intent Website with permission: <http://www.originalintent.org/edu/i-9.php>

expressed through the U.S. Government Printing Office when it states that the Declaration of Independence is the first organic law of the United States of America in its printing of the United States Code.

According to the Declaration of Independence, these inalienable rights [also referred to at times as "fundamental rights"] are endowed in us by "the Creator" [God]. It is a well-settled point of Constitutional law that the government has no legal authority to alter, modify, or abolish inalienable rights.

What has the U.S. Supreme Court said about inalienable rights in general?

*"These inherent rights have never been more happily expressed than in the Declaration of Independence, the evangel of liberty to the people: 'We hold these truths to be self evident' - words so plain that their truth is recognized upon their mere statement - 'that all men are endowed' - not by the edicts of Emperors or the decrees of Parliament, or acts of Congress, but by their Creator with certain inalienable rights - that is, rights which cannot be bartered away, or given away, or taken away...and to secure these - not grant them but secure them - 'governments are instituted among men'..."*  
[Butchers' Union Co. v. Crescent City Co., [111 U.S. 746](#), 756 (1884)]

Is working an inalienable right for a citizen of the Union? Let's find out what the U.S. Supreme Court has said on this specific subject.

*"Included in the right of personal liberty and the right of private property - partaking of the nature of each - is the right to make contracts for the acquisition of property. Chief among such contracts is that of personal employment, by which labor and other services are exchanged for money and other forms of property."*  
[Coppage v. Kansas, [236 U.S. 1](#) (1915)]

*"...The term [liberty] denotes not merely freedom from bodily restraint but also the right of the individual to contract, to engage in any of the common occupations of life... The established doctrine is that this liberty may not be interfered with under the guise of protecting public interest by legislative action..."*  
[Meyer v. Nebraska, [262 U.S. 390](#), 399 (1923)]

*"Among these unalienable rights, as proclaimed in the Declaration of Independence, is the right of men to pursue their happiness, by which is meant, the right to pursue any lawful business of vocation, any manner not inconsistent with the equal rights of others...The property which every man has is his own labor, as it is the original foundation of all other property so it is the most sacred and inviolable..."*  
[Butchers' Union Co. v. Crescent City Co., [111 U.S. 746](#), 756 (1884)]

**Inviolability** - The attribute of being secured against violation. Safe from trespass or assault.  
[Black's Law Dictionary, Sixth Edition, p. 826]

As can be clearly seen, there is no question that working in an occupation which does not infringe on the rights of others is one of the inalienable rights memorialized in the Declaration of Independence and therefore is a right with which the government may never interfere.

Given these facts, how is it that the government claims to have created a law that requires an American to fill out federal paperwork, and sign it under penalty of perjury, in order to work? Please note that we said the government *claims* to have created such a law. This is because the government frequently misrepresents its authorities and powers to the American public. As we get further into the issue, you will decide for yourself whether the law that deals with the Form I-9 has anything to do with you.

## **21.9.2 How to Fill Out the I-9 Form as a "non-citizen national" and "nonresident alien"**

The next thing we must address is how to fill out the I-9 form as a "non-citizen national" under 8 U.S.C. §1101(a)(21) and "nonresident alien" who is not an "individual". This is the only approved status for those using our materials.

The I-9 form Section 1 has the following area for recording your citizenship status:

**Figure 5: Form I-9, Section 1 Citizenship Status**



<p>I attest, under penalty of perjury, that I am (check one of the following):</p> <p><input type="checkbox"/> A citizen of the United States</p> <p><input type="checkbox"/> A noncitizen national of the United States (see instructions)</p> <p><input type="checkbox"/> A lawful permanent resident (Alien #) _____</p> <p><input type="checkbox"/> An alien authorized to work (Alien # or Admission #) _____</p> <p>until (expiration date, if applicable - month/day/year)</p> <p>Date (month/day/year)</p>
--

Then, in the instructions, you see the following:

**Figure 6: Form I-9 Instructions, (Rev. 08/07/09)**

## Filling Out Form I-9

### Section 1, Employee

This part of the form must be completed no later than the time of hire, which is the actual beginning of employment.

Providing the Social Security Number is voluntary, except for employees hired by employers participating in the USCIS Electronic Employment Eligibility Verification Program (E-Verify). **The employer is responsible for ensuring that Section 1 is timely and properly completed.**

**Noncitizen nationals of the United States** are persons born in American Samoa, certain former citizens of the former Trust Territory of the Pacific Islands, and certain children of noncitizen nationals born abroad.

The important thing to note about the I-9 form and accompanying instructions is that they very deliberately:

1. Don't provide an "Other: \_\_\_\_\_" block.
2. Don't provide a block for "citizen of \_\_\_\_\_ (Statename)".
3. They don't define whether the term "citizen of the United States" is associated with:
  - 3.1. A constitutional citizen ONLY.
  - 3.2. A statutory citizen found in 8 U.S.C. §1401 and/or 26 CFR §1.1-1(c ) ONLY.
  - 3.3. BOTH a constitutional and a statutory citizen.
4. They don't define WHICH of the three United States they mean in the term "citizen of the United States".

The confusion and uncertainty created by the form then compels the applicant to guess in order to complete the form and it leaves the applicant with no way to correctly discern the actual answer to the confusion, because the courts have said you cannot rely on anything a government employee tells you and may only rely on what the law actually says.

The important thing to remember is that a USA passport constitutes sufficient evidence of authorization to work per 8 U.S.C. §1324a(b)(1)(B)(i).

[TITLE 8](#) > [CHAPTER 12](#) > [SUBCHAPTER II](#) > [Part VIII](#) > § 1324a  
[§ 1324a. Unlawful employment of aliens](#)

**(b) Employment verification system**

*The requirements referred to in paragraphs (1)(B) and (3) of subsection (a) of this section are, in the case of a person or other entity hiring, recruiting, or referring an individual for employment in the United States, the requirements specified in the following three paragraphs:*

**Attestation after examination of documentation**

[ . . . ]

**(B) Documents establishing both employment authorization and identity**

*A document described in this subparagraph is an individual's—*

**(i) United States passport; <sup>[1]</sup>**

Hopefully, if you do use a passport to satisfy the requirement for eligibility, you will apply for it using the following:

1. [How to Apply for a Passport as a "National"](#), Form #09.007  
<http://sedm.org/Forms/FormIndex.htm>
2. [USA Passport Application Attachment](#), Form #06.007  
<http://sedm.org/Forms/FormIndex.htm>

Because of the uncertainty generated by this form, our approach to filling out this form is to do one of the following:

1. Use the amended version of the I-9 form on our website:  
[I-9 Amended](#), Form #06.028  
<http://sedm.org/Forms/FormIndex.htm>
2. Modify the form electronically to add an "Other: \_\_\_\_\_" block and write "See attached Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001".
3. Modify the phrase "citizen of the United States" to "non-citizen national of the United States" and next to it write "as defined in attached MANDATORY Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001"
4. Check the block "A noncitizen national of the United States" and either :
  - 4.1. Line out "of the United States" OR
  - 4.2. Line out "(see instructions)" and write "as defined in attached MANDATORY Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001".

**21.9.3 By What Authority?**

The law concerning "work eligibility" (which is what the I-9 is used for) is contained in Title 8 of the United States Code. Title 8 is named "Aliens and Nationality". The regulations that address the I-9 issue are found in Title 8 of the Code of Federal Regulations, which is also named "Aliens and Nationality".

The interesting thing about Title 8 of the U.S. Code, and its associated regulations, is that they deal exclusively with aliens, border controls, and issues of naturalization. The only authority that Title 8 possesses in reference to a native-born American Citizen would be if a Citizen were to violate a federal immigration law. In other words, in big broad terms, if a Citizen does not assist an alien in illegally entering this country, or does not unlawfully interfere with an INS officer or employee in the commission of his official duties, then nothing in Title 8 has any affect upon such a Citizen.

So where does the authority for "work eligibility" forms come from? When the United States grants an alien entrance to this country, the alien is either permitted to work, or not. [What goes into that decision does not concern us here.] In other words, conditions are placed on an alien's entry; conditions to which he agrees in writing, or he is not allowed to enter the country.

However, let's be frank, the government can pass no law that makes you legally accountable for enforcing immigration law, which includes checking the status of people who apply to you for a job. The enforcement of immigration laws is the sole responsibility of the government. It is not your responsibility, nor can they make it yours by passing a statute. The government can no more compel you to enforce immigration law than it can pass a law requiring you to come to the local federal building and sweep their floors! So what gives?

There are several factors that come into play when unwinding the sophistry of [8 U.S.C. §1324a](#), and its regulations at [8 CFR §274a](#).

#### **21.9.4 To Whom It Properly Applies**

The first and most notable fact that leaps off the page is the odd phraseology that is used to express who is doing an unlawful act by hiring aliens unauthorized for employment.

[8 U.S.C. §1324a\(a\)\(1\)](#) -

*It is unlawful for a person or other entity...*

Note that it says, "...a person or **other** entity". Why does it not simply say, "...a person or entity"? Why include the word "other"?

Lest you think we're just being silly nitpickers, here's one of the fundamental canons [rules] of statutory construction:

*Effect must be given to every word of a statute and that no part of a provision will be read as superfluous.*

According to the canons of statutory construction, we would be in error not to investigate the significance of the word "other", as used in the statute.

As a first step in this process, let us determine what "entity" means.

[8 U.S.C. §1324a](#)

*(a)(7)* -

*For purposes of this section, the term "entity" includes an entity in any branch of the Federal Government.*

Of course only the government uses the same word to describe the term being defined! Nevertheless, what the government is referring to in the definition above is every element of the federal government, down to an individual federal officer or employee. We will remind you that "includes", when used in federal statutes is generally a term of "limited expansion". "Limited expansion" means that things that are reasonably within the boundaries of the definition that Congress is attempting to establish (by the words of the definition) can be added, even if not specifically enumerated. In other words, in the definition above, a corporation created by Congress can be "included" because it fits within the theme of the definition, but a private business cannot because there is no similarity whatsoever between a "branch of the Federal Government" and a private firm.

So now we know that the definition should read something like this:

*It is unlawful for a person or other element of the federal government...*

In this grammatical application, "other" is analogous to "further", "additional", or "similar". In a legal sense it means "other such like", which refers back to "person". Phrased another way, it means the elements that come after the word "other" are in the same or similar class as what is being generally described by the word(s) that comes before "other". Stated another way, the terms "person" and "entities", as used here, have a similar or synonymous meaning.

Having established this much, it is still our duty to determine the statutory meaning of "person" applicable to the provision we're addressing (if such statutory definition exists). At 8 U.S.C. §1101 we find:

[8 U.S.C. §1101](#)

*(b) As used in subchapters I and II of this chapter...*

*(3) The term "person" means an individual or an organization.*

So we now know that [8 U.S.C. §1324a](#) must use the definition of "person" shown above. The definition pivots on 2 words - "individual" and "organization".

It is important to understand that in *mala prohibita* [regulatory] law, legal terms such as "person", "natural person" and "individual" all have an underlying connotation of "***the man (or class of man) under a duty...***" In other words, "person", "natural person" and "individual" do not mean "everyone", but specific people who are under a duty to perform, or not perform a particular act concerning a specific area of law. Accordingly, in this instance, the "individual" who is a component of "person" must be someone who is inherently subject to the authority of Congress in immigration matters. Guess what? That's not you!

**NOTE:** The term "person or other entity" in [8 U.S.C. §1324a](#) does embrace an agricultural association, agricultural employer, or farm labor contractor (as defined in section 1802 of Title 29 of the United States Code) due to a nexus with the federal government. We have chosen not to present that information because that provision does not address the vast majority of the American work force.

Let's take a look at "organization" (another component of "person" in 1324a).

**Organization** - *As a term used in commercial law, includes a corporation, government, or government subdivision or agency...*  
[Black's Law Dictionary, Sixth Edition, p. 1099]

Now, given the phrase, "...or **other** entity" [remembering that "entity" means the U.S. government], which part of the above definition do you think the legislative draftsmen meant when they chose the word "organization"?

So let's review for a moment. The opening phrase of [8 U.S.C. §1324a](#) states:

*It is unlawful for a person or other entity...*

If we take all that we have learned about "person" and the "other entity", how might we expand the phrase so that the average man wouldn't have to jump through all the hoops you've just jumped through to understand what is really being said? We think it would look something like this:

*It is unlawful for any government corporation, government officer or employee, or any other governmental entity in any branch of government, to...*

Knowing what you now know about definitions, as well as the fact that Congress cannot legislate you or me into the immigration law enforcement business, doesn't this suddenly make the whole scheme of [8 U.S.C. §1324a](#) fall into place? We think so.

### **21.9.5 "Hire" Means "Knowingly"**

As we've established, [8 U.S.C. §1324a](#) does not apply to private firms in the states of the Union. However, it doesn't hurt to understand that there are additional layers of protection from having to be involved in the I-9 nonsense.

One fact of which most American firms are unaware is that it is not illegal to hire a person who may turn out to be an alien unauthorized to work. Even if one were to believe that [8 U.S.C. §1324a](#) applies to his firm, the prohibition is only against hiring someone whom you ***know*** is an alien unauthorized to work!

[8 U.S.C. §1324a](#)

(1) In general -

It is unlawful for a person or other entity - (A) to hire, or to recruit or refer for a fee, for employment in the United States an alien **knowing** the alien is an unauthorized alien...

At this juncture one might reasonably ask why one would ever ask a worker to fill out an I-9. It would certainly appear to result in more trouble than it's worth. The answer to why large corporations use the I-9 is this:

[8 U.S.C. §1324a](#)

(a)(3) Defense –

A person or entity that establishes that it has complied in good faith with the requirements of subsection (b) of this section [by which they mean completing an I-9] with respect to the hiring, recruiting, or referral for employment of an alien in the United States has established an **affirmative defense** that the person or entity has not violated paragraph (1)(A) with respect to such hiring, recruiting, or referral.

So what is an "affirmative defense" you ask?

**Affirmative defense** - In pleading, matter asserted by defendant which, assuming the complaint to be true, constitutes a defense to it.  
[Black's Law Dictionary, 6th Ed.]

Did you get that? If a "person or other entity" demands that its employees complete a Form I-9, but an unauthorized alien is discovered working there, the statute says that the employer can use the I-9 as a legal defense against the allegation, while essentially admitting that they **did knowingly** hire an unauthorized alien! Only the government could concoct this type of smarmy legal trickery - and only lawyers would suggest their clients buy into it.

It should be noted that with or without an I-9, the government still has the burden of proof to show that the accused **knowingly** hired an alien unauthorized for employment. That's a pretty tough burden to meet in the vast majority of cases.

## 21.9.6 The Double Edged Sword

So far we've been talking about [8 U.S.C. §1324a](#) and the hiring of aliens unauthorized for employment. It is appropriate at this time to take a look at some of the language in the regulations which really frosts the cake:

8 CFR §274a.1(k)(2) -

Knowledge that an employee is unauthorized may **not** be inferred from an employee's foreign appearance or accent. [italic emphasis in original]

Let's see if we understand the lay of the land here. The government doesn't want folks to hire aliens who aren't authorized by the INS to work in this country. However, (leaving aside upon whom the law properly operates) the alleged illegal act **isn't** hiring an alien who's unauthorized to work, but only hiring an alien who you **know** at the time you hire him (or continue to employ him) is unauthorized to work. BUT, the regulations specifically say that an employer may not infer that the potential worker is an alien unauthorized to work because of his foreign appearance or accent. Lovely! Do you see why this type of legislation could only be binding upon the government's hiring and employment practices?

## 21.9.7 Hearings For Violations

If there was any question that this law operates exclusively upon officers and employees of the government, this next item should end all doubt.

[8 U.S.C. §1324a](#)

(e)(3) Hearing -

A. Before imposing an order described in paragraph (4), (5), or (6) against a person or entity under this subsection for a violation of subsection (a) or (g)(1) of this section, the Attorney General shall provide the person or entity with notice and, upon request made within a reasonable time (of not less than 30 days, as established by the Attorney General) of the date of the notice, a hearing respecting the violation.

B. Conduct of hearing any hearing so requested shall be conducted before an administrative law judge. The hearing shall be conducted in accordance with the requirements of section 554 of title 5.

What this section tells us is that the U.S. Attorney General, without any authority other than Congress creating this statute, can impose an "order" upon an employer who violates this statute. Paragraphs 4, 5, and 6 tell us that such orders can restrict our future behavior and may even include monetary punishment.

Can the U.S. Attorney (all by his lonesome) impose a fine upon an American citizen who's running his own business in a state of the Union without taking that citizen to court and having a jury find him guilty of a crime? Not a chance in hell! One might reasonably ask, "To whom can the Attorney General do that"? The Attorney General can unilaterally impose fines on the following persons:

1. Government officers and employees
2. Government departments or agencies
3. Government owned corporations
4. Corporations contracting with the United States government
5. All businesses in U.S. possessions or territories

Evidence that this is merely an "internal administrative" procedure can be seen on subsection (B), which states, "*Conduct of hearing any hearing...shall be conducted before an administrative law judge.*"

An interesting facet of being heard by an administrative law judge is that such a hearing presumes you are subject to federal regulatory control! Is the average private firm, operating within a state of the Union, subject to the regulatory control of the INS? Absolutely not - but the "*persons and other entities*" shown above are!

#### **21.9.8 Penalties**

If a "*person or other entity*" is properly within the regulatory reach of the INS, certain actions can give rise to criminal prosecutions. It should be noted that criminal prosecutions under an Act of Congress can only be sustained in limited circumstances:

1. The business is located on federal land
2. The business is located within a U.S. possession or territory
3. The violator is an officer or employee of the U.S. government
4. The violator is a corporation wholly or partially owned by the U.S. government.
5. The violator is a corporation created by Congress.
6. The violator was using the Form I-9 in a fraudulent manner.

Please note that a private sector firm in a state of the Union is not within the government's reach in this matter if they steer clear of using the Form I-9.

Some people may make the observation that private firms within a state of the Union have been prosecuted for an offense under [8 U.S.C. §1324a](#). That is true, but it is the responsibility of the private firm to assert their Constitutional exclusion and to challenge the Department of Justice's jurisdiction. Acquiescence to an authority not actually possessed by a government agent creates the presumption of legitimate authority.

Even if a person was affected by the statute, the criminal element is very narrow and specific.

[8 U.S.C. §1324a](#)

(f)(1) - Criminal penalty -

Any person or entity which engages in a pattern or practice of violations of subsection (a)(1)(A) or (a)(2) of this section shall be fined...

And I bet you thought "*pattern or practice*" was just a couple of plain old words! To the contrary, "pattern or practice" is a "legal term" that means exactly what the definition provided for us in the regulations says it means!



2 (k) -

3 *The term pattern or practice means regular, repeated, and intentional activities, but does not include isolated,*  
4 *sporadic, or accidental acts.*

5 Can a person be prosecuted criminally for failing to use I-9 forms? Nope; the criminal provision has nothing to do with the  
6 use or non-use of a Form I-9. The criminal elements are engaging in actions that are **regular** (as in "common place"),  
7 **repeated**, and **intentional**.

## 8 **21.9.9 Summary**

9 Let's review what we've discovered.

- 10 1. The DOJ and the INS only have Title 8 authority over:
  - 11 1.1. entry into the country by aliens
  - 12 1.2. status of the alien once in this country
  - 13 1.3. the naturalization process
  - 14 1.4. the actions of the U.S. government in carrying out each of the aforementioned duties.
- 15 2. Congress has no authority to make any person in the private sector, within a state of the Union, responsible for the  
16 enforcement of U.S. immigration law.
- 17 3. Congress is free to create laws that govern how the U.S. government will handle the employment of aliens in the  
18 federal work force.
- 19 4. Congress is free to create laws that govern how the governments of federal possessions or territories will handle the  
20 employment of aliens in their government work force.
- 21 5. Congressional Acts that address how the U.S. and its possessions and territories handle government employment may  
22 include requirements for the production of documents by anyone applying for governmental employment, whether  
23 aliens or citizens.
- 24 6. The Form I-9 is the form that the Department of Justice has designated for use by the U.S. government and the  
25 governments of the possessions and territories to verify that applicants for government jobs are eligible for  
26 governmental employment.
- 27 7. Even when [8 U.S.C. §1324a](#) is operative, the standard for wrongdoing is knowingly hiring an alien unauthorized for  
28 employment.
- 29 8. If accused of wrongdoing, the Form I-9 can be used to "get off the hook" while essentially admitting that the accused  
30 did knowingly hire an alien unauthorized for employment. This is called an "affirmative defense".
- 31 9. All accusations of wrongdoing must be made against those persons who are subject to the regulatory control of the  
32 Department of Justice in reference to immigration matters. By [8 U.S.C. §1324a](#) (and its regulations) Congress has  
33 brought all three branches of the U.S. government under DOJ regulatory control in reference to hiring alien employees.
- 34 10. Criminal actions for violation of [8 U.S.C. §1324a](#) apply to the same persons as the I-9 requirement, but the government  
35 must prove that the accused engaged in hiring unauthorized alien on a regular, repeated, and intentional basis.
- 36 11. No presumption of an applicant or employee being an alien unauthorized for employment can be inferred by a foreign  
37 appearance or accent.
- 38 12. No private firm, in a state of the Union, which is not obligated to follow [8 U.S.C. §1324a](#) by the terms of a contract  
39 with the state of federal government, is required to use any federal forms when hiring workers.

40 If your private employer attempts to brow beat you, the worker, into submitting this form, ensure that you put the absolute  
41 minimum information. Abbreviate your first name and DON'T put any identifying numbers, including a Social Security  
42 Number. You not only aren't required to provide it, there is also no legal requirement to submit the form in the first place  
43 for anyone within a state of the Union.

44 We don't have a "government", folks: we have a pagan religion that people worship daily. It's a false god that they  
45 unquestioningly bow down to without even asking a few basic questions about its authority. Meanwhile, the criminals in  
46 the District of Criminals, like the Wizard of Oz behind the curtain, don't dare tell the public the truth about the very limited  
47 nature of their authority because they are obsessed with being worshipped and plundering your property. See:

*Our Government Has Become Idolatry and a False Religion*  
<http://famguardian.org/Subjects/Taxes/Articles/Christian/GovReligion.htm>

If you would like further information from the government about the proper use of the I-9 form, see the list of documents we have compiled at:

<http://famguardian.org/PublishedAuthors/Govt/USCIS/USCIS.htm>

## 22. Information Returns: W-2, 1042-S, and 1099

Information Returns include IRS Forms W-2, 1042-S, 1098, 1099, 4852. Information Returns are forms sent into the IRS either in paper or electronic form in order to report payment of earnings in connection with a “trade or business”, which is defined in [26 U.S.C. §7701](#)(a)(26) as “the functions of a public office”.

[26 U.S.C. Sec. 7701](#)(a)(26)

*“The term ‘trade or business’ includes the performance of the functions of a public office.”*

The requirement to file information returns for all earnings connected to a “trade or business” is found in [26 U.S.C. §6041](#):

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 61](#) > [Subchapter A](#) > [PART III](#) > [Subpart B](#) > § 6041  
[§ 6041. Information at source](#)

(a) Payments of \$600 or more

**All persons engaged in a trade or business and making payment in the course of such trade or business to another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044 (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is required under the authority of section 6042 (a)(2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.**

Information returns with nonzero amounts for “wages” or earnings provide evidence of all of the following to the government:

1. That you consent to become a “taxpayer” subject to the I.R.C. Subtitle A “trade or business” franchise as defined in [26 U.S.C. §7701](#)(a)(14). For information about how franchises work generally, see:  
[Government Instituted Slavery Using Franchises](#), Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>
2. In the case of the IRS Form W-2, that you submitted an IRS Form W-4 and consented to connect your earnings to a “trade or business”. It is otherwise a criminal offense under [26 U.S.C. §7206](#) and [26 U.S.C. §7207](#) to file W-2’s against a person who is not employed with the federal government as a “public officer”.

Only employers and financial institutions and other companies who are paying out “trade or business”/“public office” earnings need to report them to the IRS on an information return. There is no statute other than that above which documents a requirement, for instance, to complete an information return in the case of a person who is not connected with a “trade or business” or who works for a *private* employer. IRS Publications are predictably silent on the following issues, in order to create just enough ambiguity, fear, and ignorance on the part of companies about this subject that they will submit information returns on persons that either aren’t required or are in fact false, in violation of [26 U.S.C. §7434](#):

1. Exactly what a “trade or business” is. This is described in detail in our article below:  
<http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>
2. The relationship of the definition of a “trade or business” as found in publications to what it is defined as in the Internal Revenue Code.
3. That a “trade or business” is an excise taxable activity that applies to federal business entities called a “public office”.
4. That a “trade or business” is a franchise or privilege which you can only participate in with your informed voluntary explicit written consent. See:

*Government Instituted Slavery Using Franchises*, Form #05.030

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

- 1 5. That the Internal Revenue Code, Subtitle A describes an avoidable indirect excise tax upon a “trade or business” rather
- 2 than a direct tax.
- 3 6. That for those not engaged in a “trade or business” and not domiciled in the District of Columbia or earning anything
- 4 from the United States Government (District of Columbia), Subtitle A of the I.R.C. is voluntary and imposes no duty
- 5 upon them.
- 6 7. That for those engaged in a “trade or business”, complying with Subtitle A of the I.R.C. is not voluntary, but enforced.
- 7 8. That everything that goes on an IRS Form 1040 is “trade or business” income. See [26 U.S.C. §864](#)(b)(1).
- 8 9. That IRS Form 1040NR has *two* places to record income
- 9 9.1. “Trade or business” income
- 10 9.2. Earnings not connected with a “trade or business”.

11 If you are a worker and would like an excellent form to hand to a private employer or company you are contracting with  
12 that will both educate them about what the law requires on the subject of information returns, as well as hopefully prevent  
13 them from filing false information returns in the future in violation of 26 U.S.C. §7434, we highly recommend the  
14 following form:

*Demand for Verified Evidence of “Trade or Business” Activity: Information Return*, Form #04.007

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

15 Below is a summary of the following subsections, to provide a quick reference to help you in quickly identifying the  
16 method for correcting any one of the information returns that the IRS has which may be false in your case.  
17

**Table 22: Summary of Information Returns**

#	IRS Form Number	Form name	Filed concurrently with IRS Form Number	If false, may be corrected by
1	W-2	Wage and Tax Statement	W-3	4852 attached to a tax return W-2c and W-3c filed concurrently by “public employer”
2	1042-S	Foreign Person’s U.S. Source Income Subject to Withholding	1042-T (annually)	Re-filing with “AMENDED” block checked at the top
3	1098	Mortgage Interest Statement	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
4	1099-A	Acquisition or Abandonment of Secured Property	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
5	1099-B	Proceeds from Broker and Barter Exchange Transactions	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
6	1099-C	Cancellation of Debt	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
7	1099-H	Health Insurance Advance Payments	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
8	1099-INT	Interest Income	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
9	1099-LTC	Long Term Care and Accelerated Death Benefits	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
10	1099-PATR	Taxable Distributions Received	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
11	1099-OID	Original Issue Discount	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
12	1099MISC	Miscellaneous Income	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
13	1099-Q	Payments from Qualified Education	1096 (annually)	Re-filing with “CORRECTED” block checked at the top
14	1099-R	Distributions from Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, Etc.	1096 (annually)	4852 attached to a tax return Re-filing with “CORRECTED” block checked at the top
15	1099-S	Proceeds from Real Estate Transactions	1096 (annually)	Re-filing with “CORRECTED” block checked at the top

We will now apply these concepts to each type of IRS information return in the following subsections.

### **22.1 The Information Return Scam**

As we said in the preceding section, the income tax described by Internal Revenue Code, Subtitle A is a franchise and excise tax upon “public offices” within the U.S. government, which the code defines as a “trade or business”. Before an income tax can lawfully be enforced or collected, the subject of the tax must be connected to the activity with court-admissible evidence. Information returns are the method by which the activity is connected to the subject of the tax under the authority of 26 U.S.C. §6041(a). When this connection is made, the person engaging in the excise taxable activity is called “effectively connected with the conduct of a trade or business within the United States”.

(a) Payments of \$600 or more

**All persons engaged in a trade or business and making payment in the course of such trade or business to another person**, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044 (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is required under the authority of section 6042 (a)(2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, **shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.**

The government cannot lawfully regulate private conduct. The ability to regulate private conduct is, in fact, “repugnant to the constitution” as held by the U.S. Supreme Court. The only thing the government can regulate is “public conduct” and the “public rights” and franchises that enforce or implement it. Consequently, the government must deceive private parties into submitting false reports connecting their private labor and private property to such a public use, public purpose, and public office in order that they can usurp jurisdiction over it and thereby tax and plunder it.

*“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. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997) ]*

In a sense, the function of an information return therefore is to:

1. Provide evidence that the owner is consensually and lawfully engaged in the “trade or business” and public office franchise. These reports cannot lawfully be filed if this is not the case. 26 U.S.C. §7206 and 7207 make it a crime to file a false report.
2. Donate formerly private property described on the report to a public use, a public purpose, and a public office with the consent of the owner without any immediate or monetary compensation in order to procure the “benefits” incident to participation in the franchise.
3. Subject the property to excise taxation upon the “trade or business” activity.
4. Subject the property to use and control by the government:

*“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 [e.g. SOCIAL SECURITY, Medicare, and every other public “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)]*

On the other hand, if the information return:

1. Was filed against an owner of the property described who is not lawfully engaged in a public office or a “trade or business” in the U.S. government. . .OR
2. Was filed in a case where the owner of the private property did not consent to donate the property described to a public use and a public office by signing a contract or agreement authorizing such as an IRS Form W-4. . .OR
3. Was filed mistakenly or fraudulently.

. . .then the following crimes have occurred:

1. A violation of the Fifth Amendment Takings Clause has occurred:

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor **be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.**

2. A violation of due process has occurred. Any taking of property without the consent of the owner is a violation of due process of law.
3. The subject of the information return is being compelled to impersonate a public officer in criminal violation of 18 U.S.C. §912.

[TITLE 18 > PART I > CHAPTER 43 > § 912](#)

[§ 912. Officer or employee of the United States](#)

*Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money, paper, document, or thing of value, shall be fined under this title or imprisoned not more than three years, or both.*

4. An unlawful conversion of *private* property to *public* property has occurred in criminal violation of 18 U.S.C. §654. Only officers of the government called “withholding agents” appointed under the authority of 26 U.S.C. §7701(a)(16) and the I.R.C. can lawfully file these information returns or withhold upon the proceeds of the transaction. All withholding and reporting agents are public officers, not private parties, whether they receive direct compensation for acting in that capacity or not.

[TITLE 18 > PART I > CHAPTER 31 > § 654](#)

[§ 654. Officer or employee of United States converting property of another](#)

Whoever, being an officer or employee of the United States or of any department or agency thereof, embezzles or wrongfully converts to his own use the money or property of another which comes into his possession or under his control in the execution of such office or employment, or under color or claim of authority as such officer or employee, shall be fined under this title or not more than the value of the money and property thus embezzled or converted, whichever is greater, or imprisoned not more than ten years, or both; but if the sum embezzled is \$1,000 or less, he shall be fined under this title or imprisoned not more than one year, or both.

If you would like to learn more about how the above mechanisms work, see:

*The “Trade or Business” Scam*, Form #05.001, Section 2  
<http://sedm.org/Forms/FormIndex.htm>

Nearly all private Americans are not in fact and in deed lawfully engaged in a “public office” and cannot therefore serve within such an office without committing the crime of impersonating a public officer. This is exhaustively proven in the following:

*The “Trade or Business” Scam*, Form #05.001, Section 11  
<http://sedm.org/Forms/FormIndex.htm>

What makes someone a “private American” is, in fact, that they are not lawfully engaged in a public office or any other government franchise. All franchises, in fact, make those engaged into public officers of one kind or another and cause them to forfeit their status as a private person and give up all their constitutional rights in the process. See:

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

IRS therefore mis-represents and mis-enforces the Internal Revenue Code by abusing their tax forms and their untrustworthy printed propaganda as a method:



1. To unlawfully create public offices in the government in places they are forbidden to even exist pursuant to 4 U.S.C. §72.
2. To “elect” the average American unlawfully into such an office.
3. To cause those involuntarily serving in the office to unlawfully impersonate a public officer in criminal violation of 18 U.S.C. §912.
4. To enforce the obligations of the office upon those who are not lawfully occupying said office.
5. Of election fraud, whereby the contributions collected cause those who contribute them to bribe a public official to procure the office that they occupy with unlawfully collected monies, in criminal violation of 18 U.S.C. §210. IRS Document 6209 identifies all IRS Form W-2 contributions as “gifts” to the U.S. government, which is a polite way of describing what actually amounts to a bribe.

[TITLE 18 > PART I > CHAPTER 11 > § 210](#)  
[§ 210. Offer to procure appointive public office](#)

**Whoever pays or offers or promises any money [withheld unlawfully] or thing of value, to any person, firm, or corporation in consideration of the use or promise to use any influence to procure any appointive [public] office or place under the United States for any person, shall be fined under this title or imprisoned not more than one year, or both.**

For instance, innocent Americans ignorant of the law are deceived into volunteering to unlawfully accept the obligations of a public office by filing an IRS Form W-4 “agreement” to withhold pursuant to [26 U.S.C. §3402\(p\)](#) , 26 CFR §31.3401(a)-3(a) , and 26 CFR §31.3402(p)-1. To wit:

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements.](#)

(a) In general.

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)–3).**

[26 CFR § 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 §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. See §31.3405(c)–1, Q&A–3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.**

Those who have not voluntarily signed and submitted the IRS Form W-4 contract/agreement and who are were not lawfully engaged in a “public office” within the U.S. government **BEFORE** they signed any tax form cannot truthfully or lawfully earn reportable “wages” as legally defined in 26 U.S.C. §3402. Therefore, even if the IRS sends a “lock-down” letter telling the private employer to withhold at a rate of “single with no exemptions”, he must withhold ONLY on the amount of “wages” earned, which is still zero. If a W-2 is filed against a person who does not voluntarily sign and submit the W-4 or who is not lawfully engaged in a public office:

1. The amount reported must be ZERO for everything on the form, and especially for “wages”.
2. If any amount reported is other than zero, then the payroll clerk submitting the W-2 is criminally liable for filing a false return under [26 U.S.C. §7206](#), punishable as a felony for up to a \$100,000 fine and three years in jail.
3. If you also warned the payroll clerk that they were doing it improperly in writing and have a proof you served them with it, their actions also become fraudulent and they additionally liable under [26 U.S.C. §7207](#), punishable as a felony for up to \$10,000 and up to one year in jail.

The heart of the tax fraud and SCAM perpetrated on a massive scale by our government then is:

***Federal and State Tax Withholding Options for Private Employers***

Copyright Family Guardian Fellowship , <http://famguardian.org/>  
Ver. 2.07

357

EXHIBIT: \_\_\_\_\_

1. To publish IRS forms and publications which contain untrustworthy information that deceives the public into believing that they have a legal obligation to file false information returns against their neighbor.

*"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."*  
[Internal Revenue Manual, Section 4.10.7.2.8 (05-14-1999)]

2. To reinforce the deliberate deception and omissions in their publications with verbal advice that is equally damaging and untrustworthy:

p. 21: "As discussed in §2.3.3, the IRS is not bound by its statements or positions in unofficial pamphlets and publications."

p. 34: "6. IRS Pamphlets and Booklets. The IRS is not bound by statements or positions in its unofficial publications, such as handbooks and pamphlets;"

p. 34: "7. Other Written and Oral Advice. Most taxpayers' requests for advice from the IRS are made orally. Unfortunately, the IRS is not bound by answers or positions stated by its employees orally, whether in person or by telephone. According to the procedural regulations, 'oral advice is advisory only and the Service is not bound to recognize it in the examination of the taxpayer's return.' 26 CFR §601.201(k)(2). In rare cases, however, the IRS has been held to be equitably estopped to take a position different from that stated orally to, and justifiably relied on by, the taxpayer. The Omnibus Taxpayer Bill of Rights Act, enacted as part of the Technical and Miscellaneous Revenue Act of 1988, gives taxpayers some comfort, however. It amended section 6404 to require the Service to abate any penalty or addition to tax that is attributable to advice furnished in writing by any IRS agent or employee acting within the scope of his official capacity. Section 6404 as amended protects the taxpayer only if the following conditions are satisfied: the written advice from the IRS was issued in response to a written request from the taxpayer; reliance on the advice was reasonable; and the error in the advice did not result from inaccurate or incomplete information having been furnished by the taxpayer. Thus, it will still be difficult to bind the IRS even to written statements made by its employees. As was true before, taxpayers may be penalized for following oral advice from the IRS."

[Tax Procedure and Tax Fraud, Patricia Morgan, 1999, ISBN 0-314-06586-5, West Group]

3. To make it very difficult to describe yourself as either a "nontaxpayer" or a person not subject to the Internal Revenue Code on any IRS form. IRS puts the "exempt" option on their forms, but has no option for "not subject". You can be "not subject" and a "nontaxpayer" without being "exempt" and if you want to properly and lawfully describe yourself that way, you have to either modify their form or create your own substitute. You cannot, in fact be an "exempt individual" as defined in 26 U.S.C. §7701(b)(5) without first being an "individual" and therefore subject to the I.R.C.. The following entity would be "not subject" but also not an "exempt individual" or "exempt", and could include people as well as property:

TITLE 26 > Subtitle F > CHAPTER 79 > § 7701  
§ 7701. Definitions

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(31) Foreign estate or trust

(A) Foreign estate

The term "foreign estate" means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

If you would like to know more about this SCAM, see:

Flawed Tax Arguments to Avoid, Form #08.004, Section 5.10  
<http://sedm.org/Forms/FormIndex.htm>

4. For the IRS to be protected by a judicial "protection racket" implemented by judges who have a conflict of interest as "taxpayers" in violation of 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455. This protection racket was instituted permanently upon federal judges with the Revenue Act of 1932 as documented in:

- 4.1. [Evans v. Gore, 253 U.S. 245 \(1920\)](#)  
4.2. [O'Malley v. Woodrough, 307 U.S. 277 \(1939\)](#)  
4.3. [United States v. Hatter, 121 S.Ct 1782 \(2001\)](#)

- 1 5. To receive what they know in nearly all cases are false information returns against private parties.  
2 6. To protect the filers of these false reports.  
3 6.1. IRS Forms W-2, 1042-S, 1098, and 1099 do not contain the individual identity of the person who prepared the  
4 form.  
5 6.2. Only IRS forms 1096 and W-3 contain the identity and statement under penalty of perjury signed by the specific  
6 individual person who filed the false information return.  
7 6.3. If you send a FOIA to the Social Security Administration asking for the IRS Forms 1096 and W-3 connected to  
8 the specific information returns filed against you, they very conveniently will tell you that they don't have the  
9 documents, even though they are the ONLY ones who receive them in the government! They instead tell you to  
10 send a FOIA to the IRS to obtain them. For example, see the following:



## SOCIAL SECURITY

Refer to:

^9H: ^BC^8L

September 1, 2008



Dear Mr. [REDACTED]

This is in response to your request for copies of your W-2 and W-3 tax documents.

These documents are not the Social Security Administration's records. Please contact your local Internal Revenue Service (IRS) office for this information. For your convenience, I have provided you with the address and telephone number of your local IRS office.

Internal Revenue Service  
550 Main St.  
Cincinnati, OH 45202  
(513) 263-3333

I hope this information is helpful.

Sincerely,

Vincent A. Dormarunno  
Privacy Officer

11 If you want to see the document the above request responds to, see:  
12

*Information Return FOIA: "Trade or Business", Form #03.023*

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

- 13 6.4. The IRS then comes back and says they don't keep the original Forms 1096 and W-3 either! Consequently, there  
14 is no way to identify the specific individual who filed the original false reports or to prosecute them criminally  
15 under 26 U.S.C. §§7206 and 7207 or civilly under 26 U.S.C. §7434. In that sense, IRS FOIA offices act as

“witness protection programs” for those communist informants for the government willfully engaged in criminal activity.

*Internal Revenue Manual*  
3.5.20.19 (10-01-2003)  
*Information Returns Transcripts - 1099 Information*

1. *Generally, information returns are destroyed upon processing. Therefore, original returns cannot be retrieved. In addition, the IRS may not have record of all information returns filed by payers. The Information Returns Master File (IRMF), accessed by CC IRPTR, contains records of many information returns. The master files are not complete until October of the year following the issuance of the information document, and contain the most current year and five (5) previous years. Taxpayers should be advised to first seek copies of information documents from the payer. However, upon request, taxpayers or their authorized designee may receive "information return " information.*
2. *Follow guidelines IRM 3.5.20.1 through 3.5.20.11, to ensure requests are complete and valid.*
3. *This information can be requested on TDS.*
4. *This information is also available using IRPTR with definer W.*
5. *If IRPTR is used without definer W, the following items must be sanitized before the information is released:*
  - *CASINO CTR*
  - *CMIR Form 4790*
  - *CTR*
6. *Form 1099 information is not available through Latham.*  
*[SOURCE: <http://www.irs.gov/irm/part3/ch02s02.html>]*

7. To deliberately interfere with efforts to correct these false reports by those who are the wrongful subject of them:
  - 7.1. By penalizing filers of corrected information returns up to \$5,000 for each Form 4852 filed pursuant to 26 U.S.C. §6702.
  - 7.2. By not providing forms to correct the false reports for ALL THOSE who could be the subject of them. IRS Form 4852, for instance, says at the top “Attach to Form 1040, 1040A, 1040-EZ, or 1040X.” There is no equivalent form for use by nonresident aliens who are victims of false IRS Form W-2 or 1099-R and who file a 1040NR.
  - 7.3. To refuse to accept W-2C forms filed by those other than “employers”.
  - 7.4. To refuse to accept custom, substitute, or modified forms that would correct the original reports.
  - 7.5. To not help those submitting the corrections by saying that they were not accepted, why they were not accepted, or how to make them acceptable.
8. To ignore correspondence directed at remedying all the above abuses and thereby obstruct justice and condone and encourage further unlawful activity.

So what we have folks is a deliberate, systematic plan that:

1. Turns innocent parties called “nontaxpayers” into guilty parties called “taxpayers”, which the U.S. Supreme Court said they cannot do.

*"In Calder v. Bull, which was here in 1798, Mr. Justice Chase said, that there were acts which the Federal and State legislatures could not do without exceeding their authority, and among them he mentioned a law which punished a citizen for an innocent act; a law that destroyed or impaired the lawful private [labor] contracts [and labor compensation, e.g. earnings from employment through compelled W-4 withholding] of citizens; a law that made a man judge in his own case; and a law that took the property from A [the worker], and gave it to B [the government or another citizen, such as through social welfare programs]. 'It is against all reason and justice,' he added, 'for a people to intrust a legislature with such powers, and therefore it cannot be presumed that they have done it. They may command what is right and prohibit what is wrong; but they cannot change innocence into guilt, or punish [being a "nontaxpayer"] as a crime [being a "taxpayer"], or violate the right of an antecedent lawful private [employment] contract [by compelling W-4 withholding, for instance], or the right of private property. To maintain that a Federal or State legislature possesses such powers [of THEFT!] if they had not been expressly restrained, would, in my opinion, be a political heresy altogether inadmissible in all free republican governments.' 3 Dall. 388."*  
*[Sinking Fund Cases, 99 U.S. 700 (1878)]*

2. Constitutes a conspiracy to destroy equal protection and equal treatment that is the foundation of the Constitution, assigning all sovereignty to the government, and compelling everyone to worship and serve it without compensation.
3. Constitutes a conspiracy to destroy all Constitutional rights by compelling Americans through false reports to service the obligations of an office they cannot lawfully occupy and derive no benefit from:

*"It has long been established that a State may not impose a penalty upon those who exercise a right guaranteed by the Constitution." Frost & Frost Trucking Co. v. Railroad Comm'n of California, 271 U.S. 583.*  
*"Constitutional rights would be of little value if they could be indirectly denied," Smith v. Allwright, 321 U.S. 649, 644, or manipulated out of existence," Gomillion v. Lightfoot, 364 U.S. 339, 345."*  
*[Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965)]*

4. Constitutes an abuse of tax forms as a federal election device to unlawfully elect those who aren't eligible and without their consent into public office in the government, in criminal violation of 18 U.S.C. §912.
5. Encourages Americans on a massive scale to file false reports against their neighbor that compel them into economic servitude and slavery without compensation:

*"You shall not circulate a false report [information return]. Do not put your hand with the wicked to be an unrighteous witness."*  
*[Exodus, 23:1, Bible, NKJV]*

***"You shall not bear false witness** [or file a FALSE REPORT or information return] against your neighbor."*  
*[Exodus 10:16, Bible, NKJV]*

*"A false witness will not go unpunished, And he who speaks lies shall perish."*  
*[Prov. 19:9, Bible, NKJV]*

***"If a false witness rises against any man to testify against him of wrongdoing,** then both men in the controversy shall stand before the LORD, before the priests and the judges who serve in those days. **And the judges shall make careful inquiry, and indeed, if the witness is a false witness, who has testified falsely against his brother,** then you shall do to him as he thought to have done to his brother; [enticement into slavery (pursuant to 42 U.S.C. §1994)] to the demands of others without compensation] so you shall put away the evil from among you. And those who remain shall hear and fear, and hereafter they shall not again commit such evil among you. Your eye shall not pity: life shall be for life, eye for eye, tooth for tooth, hand for hand, foot for foot."*  
*[Deut. 19:16-21, Bible, NKJV]*

6. Constitutes a plan to implement communism in America. The Second Plank of the Communist Manifesto is a heavy, progressive income tax that punishes the rich and abuses the taxation powers of the government to redistribute wealth.
7. Constitutes a conspiracy to replace a de jure Constitutional Republic into nothing but a big for-profit private corporation and business in which:
- 7.1. Government becomes a virtual or political entity rather than physical entity tied to a specific territory. All the "States" after the Civil War rewrote their Constitutions to remove references to their physical boundaries. Formerly "sovereign" and independent states have become federal territories and federal corporations by signing up for federal franchises:

*At common law, a "corporation" was an "artificial perso[n] endowed with the legal capacity of perpetual succession" consisting either of a single individual (termed a "corporation sole") or of a collection of several individuals (a "corporation aggregate"). 3 H. Stephen, Commentaries on the Laws of England 166, 168 (1st Am. ed. 1845) . The sovereign was considered a corporation. See id., at 170; see also 1 W. Blackstone, Commentaries \*467. Under the definitions supplied by contemporary law dictionaries, Territories would have been classified as "corporations" (and hence as "persons") at the time that 1983 was enacted and the Dictionary Act recodified. See W. Anderson, A Dictionary of Law 261 (1893) ("All corporations were originally modeled upon a state or nation"); 1 J. Bouvier, A Law Dictionary Adapted to the Constitution and Laws of the United States of America 318-319 (11th ed. 1866) ("In this extensive sense the United States may be termed a corporation"); Van Brocklin v. Tennessee, 117 U.S. 151, 154 (1886) ("The United States is a . . . great corporation . . . ordained and established by the American people") (quoting United 495 U.S. 182, 202) States v. Maurice, 26 F. Cas. 1211, 1216 (No. 15,747) (CC Va. 1823) (Marshall, C. J.); Cotton v. United States, 11 How. 229, 231 (1851) (United States is "a corporation"). See generally Trustees of Dartmouth College v. Woodward, 4 Wheat. 518, 561-562 (1819) (explaining history of term "corporation").*  
*[Ngiraingas v. Sanchez, 495 U.S. 182 (1990) ]*

- 7.2. All rights have been replaced with legislatively created corporate "privileges" and franchises. See:

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



7.3. “citizens” and “residents” are little more than “employees” and officers of the corporation described in 26 U.S.C. §6671(b), 26 U.S.C. §7343, and [5 U.S.C. §2105](#). See:

*Proof That There is a “Straw Man”*, Form #05.042

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

7.4. You join the club and become an officer and employee of the corporation by declaring yourself to be a statutory but not constitutional “U.S. citizen” on a government form. See:

*Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen*, Form #05.006

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

7.5. Social Security Numbers and Taxpayer Identification Numbers serve as de facto license numbers authorizing those who use them to act in the capacity of a public officer, trustee, and franchisee within the government. See:

*Resignation of Compelled Social Security Trustee*, Form #06.002

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

7.6. Federal Reserve Notes (FRNs) serve as a substitute for lawful money and are really nothing but private scrip for internal use by officers of the government. They are not lawful money because they are not redeemable in gold or silver as required by the Constitution. See:

*The Money Scam*, Form #05.041

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

7.7. So-called “Income Taxes” are nothing but insurance premiums to pay for “social insurance benefits”. They are also used to regulate the supply of fiat currency. See:

*The Government “Benefits” Scam*, Form #05.040

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

7.8. The so-called “law book”, the Internal Revenue Code, is the private law franchise agreement which regulates compensation to and “kickbacks” from the officers of the corporation, which includes you. See:

*The “Trade or Business” Scam*, Form #05.001

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

7.9. Federal courts are really just private binding corporate arbitration for disputes between fellow officers of the corporation. See:

*What Happened to Justice?*, Form #06.012

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

7.10. Terms in the Constitution have been redefined to limit themselves to federal territory not protected by the original de jure constitution through judicial and prosecutorial word-smithing.

“When words lose their meaning, people will lose their liberty.”  
[Confucius, 500 B.C.]

“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]

See:

7.10.1. *Meaning of the Words “Includes” and “Including”*

<http://famguardian.org/Subjects/Taxes/FalseRhetoric/Includess.pdf>

7.10.2. *Rules of Presumption and Statutory Interpretation*, Litigation Tool #01.006

<http://sedm.org/Litigation/LitIndex.htm>

8. Constitutes a plan to unwittingly recruit the average American into servitude of this communist/socialist effort.

[TITLE 50 > CHAPTER 23 > SUBCHAPTER IV > Sec. 841.](#)  
[Sec. 841. - Findings and declarations of fact](#)

*The Congress finds and declares that the Communist Party of the United States [consisting of the IRS, DOJ, and a corrupted federal judiciary], although purportedly a political party, is in fact an instrumentality of a conspiracy to overthrow the [de jure] Government of the United States [and replace it with a de facto government ruled by the judiciary]. It constitutes an **authoritarian dictatorship [IRS, DOJ, and corrupted federal judiciary in collusion]** within a [constitutional] republic, demanding for itself the rights and privileges [including immunity from prosecution for their wrongdoing in violation of [Article 1, Section 9, Clause 8 of the Constitution](#)] accorded to political parties, but **denying to all others the liberties [Bill of Rights] guaranteed by the Constitution**. Unlike political parties, which evolve their policies and programs through public means, by the reconciliation of a wide variety of individual views, and submit those policies and programs to the electorate at large for approval or disapproval, the policies and programs of the Communist Party are secretly [by corrupt judges and the IRS in complete disregard of the tax laws] prescribed for it by the foreign leaders of*



the world Communist movement [the IRS and Federal Reserve]. Its members [the Congress, which was terrorized to do IRS bidding recently by the framing of Congressman Traficant] have no part in determining its goals, and are not permitted to voice dissent to party objectives. Unlike members of political parties, members of the Communist Party are recruited for indoctrination [in the public schools by homosexuals, liberals, and socialists] with respect to its objectives and methods, and are organized, instructed, and disciplined [by the IRS and a corrupted judiciary] to carry into action slavishly the assignments given them by their hierarchical chieftains. Unlike political parties, the Communist Party [thanks to a corrupted federal judiciary] acknowledges no constitutional or statutory limitations upon its conduct or upon that of its members. The Communist Party is relatively small numerically, and gives scant indication of capacity ever to attain its ends by lawful political means. The peril inherent in its operation arises not from its numbers, but from its failure to acknowledge any limitation as to the nature of its activities, and its dedication to the proposition that the present constitutional Government of the United States ultimately must be brought to ruin by any available means, including resort to force and violence [or using income taxes]. Holding that doctrine, its role as the agency of a hostile foreign power [the Federal Reserve and the American Bar Association (ABA)] renders its existence a clear present and continuing danger to the security of the United States. It is the means whereby individuals are seduced into the service of the world Communist movement, trained to do its bidding, and directed and controlled in the conspiratorial performance of their revolutionary services. Therefore, the Communist Party should be outlawed

9. Constitutes an effort to create and perpetuate a state-sponsored religion and to compel “tithes” called income tax to the state-sponsored church, which is the government:

Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

To close this section, we highly recommend the following FOIA you can send to the IRS and the Social Security Administration that is useful as a reliance defense to expose the FRAUD described in this section upon the American people:

Information Return FOIA: "Trade or Business", Form #03.023  
<http://sedm.org/Forms/FormIndex.htm>

## 22.2 IRS Form W-2

IRS Form W-2 is filed concurrently with the IRS Form W-3 by “public employers”. The form W-3 is signed under penalty of perjury as a “return”, just like a regular 1040 return. If the public employer wishes to correct an erroneous IRS Form W-2, then they must submit an IRS Form W-2c along with the companion W-3c signed under penalty of perjury. The filing of W-2c and W-3c forms usually occurs because the private employer received an IRS Form 4598 from the IRS, indicating that a “taxpayer” informed to the IRS using an IRS Form 4852 that the employer was preparing incorrect W-2 Forms.

Most employers believe they have a legal duty to file an IRS Form W-2 against all earnings of their private employees. They believe this is required even in the case of persons who never submitted an IRS Form W-4. This is simply false. In fact:

1. IRS Form W-2 can only be submitted for that portion of earnings that is connected with a “trade or business”. This portion is called “wages” and is defined in 26 U.S.C. §3401(a). In other words, “wages” is a “word of art” that describes earnings in connection with the “trade or business” franchise.
2. The code word for “trade or business” used throughout IRS publications and in their Individual Master Files is “wages”.
3. Those who do not have a W-4 “Voluntary Withholding Agreement” filed with the private employer and who are not in fact and in deed engaged in a “public office” cannot earn “wages”.

26 CFR §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3.

4. Those who earn “wages” because they voluntarily submitted a W-4 to the private employer also earn “gross income” as legally defined and must pay taxes on it.

*Title 26: Internal Revenue*

*PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*

*Subpart E—Collection of Income Tax at Source*

*§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 §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. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.*

5. If the worker is not engaged in a “trade or business” there is not law requiring that an IRS Form W-2 filed against them or that it contain anything other than “zero” for “Wages, tips, and other compensation”.
6. If the W-2 Form is mistakenly filed against a worker by an ignorant private employer, then the “Wages, tips, and other compensation”, block 2, must be **ZERO**, because this is earnings associated only with the “trade or business”.
7. Workers who have had W-2 Forms filed against them who are not in fact engaged in a “trade or business” may correct these erroneous reports by sending in an IRS Form 4852. Instructions for doing this are found at: <http://sedm.org/Forms/Tax/FormW2/CorrectingIRSFormW2.htm>
8. Workers who do not correct these erroneous W-2 reports most certainly will become the target for IRS enforcement actions, because they are liable under the code as “withholding agents”, because they are “nonresident aliens” who are made liable under [26 U.S.C. §1461](#) to deduct and withhold and pay taxes on their pay.

Private employers are forewarned that if they do not follow the requirements above, then they risk a liability of up to \$5,000 for a fraudulently or falsely executed W-2. Here is the section of the Internal Revenue Code that imposes this penalty, [26 U.S.C. §7434](#):

*Title 26, Internal Revenue Code*

*§ 7434. Civil Damages For Fraudulent Filing Of Information Returns.*

*(a) In General-*

*If any person willfully files a fraudulent information return with respect to payments purported to be made to any other person, such other person may bring a civil action for damages against the person so filing such return.*

*(b) Damages-*

*In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the greater of \$5,000 or the sum of-*

*(1) any actual damages sustained by the plaintiff as a proximate result of the filing of the fraudulent information return (including any costs attributable to resolving deficiencies asserted as a result of such filing),*

*(2) the costs of the action, and*

*(3) in the court's discretion, reasonable attorneys' fees.*

*(c) Period For Bringing Action-*

*Notwithstanding any other provision of law, an action to enforce the liability created under this section may be brought without regard to the amount in controversy and may be brought only within the later of-*

*(1) 6 years after the date of the filing of the fraudulent information return, or*

(2) 1 year after the date such fraudulent information return would have been discovered by exercise of reasonable care.

(d) Copy Of Complaint Filed With IRS-

Any person bringing an action under subsection (a) shall provide a copy of the complaint to the Internal Revenue Service upon the filing of such complaint with the court.

(e) Finding Of Court To Include Correct Amount Of Payment-

The decision of the court awarding damages in an action brought under subsection (a) shall include a finding of the correct amount which should have been reported in the information return.

(f) Information Return-

For purposes of this section, the term 'information return' means any statement described in section 6724(d)(1)(A).'

We caution that the above statute cannot apply to any private employer who is not doing business on federal property and who is not a "U.S. person" because they never applied for a "Taxpayer Identification Number" (TIN). Unfortunately, this does not describe many private employers, because few have investigated the law and conducted themselves carefully enough to avoid this IRS trap.

No doubt, many private companies are not familiar with then nuances in this section, the I.R.C, or the regulations themselves. The reason is that few of them actually read what the law says on this subject, preferring to defer judgment to a trade publication or the IRS itself. The result is the illegal enforcement of the I.R.C. and the equivalent of robbery of the earnings of workers everywhere. On more than one occasion they have probably submitted incorrect form W-2's that indicated a nonzero amount in the "wages" block against workers who never consented to withholding on an IRS Form W-4. They no doubt did this in violation of the regulations at 26 CFR §31.3401(a)-3(a). Workers are reminded that there is a very important administrative way to correct such erroneous reports using IRS Form 4852. For an article on how to use this form, see:

Correcting Erroneous IRS Form W-2's, Form #04.006  
<http://sedm.org/Forms/FormIndex.htm>

In addition to W-2 reports, the regulations also impose a requirement upon "withholding agents" to submit an IRS Form 1042 on all amounts withheld. See [26 CFR §1.1461-1\(c\)](#) ). However, most private employers are NOT "withholding agents" as we showed earlier in section 2.

### **22.3 IRS Form 1042-S**

IRS Form 1042-S is filed by itself, without the companion IRS Form 1096 by companies that have volunteered to act as a "public office". If the company who is acting as a "public office" or the person who is the target of this information return wish to correct an erroneous IRS Form 1042-S, then they must submit an IRS Form 1042-S with the "AMENDED" block checked at the top.

IRS Form 1042-S is yet another type of information return used to report payment of "gross income" and "trade or business" income to foreign persons, such as nonresident aliens. The IRS website contains propaganda advising employers and companies to file these forms against workers or business associates that they pay money to at:

<http://www.irs.gov/businesses/small/international/article/0,,id=104997,00.html>

The [IRS Form 1042-S](#) has only one block for reporting earnings, which is Block 2 entitled "[Gross income](#)". This is the same "gross income" identified in [26 U.S.C. §61](#), which makes you into a "[taxpayer](#)" subject to the I.R.C.! WATCH OUT! You can't earn "[gross income](#)" as defined in the I.R.C. without being a "[taxpayer](#)", and the reason the IRS will encourage financial institutions and private employers to fill out this form even in cases when it is not required, is to manufacture more "[taxpayers](#)" using false presumption to prejudice your constitutional rights. We cover this in our free pamphlet below:

Like all other information returns, the [IRS Form 1042-S](#) is a type of Information Return, and that the only authority for demanding information returns is [26 U.S.C. §6041](#). This section says that the only occasion where information returns are required is in the case of those in receipt of "[trade or business](#)" income, which means income from a "public office" in the United States government. If you aren't engaged in a "public office" in the United States government and don't have earnings from the U.S. government, then there is nothing to report and no report need be filed, and if a report IS mistakenly filed, then the "[Gross income](#)" block must be zero and the tax rate must be zero. This is consistent with the content of [26 U.S.C. §871](#) and [26 CFR §1.872-2](#), which says:

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

(f) Other exclusions. Income which is from sources without [outside] the United States [District of Columbia, see 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section [864\(c\)\(4\)](#) and §1.864-5.

Don't take our word for it. Read [the instructions for the form](#) yourself. It should also be pointed out that instructions for the form say that if you aren't engaged in a "[trade or business](#)", which is everyone except federal employees, and federal business entities and contractors participating in "social insurance" (e.g. SOCIALIST INSECURITY), then you don't have to provide a Social Security Number either:

**Box 14, Recipient's U.S. Taxpayer Identification Number (TIN)**

You must obtain and enter a U.S. taxpayer identification number (TIN) for:

Any recipient whose income is effectively connected with the conduct of a trade or business in the United States.  
[\[IRS Form 1042-S Instructions, p. 14\]](#)

If you are not in fact engaged in a "public office", then you should object vociferously against anyone filing this form against you by any third party. If you do object to this form being filed on you by a financial institution or employer, and if the payer fills this form out against you despite your hopefully vociferous objections, then you should make sure that the Exemption Code in Block 6 reads "03, which means "Not from 'U.S. sources'" and the tax rate in block 5 is "00.00". Then, when you get a copy of this form from them at the end of the year, you can file a corrected version by checking the "AMENDED" block and reporting "0" for "Gross income" in block 2.

If you are a worker who has had an IRS Form 1099 incorrectly filed against you, then you may go back and file a corrected version as described in the instructions indicated below:

**IMPORTANT:** If you aren't filing or paying and you get an IRS Form 1042 filed against you that you don't rebut, you are virtually guaranteed at some point to be hounded by the IRS to pay up. Don't forget to correct every such report incorrectly filed against you if you are not in fact and in deed engaged in a "trade or business" so that you don't suffer the adverse consequences of this omission as an innocent "nontaxpayer".

## 22.4 IRS Form 1099

IRS Form 1099 is filed concurrently with the IRS Form 1096 by companies that have volunteered to act as a “public office”. The IRS Form 1096 is not signed. If the company who is acting as a “public office” or the person who is the target of this information return wish to correct an erroneous IRS Form 1099, then they must submit an IRS Form 1099 with the “CORRECTED” block checked at the top along with the companion IRS Form 1096.

The IRS Form, like the W-2, is only for earnings in connection with a “trade or business”, as described in 26 U.S.C. §6041. The instructions for the form right off the IRS website, in fact, confirm this. Once again, a “trade or business” is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”. Most Americans are NOT engaged in a “trade or business” unless they elect to participate in “social insurance”, such as Social Security, Medicare, FICA, etc. If you have elected not to participate in these programs and you do not in fact hold a “public office” within the United States government, then you can’t earn any reportable “trade or business” income.

The IRS Form 1099-R and 1099-MISC may ONLY be used in connection with a “trade or business”, which is defined as “the functions of a public office” in the U.S. government, as revealed in [26 U.S.C. §7701\(a\)\(26\)](#). Below is where this requirement is described:

1. IRS Publication 583 entitled *Starting a Business and Keeping Records*, Rev. May 2002, p. 8 says:

***Form 1099-MISC.** Use Form 1099-MISC, Miscellaneous Income, to report certain payments you make in your **trade or business**. These payments include the following...*  
[SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub583.pdf>]

2. IRS Form 1099-MISC Instructions, 2005, p. 1 says:

***Trade or business reporting only.** Report on Form 1099-MISC only when payments are mad in the course of your **trade or business**. Personal payments are not reportable. You are engaged in a trade or business if you operate for gain or profit. However, nonprofit organizations are considered to be engaged in a trade or business and are subject to these reporting requirements. Nonprofit organizations subject to these reporting requirements include trusts of qualified pension or profit-sharing plans of employers, certain organizations exempt from tax under section 501(c) or (d), and farmers' cooperatives that are exempt from tax under section 521. Payments by federal, state, or local government agencies are also reportable.*  
[SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm1099Inst.pdf>]

In addition, IRS Publication 515 entitled “Withholding of Tax on Nonresident Aliens and Foreign Entities” specifically says the following in regards to nonresident aliens, which includes persons using this website:

*“Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting.”*  
[IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities]

If you are a worker who has had an IRS Form 1099 incorrectly filed against you, then you may go back and file a corrected version as described in the instructions indicated below:

[Correcting Erroneous IRS Form 1099's](http://sedm.org/Forms/FormIndex.htm), Form #04.005  
<http://sedm.org/Forms/FormIndex.htm>

**IMPORTANT:** If you aren’t filing or paying and you get an IRS Form 1099 filed against you that you don’t rebut, you are virtually guaranteed at some point to be hounded by the IRS to pay up. Don’t forget to correct every such report incorrectly filed against you if you are not in fact and in deed engaged in a “trade or business” so that you don’t suffer the adverse consequences of this omission as an innocent “nontaxpayer”.

## 23. Legal Requirements for Withholding and Reporting by Private Employers

This section describes options and techniques for submitting withholding forms and performing withholding. It also presents sample agreements that private employers and their private employees can use that will maximize the benefit and minimize the legal liability for everyone.

1 If you would like a high-level Powerpoint presentation that summarizes withholding and reporting requirements that you  
2 can use to educate decision makers at your private employer, we recommend the following:

*Income Tax Withholding and Reporting Course*, Form #12.004  
<http://sedm.org/Forms/FormIndex.htm>

3 If you want a simple form that summarizes most laws on withholding and reporting, see:

*Tax Withholding and Reporting: What the Law Says*, Form #04.103  
<http://sedm.org/Forms/FormIndex.htm>

4 If you would like forms to help you comply with the laws on state and federal income tax withholding and reporting, please  
5 refer to section 1.4 of the following:

*Tax Withholding and Reporting Forms, Section 1.4*  
<http://sedm.org/Forms/FormIndex.htm>

6 Those who would like to know more specifically and only about state income withholding and reporting should read the  
7 following:

*State Income Taxes*, Form #05.031  
<http://sedm.org/Forms/FormIndex.htm>

## 8 **23.1 General requirements for withholding on “wages” in the I.R.C.**

9 The IRS publishes the following publications relating to withholding below, which are a starting point, but not credible and  
10 not believable for reasons we explained in detail earlier in section 15.15.2:

- 11 1. *Publication 15: Circular E: Employer’s Tax Guide*  
12 <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub15.pdf>
- 13 2. *Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Corporations*-for those using IRS Form W-8,  
14 8233  
15 <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub515.pdf>
- 16 3. *Publication 919: Is My Withholding Correct?*-for those using the IRS Form W-4  
17 <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub919.pdf>

18 Before we begin on the subject of withholding, we must first emphasize the following important points about withholding:

- 19 1. Only persons who have a tax liability under Subtitle A of the Internal Revenue Code need to withhold. A person who  
20 has no liability for I.R.C. Subtitle A tax need not withhold.

21 *Title 26: Internal Revenue*  
22 *PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*  
23 *Subpart E—Collection of Income Tax at Source*  
24 *§ 31.3402(p)-1 Voluntary withholding agreements.*

25 (a) *In general.*

26 *An employee and his employer may enter into an agreement under section 3402(b) to provide for the*  
27 *withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made*  
28 *after December 31, 1970. **An agreement may be entered into under this section only with respect to amounts***  
29 ***which are includible in the gross income of the employee under section 61, and must be applicable to all***  
30 ***such amounts paid by the employer to the employee.** The amount to be withheld pursuant to an agreement*  
31 *under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations*  
32 *thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income*  
33 *tax withheld from eligible rollover distributions within the meaning of section 402.*

34 Therefore, the burden of proof is upon the one asserting the requirement to withhold that a tax liability actually exists  
35 in law. This burden of proof is described below:



2. "Domicile" or "residence" on federal territory is a prerequisite to having a tax liability under I.R.C. Subtitle A. Persons with a domicile on federal territory are called:
  - 2.1. Statutory "U.S. citizens" pursuant to [8 U.S.C. §1401](#).
  - 2.2. Statutory "residents" (aliens) pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).
  - 2.3. "U.S. persons" pursuant to [26 U.S.C. §7701\(a\)\(30\)](#).
  - 2.4. "Inhabitants" within federal law.For further details on the above, see sections 15 through 15.16 earlier.
3. The IRS Form 1040 is ONLY for use by "persons" with a legal domicile on federal territory.
  - 3.1. The domicile requirement is described in [26 U.S.C. §911\(d\)\(3\)](#). The term "United States" as used in this statute is defined as the "District of Columbia" in 26 U.S.C. §7701(a)(9) and (a)(10) and nowhere expanded to include states of the Union. Consequently, they are presumed to be excluded by implication:

*"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]

- 3.2. IRS Document 7130 and the 1040 Instruction Booklet itself on the filing requirements page both confirm that only statutory "U.S. citizens" and "residents" have a requirement to file the IRS Form 1040. Nonresidents aliens are NOT required to file this form and may not lawfully be required to file it.
  - 3.3. If you are domiciled in a state of the Union, then you are a nonresident alien and are not domiciled on federal territory and therefore may not lawfully use IRS Form 1040. See:

*Nonresident Alien Position*, Form #05.020

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

- 3.4. The only exception to the previous rule is nonresident aliens who are married to statutory "U.S. citizens", in which case they may make an "election" pursuant to [26 U.S.C. §7701\(b\)\(4\)\(B\)](#) and [26 U.S.C. §6013\(g\)](#) or (h) to be treated as a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#). It is otherwise a criminal violation of [18 U.S.C. §911](#) for a nonresident alien to impersonate a statutory "U.S. citizen" if he is not married to a statutory "U.S. citizen".
4. Withholding may ONLY be effected on the following types of entities listed in [26 U.S.C. §7701\(a\)\(16\)](#):

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. - Definitions](#)

*(a)(16) Withholding agent*

*The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of section 1441, 1442, 1443, or 1461.*

Now if you look up each of the above four statutes mentioned in the above definition, here is what you end up with:

**Table 23: Statutes authorizing "withholding agents"**

<b>26 U.S.C./ I.R.C. section</b>	<b>Title of section</b>	<b>Object of tax</b>
<a href="#">1441</a>	Withholding of tax on nonresident aliens	Nonresident aliens
<a href="#">1442</a>	Withholding of tax on foreign corporations	Foreign corporations
<a href="#">1443</a>	Foreign tax-exempt organizations	Tax-exempt organizations
<a href="#">1461</a>	Liability for withheld tax	Nonresident aliens and foreign corporations (see title of Chapter 3 of Subtitle A).

Chances are VERY good that you aren't in the above list. Note also that "U.S. citizens" are not in the list. The reason is because unless they are overseas and coming under [26 U.S.C. §911](#) and an international tax treaty, they aren't the proper subject of any part of the Internal Revenue Code.

5. The Internal Revenue Code, Subtitles A and C only applies to federal government officers, instrumentalities, agents, contractors, and benefit recipients, all of which are synonymous. This is exhaustively described in the pamphlet below:

6. The I.R.C. Subtitle C, Employment Taxes, only addresses the conduct of “public employers” within the United States government. It cannot and does not regulate the conduct of private employers, and especially not those in states of the Union. The ability to regulate private conduct, according to the U.S. Supreme Court, is “repugnant to the constitution”!

IRM 5.14.10.2 (09-30-2004)  
Payroll Deduction Agreements

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

**“The power to “legislate generally upon” life, liberty, and property [of PRIVATE citizens], as opposed to the “power to provide modes of redress” against offensive state[PUBLIC] 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. Flores, Archbishop of San Antonio*, 521 U.S. 507 (1997)]

If you want to prove this for yourself, rebut the questions at the end of the following, which we encourage you to take to your next IRS audit:

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

7. Withholding and reporting only applies to earnings connected to a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office” in the United States government. See:

The “Trade or Business” Scam  
<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>

8. All IRS information returns, including IRS Forms W-2, 1042-s, 1098, 1099, and K-1 can ONLY lawfully be used to report earnings connected with a “public office” in the United States government pursuant to 26 U.S.C. §6041. They may NOT be used to report PRIVATE earnings. If they are completed against PRIVATE persons who are NOT engaged in a public office or the “trade or business” franchise, the filer of these false reports then assumes the following legal liabilities:
- 8.1. They are civilly liable for damages under 26 U.S.C. §7434 for all the taxes that are illegally withheld or collected plus attorneys fees.
  - 8.2. They are criminally liable for false or fraudulent reports under 26 U.S.C. §7206 and 7207 for up to ten years in jail.
  - 8.3. They are criminally liable for conversion of private property to a public use in violation of 18 U.S.C. §654. As “withholding agents” for the U.S. government, they are prohibited from converting private property to a public use without the consent of the subject:

*“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)]

- 8.4. They are guilty of impersonating a “public officer” in violation of 18 U.S.C. §912. All “taxpayers” within I.R.C. Subtitle A are “public officers” engaged in a “trade or business”.
- 8.5. They are guilty of impersonating a statutory “U.S. citizen” in violation of 18 U.S.C. §911. All “taxpayers” within I.R.C. Subtitle A are statutory “U.S. citizen” temporarily abroad and coming under a tax treaty with a foreign country pursuant to 26 U.S.C. §911. It is illegal to serve in a “public office” in the U.S. government as anything other than a statutory “U.S. citizen”.

1 4. Lack of Citizenship  
2 §74. Aliens can not hold Office. - -

3 *It is a general principle that an alien can not hold a public office. In all independent popular governments, as*  
4 *is said by Chief Justice Dixon of Wisconsin, "it is an acknowledged principle, which lies at the very foundation,*  
5 *and the enforcement of which needs neither the aid of statutory nor constitutional enactments or restrictions,*  
6 *that the government is instituted by the citizens for their liberty and protection, and that it is to be administered,*  
7 *and its powers and functions exercised only by them and through their agency."*

8 *In accordance with this principle it is held that an alien can not hold the office of sheriff.*<sup>[2]</sup>  
9 *[A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, p. 27, §74;*  
10 *SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]*

- 11 9. Those who are nonresident aliens, which includes most Americans born in and domiciled within the states of the  
12 Union, cannot have a tax liability if they have no earnings from the District of Columbia or the United States  
13 government under [26 U.S.C. §871](#). See section 12 earlier. We prove this later in section 23.7.
- 14 10. Withholding and reporting on statutory "U.S. citizens" or "residents" (aliens) is only permitted when they are abroad  
15 pursuant to [26 U.S.C. §911](#). There is not statute or regulation that makes the liable to pay income taxes when they are  
16 situated in any one of the 50 states or federal territory. This is confirmed by the following:
- 17 10.1. 26 CFR §1.1-1(a)(2)(ii) defines "married individual" and "unmarried individuals" as aliens with earnings  
18 connected with a "trade or business".
- 19 10.2. 26 CFR §1.1441-1(c) defines the term "individual" appearing on IRS Form 1040 as "U.S. Individual Income Tax  
20 Return" as being an "alien" or a "nonresident alien". "Citizens" are nowhere included.
- 21 10.3. A statutory "U.S. citizen" only becomes a "taxpayer" when he is temporarily abroad under [26 U.S.C. §911](#) and  
22 therefore comes under a tax treaty with a foreign country as an "alien" in relation to the foreign country. He is an  
23 alien in relation to the foreign country in that condition, which is how he becomes a "taxpayer". Even then, he  
24 must have earnings from a public office in the U.S. government called a "trade or business" to have any taxable  
25 income. EVERYTHING that goes on IRS Form 1040 is "trade or business" income because everything on the  
26 form is subject to "trade or business" deductions pursuant to [26 U.S.C. §162](#). This is also confirmed by [26 U.S.C. §871](#)(b)(1), which says that all the taxes in Section 1 are "trade or business" taxes.
- 27 11. Employment withholding taxes under Subtitle C of the Internal Revenue Code are classified as "gifts" to the U.S.  
28 Government, and therefore are technically not "taxes". They don't become "taxes" until the information return is  
29 attached to a tax return and the tax return is signed under penalty of perjury. This is the origin, in fact, of the  
30 requirement to attach all information returns to your tax return when you file it: To convert a "gift" into a "tax". The  
31 IRS has no statutory authority to make this conversion, which is why they need your help. See [Great IRS Hoax](#), Form  
32 #11.302, Section 5.6.8 for the proof:  
33 <http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>.
- 34 12. A nonresident alien not engaged in a "trade or business" as defined in 26 CFR §1.871-1(b)(1)(i) who does not work for  
35 the U.S. government and receives no payments from the U.S. government under [26 U.S.C. §871](#) can have no tax  
36 liability and need not withhold. This is confirmed by:
- 37 12.1. 26 CFR §1.872-2(f)
- 38 12.2. 26 CFR §31.3401(a)(6)-1(b)
- 39 12.3. [26 U.S.C. §861](#)(a)(3)(C)(i)
- 40 12.4. [26 U.S.C. §3401](#)(a)(6)
- 41 12.5. [26 U.S.C. §1402](#)(b)
- 42 12.6. [26 U.S.C. §7701](#)(a)(31)
- 43 13. Backup withholding under [26 U.S.C. §3406](#) is only done on "resident aliens" as defined in [26 U.S.C. §7701](#)(b)(1)(A)  
44 and not "nonresident aliens" as defined in [26 U.S.C. §7701](#)(b)(1)(B).
- 45

46 The requirement for withholding is found in [26 U.S.C. §3402](#)(a):

47 [TITLE 26](#) > [Subtitle C](#) > [CHAPTER 24](#) > § 3402  
48 [§ 3402. Income tax collected at source](#)

49 (a) Requirement of withholding

50 (1) In general

Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary. Any tables or procedures prescribed under this paragraph shall—

(A) apply with respect to the amount of wages paid during such periods as the Secretary may prescribe, and

(B) be in such form, and provide for such amounts to be deducted and withheld, as the Secretary determines to be most appropriate to carry out the purposes of this chapter and to reflect the provisions of chapter 1 applicable to such periods.

(2) Amount of wages

For purposes of applying tables or procedures prescribed under paragraph (1), the term “the amount of wages” means the amount by which the wages exceed the number of withholding exemptions claimed multiplied by the amount of one such exemption. The amount of each withholding exemption shall be equal to the amount of one personal exemption provided in section 151 (b), prorated to the payroll period. The maximum number of withholding exemptions permitted shall be calculated in accordance with regulations prescribed by the Secretary under this section, taking into account any reduction in withholding to which an employee is entitled under this section.

The section above uses two key “words of art”, which are terms that have a special legal definition that does not conform with the common or ordinary meaning of the words: “wages” and “employer”. The term “wages” DOES NOT mean what you probably think it means, which is EVERYTHING the person earns from the company. Instead, “wages” are legally defined below:

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3402](#)  
[§ 3402. Income tax collected at source](#)

(e) Included and excluded wages

If the remuneration paid by an employer to an employee for services performed during one-half or more of any payroll period of not more than 31 consecutive days constitutes wages, all the remuneration paid by such employer to such employee for such period shall be deemed to be wages; but if the remuneration paid by an employer to an employee for services performed during more than one-half of any such payroll period does not constitute wages, then none of the remuneration paid by such employer to such employee for such period shall be deemed to be wages.

The above definition also contains more words of art. For instance, the Classification Act of 1923, 42 Stat. 1488, which has not been repealed, provides the following definitions of some of the above words:

1. “department”: “the term ‘department’ means an executive department of the United States Government, a governmental establishment in the executive branch of the United States Government which is not a part of an executive department, the municipal government of the District of Columbia, the Botanic garden, Library of Congress, Library Building and Grounds, Government Printing Office, and the Smithsonian Institution.”
2. “position”: “means a specific civilian office or employment, whether occupied or vacant, in a department other than the following: Offices or employments in the Postal Service; teachers, librarians, school attendance officers, and employees of the community center department under the Board of Education of the District of Columbia; officers and members of the Metropolitan police, the fire department of the District of Columbia, and the United States park police; and the commissioned personnel of the Coast Guard, the public Health Service, and the Coast and Geodetic Survey.”
3. “employee”: “means any person temporarily or permanently in a position.”
4. “service”: “means the broadest division of related offices and employments.”

The above definition of “wages” is further restricted by the underlying regulations as follows:

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3.

The term “employer” is also defined in [26 U.S.C. §3401\(d\)](#) as someone who has “employees”. Therefore, under both the Classification Act of 1923 and the definition of “employee” found in 26 CFR §31.3401(c )-1, only “employees” working for the United States government can earn “wages”, and even then, only when they have a voluntary withholding agreement in place called a W-4.

[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.*

As a matter of fact, filling out and signing the W-4 under penalty of perjury, which is identified in the regulation 26 CFR §31.3401(a)-3 above as a “voluntary withholding agreement”, makes the signer into a federal “employee” and contractor. Black’s Law Dictionary, Sixth Edition, in fact, defines an “agreement” as a “contract”:

***Agreement.** A meeting of two or more minds; a coming together in opinion or determination; the coming together in accord of two minds on a given proposition. In law, a concord of understanding and intention between two or more parties with respect to the effect upon their relative rights and duties, of certain past or future facts or performances. The consent of two or more persons concurring respecting the transmission of some property, right, or benefits, with the view of contracting an obligation, a mutual obligation.*

*A manifestation of mutual asset on the part of two or more persons as to the substance of a contract. Restatement, Second, Contracts, §3.*

*Although often used as synonymous with “contract”, agreement is a broader term; e.g. an agreement might lack an essential element of a contract. The bargain of the parties in fact as found in their language or by implication from other circumstances including course of dealing or usage of trade or course of performance. U.C.C. §-201(c ); Uniform Consumer Credit Code, §1.301(3). [Black’s Law Dictionary, Sixth Edition, p. 66]*

However, Section 2 earlier proves that private employers, which are companies that don’t have federal workers, aren’t even allowed by law to act as “withholding agents” and that the IRS website even admits that such private employers do not have to withhold:

[IRM 5.14.10.2 \(09-30-2004\)](#)  
[Payroll Deduction Agreements](#)

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

Any private company, church, or other business entity that withholds against the wishes of the worker is setting themselves up for a huge legal liability, because they essentially are stealing money and the IRS then is in receipt of stolen property in violation of [18 U.S.C. §2315](#). The IRS is hoping you don’t know this, and they will not admit it to you if you call them on their 800 number. They will do this to maintain “plausible deniability” so that if something goes wrong and the private employee sues, the private company has to accept all the legal liability. Pretty cute, huh?

## **23.2 What is the proper federal tax status of private, nonfederal businesses?**

People who are born in and domiciled in states of the Union are “nationals” but not “citizens”, which is defined in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1101\(a\)\(22\)\(B\)](#) and [8 U.S.C. §1452\(b\)](#). That simply means that they owe allegiance to the states of the Union united under our Constitution but do not come under the jurisdiction of federal law because they do not maintain a domicile on federal territory. If you would like to examine exhaustive evidence supporting this assertion, we refer you to our white paper on this subject available for free on the web:

[Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen](http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf)  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

- 1 Below is a tabular summary of the conclusions of the analysis found in the above reference, which shows the relationship  
2 between one's citizenship status and their tax status:



1 **Table 24: “Citizenship status” vs. “Income tax status”**

#	Citizenship status	Place of birth	Domicile	Accepting tax treaty benefits?	Defined in	Tax Status under 26 U.S.C./Internal Revenue Code			
						“Citizen” (defined in 26 CFR 1.1-1)	“Resident alien” (defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii))	“Nonresident alien INDIVIDUAL” (defined in 26 CFR §1.1441-1(c)(3))	“Nonresident alien NON-individual” (defined in 26 U.S.C. §7701(b)(1)(B))
1	“U.S. citizen” or “Statutory U.S. citizen”	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	NA	8 U.S.C. §1401	Yes (only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924))	No	No	No
2	“U.S. national”	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	NA	8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1408 8 U.S.C. §1452	No (see 26 U.S.C. §7701(b)(1)(B))	No	Yes (see IRS Form 1040NR for proof)	No
3.1	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	State of the Union	NA (ACTA agreement)	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; Fourteenth Amendment, Section 1	No	No	No	Yes
3.2	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	Yes	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; Fourteenth Amendment, Section 1	No	No	Yes	No
3.3	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	No	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; Fourteenth Amendment, Section 1	No	No	No	Yes
4.1	“alien” or “Foreign national”	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	NA	8 U.S.C. §1101(a)(3)	No	Yes	No	No
4.2	“alien” or “Foreign national”	Foreign country	State of the Union	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.3	“alien” or “Foreign national”	Foreign country	State of the Union	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes
4.4	“alien” or “Foreign national”	Foreign country	Foreign country	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.5	“alien” or “Foreign national”	Foreign country	Foreign country	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes

For tax purposes, “nationals” are classified as “nonresident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).

[26 U.S.C. §7701\(b\)\(1\)\(B\) Nonresident alien](#)

*An individual is a nonresident alien if such individual is neither a citizen of the [federal] United States nor a resident of the [federal] United States (within the meaning of subparagraph (A)).*

The term “United States” as used above means the following:

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. \[Internal Revenue Code\]](#)  
[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.*

A “nonresident alien” is “nonresident” to the “United States” as defined in the Internal Revenue Code, which simply means that they do not live in the District of Columbia. We call this area the “federal United States” or the “federal zone” for short, in this pamphlet. Some payroll people and accountants will try to tell you that it is nonsense to expect that the words mean what they say in the Internal Revenue Code, but you can see that there is no way to interpret the definition of “United States” any way *other* than meaning the District of Columbia for the purposes of Subtitle A federal income taxes. The reason why this also must be the case is that the Constitution and federal law both confine all persons holding public office to reside in the District of Columbia:

**U.S. Constitution, Article I, Section 8, Clause 17**

*To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of Particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards and other needful Buildings;--And*

[TITLE 4 > CHAPTER 3 > Sec. 72.](#)  
[Sec. 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*

A “nonresident alien” is *not* responsible for income tax withholding under [Subtitle C of the Internal Revenue Code](#) or for federal income taxes under [Subtitle A of the Internal Revenue Code](#) as follows:

1 **Table 25: Attributes of Nonresident aliens**

#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
1	Only those who volunteer by signing a W-4 can earn “wages” as legally defined. If you didn’t sign this form, you earn no “wages” and therefore can’t have any withholding.	<a href="#">26 CFR §31.3401(a)-3(a)</a> 26 U.S.C. §3402(p)	(a) In general. <b><u>Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).</u></b> References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).	You have to volunteer to earn “wages”.
2	Do not need to file returns	<a href="#">26 U.S.C. §6012</a> (1954 Code)(a)	Returns with respect to income taxes under subtitle A...(5) ...nonresident alien individuals not subject to the tax imposed by §871...may be exempted from the requirement to making returns.	Later versions of IRC section 6012 deliberately add more indirection and confusion to the explanation of the requirement to file by saying that those having “gross income” not exceeding the exemption amount plus the standard deduction don’t need to file. Congress used the term “gross income” instead of “taxable income” to make the situation even more difficult for the average person to figure out. Earlier versions of the code were much clearer and much more honest.
3	Income from the 50 Union states is <u>not</u> subject to withholding and need not file returns.	26 CFR § 1.1441-3(a)	Exceptions and rules of special application.  (a) Income from sources without the United States.—“to extent that items of income constitute gross <b><u>income from sources without the United States</u></b> , they are <b><u>not subject to withholding</u></b> .”	Not subject to tax withholding imposed by <a href="#">26 U.S.C. §871</a> .
4	Are not required to have a Taxpayer ID Number unless they have taxable income.	26 CFR § 301.6109-1(g)	26CFR §301.6109-1(b)(2) Foreign persons. The provisions of paragraph (b)(1) of this section regarding the furnishing of one’s own number shall apply to the following foreign persons-- (i) A foreign person that has income effectively connected with the conduct of a U.S. trade or business at any time during the taxable year; (ii) A foreign person that has a U.S. office or place of business or a U.S. fiscal or paying agent at any time during the taxable year; (iii) A nonresident alien treated as a resident under section 6013(g) or (h); (iv) A foreign person that makes a return of tax (including income, estate, and gift tax returns), an amended return, or a refund claim under this title but excluding information returns, statements, or documents; (v) A foreign person that makes an election under Sec. 301.7701-3(c); and (vi) A foreign person that furnishes a withholding certificate described in Sec. 1.1441-1(e)(2) or (3) of this chapter or	Can change their SSN status into “nonresident alien” by filing W-8 with the IRS if they already have an SSN. If they don’t have an SSN and/or if they get a Taxpayer Identification Number (TIN) from the IRS instead, then this is evidence of their nonresident alien status.

#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
			<p>Sec. 1.1441-5(c)(2)(iv) or (3)(iii) of this chapter to the extent required under Sec. 1.1441-1(e)(4)(vii) of this chapter.</p> <p>...</p> <p>(g) Special rules for taxpayer identifying numbers issued to foreign persons--(1) General rule--(i) Social security number. <u>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.</u></p> <p>(ii) Employer identification number. An employer identification number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. person. However, the Internal Revenue Service may establish a separate class of employer identification numbers solely dedicated to foreign persons which will be identified as such in the records and database of the Internal Revenue Service. A person may establish a different status for the number either at the time of application or subsequently by providing proof of U.S. or 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. The Internal Revenue Service may require a person to apply for the type of employer identification number that reflects the status of that person as a U.S. or foreign person.</p> <p>(iii) IRS individual taxpayer identification number. An IRS individual taxpayer identification number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a nonresident alien individual. If the Internal Revenue Service determines at the time of application or subsequently, that an individual is not a nonresident alien individual, the Internal Revenue Service may require that the individual apply for a social security number. If a social security number is not available, the Internal Revenue Service may accept that the individual use an IRS individual taxpayer identification number, which the Internal Revenue Service will</p>	

#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
			<p>identify as a number belonging to a U.S. resident alien.</p> <p>(2) Change of foreign status. Once a taxpayer identifying number is identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. or foreign person, the status of the number is permanent until the circumstances of the taxpayer change. A taxpayer whose status changes (for example, a nonresident alien individual with a social security number becomes a U.S. resident alien) must notify the Internal Revenue Service of the change of status under such procedures as the Internal Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify.</p>	
5	File a W-8BEN "Certificate of Foreign Status" with employer instead of a W-4, and do so every three years. Do NOT submit the form to the IRS.	<p>See IRS Publication 515.</p> <p>See: <a href="http://sedm.org/ItemInfo/RespLtrs/W-8BEN/AboutIRSFormW-8BEN.htm">http://sedm.org/ItemInfo/RespLtrs/W-8BEN/AboutIRSFormW-8BEN.htm</a></p>	<p>The W-8 form says:</p> <p><i>"Use Form W-8 or a substitute form containing a substantially similar statement to the payer.. that you are a nonresident alien individual, foreign entity, or exempt foreign person not subject to certain U.S. information return reporting or backup withholding rules."</i></p>	<p>The <a href="#">W-8 or W-8BEN Form</a> should also be used to open a bank account. If you have a W-8 bank account, no taxes can ever be withheld and, without a Social Security Numbered account, the IRS and other arms of the federal government have NO AUTHORITY to ever seize any of your funds.</p> <p><b>WARNING:</b> DO NOT file an <a href="#">IRS W-8BEN</a> because the instruction for the form define a "BENEFICIAL OWNER" as someone who is <i>"required under U.S. tax principles to include the income in gross income on a tax return"</i>, which is clearly NOT the case! Since nonresident aliens don't have to file returns or pay taxes, then admitting to being a "beneficial owner" admits to being a citizen who is a taxpayer who has to file and pay tax, which most nonresident aliens are <i>not</i>. Instead, you should create your own substitute <a href="#">W-8BEN form</a> that redefines "beneficial owner" or use the older <a href="#">W-8 form</a> as we describe in section 6.4.9. We have a substitute <a href="#">W-8BEN form</a> that has been "defanged" on our website, under "Sovereignty Forms and Instructions".</p>
6	Exempt from self-employment taxes	<p><a href="#">26 U.S.C. §1402(b)</a></p> <p>26 CFR § 1.1402(b)-1(a)</p>	<p>SELF EMPLOYMENT INCOME—The term "self employment income" means the earnings from self-employment derived by an individual, <b><u>other than an individual...</u></b></p> <p><b>"Nonresident aliens.</b> A nonresident alien individual never has self-employment income."</p>	
7	Must file Affidavit of Citizenship and Domicile with Employer	8 Fed. Register Pg. 12266 §404.102(g)		
8	Must file with employer an IRS Form 6450-Questionnaire to Determine Exemption from Withholding.			IRS will tell employer not to honor your W-8 or W-8BEN form if you don't, even though they have no legal authority to do so.
9	Must file a state Exemption from			In California, this is an FTB form 590. Don't use the

#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
	Withholding form			W-4 Exempt!
10	Do not file tax returns in their local service center, but instead send them to the International Service Center in Philadelphia, PA	<a href="#">26 U.S.C. §6091(b)(1)(B)(iv)</a>	TITLE 26 - INTERNAL REVENUE CODE Subtitle F - Procedure and Administration CHAPTER 61 - INFORMATION AND RETURNS Subchapter A - Returns and Records PART VII - PLACE FOR FILING RETURNS OR OTHER DOCUMENTS  Sec. 6091. Place for filing returns or other documents  (b) Tax returns (1) Persons other than corporations (B) Exception Returns of - (iv) nonresident alien persons,	See <a href="http://www.irs.gov/file/article/0,id=105045,00.html">http://www.irs.gov/file/article/0,id=105045,00.html</a>
11	May not litigate against the federal government in a District Court. Instead can <u>only</u> litigate in the Court of Claims	Internal Revenue Manual, Section 35.18.10.1. See: <a href="http://www.irs.gov/irm/part35/ch18s09.html">http://www.irs.gov/irm/part35/ch18s09.html</a>	Internal Revenue Manual 35.18.10.1 (08-31-1982) District Courts  1. Section 1402(a)(1) of the Judicial Code (28 U.S.C. §1402(a)(1)) provides that if an action is brought against the United States under section 1346(a) of the Judicial Code by an entity other than a corporation, it must be brought in the judicial district where the plaintiff resides. Accordingly, where an individual resides outside of the [federal] United States (e.g., a nonresident alien), he or she may not bring a refund suit in a district court. <i>Malajalian v. United States</i> , 504 F.2d. 842 (1st Cir. 1974). These cases may be brought only in the Court of Claims.	Although this IRM Section only mentions refund lawsuits, technically, it applies to all other lawsuits relating to income taxes improperly enforced against nonresident aliens.
12	Do not have to report dividend payments greater than \$10	<a href="#">26 U.S.C. §6042(b)(2)(A)(ii)</a>	(2) Exceptions  For purposes of this section, the term "dividend" does not include any distribution or payment -  (A) to the extent provided in regulations prescribed by the Secretary -  [. . .] (ii) to a foreign corporation, a <u>nonresident alien</u> , or a partnership not engaged in a trade or business in the United States and composed in whole or in part of nonresident aliens, or	
13	Are only entitled to one withholding exemption if subject to withholding	<a href="#">26 U.S.C. §3402(f)(6)</a> <a href="#">26 U.S.C. §873(b)(3)</a>	(f) Withholding exemptions  (6) Exemption of certain nonresident aliens  Notwithstanding the provisions of paragraph (1), a	Such withholding only applies to income from the District of Columbia of a foreign corporation that is not effectively connected with a trade or business pursuant to 26 U.S.C. §871.



#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
			nonresident alien individual (other than an individual described in section 3401(a)(6)(A) or (B)) shall be entitled to only one withholding exemption.	
14	May not take any deductions on their return except on income that is effectively connected with a trade or business	<a href="#">26 U.S.C. §873(a)</a>	(a) General rule In the case of a nonresident alien individual, the deductions shall be allowed only for purposes of section <a href="#">871 (b)</a> and (except as provided by subsection (b)) only if and to the extent that they are connected with income which is effectively connected with the conduct of a trade or business within the United States; and the proper apportionment and allocation of the deductions for this purpose shall be determined as provided in regulations prescribed by the Secretary.	The taxable activity is a “trade or business”, which is a public office in the U.S. government or that of a territory or possession of the United States.
15	Does not have to pay income tax on payments received from an exchange or training program while temporarily present in the District of Columbia	<a href="#">26 U.S.C. §872(b)(3)(A)</a>	(3) Compensation of participants in certain exchange or training programs Compensation paid by a foreign employer to a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F), (J), or (Q) of section 101(a)(15) of the Immigration and Nationality Act, as amended. For purposes of this paragraph, the term “foreign employer” means - (A) a nonresident alien individual, foreign partnership, or foreign corporation, or	Exchange students from states of the Union or foreign countries in the District of Columbia are exempt
16	May elect to file a 1040 instead of a 1040NR and be treated as an “alien”/“resident” instead of a “nonresident alien” if married to a “U.S. citizen”	<a href="#">26 U.S.C. §6013(g)</a>	(g) Election to treat nonresident alien individual as resident of the United States (1) In general A nonresident alien individual with respect to whom this subsection is in effect for the taxable year shall be treated as a resident of the United States - (A) for purposes of chapter 1 for all of such taxable year, and (B) for purposes of chapter 24 (relating to wage withholding) for payments of wages made during such taxable year. (2) Individuals with respect to whom this subsection is in effect This subsection shall be in effect with respect to any individual who, at the close of the taxable year for which an election under this subsection was made, was a nonresident alien individual married to a citizen or resident of the United States, if both of them made such election to have the benefits of this subsection apply to them.	This is a BAD idea.
17	May not be treated as an “employee” if had no earnings from the “District of Columbia”	<a href="#">26 U.S.C. §414(q)(8)</a>	(8) Special rule for nonresident aliens  For purposes of this subsection and subsection (r), employees who are nonresident aliens and who receive no earned income (within the meaning of section 911(d)(2)) from the employer which constitutes income from sources within the United States (within the meaning of section 861(a)(3)) shall not be treated as employees.	Yeah!

#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
18	Distributions by a Foreign Sales Corporation to a nonresident alien is treated as “effectively connected to a trade or business from sources within the United States”	<a href="#">26 U.S.C. §926(b)</a>	(b) Distributions by FSC to nonresident aliens and foreign corporations treated as United States connected For purposes of this title, any distribution by a FSC which is made out of earnings and profits attributable to foreign trade income to any shareholder of such corporation which is a foreign corporation or a nonresident alien individual shall be treated as a distribution - (1) which is effectively connected with the conduct of a trade or business conducted through a permanent establishment of such shareholder within the United States, and (2) of income which is derived from sources within the United States.	Essentially, this treats income from a foreign sales corporation as being from the District of Columbia, which isn't true in most cases, because most of the companies are in states of the Union and NOT the District of Columbia.
19	Cannot take earned income credit unless elects to be treated as an “alien” or “resident” in the District of Columbia	<a href="#">26 U.S.C. §32(c)(1)(E)</a>	(E) Limitation on eligibility of nonresident aliens The term “eligible individual” shall not include any individual who is a nonresident alien individual for any portion of the taxable year unless such individual is treated for such taxable year as a resident of the United States for purposes of this chapter by reason of an election under subsection (g) or (h) of section 6013.	This is exploitation of the ignorant, by telling those who don't realize they are nontaxpayers that they can reduce their tax bill by claiming they are resident in the District of Columbia, where EVERYONE is engaged in a taxable activity called a “trade or business” under 26 U.S.C. §864(c)(3). ENTRAPMENT!
20	May elect to treat real property as connected with a “trade or business”	<a href="#">26 U.S.C. §871(d)(1)</a>	(d) Election to treat real property income as income connected with United States business (1) In general A nonresident alien individual who during the taxable year derives any income - (A) from real property held for the production of income and located in the United States, or from any interest in such real property, including (i) gains from the sale or exchange of such real property or an interest therein, (ii) rents or royalties from mines, wells, or other natural deposits, and (iii) gains described in section 631(b) or (c), and (B) which, but for this subsection, would not be treated as income which is effectively connected with the conduct of a trade or business within the United States, may elect for such taxable year to treat all such income as income which is effectively connected with the conduct of a trade or business within the United States. In such case, such income shall be taxable as provided in subsection (b)(1) whether or not such individual is engaged in trade or business within the United States during the taxable year. An election under this paragraph for any taxable year shall remain in effect for all subsequent taxable years, except that it may be revoked with the consent of the Secretary with respect to any taxable year.	Bad idea! Making nontaxpayers into taxpayers again.
21	Must pay taxes on income from real property investments in the District of Columbia	<a href="#">26 U.S.C. §897(a)(1)(A)</a>	(a) General rule (1) Treatment as effectively connected with United States trade or business For purposes of this title, gain or loss of a nonresident alien	

#	Right/responsibility	Applicable authorities and Guidance	Text of authority	Explanation
			individual or a foreign corporation from the disposition of a United States real property interest shall be taken into account - (A) in the case of a nonresident alien individual, under section 871(B)(1), or	
22	Transfers of property from foreign trust or estate to a nonresident alien does not need to be treated as a sale or exchange of a fair market value	<a href="#">26 U.S.C. §684</a> (b)(2)	(a) In general Except as provided in regulations, in the case of any transfer of property by a United States person to a foreign estate or trust or to a nonresident alien, for purposes of this subtitle, such transfer shall be treated as a sale or exchange for an amount equal to the fair market value of the property transferred, and the transferor shall recognize as gain the excess of-- (1) the fair market value of the property so transferred, over (2) the adjusted basis (for purposes of determining gain) of such property in the hands of the transferor. (b) Exceptions (1) Transfers to certain trusts Subsection (a) shall not apply to a transfer to a trust by a United States person to the extent that any United States person is treated as the owner of such trust under section 671. (2) Lifetime transfers to nonresident aliens Subsection (a) shall not apply to a lifetime transfer to a nonresident alien.	Yeah!

Below is a quick review of some of the above statutes and regulations so you can see for yourself that "nonresident aliens" with no income connected with a public office are "nontaxpayers" who don't need to file returns or pay income tax. Keep in mind that because the Internal Revenue Code is not "positive law", then none of the quotes below are "law" and create no obligation upon you or the IRS whatsoever. For confirmation of this fact, read section 11 earlier:

1. 26 CFR §31.3401(a)(6)-1(b) says that nonresident aliens whose earnings originate from outside the District of Columbia or which are not connected with a "trade or business" are not subject to withholding:

Title 26  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 31.3401(a)(6)-1 Remuneration for services of nonresident alien individuals.

(a) In general.

*All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, **if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section.** In regard to wages paid under this section after February 28, 1979, the term "nonresident alien individual" does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).*

(b) Remuneration for services performed outside the United States.

**Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.**

2. 26 U.S.C. §3406(g) and 26 CFR §341.3406(g)-1(e) both say that foreign persons (which includes "nonresident aliens") are not subject to backup withholding or information reporting

TITLE 26 > Subtitle C > CHAPTER 24 > § 3406  
§ 3406. Backup withholding

(g) Exceptions

(1) Payments to certain payees Subsection (a) shall not apply to any payment made to— (A) any organization or governmental unit described in subparagraph (B), (C), (D), (E), or (F) of section 6049 (b)(4), or (B) any other person specified in regulations.

(2) Amounts for which withholding otherwise required Subsection (a) shall not apply to any amount for which withholding is otherwise required by this title.

---

Title 26: Internal Revenue  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
§ 31.3406(g)-1 Exception for payments to certain payees and certain other payments.

(e) Certain reportable payments made outside the United States by foreign persons, foreign offices of United States banks and brokers, and others.

*For reportable payments made after December 31, 2000, a payor is not required to backup withhold under section 3406 on a reportable payment that qualifies for the documentary evidence rule described in §1.6049-5(c)(1) or (4) of this chapter, whether or not documentary evidence is actually provided to the payor, unless the payor has actual knowledge that the payee is a United States person. Further, no backup withholding is required for payments upon which a 30-percent amount was withheld by another payor in accordance with the withholding provisions under chapter 3 of the Internal Revenue Code and the regulations under that chapter. For rules applicable to notional principal contracts, see §1.6041-1(d)(5) of this chapter.*

3. Federal Thrift Savings Plan (TSP) retirement system pamphlet OC-96-21 says:

3. How much tax will be withheld on payments from the TSP?

The amount withheld depends upon your status, as described below. Participant. If you are a nonresident alien, your payment will not be subject to withholding for U.S. income taxes. (See Question 2.) If you are a U.S. citizen or a resident alien, your payment will be subject to withholding for U.S. income taxes. If you are a U.S. citizen or resident alien when you separate, you will receive from your employing agency the tax notice "Important Tax Information About Payments From Your TSP Account," which explains the withholding rules that apply to your various withdrawal options.

[Federal Thrift Savings Plan (TSP) Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>]

4. 26 U.S.C. §861(a)(3)(C)(i) says that "nonresident aliens", even if they work in the District of Columbia, do not earn income from sources within the "United States", if they are not engaged in a "trade or business"

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART I](#) > §861  
[§ 861. Income from sources within the United States](#)

(a) **Gross income from sources within United States**

The following items of gross income shall be treated as income from sources within the United States:

(3) **Personal services**

Compensation for labor or personal services performed in the United States; except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if—

(C) the compensation is for labor or services performed as an employee of or under a contract with—

(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

(ii) an individual who is a citizen or resident of the United States, a domestic partnership, or a domestic corporation, if such labor or services are performed for an office or place of business maintained in a foreign country or in a possession of the United States by such individual, partnership, or corporation.

5. 26 U.S.C. §3401(a) says:

[TITLE 26](#) > [Subtitle C](#) > [CHAPTER 24](#) > § 3401  
[§ 3401. Definitions](#)

(a) For the purposes of this chapter, the term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee [an elected or appointed public official] to his employer...except that such term shall not include remuneration for:

(6) such services, performed by a nonresident alien individual.

6. 26 U.S.C. §1402(b) says:

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 2](#) > §1402  
[§1402. Definitions](#)

(b) **Self-employment income**

The term "self-employment income" means the net earnings from self-employment derived by an individual (other than a nonresident alien individual, except as provided by an agreement under section 233 of the Social Security Act) during any taxable year; except that such term shall not include—

7. IRS Publication 515, entitled "Withholding of tax on Nonresident Aliens and Foreign Entities", year 2000, says on p. 3 the following:

"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting."

8. 26 CFR §1.872-2(f): Exclusions from gross income of nonresident alien individuals

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)

[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

(f) *Other exclusions.*

**Income which is from sources without [outside] the United States [District of Columbia, see 26 USC 7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual.** To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

## 9. [26 U.S.C. §7701\(a\)\(31\): Definitions](#)

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

(31) Foreign estate or trust

(A) Foreign estate

The term “foreign estate” means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

## 10. [26 U.S.C. §3401\(a\)\(6\): Definitions](#)

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) Wages

**For purposes of this chapter, the term “wages” means all remuneration** (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; **except that such term shall not include remuneration paid—**

**(6) for such services, performed by a nonresident alien individual, as may be designated by regulations prescribed by the Secretary; or**

## 11. [26 U.S.C. §6012\(a\) \[1954 code\]](#) says:

Returns with respect to income taxes under subtitle A...

**(5) ...nonresident alien individuals not subject to the tax imposed by §871...may be exempted from the requirement to making returns.**

We investigated a prominent payroll compliance education book, and found the following comments in the book about “nonresident alien” tax withholding:

*“In general, if an employer pays wages to nonresident aliens, it must withhold income tax (unless excepted by regulations), Social Security, and Medicare taxes as it would for a U.S. citizen. A Form W-2 must be delivered to the nonresident alien and filed with the Social Security Administration. Nonresident aliens’ wages are subject to FUTA tax as well.”*

*[2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54. Available at: <http://panelpublishers.com/>]*

The above is true, but very misleading. The above advice says “unless excepted by regulations”, and doesn’t mention what those regulations might be. It also uses the term “must be delivered and filed”. That is true for a public employer, but not a private employer, and it still does not obligate a private employee to do anything. The facts below clarify the comments above and the applicable regulations so that their meaning is crystal clear to the reader:



1. There are several regulations that DO exempt income of nonresident aliens. Most of these are documented above. All income not “effectively connected with a trade or business in the United States” or earned from labor outside the District of Columbia or federal United States is exempt from inclusion as “gross income” by regulation and exempt from withholding, but of course the above book conveniently didn’t mention that:

26 CFR §31.3401(a)(6)-1 Remuneration for services of nonresident alien individuals.

(a) In general. All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section. In regard to wages paid under this section after February 28, 1979, the term “nonresident alien individual” does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).

(b) Remuneration for services performed outside the [federal] United States. Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the [federal] United States is excepted from wages and hence is not subject to withholding.

A portion of the regulation above is also confirmed by the statutory rules for computing taxable income found in [26 U.S.C. §861](#):

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART I](#) > Sec. 861.  
[Sec. 861. - Income from sources within the United States](#)

(a) Gross income from sources within United States

The following items of gross income shall be treated as income from sources within the United States:

[...]

(3) Personal services

Compensation for labor or personal services performed in the United States; **except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if -**

(A) the labor or services are performed by a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of 90 days during the taxable year,

(B) such compensation does not exceed \$3,000 in the aggregate, and

(C) the compensation is for labor or services performed as an employee of or under a contract with -

(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

2. That word “trade or business” above is defined in the Internal Revenue Code as the “functions of a public office”. This public office essentially amount to a business partnership with the federal government, whether as a federal “employee” or otherwise. These observations confirm once again that the only proper subject of the income tax are federal government employees, contractors, or agents who hold a public office.

[26 U.S.C. Sec. 7701\(a\)\(26\)](#) : Definitions

"The term 'trade or business' includes the performance of the functions of a public office."

#### Public Office:

"Essential characteristics of a 'public office' are:

(1) Authority conferred by law,

(2) Fixed tenure of office, and

(3) Power to exercise some of the sovereign functions of government.

(4) Key element of such test is that "officer is carrying out a sovereign function".

(5) Essential elements to establish public position as 'public office' are:  
Position must be created by Constitution, legislature, or through authority conferred by legislature.  
Portion of sovereign power of government must be delegated to position,  
Duties and powers must be defined, directly or implied, by legislature or through legislative authority.  
Duties must be performed independently without control of superior power other than law, and  
Position must have some permanency."  
[Black's Law Dictionary, Sixth Edition, p. 1230]

3. 26 CFR §31.3401(a)-1 mentioned above also says that a person can only earn "wages" if they are an "employee", which is a person holding a "public office" in the United States government" under 26 CFR §31.3401(c)-1.

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."

26 CFR §31.3401(a)-1 Wages.

(a) In general. (1) The term "wages" means all remuneration for services performed by an employee for his employer unless specifically excepted under section 3401(a) or excepted under section 3402(e).

4. Absent a person literally holding a "public office" in the United States government, then the only other way they can earn "wages" is to have a voluntary withholding agreement in place called a W-4. If they never volunteered, then they don't earn "wages".

26 CFR §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements.

(a) In general. Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

§ 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 §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. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

5. If the private employer coerces the employee to sign a W-4, that doesn't count as "volunteering", because in that instance, they had a choice of either starving to death or committing perjury under penalty of perjury on a W-4 form. They would be committing perjury because they would be submitting a W-4 that misrepresented their status as a federal "employee" and also misrepresented the fact that they "volunteered", when in fact they were simply coerced under threat of being fired or not being hired by their employer. Here is what Alexander Hamilton said on this subject:

"In the general course of human nature, A POWER OVER A MAN'S SUBSISTENCE AMOUNTS TO A POWER OVER HIS WILL."  
[Alexander Hamilton, Federalist Paper No. 79]

The tendency of employers to coerce their employees essentially into becoming liars just so they can feed their face may explain the following comment by Will Rogers:

"Income tax has made more liars out of the American people than golf."

6. The regulations say a nonresident alien with no earnings connected with a “trade or business” and which do not originate from the “United States” (the District of Columbia) is not subject to tax and not includible in “gross income”.

Title 26: Internal Revenue

PART 1—INCOME TAXES

nonresident alien individuals

§ 1.872-2 Exclusions from gross income of nonresident alien individuals.

(f) Other exclusions.

Income which is from sources without [outside] the United States [District of Columbia, see 26 USC 7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

Examining the above 2002 Quick Reference to Payroll Compliance book once again, we find the following comments:

*“In some cases, an Internal Revenue Code (IRC) section or a U.S. tax treaty provision will exclude payments to a nonresident alien from wages. Such payments are not subject to the regular income tax withholding, so a Form W-2 is not required. Instead, the payments are subject to withholding at a flat 30 percent or lower treaty rate, unless exempt from tax because of a Code or treaty provision.”*  
*[2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54. Available at: <http://panelpublishers.com/>]*

The above comment is based on the content of 26 U.S.C. §871(a), which “appears” to impose a 30% flat rate on the “taxable income” of nonresident aliens not “effectively connected with a trade or business” in the “United States”, which we said means a “public office” in the United States government. As we said above, however, the underlying regulations at 26 CFR §1.872-2 exclude earnings of nonresident aliens originating outside the District of Columbia. Therefore, such persons would be “nontaxpayers” who do not need to withhold.

A number of other payroll reference books have exactly the same problem as this one. There are two other primary payroll reference books recommended by the American Payroll Association (APA), which are listed below, and both of them have exactly the same problem as the one we examined in this section.

1. The American Payroll Association (APA) publishes information for payroll clerks that is flat out wrong on the subject of nonresident withholding in the case of those not engaged in a “trade or business”. See the book entitled: The Payroll Source, 2002; American Payroll Association; Michael P. O’Toole, Esq.; ISBN 1-930471-24-6.
2. The other main source of payroll trade publications is RIA, which also publishes flat out wrong information about the subject of “nonresident aliens” not engaged in a “trade or business” in the following publications: Principles of Payroll Administration; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price, CPP; RIA, 117 West Stevens Ave; Valhalla, NY 10595; ISBN 0-7913-5230-7.

Why don’t most payroll industry compliance books properly or completely address nonresident aliens not engaged in a “trade or business” with no earnings from the District of Columbia so as to tell the WHOLE truth about their lack of liability to withhold or report? Below are some insightful reasons that you will need to be intimately familiar with if you wish to educate the payroll department at your job without making enemies out of them:

1. They are bowing to IRS pressure and taking the least confrontational approach. If they told the WHOLE truth, they would probably be audited and attacked, so they omit the WHOLE truth from their manuals.
2. They are trying to make the payroll clerk’s job easy (cook book), so that everyone looks the same. Many payroll software programs don’t know what to do about nonresident aliens who have no Social Security Number, which can add considerably to the workload of the payroll clerk by forcing them to process these people manually.

3. The IRS Form W-8BEN can be used to stop withholding, but those who use it for this purpose must read and understand the regulations, which few payroll clerks have either the time or interest to do. The W-4, however, is the easiest and most convenient to use for the payroll clerks.
4. The IRS publications conveniently do not discuss the loopholes in the regulations, because they want people to pay tax. Therefore, you must read, study, and understand the law yourself if you want to be free from the system, which few Americans are willing or even able to do.
5. Few Americans read or study the law and even among those who do bring up the issues raised in this book with payroll clerks and bosses. Therefore, those informed private employees who bring up such issues are looked upon as troublemakers and brushed off by payroll and management personnel.
6. Those payroll personnel who call the IRS to ask about the issues in this pamphlet are literally lied to by malicious and uninformed IRS personnel and told that they have to withhold at single zero rate. In fact, IRS employees are not even allowed to give advice and the federal courts have said that you can be penalized for relying on ANYTHING the IRS says, including on the subject of withholding. Read the fascinating truth for yourself:  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

Therefore, those nonresident aliens who do not hold public office in the United States government do not earn taxable income, need not withhold, and need not file any tax return. Some people hear the word “nonresident alien” and assume that it means only foreigners. But we must ask the question how a foreigner from another country can serve in a public office of the United States government when the Constitution requires that the President can only be a “Natural Born Citizen” and senators and representatives must be “Citizens of the United States”?

**U.S. Constitution, Article II, Section 1, Clause 5**

*No Person except a natural born Citizen, or a Citizen of the United States, at the time of the Adoption of this Constitution, shall be eligible to the Office of President; neither shall any person be eligible to that Office who shall not have attained to the Age of thirty five Years, and been fourteen Years a Resident within the United States.*

**U.S. Constitution, Article I, Section 3, Clause 3**

*No Person shall be a Senator who shall not have attained to the Age of thirty Years, and been nine Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State for which he shall be chosen.*

**U.S. Constitution, Article I, Section 2, Clause 2**

*No Person shall be a Representative who shall not have attained to the age of twenty five Years, and been seven Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State in which he shall be chosen.*

The “Natural Born Citizens” and “Citizens of the United States” they are talking about above who are holding “public office” are people born in states of the Union! These people are “nonresident aliens” in Subtitle A of the tax code because I.R.C. Subtitle A only applies to federal government payments (called a “trade or business”), federal instrumentalities, and those domiciled in the federal zone, which is limited to the District of Columbia, the territories and possessions of the United States, and the federal areas or enclaves within states of the Union. These, in fact, are the only natural people that the I.R.C. Subtitle A income tax really applies to based on [26 U.S.C. §871](#).

Based on the foregoing discussion, the income taxes collected under the authority of Subtitle A of the Internal Revenue Code are simply a federal employee or “public officer” kickback program disguised to “look” like a legitimate tax. But in fact, the legislative intent of the Sixteenth Amendment revealed by President Taft’s memorandum to the Senate clearly shows the purpose of Subtitle A of the Internal Revenue Code as simply a tax on federal government instrumentalities, contractors, and employees and nothing more. This federal employee kickback program cleverly disguised as an “income tax” on everyone was begun in 1862 during the exigencies of the Civil War and has continued with us since that day:

CONGRESSIONAL RECORD - SENATE - JUNE 16, 1909  
[From Pages 3344 – 3345]  
The Secretary read as follows:  
To the Senate and House of Representatives:

[...]

Again, it is clear that by the enactment of the proposed law the Congress will not be bringing money into the Treasury to meet the present deficiency. The decision of the Supreme Court in the income-tax cases **deprived the National Government of a power** which, by reason of previous decisions of the court, it was **generally supposed that government had**. It is undoubtedly a power the National Government ought to have. It might be indispensable to the Nation's life in great crises. Although I have not considered a constitutional amendment as necessary to the exercise of certain phases of this power, a mature consideration has satisfied me that an amendment is the only proper course for its establishment to its full extent.

I therefore recommend to the Congress that both Houses, by a two-thirds vote, **shall propose an amendment to the Constitution conferring the power to levy an income tax upon the National Government** without apportionment among the States in proportion to population.  
[44 Cong.Rec. 3344-3345]

If you would like to learn more about the federal employee kickback program and exactly how it works, a whole book has been written just on this subject, which you can obtain as follows:

**IRS Humbug: IRS Weapons of Enslavement**  
by Frank Kowalik, Universalistic Publishers, ISBN 0-9626552-0-1  
Available from: <http://www.tax-freedom.com/ta18031.htm>

The Pharisees who wrote the rather deceptive 2002 Quick Reference Guide to Payroll Compliance manual above weren't telling a lie, but they also certainly left the most important points about tax liability of nonresident aliens undisclosed, and did not explain that people born in states of the Union and domiciled there are nonresident aliens under the tax code. This results in a constructive fraud and leaves the average reader, who is a "nonresident alien" and who was born in a state of the Union, with the incorrect presumption that he has a legal obligation to "volunteer" to participate in a corrupt and usurious federal "employee" kickback program and federal "franchise". I would also be willing to bet that if you called up the author of the above article and asked him why he didn't mention all the other details in this section, he would tell you that if he told the truth, he would have his license to practice law or his CPA certification pulled by the IRS or by a federal judge whose retirement benefits depend on maintaining the fraudulent and oppressive tax system we live under.

In conclusion then, people born in states of the Union are "nationals" but not "citizens" under 8 U.S.C. §1452, are "nonresident aliens" under 26 U.S.C. §7701(b)(1)(B), and do not earn taxable income if they are not "public officers" engaged in a "trade or business" within the United States government and do not receive payments from the federal government. Everyone else does not earn "gross income" and need not either deduct or withhold any payroll taxes from their pay, and is not obligated by law to pay any money to the federal government under the authority of Subtitle A of the Internal Revenue Code.

Accountants and payroll people who challenge the assertions in this section or this document are requested to take our Test for Federal Tax Professionals contained in its entirety in Appendix B, and send their rebutted answers to us. Private employers might want to confront their payroll and "tax professionals" with this test and taunt their payroll or accountant or corporate counsel to prove it wrong, because they simply can't! Since making this challenge, we haven't heard a peep out of any tax professional yet that would contradict anything in this manual, and we suspect the reason is because they would lose the ability to claim plausible deniability and would become an instant target for a lawsuit by all the people they have injured after they admitted that they have been doing their job of payroll withholding and tax accounting wrong all these years.

### **23.3 What to expect if you call up the IRS to ask them what to do**

If you do call up the IRS to ask them about any of the issues in this chapter on withholding, then usually the only thing they will do to defend why they are illegally administering the I.R.C. is try to deceive you using "words of art" and the word "includes" as found in some of the definitions of key words. They will try to make you falsely believe essentially that the word "includes" allows them to expand the definition of any word to mean what they subjectively want it to mean, rather than what the I.R.C. clearly says. Just point out to them that they are lying and point them at the article below and ask them to rebut the questions at the end:

Meaning of the Words "Includes" and "Including"  
<http://famguardian.org/Subjects/Taxes/FalseRhetoric/Includess.pdf>



The above pamphlet thoroughly proves that:

1. The purpose for providing a definition of a term in law is to replace, and not extend, the commonly understood definition of the word.
2. When “includes” is used as a word of enlargement within any definition, the definition must be explicitly extended elsewhere in the code to include all that is included.
3. Under the rules of statutory construction, that which is not explicitly included somewhere in the written law may safely be presumed to be excluded by implication.

*“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]

4. The definition of “includes” found in 26 U.S.C. §7701(c) does not allow the definitions of words to be expanded using “presumption” to meant whatever the reader or the IRS wants. This abuse of the word would create what is called a “statutory presumption”, and the U.S. Supreme Court has repeatedly said that statutory presumptions are unconstitutional if they prejudice Constitutional rights.

Therefore, if the IRS pulls the “includes” deception, simply ask them to show you specifically where in the code is included that which they want to include in the definition. We’ll give you a hint: No IRS employee we have ever met or heard of, including Department of Justice employees, can justify their enlargement of a definition by reconciling it with the rules of statutory construction or without violating Constitutional due process, which requires the complete absence of “presumption” from all legal proceedings. Remember: the foundation of our justice system is “innocent until proven guilty”. That means you are a “nontaxpayer” until they prove you guilty of being a “taxpayer” somewhere in the written law, and do so completely free of any presumption or prejudice to the contrary.

#### **23.4 Involuntary withholding ONLY applies to federal workers**

We showed earlier in section 0 that the W-4 is identified in 26 CFR §31.3401(a)-3(a) as a “voluntary withholding agreement”, which essentially is a contract. Because Article 1, Section 10 of the Constitution guarantees us an inalienable right to contract, it also gives us a right, by implication NOT to contract, including the right to not sign such an agreement.

*United States Constitution*  
Article 1, Section 10

*No State shall enter into any Treaty, Alliance, or Confederation; grant Letters of Marque and Reprisal; coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts; pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligation of Contracts, or grant any Title of Nobility.*

26 CFR §31.3402(f)(2)-1 prescribes what “employers” should do in the case of hiring a new “employee”. It says:

*Title 26: Internal Revenue*  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 31.3402(f)(2)-1 Withholding exemption certificates.

*(a) On commencement of employment. On or before the date on which an individual commences employment with an employer, the individual shall furnish the employer with a signed withholding exemption certificate relating to his marital status and the number of withholding exemptions which he claims, which number shall in no event exceed the number to which he is entitled, or, if the statements described in §31.3402(n)-1 are true with respect to an individual, he may furnish his employer with a signed withholding exemption certificate which contains such statements. For form and contents of such certificates, see §31.3402(f)(5)-1. The employer is required to request a withholding exemption certificate from each employee, but if the employee fails to furnish such certificate, such employee shall be considered as a single person claiming no withholding exemptions.*

The key for the above regulation is that the person must be an “employee”, which is defined in 26 CFR §31.3402(c)-1 as:



1 [26 CFR §31.3401\(c\)-1 Employee:](#)

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

6 The implication of the above is that if you aren't a federal employee or "public officer", then you aren't subject to the  
7 requirement to withhold against your will or to withhold at single with zero exemptions if you refuse to submit the W-4 to  
8 the federal agency you go to work for. If you are a private worker not working for a federal agency, on the other hand,  
9 then:

- 10 1. It is a violation of the Fifth Amendment for a private company to deprive you of your earnings without your consent.  
11 That amendment says that no person shall be deprived of property without just compensation.

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

- 15 2. The burden of proof falls upon the private company to prove that you are a federal worker if they insist on withholding  
16 against a private, non-federal worker who does not consent. This is the point that most workers miss when private  
17 companies try to force them to withhold.  
18 3. Even if the private company can prove that you are a federal worker, you still cannot be required to withhold if you  
19 have no federal tax liability under I.R.C. Subtitle A.

20 Title 26: Internal Revenue  
21 [PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
22 [Subpart E—Collection of Income Tax at Source](#)  
23 [§ 31.3402\(p\)-1 Voluntary withholding agreements.](#)

24 (a) In general. An employee and his employer may enter into an agreement under section 3402(b) to provide for  
25 the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made  
26 after December 31, 1970. An agreement may be entered into under this section only with respect to amounts  
27 which are includible in the gross income of the employee under section 61, and must be applicable to all  
28 such amounts paid by the employer to the employee. The amount to be withheld pursuant to an agreement  
29 under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations  
30 thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income  
31 tax withheld from eligible rollover distributions within the meaning of section 402.

32 Therefore, the burden of proving that you have a federal tax liability under I.R.C. Subtitle A also falls on the private  
33 company who insists on withholding against your will. If you are a private worker in search of some ammunition to  
34 show a private employer who insists that you are "liable" under subtitle A, show him Appendix B of this booklet. We  
35 haven't yet found even one private company that can justify withholding after thoughtfully and carefully answering  
36 those questions based on the content of either this book or enacted federal law on the income tax.

- 37 4. Ignorance of the law on the part of the private company is NO EXCUSE to basically STEAL people's earnings.  
38 5. Private companies in the states who withhold against the wishes of the workers subject themselves to considerable  
39 legal liability, which neither the IRS nor the government will help compensate companies for.  
40 6. A private worker who does not consent to withholding earns no "wages", as defined in 26 CFR §31.3401(a)-3(a)  
41 because he did not consent. Therefore, withholding may be instituted and W-2's may be produced, but the "wages"  
42 block on the form must indicate "zero" because the person earns no "wages". The fact that he is treated as "single  
43 zero" as required by the regulations at 26 CFR §31.3401(f)(2)-1 still does not make him a "taxpayer" because he earns  
44 no taxable "wages". This allows an ignorant private company to satisfy the requirement to withhold, but the  
45 withholding will be on an amount of "wages" that is in fact zero.  
46 7. The regulations at 26 CFR §31.3402(p)-1(b)(2) indicates that the worker may unilaterally, even if he is a federal  
47 employee, may terminate voluntary withholding and the connection of his earnings to "wages" as follows:

48 Title 26: Internal Revenue  
49 [PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
50 [Subpart E—Collection of Income Tax at Source](#)  
51 [Sec. 31.3402\(p\)-1 Voluntary withholding agreements.](#)

52 (b) Form and duration of agreement

(2) An agreement under section 3402 (p) shall be effective for such period as the employer and employee mutually agree upon. However, either the employer or the employee may terminate the agreement prior to the end of such period by furnishing a signed written notice to the other. Unless the employer and employee agree to an earlier termination date, the notice shall be effective with respect to the first payment of an amount in respect of which the agreement is in effect which is made on or after the first "status determination date" (January 1, May 1, July 1, and October 1 of each year) that occurs at least 30 days after the date on which the notice is furnished. If the employee executes a new Form W-4, the request upon which an agreement under section 3402 (p) is based shall be attached to, and constitute a part of, such new Form W-4.

Any private company, supervisor, human resource person, or other business entity that compels anyone other than a federal "employee" to enter into a contract, whether it be a W-4 contract or otherwise, that they don't consent to, and especially if they do so under threat of duress, failure to hire, or threat to fire if the worker doesn't comply, is engaged in racketeering. If the duress crosses state lines, then it comes under federal jurisdiction and violates [18 U.S.C. §1951](#):

[TITLE 18 > PART I > CHAPTER 95 > § 1951](#)  
[§ 1951. Interference with commerce by threats or violence](#)

**(a) Whoever in any way or degree obstructs, delays, or affects commerce or the movement of any article or commodity in commerce, by robbery or extortion or attempts or conspires so to do, or commits or threatens physical violence to any person or property in furtherance of a plan or purpose to do anything in violation of this section shall be fined under this title or imprisoned not more than twenty years, or both.**

(b) As used in this section—

(1) The term "robbery" means the unlawful taking or obtaining of personal property from the person or in the presence of another, against his will, by means of actual or threatened force, or violence, or fear of injury, immediate or future, to his person or property, or property in his custody or possession, or the person or property of a relative or member of his family or of anyone in his company at the time of the taking or obtaining.

(2) The term "extortion" means the obtaining of property from another, with his consent, induced by wrongful use of actual or threatened force, violence, or fear, or under color of official right.

(3) The term "commerce" means commerce within the District of Columbia, or any Territory or Possession of the United States; all commerce between any point in a State, Territory, Possession, or the District of Columbia and any point outside thereof; all commerce between points within the same State through any place outside such State; and all other commerce over which the United States has jurisdiction.

(c) This section shall not be construed to repeal, modify or affect section 17 of Title 15, sections 52, 101–115, 151–166 of Title 29 or sections 151–188 of Title 45.

Workers who are instituting or changing withholding with their companies are strongly urged to designate a neutral, non-relative third party to submit all withholding paperwork to their companies for them and to receive all communication and correspondence relating to it on behalf of the worker. That way, they will have to litigate, lots of evidence will be available to base the litigation on, because the designated intermediary can sign an affidavit attesting to what was said and done, and can also be called as a witness if the private company fires the worker. Workers who have been compelled in this way are also informed that it is probably a good idea to correct the erroneous W-2 reports coming from the coercive private company using the free instructions available at:

[Correcting Erroneous IRS Form W-2's, Form #04.006](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

The U.S. Dept. of Treasury Regulations also indicate that "employers" are indemnified of liability under federal law ONLY if they wrongfully withhold or do so in a way that is not strictly consistent with what the I.R.C. itself says:

[26 CFR 1.1461-1: Payment and returns of tax withheld](#)

***(e) Indemnification of withholding agent.***

A withholding agent is indemnified against the claims and demands of any person for the amount of any tax it deducts and withholds in accordance with the provisions of chapter 3 of the Code and the regulations under that chapter. A withholding agent that withholds based on a reasonable belief that such withholding is required under chapter 3 of the Code and the regulations under that chapter is treated for purposes of section 1461 and this paragraph (e) as having withheld tax in accordance with the provisions of chapter 3 of the Code and the

regulations under that chapter. In addition, a withholding agent is indemnified against the claims and demands of any person for the amount of any payments made in accordance with the grace period provisions set forth in Sec. 1.1441-1(b)(3)(iv). This paragraph (e) does not apply to relieve a withholding agent from tax liability under chapter 3 of the Code or the regulations under that chapter.

HOWEVER, private employers should also be aware that:

1. The above does not indemnify them under state law for wrongful withholding.
2. Federal law does not apply in other than a federal employment workplace or on federal land or in federal court, as discussed earlier.

**“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. The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, *Jones v. United States*, 137 U.S. 202, 212, 11 S.Ct. 80; *Nishimur Ekiu v. United States*, 142 U.S. 651, 659, 12 S.Ct. 336; *Fong Yue Ting v. United States*, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016; *Burnet v. Brooks*, 288 U.S. 378, 396, 53 S.Ct. 457, 86 A.L.R. 747.”**  
[*Carter v. Carter Coal Co.*, 298 U.S. 238 (1936)]

## 23.5 **“Employer” Liability and Failure to Withhold**

This section addresses requirements applicable to “employers” as legally defined within the Internal Revenue Code. All such “employers” within the I.R.C. are “public employers” engaged in a “public office” and a “trade or business” within the U.S. government. “Private employers” are not required to deduct or withhold, as confirmed by the IRS Internal Revenue Manual. Therefore the terms “employer” and “public employer” are synonymous within the I.R.C. and IRS publications:

[IRM 5.14.10.2 \(09-30-2004\)](#)  
[Payroll Deduction Agreements](#)

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[\[http://www.irs.gov/irm/part5/ch14s10.html\]](http://www.irs.gov/irm/part5/ch14s10.html)

It is also a CRIME in violation of 18 U.S.C. §912 for “private employers” to impersonate either “employers” or “public employers”, both of which are “public offices” within the United States government.

Failure of public “employers” to withhold is addressed in 26 CFR §31.3401(d)-1

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3402\(d\)-1 Failure to withhold.](#)

*If the employer in violation of the provisions of section 3402 fails to deduct and withhold the tax, and thereafter the income tax against which the tax under section 3402 may be credited is paid, the tax under section 3402 shall not be collected from the employer. Such payment does not, however, operate to relieve the employer from liability for penalties or additions to the tax applicable in respect of such failure to deduct and withhold. The employer will not be relieved of his liability for payment of the tax required to be withheld unless he can show that the tax against which the tax under section 3402 may be credited has been paid. See §31.3403-1, relating to liability for tax.*

“Employer” liability for tax is also described below.

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3403-1 Liability for tax.](#)

*Every employer required to deduct and withhold the tax under section 3402 **from the wages of an employee** is liable for the payment of such tax whether or not it is collected from the employee by the employer. If, for example, the employer deducts less than the correct amount of tax, or if he fails to deduct any part of the tax, he*

is nevertheless liable for the correct amount of the tax. See, however, §31.3402(d)-1. The employer is relieved of liability to any other person for the amount of any such tax withheld and paid to the district director or deposited with a duly designated depository of the United States.

Title 26: Internal Revenue

PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE

Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)

Tax on Employers

§ 31.3111-4 Liability for employer tax.

The employer is liable for the employer tax **with respect to the wages paid to his employees** for employment performed for him.

Title 26: Internal Revenue

PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE

Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)

Tax on Employees

§ 31.3102-1 Collection of, and liability for, employee tax; in general.

(c) In collecting employee tax, the employer shall disregard any fractional part of a cent of such tax unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent. **The employer is liable for the employee tax with respect to all wages paid by him to each of his employees whether or not it is collected from the employee.** If, for example, the employer deducts less than the correct amount of tax, or if he fails to deduct any part of the tax, he is nevertheless liable for the correct amount of the tax. **Until collected from him the employee also is liable for the employee tax with respect to all the wages received by him. Any employee tax collected by or on behalf of an employer is a special fund in trust for the United States. See section 7501. The employer is indemnified against the claims and demands of any person for the amount of any payment of such tax made by the employer to the district director.**

TITLE 26 > Subtitle F > CHAPTER 77 > § 7501

§ 7501. Liability for taxes withheld or collected

(a) General rule

Whenever any person is required to collect or withhold any internal revenue tax from any other person and to pay over such tax to the United States, the amount of **tax so collected or withheld shall be held to be a special fund in [a public] trust for the United States.** The amount of such fund shall be assessed, collected, and paid in the same manner and subject to the same provisions and limitations (including penalties) as are applicable with respect to the taxes from which such fund arose.

(b) Penalties

For penalties applicable to violations of this section, see sections 6672 and 7202.

The important thing to remember about the liability provisions in this section is the following:

1. Private companies are not “employers” as legally defined in 26 U.S.C. §3401(d).
2. Private companies are not “employers” in the context of any worker who did not sign or voluntarily submit IRS Form W-4 absent duress. A company can only be described as an “employer” as legally defined in the case of those workers who signed and voluntarily submitted an IRS Form W-4. For all workers who did not sign W-4’s, they are not “employers” as legally defined in relation to such workers but rather simply companies who hired private workers who are “nontaxpayers” not subject to the I.R.C. Subtitle A franchise agreement.
3. A threat to either fire or not hire a person based on refusal to sign an IRS Form W-4 constitutes unlawful duress for which the private employer can be criminally prosecuted for extortion and conversion of private funds into “public property” and a “public use”.
4. The term “wages” in the context of the Internal Revenue Code *supersedes* rather than enlarges the commonly understood meaning of the term. That term is defined in 26 U.S.C. §3401(a) and 26 U.S.C. §3401(a)(4) says it EXCLUDES earnings NOT connected to a “trade or business”, which means a “public office” in the United States Government. See:

Meaning of the Words “Includes” and “Including”

<http://famguardian.org/Subjects/Taxes/FalseRhetoric/Includess.pdf>

5. Under [26 U.S.C. §3402](#), withholding and reporting occurs ONLY on “wages” as legally defined, which is earned by “employees”, who are federal workers and/or “public officers” engaged in a “trade or business”. See below, in which “words of art” are bold faced and underlined:

*Title 26: Internal Revenue*

*PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*

*Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)*

*Tax on Employees*

*§ 31.3101-3 When employee tax attaches.*

*The employee tax attaches at the time that the **wages** are received by the **employee**. For provisions relating to the time of such receipt, see §31.3121(a)–2.*

- 5.1. “wages” are legally defined in 26 CFR §31.3401(a)-3(a) as earnings in connection with a voluntarily submitted and signed W-4 form by the worker.
- 5.2. The IRS Form W-4 is a private contract that makes the worker into an “employee” and constitutes his mandatory consent to call his earnings “wages” as legally defined which are therefore subject to “withholding” under the provisions of the I.R.C.
- 5.3. Under 26 CFR §31.3401(a)-3(a), a worker not otherwise engaged in a “public office” who did not voluntarily sign and submit a W-4 absent any duress cannot earn “wages” as legally defined that are either subject to withholding or reportable in IRS Form W-2.
6. A private employer who has no “employees” (federal subcontractors or workers or “public officers”) need not withhold.
7. If a private employer decides to become a “withholding agent”, then he becomes a fiduciary and “trustee” over government/public property and MUST pay in everything withheld to the government. [26 U.S.C. §7501\(a\)](#).
8. The submission of IRS Form W-2 against a worker by a company therefore constitutes “prima facie evidence” that the worker consented to become a “taxpayer” and to earn “wages” subject to withholding and reporting by submitting IRS Form W-4. Those workers who never submitted an IRS Form W-4 and who have their earnings reported as “wages” should therefore submit a criminal complaint against the private employer based on the following
- 8.1. [18 U.S.C. §912](#): Impersonating a federal “employee”.
- 8.2. [18 U.S.C. §911](#): Impersonating a statutory “U.S. citizen”. All “taxpayers” as legally defined are “public officers” engaged in a “trade or business” within the U.S. government. The only persons who can lawfully act as “public officers” are statutory “U.S. citizens”. Those who are not born on and domiciled within federal territory are not statutory U.S. citizens” pursuant to [8 U.S.C. §1401](#).
- 8.3. [26 U.S.C. §7206](#): Fraud and false statements.
- 8.4. [26 U.S.C. §7207](#): Fraudulent returns, statements, and other documents. W-2 forms are called “information returns” and also constitute “returns” as defined in [26 U.S.C. §6103\(b\)\(1\)](#).
9. IRS levies are against “wages” as legally defined, and NOT ALL EARNINGS of workers. It is “wages” that are voluntarily connected to the “public office” and federal franchise therefore subject to IRS enforcement activity. This is confirmed by [26 U.S.C. §6331\(a\)](#), which says that levy and distraint may ONLY be instituted against federal agencies, employees, instrumentalities. Only earnings connected with a “trade or business” and a “public office” in the U.S. government by the worker themselves signing a W-4 can therefore be subject to IRS levy.

## **23.6 Lawful Withholding Options for Private Employers**

Because we now know from the preceding analysis that:

1. The W-4 is the WRONG form to use for withholding on the average American.
2. Those who sign the W-4 are entering into a voluntary employment agreement with the federal government and essentially become Kelly girls for their formerly private companies.
3. The only way that a person can earn reportable “wages” is by signing and submitting a form W-4 without duress.
4. If a person never signs or voluntarily submits a W-4, then private employers may not report any “wages” on the W-2 Form.

Then we now have to offer other alternatives for withholding that allow us to more properly reflect the true legal status under the I.R.C. of those working at such private companies. We will do so in this section. Below is a federal tax withholding table we developed for our own use which summarizes all of the main options available for lawfully implementing withholding within private companies. IRS does not publish such a table that we could find, and the reason

1 is pretty obvious: they don't want people in states of the Union filing with their proper status and thereby depriving them  
2 of unlawfully or improperly collected revenues. Over 80% of the revenues coming into the I.R.S. derive from "wage"  
3 withholding, and most of it is done illegally or against the will of the workers:



1 **Table 26: “Citizenship status” vs. “Income tax status”**

#	Citizenship status	Place of birth	Domicile	Accepting tax treaty benefits?	Defined in	Tax Status under 26 U.S.C./Internal Revenue Code			
						“Citizen” (defined in 26 CFR 1.1-1)	“Resident alien” (defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii))	“Nonresident alien <b>INDIVIDUAL</b> ” (defined in 26 CFR §1.1441-1(c)(3))	“Nonresident alien <b>NON-individual</b> ” (defined in 26 U.S.C. §7701(b)(1)(B))
1	“U.S. citizen” or “Statutory U.S. citizen”	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	NA	8 U.S.C. §1401	Yes (only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924))	No	No	No
2	“U.S. national”	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	NA	8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1408 8 U.S.C. §1452	No (see 26 U.S.C. §7701(b)(1)(B))	No	Yes (see IRS Form 1040NR for proof)	No
3.1	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	State of the Union	NA (ACTA agreement)	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; Fourteenth Amendment, Section 1	No	No	No	Yes
3.2	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	Yes	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; Fourteenth Amendment, Section 1	No	No	Yes	No
3.3	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	No	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; Fourteenth Amendment, Section 1	No	No	No	Yes
4.1	“alien” or “Foreign national”	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	NA	8 U.S.C. §1101(a)(3)	No	Yes	No	No
4.2	“alien” or “Foreign national”	Foreign country	State of the Union	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.3	“alien” or “Foreign national”	Foreign country	State of the Union	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes
4.4	“alien” or “Foreign national”	Foreign country	Foreign country	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.5	“alien” or “Foreign national”	Foreign country	Foreign country	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes

People born in states of the Union are identified above as “nationals” or “state nationals”. If you would like to learn more about why that is, we welcome you to read a white paper on the subject off the Internet at the address below:

[Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen](http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf)  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

A “national” who does not work for the federal government and instead works for a private employer, if he files any withholding form at all, should file an IRS Form W-8, which is called “*Certificate of Foreign Status*”. IRS does not currently provide this form because they don’t want people escaping our feudal tax system. However, you can get it from:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormW8.PDF>

When a person submits an IRS Form W-8 to the payroll department of their private employer, they become a “nonresident alien” for income tax withholding purposes. “nonresident aliens” are defined in 26 U.S.C. §7701(b)(1)(B), which is part of the Internal Revenue Code. The new version of this form, the W-8BEN, creates false presumptions about withholding by forcing everyone to perjure themselves by claiming that they are “beneficial owners”. Being a “beneficial owner” creates a false presumption that the person filling out the form lives in the federal United States and works for the federal government. Here is what the description of the IRS Form W-8BEN says in the 2003 IRS Published Products Catalog:

*W-8BEN*  
*Beneficial Owner’s Certificate of Foreign Status for U.S. Tax Withholding*

*Purpose of Form. Foreign persons are subject to U.S. tax at 30% rate of income they receive from U.S. [District of Columbia] sources that consists of: interests, dividends, rents, royalties, premiums, annuities, compensation of services performed, substitute payments in an securities lending transactions or other fixed or determinable annual or periodical gains, profits, or income.*

*[2003 IRS Published Products Catalog, p. F-3]*

What the IRS doesn’t tell you is the definition of either “income” or “U.S. sources”. When you investigate the naming of these terms, you will find that a “U.S. source” is defined in 26 U.S.C. §861 and 26 CFR §1.861-8(f) to mean only profits in connection with foreign trade by a Domestic International Sales Corporation (DISC) or a Foreign Sales Corporation (FSC) which is earned within the District of Columbia, which is what “United States” is defined as in 26 U.S.C. §7701(a)(9) and (a)(10). You will also find that the Constitution forbids Congress from defining the word “income” according to the Supreme Court in *Eisner v. Macomber*, 252 U.S. 189 (1920), and that the only definition ever given was by the U.S. Supreme Court and that definition is “corporate profit”. See:

Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic: “Income”  
<http://famguardian.org/TaxFreedom/CitesByTopic/income.htm>

The IRS obviously doesn’t want to provide people with a way to escape subsidizing federal extortion and racketeering, so they had to pull these little tricks to fool the sheep, all the while knowing full well that the I.R.C. isn’t a positive law that obligates anyone to do anything.

A person who doesn’t want to use a federal form because of the false presumptions they create can always submit an affidavit stating that they are the following under federal law, which should accomplish the equivalent. The affidavit should state that you are:

1. A “nonresident alien”
2. A “foreign person” under federal law
3. Not a “U.S. person” under 26 U.S.C. §7701(a)(30).
4. Not a “beneficial owner”
5. Not subject to any federal or state withholding nor within the jurisdiction of the Internal Revenue Code. Subtitle A of the Internal Revenue Code, in fact, only applies within the *federal* “United States”, as defined within 26 U.S.C. §7701(a)(9) and (a)(10). The federal “United States” consists of the territories and possessions of the United States, the District of Columbia, and federal enclaves within states of the Union.

1 6. Not subject to an income tax treaty with a foreign country and don't need to be in order to be exempt from federal  
 2 income taxes under Article 1, Section 2, Clause 3 and Article 1, Section 9, Clause 4 of the Constitution of the United  
 3 States. Consequently, IRS Form 8233 is not appropriate.

4 Upon receipt of such an affidavit, private employers become liable if they withhold against the wishes of their employees.

5 The table below summarizes withholding options available for those private employees and private, nonfederal employers  
 6 who have a conscience and want to avoid risk, but at the same time respect the property rights of their employees and treat  
 7 them with respect and dignity in a lawful manner. The options are listed in decreasing order of desirability for the private  
 8 employee, where lower numbered items are most preferred. Anything other than option 1 is, at best, a compromise and  
 9 amounts to perjury to appease a ruthless, lawless, avaricious United States government. Forms that implement each one of  
 10 these options are contained later in Appendix A of this document.

11 **Table 27:** Federal/State tax withholding options

#	Filing status	Withholding form submitted	Sample form(s) found at	Result	Notes
1	Nonresident alien	Notarized affidavit of citizenship and tax withholding	Appendix A, Form 1	No withholding	Formal, notarized letter.
2	Nonresident alien	W-8	Appendix A, Form 2	No withholding	Older version of IRS Form W-8BEN. This form is no longer available. IRS Pub 519 says the use of this form was discontinued in 2000.
3	Nonresident alien	W-8BEN modified to remove presumptions	Appendix A, Form 3	No withholding	Current IRS Form, modified to remove false presumptions and prevent perjury.
4	Nonresident alien	Unmodified W-8BEN	Appendix A, Form 4	Withholding at 30%	Signing this form without modifications is perjury for the average American because the perjury statement puts them in the District of Columbia and because they are not "beneficial owners".
5	Undefined	W-4T: Amended W-4	Appendix A, Form 5	No withholding	"Exempt status" is not allowed unless one is an "employee", and this status has very specific requirements under <a href="#">26 U.S.C. §7701(b)(5)</a> that most people do not meet. Therefore, this form would also amount to perjury.
6	"Nonemployee"	W-4 Amended	Appendix A, Form 6	No federal/state withholding	Signing this form is also perjury for the average American, because they are not "employees" under federal law.
7	Federal "employee"	W-4	Appendix A, Form 7	Federal/state withholding	If exempt, no withholding but IRS will probably try to fine you \$500 for a frivolous W-4.

12 Some words are in order about the approaches above that everyone should be very aware of:

1. Private employers are not responsible or liable for what appears on the withholding forms that you give them. The private worker who submits them is. Consequently, it shouldn't matter to them what goes on the withholding forms submitted by private employees, even if it is not entirely accurate. If they are going to force the employee to submit the wrong form and thereby put their employees under duress, then these employees have no choice but to perjure themselves. They are being forced to lie just so they can pay their bills and not become the laughing stock of their families. The question at that point becomes exactly what are the employees going to lie about while they are under duress? They perjure themselves, in most cases, by even submitting a W-4 because they are claiming under penalty of perjury that they are an "employee" and claiming that withholding is "voluntary", neither of which is usually true. Consequently, if they are going to involuntarily perjure themselves anyway, then they ought to do a really good job by making sure that the mailing address and the identifying number on the form is not entirely accurate. If the employer says to the employee that he can't give them false information, then the employee can tell them it isn't necessarily false, but that they also can't claim if it is accurate either because technically they aren't filling out the form, the employer is, because the employee is doing it in accordance with the incorrect directions and edicts and duress of the employer.
2. There are two IRS Forms that "nonresident aliens" can use to stop withholding: W-8BEN and 8233. The IRS Form 8233 is only for foreigners from another country working inside the federal United States/federal zone for the federal government and who come under the terms of income tax treaty with their country of origin. People from states of the Union therefore can't use this form because states of the Union do not have income tax treaties with the federal government. They have ACTA or Agreements on Coordination of Tax Administration between their governors and the Secretary of the Treasury, but these only apply within federal enclaves to federal "employees" under the Buck Act, [4 U.S.C. §106](#) and [5 U.S.C. §5517](#).
3. The majority of people you encounter in payroll, accounting, and the corporate legal counsel's offices of most private employers simply don't know the tax code or the law. Don't hold that against them or get angry with them. Patiently educate them using these materials and the materials off the Family Guardian website at <http://famguardian.org/>. The secret to emancipation from federal slavery is education, not dogmatism. However, if they don't want to discuss anything or learn, have a closed mind, and don't want to reason with you, and instead insist on deducting and withholding and levying monies from your pay against your will (STEALING is the most appropriate word for this kind of insolence), then they are personally liable for the monetary damages they cause to workers. Workers who have been injured in this way can sue errant payroll personnel individually for their torts. This is a deprivation of rights which is a violation of the Fifth Amendment if accomplished on land subject to exclusive state jurisdiction and also a federal offense under [42 U.S.C. §1983](#) if committed on federal property. Suing one's employer isn't usually a good idea unless you want to instantly be on the street pushing a shopping cart. However, you can sue the payroll clerk individually who is stealing your money individually as a private person and leave the employer out of the mix, and that will usually get good results and not piss off your boss.

## **23.7 Withholding and reporting on Nonresident aliens (NRAs)**

### **23.7.1 IRS Propaganda on NRA withholding**

Nonresident alien tax withholding is described in IRS Publication 515, entitled Withholding of Tax on Nonresident Aliens and Foreign Corporations, available at:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub515.pdf>

The IRS website contains propaganda intended to deceive private employers in the states of the Union into withholding earnings of nonresident aliens who have "income from sources within the United States" at:

<http://www.irs.gov/businesses/small/international/article/0,,id=104997,00.html>

This propaganda advises "withholding agents" to withhold 30% of the payments made to nonresident aliens from "sources within the United States" and to file an IRS Form 1042 documenting the amount of earnings and withholding. The information provided is deceptive and constructively fraudulent, because:

1. The term "U.S." means ONLY the District of Columbia in the Internal Revenue Code. See [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10). They don't define this term anywhere on their website that we could find. We wonder why? This is the only

logical conclusion one can reach after reading the rulings of the Supreme Court on the issue of federal jurisdiction within states of the Union such as the following:

"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)]

"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)]

2. The Internal Revenue Code is NOT positive law, but private law and religion which obligates no one to do anything who doesn't first volunteer to be subject to its provisions by signing a contract or agreement called a W-4 or an SS-5. See section 11 earlier for details.
3. Even if the Internal Revenue Code was positive law or public law, private employers in states of the Union are not subject to federal jurisdiction and applying for an Employer Identification Number doesn't make them subject either.

[IRM 5.14.10.2 \(09-30-2004\)](#)  
Payroll Deduction Agreements

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

4. Private employers exclusively within states of the Union are NOT the subject of the article, because they do not qualify as "withholding agents" as we pointed out earlier in section 6.
5. The federal income tax described under I.R.C. Subtitle A is measured by the receipt of "income" in connection with a "trade or business" excise taxable activity. This is the privileged activity being "taxed", and it is an avoidable activity that few private employees are engaged in, because they do not in deed and in fact hold a privileged "public office" as required by [26 U.S.C. §7701\(a\)\(26\)](#).

The IRS website admits some of the truths above, but you really have to dig for it. In the International Taxpayer Glossary, it says the following about withholding of those who have no income from the District of Columbia:

#### ***Services performed outside the U.S***

*Compensation paid to a nonresident alien (other than a resident of Puerto Rico) for services performed outside the United States [District of Columbia] is not considered wages and is not subject to graduated withholding or 30% withholding.*

[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=96594,00.html>]

IRS Publication 519, Year 2000 agrees with the above, by saying the following:

#### ***Income Subject to Tax***

**Income from sources outside the United States that is not effectively connected with a trade or business in the United States is not taxable if you receive it while you are a nonresident alien.** The income is not taxable even if you earned it while you were a resident alien or if you became a resident alien or a U.S. citizen after receiving it and before the end of the year.  
[*IRS Publication 519, Year 2000*, p. 26]

A person who meets the requirement above of being a nonresident alien with no income from the District of Columbia, whether connected to a trade or business or not under [26 U.S.C. §871](#), is described in the regulations as follows, under 26 CFR §871-1(b)(1)(i):

(a) *Classes of aliens.*

For purposes of the income tax, alien individuals are divided generally into two classes, namely, resident aliens and nonresident aliens. Resident alien individuals are, in general, taxable the same as citizens of the United States; that is, a resident alien is taxable on income derived from all sources, including sources without the United States. See §1.1-1(b). Nonresident alien individuals are taxable only on certain income from sources within the United States and on the income described in section 864(c)(4) from sources without the United States which is effectively connected for the taxable year with the conduct of a trade or business in the United States. However, nonresident alien individuals may elect, under section 6013 (g) or (h), to be treated as U.S. residents for purposes of determining their income tax liability under Chapters 1, 5, and 24 of the code. Accordingly, any reference in §§1.1-1 through 1.1388-1 and §§1.1491-1 through 1.1494-1 of this part to nonresident alien individuals does not include those with respect to whom an election under section 6013 (g) or (h) is in effect, unless otherwise specifically provided. Similarly, any reference to resident aliens or U.S. residents includes those with respect to whom an election is in effect, unless otherwise specifically provided.

**(b) Classes of nonresident aliens—**

**(1) In general. For purposes of the income tax, nonresident alien individuals are divided into the following three classes:**

**(i) Nonresident alien individuals who at no time during the taxable year are engaged in a trade or business in the United States.**

(ii) Nonresident alien individuals who at any time during the taxable year are, or are deemed under §1.871-9 to be, engaged in a trade or business in the United States, and

(iii) Nonresident alien individuals who are bona fide residents of Puerto Rico during the entire taxable year.

An individual described in subdivision (i) or (ii) of this subparagraph is subject to tax pursuant to the provisions of subpart A (section 871 and following), part II, subchapter N, chapter 1 of the Code, and the regulations thereunder. See §§1.871-7 and 1.871-8. The provisions of subpart A do not apply to individuals described in subdivision (iii) of this subparagraph, but such individuals, except as provided in section 933 with respect to Puerto Rican source income, are subject to the tax imposed by section 1 or section 1201(b). See §1.876-1.

Some important things to note at the point are:

1. The only IRS Form that American Nationals who are nonresident aliens can use to stop withholding is the W-8BEN.
2. The standard IRS Form W-8BEN provides no way to avoid disclosing the Beneficial Owner, even though there is no requirement in the I.R.C. itself to do so. Older versions of the W-8 form did not require disclosing the Beneficial Owner.
3. The standard IRS Form W-8BEN does not provide a block to indicate which of the above three types of nonresident aliens the submitter is, and this determination is very important because it affects whether withholding is or is not necessary. Those who are not “effectively connected to a trade or business” mentioned in paragraph (b)(1) above and all of whose earnings originate outside of the District of Columbia would not need withholding. The IRS doesn’t want to provide a form for nonresident aliens that shows how they can avoid the requirement for withholding. This forces employers to have to read the publications to find out, which few will do, or call up the IRS to ask, in which case they are sure to get LIES. The reason they will get LIES is because the courts refuse to hold the IRS responsible for anything they say, print, or do, as we pointed out earlier in section 15.15.2 earlier.

The combination of all the above factors combine to introduce just enough ambiguity and uncertainty for private employers that they just roll over and screw their workers rather than obey what the law actually says. This also explains why, if you use the W-8BEN Form to stop withholding, you should use the amended form we provide in order to avoid this trap.



## 23.7.2 Specific Withholding Statutes and regulations

Below are the withholding requirements applicable to nonresident aliens, right from the I.R.C. and implementing regulations:

1. [26 CFR §31.3401\(a\)\(6\)-1\(b\)](#) says that nonresident aliens whose earnings originate from outside the District of Columbia or which are not connected with a "[trade or business](#)" are not subject to withholding:

[Title 26](#)  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3401\(a\)\(6\)-1 Remuneration for services of nonresident alien individuals.](#)

(a) In general. All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section. In regard to wages paid under this section after February 28, 1979, the term "nonresident alien individual" does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).

(b) Remuneration for services performed outside the United States. Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.

2. [26 U.S.C. §3401\(a\)\(6\): Definitions](#)

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) Wages

For purposes of this chapter, the term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; except that such term shall not include remuneration paid—

(6) for such services, performed by a nonresident alien individual, as may be designated by regulations prescribed by the Secretary; or

3. [26 U.S.C. §3406\(g\)](#) and [26 CFR §31.3406\(g\)-1\(e\)](#) both say that foreign persons (which includes "nonresident aliens") are not subject to backup withholding or information reporting

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3406](#)  
[§ 3406. Backup withholding](#)

(g) Exceptions

(1) Payments to certain payees Subsection (a) shall not apply to any payment made to— (A) any organization or governmental unit described in subparagraph (B), (C), (D), (E), or (F) of [section 6049 \(b\)\(4\)](#), or (B) any other person specified in regulations.

(2) Amounts for which withholding otherwise required Subsection (a) shall not apply to any amount for which withholding is otherwise required by this title.

---

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[§ 31.3406\(g\)-1 Exception for payments to certain payees and certain other payments.](#)

(e) Certain reportable payments made outside the United States by foreign persons, foreign offices of United States banks and brokers, and others.

For reportable payments made after December 31, 2000, a payor is not required to backup withhold under [section 3406](#) on a reportable payment that qualifies for the documentary evidence rule described in [§1.6049-5\(c\)\(1\)](#) or (4) of this chapter, whether or not documentary evidence is actually provided to the payor, unless the payor has actual knowledge that the payee is a United States person. Further, no backup withholding is required for payments upon which a 30-percent amount was withheld by another payor in accordance with the withholding provisions under chapter 3 of the Internal Revenue Code and the regulations under that chapter. For rules applicable to notional principal contracts, see [§1.6041-1\(d\)\(5\)](#) of this chapter.

4. [26 CFR §1.872-2\(f\): Exclusions from gross income of nonresident alien individuals](#)

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

(f) *Other exclusions.* **Income which is from sources without [outside] the United States [District of Columbia, see 26 USC 7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual.** To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

5. [26 CFR §1.871-7\(a\)\(4\): Taxation of nonresident alien individuals not engaged in U.S. business](#)

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.871-7 Taxation of nonresident alien individuals not engaged in U.S. business.](#)

(a) Imposition of tax

(4) Except as provided in §§1.871-9 and 1.871-10, **a nonresident alien individual not engaged in trade or business in the United States during the taxable year has no income, gain, or loss for the taxable year which is effectively connected for the taxable year with the conduct of a trade or business in the United States.** See section 864(c)(1)(B) and §1.864-3.

6. [26 U.S.C. §7701\(a\)\(31\): Definitions](#)

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

(31) Foreign estate or trust

(A) Foreign estate

The term "foreign estate" means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

7. [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#) says that "nonresident aliens", even if they work in the District of Columbia, do not earn income from sources within the "United States", if they are not engaged in a "trade or business"

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART 1 > § 861](#)  
[§ 861. Income from sources within the United States](#)

(a) Gross income from sources within United States

The following items of gross income shall be treated as income from sources within the United States:

(3) **Personal services**

Compensation for labor or personal services performed in the United States; except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if—

(C) the compensation is for labor or services performed as an employee of or under a contract with—

(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

(ii) an individual who is a citizen or resident of the United States, a domestic partnership, or a domestic corporation, if such labor or services are performed for an office or place of business maintained in a foreign country or in a possession of the United States by such individual, partnership, or corporation.

8. [26 U.S.C. §3401](#) (a) says that "nonresident aliens" don't earn "wages" and are therefore not subject to W-2 reporting:

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) For the purposes of this chapter, the term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee [an elected or appointed public official] to his employer...except that such term shall not include remuneration for:

(6) such services, performed by a nonresident alien individual.

9. [26 U.S.C. §1402\(b\)](#) says that "nonresident aliens" don't earn "self employment income":

[TITLE 26 > Subtitle A > CHAPTER 2 > § 1402](#)  
[§ 1402. Definitions](#)

(b) *Self-employment income*

The term "self-employment income" means the net earnings from self-employment derived by an individual (other than a nonresident alien individual, except as provided by an agreement under [section 233 of the Social Security Act](#)) during any taxable year; except that such term shall not include—

10. [IRS Publication 515, entitled "Withholding of tax on Nonresident Aliens and Foreign Entities", year 2000](#), says on p. 3 the following:

"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting."

11. [Federal Thrift Savings Plan \(TSP\) retirement system pamphlet OC-96-21](#) says:

**3. How much tax will be withheld on payments from the TSP?**

The amount withheld depends upon your status, as described below. Participant. **If you are a nonresident alien, your payment will not be subject to withholding for U.S. income taxes. (See Question 2.)** If you are a U.S. citizen or a resident alien, your payment will be subject to withholding for U.S. income taxes. If you are a U.S. citizen or resident alien when you separate, you will receive from your employing agency the tax notice "Important Tax Information About Payments From Your TSP Account," which explains the withholding rules that apply to your various withdrawal options.

[Federal Thrift Savings Program Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>, p. 3]

Tax Treatment of TSP Payments:

[...]

- A nonresident alien participant who never worked for the U.S. Government in the United States will not be liable for U.S. income tax.
- A nonresident alien beneficiary of a nonresident alien participant will not be liable for U.S. income tax if the participant never worked for the U.S. Government in the United States

[TSP Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>, p. 2. Keep in mind that "United States" above is defined as the "District of Columbia" and "worked for the U.S. government" is defined as a "trade or business" in 26 U.S.C. 7701(a)(26), which is then described as "the functions of a public office"]

Beyond the above, there is very little else that a private employer needs to know about withholding on nonresident aliens. The above firmly establishes that nonresident aliens with no income from the District of Columbia:

1. Are "nontaxpayers".
2. Do not need an identifying number.
3. Do not need any withholding.
4. Do not need any earnings reported. Only earnings from the District of Columbia or the U.S. Government that are connected with a "trade or business", which is a "public office", must be reported pursuant to 26 U.S.C. §6041. This is what "U.S. sources" means in the Internal Revenue Code.

### 23.7.3 Backup withholding

Those who claim to be "nonresident aliens" not engaged in a "trade or business" and who are not "individuals" are sometimes subjected to unlawful backup withholding by ignorant financial institutions and private employers who refuse to read and obey the law as written. This section will provide tools and procedures to fight such forms of involuntary servitude and THEFT under the color of law.

The IRS website confirms that backup withholding of 30% on nonresident aliens is not authorized:

#### Backup Withholding

*Generally, backup withholding applies only to resident aliens and not to nonresident aliens. The payer who neglects or refuses to do backup withholding when required will himself be held liable for the amount of the backup withholding which should have been withheld from any payments. Under regulations which took effect on January 1, 2001, generally, if the status of the payee as a foreign person or a U.S. person cannot be determined, then the payee may be assumed to be a U.S. person subject to backup withholding. For additional information on the documentation to determine the status of a foreign payee refer to [NRA Withholding](#). [SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=104910,00.html>]*

Below is a summary of the requirements for backup withholding:

6. Required by:
  - 6.1. [26 U.S.C. §3406](#).
  - 6.2. [26 CFR §31.3406-0 through 26 CFR §31.3406\(j\)-1](#).
7. Withholding set at 31% of "reportable payments". See [26 CFR §31.3406\(a\)-1\(a\)](#).
8. "reportable payments" are payments "effectively connected with a [trade or business](#)", which means a public office in the government, pursuant to:
  - 8.1. [26 U.S.C. §3406\(b\)](#).
  - 8.2. [26 U.S.C. §6041](#). All information returns filed or reported must be connected with a "trade or business" as required by paragraph (a) of this section.
  - 8.3. [26 U.S.C. §6049](#) in the case of interest payments
  - 8.4. [26 U.S.C. §6042](#) in the case of dividend payments
  - 8.5. [26 U.S.C. §6044](#) in the case of patronage dividends
9. None of the regulations talk about the "trade or business" requirement. It is ONLY found in [26 U.S.C. §6041\(a\)](#), which is where the obligation to report is established.
10. Backup withholding is specifically prohibited:
  - 10.1. On reportable payments that qualify for the documentary evidence rule found in [26 CFR §1.6049-5\(c\)\(1\)](#) or (4).
  - 10.2. For amounts already subject to withholding of 30%.

"Nonresident aliens" who are not engaged in a "trade or business" cannot lawfully become the subject of backup withholding per item 3 above. If a financial institution or private employer indicates that they want to do it anyway we suggest:

7. [26 U.S.C. §3406](#) also authorizes backup withholding in the case of those who refuse to provide a TIN. The requirement to FURNISH a TIN is described in 26 CFR §301.6109-1(b). Those who are "nonresident aliens" but not "individuals" as identified in that section are not listed as having a requirement. Neither are "nonresident alien individuals" who are NOT engaged in a "trade or business". Therefore, by the rules of statutory construction, they are not required to deduct, withhold, or report.

*"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]

8. If the payer gives you guff when you say you don't have to provide a TIN and are not eligible, give them the following:

Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>

9. If the payer gives you guff about whether you are or can choose to be a "nonresident alien" who is not an "individual":
- 9.1. Show them FORM #13 in section 27.13, which proves that you are a "nontaxpayer" who doesn't need to withhold or deduct because you earn no "gross income" and your estate is a "foreign estate" as described in [26 U.S.C. §7701\(a\)\(31\)](#).
  - 9.2. Show them the definition of "individual" in [26 CFR §1.1441-1\(c\)\(3\)](#) and ask them to prove that you meet the definition of "nonresident alien individual". They won't be able to prove it so they can't impose a requirement to provide either a number or withhold.
  - 9.3. Show them [26 U.S.C. §871](#), which only taxes earnings of "nonresident alien individuals", not "nonresident aliens" who are NOT "[individuals](#)".
  - 9.4. Show them the following, which proves that you have an unalienable right to declare and establish any civil status you want and that a failure to respect that status constitutes a violation of your First Amendment right of freedom from compelled association:

Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008  
<http://sedm.org/Forms/FormIndex.htm>

- 9.5. Remind them that all franchises are contracts and that contracts are unenforceable in the presence of duress. Insist on your right to not be compelled to contract with the government by being forced to engage in federal franchises such as the "[trade or business](#)" franchise. This is covered further in the following:

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

10. Showing them the legal authorities described above.

11. Submitting an [AMENDED IRS Form W-8BEN](#) to a withholding agent. This causes them to not be able to withhold:

*"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from [backup withholding](#) and Form 1099 reporting."*  
[IRS Publication 515, Year 2000, p. 3]

The phrase "(or applicable documentary evidence)" above also covers the following form we prefer over the Standard IRS Form W-8BEN:

Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

12. Using the following forms to educate them above what a "trade or business" and to prove that you aren't engaged in one:

- 12.1. Demand for Verified Evidence of "Trade or Business" Activity: Information Return, Form #04.007  
<http://sedm.org/Forms/FormIndex.htm>
- 12.2. The "Trade or Business" Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

If you are a "nonresident alien" or "foreigner" but not a "person" or "individual", DO NOT use the [Standard IRS Form W-8BEN](#) because it contains "words of art" that will prejudice your status and make you look like a "taxpayer" as described in section 5 of the following:

Instead use either of the following:

3. Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>
4. AMENDED IRS Form W-8BEN

For further details on backup withholding, see the following resources:

5. Income Tax Withholding and Reporting Course, Form #12.004-contains a summary of all withholding and reporting requirements, including backup withholding. Present this to your private employers and financial institutions if they are unsure of the law  
<http://sedm.org/Forms/FormIndex.htm>
6. Backup Withholding "B" Processes -IRS Website  
<http://www.irs.gov/businesses/small/article/0,,id=98151,00.html>

### **23.8 Computing Taxable Income to determine whether withholding is even necessary**

For those private employers who want to look further into the issue to put them more at ease, we include the remainder of this section, which documents all of the requirements applying to how to compute “taxable income”. We said in section 0 that withholding is only necessary when a person has a tax liability. This section will prove that no liability exists using the I.R.C. and treasury regulations and show how to compute the amount of taxable income from each unique jurisdiction.

As we pointed out at in sections 5.1.3 through 5.1.5 of the Great IRS Hoax, Form #11.302, the federal income tax under I.R.C. Subtitle A is and always has been an indirect excise tax upon privileged activities, according to both the Congress and the U.S. Supreme Court. There has never been a claim otherwise by these two source that we are aware of. The federal district courts appear confused about this issue and have contradicted the Supreme Court (and even themselves) several times, in violation of stare decisis, but their rulings are irrelevant to those not within federal jurisdiction anyway, which includes most Americans and private employers in the states. Now if I.R.C. Subtitle A describes an indirect excise upon privileges of public office, then it is a tax on privileged or licensed “activities”, and not on “items of income” listed within 26 U.S.C. §861 or 862. But the government has tried to confuse the issue and divert attention away from this aspect of the income tax by the following means:

1. Most of the sections within the current IRC deliberately don’t even mention “taxable activities” because if people understood this, they wouldn’t owe anything. Older versions of the code very clearly described the taxable activities but the current version is totally obfuscated to disguise this fact. Our public dis-servants have had over 80 years to perfect their willful fraud, and it has become harder and harder as they did their dirty work to discover the true nature of the federal income tax as an indirect excise tax.
2. The IRS has completely removed mention of the “taxable activities” and “subjects of taxation” from all of its publications.
3. The only remaining mention of excise “taxable activities” we could find is within an obfuscated section of the Treasury regulations found at 26 CFR §1.861-8(f)(1). The IRS and DOJ have recently attacked and persecuted and harassed all those who relied on this list of “taxable activities” in order to determine whether their income is “gross income”, in order to divert attention away from the nature of Subtitle A as an indirect excise tax.

As we read through the code to try to discover what is “taxable” and what is includible in “gross income”, we must narrow our search down to include only activities that are privileged and therefore excise taxable. Within I.R.C. Subtitle A, there are only two types of privileged, and therefore excise taxable, activities. These are:

1. “foreign commerce” within states of the Union, which is privileged and licensed under 26 U.S.C. §7001. Jurisdiction over foreign commerce within the states is bestowed by Constitution Article 1, Section 8, Clause 3. This taxable activity is identified in 26 CFR §1.861-8(f)(1).
2. “trade or business”. Defined under 26 U.S.C. §7701(a)(26) to mean “the functions of a public office” in a government entity under exclusive federal jurisdiction. The “license” is the oath that all office holders must take before they may



1 serve. This is also called “effectively connected income” or simply “ECI”. See Great IRS Hoax, Form #11.302,  
2 Section 5.6.15 for details on this.

3 It should also be emphasized here that jurisdiction of the federal government within the states, under Article 1, Section 8,  
4 Clause 1 of the Constitution is ONLY granted in the case of excise taxes relating to foreign commerce mentioned under  
5 Article 1, Section 8, Clause 3. The federal government has no jurisdiction over any other subject matter of taxation derived  
6 from the Constitution, because the Constitution only grants the federal government jurisdiction over affairs EXTERNAL to  
7 the states of the Union, including imports and interstate commerce. See section 5.2.3 of the Great IRS Hoax, Form  
8 #11.302. If it ain’t in the Constitution, then the feds can’t do it in the states. Period. The Ninth and Tenth Amendments  
9 make that clear. All excise taxes are voluntary, because if you don’t want to pay the tax, then you don’t “volunteer” to  
10 engage in the commercial activity that is the subject of the tax. If the IRS attempts to collect a tax from you, then the  
11 questions you must resolve with them are:

- 12 1. What activity is subject to tax? Show them the table in section 5.1.3 of the Great IRS Hoax, Form #11.302 and ask  
13 them which type of tax they are trying to collect and ask them what is the “subject of” the tax. Neither 26 U.S.C. §61  
14 nor 26 U.S.C. §861 describe or enumerate only “taxable activities” that are proper constitutional “subjects of tax” as  
15 shown in the table. Therefore, one must go to 26 CFR §1.861-8(f)(1) to see the activities. If they don’t want to use  
16 that section as the list of activities subject to tax, then ask them where else you can find the taxable activities, because  
17 I.R.C. sections 61 and 861 don’t list of privileged taxable activities under the Constitution.
- 18 2. What admissible evidence do you have that I am engaged in such an activity? Reports of a payment documented on a  
19 form 1099 does not reveal any connection to a “taxable activity”. On what basis are you “presuming” that I am  
20 engaged in a “taxable activity”? Being a “citizen” isn’t a privileged activity, so what privilege is being exercised so  
21 that I may know how to avoid this tax? Without the ability to avoid the tax and the activity that is taxed, you are  
22 instituting slavery in violation of the Thirteenth Amendment and enforcing a Direct tax within states of the Union that  
23 is a violation of Constitution Article 1, Section 2, Clause 3 and Article 1, Section 9. Clause 4.
- 24 3. What license or privilege did I apply for and receive from the government in order to justify being subject to this  
25 alleged “tax”?

26 The answer to the above questions in the case of Subtitle A of the Internal Revenue Code, which the IRS would give you if  
27 they could be honest without hurting the municipal donation program for the District of Columbia that they administer, is  
28 the following:

- 29 1. It is a “privilege” to live within exclusive/plenary federal jurisdiction. EVERYTHING inside the federal zone is a  
30 privilege because the area is not covered by the Bill of Rights and you have absolutely NO rights. The only sovereign  
31 inside the federal zone is Congress and the Executive branch, not the people domiciled there. There is no Constitution  
32 within the federal zone between its inhabitants and the national government, because the people don’t have  
33 sovereignty. It is a dictatorship and oligarchy, not a Republic. You are entitled to nothing and you are living on the  
34 king’s feudal plantation. Pay up and worship your new king, slave, or we’ll plunder ALL your property!
- 35 2. All people who file an IRS Form W-4 are “assumed” to live within the District of Columbia and be federal  
36 “employees” who are public officers. It says that in the upper left corner of the W-4 and the definition of “employee”  
37 in 26 CFR §1.3401(c)-1 confirms who these “employees” are. You signed this form under penalty of perjury so we  
38 have court-admissible evidence that you are a privileged public officer and a federal “employee”. If you either filed an  
39 IRS Form 1040 or claimed itemized deductions on your return, then you also effectively admitted under penalty of  
40 perjury that your income is connected with a privileged public office in the U.S. government, which is what a “trade or  
41 business” is. Under these circumstances:
  - 42 2.1. You are in receipt of the “privilege” of deductions on your return and a lower, graduated rate of tax.
  - 43 2.2. We don’t need implementing regulations to enforce against you, because you consented to be treated as a federal  
44 “employee” and 44 U.S.C. §1505(a)(1) says no implementing regulations are required.
  - 45 2.3. The federal government has jurisdiction over you no matter where you are, because you consented to be treated as  
46 one of its “employees”. Governments have always had full jurisdiction over their own employees, even outside  
47 of their borders and territory.
- 48 3. If you have a federal ID number such as an SSN or TIN, then you are registered as being in receipt of a federal excise  
49 taxable privilege. That privilege is participation in the welfare program called Social Security. It is a privilege to not  
50 have to take responsibility for your own financial security when you get older, and you will pay DEARLY for that  
51 privilege. We are going to rape and pillage 50% of your income for that privilege. Even though the Social Security tax  
52 is only 7.5%, we do the collection and enforcement for the Social Security program and we are going to abuse the

information we have about you as a way to plunder even more “loot” from your estate using our dastardly automated paper terrorism program called IDRS. Since the acceptance of an SSN creates a presumption that you are a “U.S. citizen” and you never rebutted that presumption, then we’re going to treat you like a federal resident (alien) whose living on the federal plantation who has no rights. Bend over and get used to being screwed, and don’t expect us to give you any help with leaving the federal plantation or taking off those chains. We are going to make you and your property captive and make you a slave of your own apathy and ignorance.

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

4. Since you put an SSN on a tax return, you consented to use that number as a “substitute” TIN. There is no law requiring “nonresident aliens” who do not live or work in the District of Columbia to use an SSN in place of a TIN. 26 U.S.C. §6109(d) says that the SSN “shall” be used, but this statute doesn’t apply to anything but “public offices” within the United States government working in the District of Columbia. When you as a “nonresident alien” and “nontaxpayer” not subject to federal jurisdiction provided that number, you consented to do that which no law requires you to do. You colluded with use to exceed the bounds of the Constitution, and so we are partners in crime. You are on the same footing as people from other countries domiciled in the federal zone as far as tax purposes go. Such a person is referred to as a “resident” under 26 U.S.C. §7701(b)(1)(A). Since you didn’t attach a form 2555 to the 1040 Form that you mistakenly filed, then you agreed to be treated as an alien. “U.S. citizens” living abroad are also aliens in the context of treaties with foreign countries. Either way then, whether you file a 1040 as an alien or a 1040 plus a 2555 as a “U.S. citizen” abroad, you are still treated by us as an “alien” with NO RIGHTS.

Now let’s examine the IRS’ own publications to see if we can confirm the above conclusions. IRS Publication 519 entitled Tax Guide for Aliens describes the federal taxation of “aliens” and “nonresident aliens”. The year 2000 booklet available at:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub519.pdf>

has a very useful table describing taxable sources on page 11 entitled “Summary of Source Rules for Income of Nonresident Aliens”. This table applies not only to “aliens” and “nonresident aliens”, but also to “U.S. citizens” as well. The reason is because “U.S. citizens” (those born in the District of Columbia or U.S. territories) living “abroad” in a foreign country come under the jurisdiction of the Internal Revenue Code by virtue of the fact that they are treated as “aliens” under the provisions of an income tax treaty with a foreign country. Ordinarily, we don’t trust any IRS publications because the IRS says in Internal Revenue Manual, Section 4.10.7.2.8 that you can’t rely on them. However, we believe based on our own thorough research of the I.R.C. that the table is accurate. We therefore repeat it below for your benefit and to aid the discussion. Please be astutely aware of the definitions of important “words of art” used in the table below as you read such as the following:

1. “United States” is defined in section 5.2.7 of the Great IRS Hoax, Form #11.302 to mean the federal zone under the Subtitle A of the Internal Revenue Code.
2. “foreign” is defined in section 5.2.9 of the Great IRS Hoax, Form #11.302 to mean outside the “United States” (federal zone). It is not defined in the I.R.C. because the government doesn’t want you to know what it means.
3. “wages” are defined in section 5.6.7 of the Great IRS Hoax, Form #11.302 as earnings from labor of a federal “employee” who has consented or volunteered to become a “taxpayer” under the provisions of 26 CFR §31.3401(a)-3, by submitting a form W-4 authorizing withholding. Without submitting this form or submitting it under duress makes him a “nontaxpayer” who does not earn “wages”. Since the term “employee” is defined in 26 CFR §31.3401(c)-1 as a person holding public office, then “wages” are connected to the taxable activity called a “trade or business”.
4. “personal services” is defined in section 3.12.1.22 of the Great IRS Hoax, Form #11.302 as work performed in connection with “the functions of a public office” in the United States government, which is called a “trade or business” throughout the I.R.C. This is confirmed by examining 26 CFR §1.162-7(a), 26 U.S.C. §861(a)(3)(C)(i), and 26 CFR §1.469-9(b)(4). See also:  
<http://famguardian.org/TaxFreedom/CitesByTopic/PersonalServices.htm>.

We have italicized and underlined the above “words of art” in the table below to help you in reading the table. We have also added a new column to the IRS’ table identifying exactly the excise “taxable activity” that must occur for the item of income to be taxable.

1 **Table 28:** Summary of Source Rules for Income of Nonresident Aliens

<i>Item of income</i>	<i>Factor determining source</i>	<i>Excise Taxable Activity/"Subject of tax"</i>
<i>Salaries, wages, and other compensation</i>	Where services performed	"Trade or business"
<i>Business income:</i>		
<i>Personal services</i>	Where services performed	"Trade or business"
<i>Sale of inventory-purchased</i>	Where sold	"Foreign commerce"
<i>Sale of inventory-produced</i>	Allocation	"Foreign commerce"
<i>Interest</i>	Residence of payer	"Trade or business"
<i>Dividends</i>	Whether a <i>U.S.</i> or <i>foreign</i> corporation?	"Trade or business"
<i>Rents</i>	Location of property	"Trade or business"
<i>Royalties</i>		
<i>Natural resources</i>	Location of property	"Trade or business"
<i>Patents, copyrights, etc</i>	Where property is used	"Trade or business"
<i>Sale of real property</i>	Location of property	"Trade or business"
<i>Sale of personal property</i>	Seller's tax home (but see Personal Property later, for exceptions)	"Trade or business"
<i>Pensions</i>	Where services were performed that earned the pension	"Trade or business"
<i>Sale of natural resources</i>	Allocation based on fair market value of product at export terminal. For more information, see section 1.863-1(b) of the regulations.	"Trade or business"

2 Exceptions include:

- 3 a) Dividends paid by a U.S. corporation are foreign source if the corporation elects the Puerto Rico economic activity credit  
4 or possessions tax credit.  
5 b) Part of a dividend paid by a foreign corporation is U.S. source if at least 25% of the corporations gross income is  
6 effected connected with a U.S. trade or business for the 3 tax years before the year in which the dividends are declared.

7 Next, we will show you a table that summarizes the above rules and discussion geographically, to show taxable source rules  
8 and requirements based on the location where your source of income came from and your citizenship status. Some of the  
9 information appearing here comes from section 5.13 of the Great IRS Hoax, Form #11.302, where we talk about income  
10 taxes within territories and possessions of the United States. We have broken the table down into three groups of rows  
11 relating to a particular citizenship status. The five columns on the right relate to the "situs" for imposing the tax, which is  
12 the combination of the excise taxable activity occurring within a specific region enumerated in the code. The top three  
13 rows of the table describe certain characteristics of each of the five "situs" across the top. This table is intended to help  
14 you compute your taxable income by adding up all the income from specific excise taxable activities in each of the five  
15 distinct types of jurisdictions within our society.

1 **Table 29:** Taxable sources of income under Internal Revenue Code

Taxable subject	Described in	Taxable Sources by Region/Situs				
		“United States”/ District of Columbia	U.S. territories	U.S. possessions	States of the Union	Abroad / Foreign country
Citizenship if born here?	8 U.S.C. §1101 8 U.S.C. §1401 8 U.S.C. §1408	“U.S. citizen” under 8 U.S.C. §1401	“U.S. citizen” under 8 U.S.C. §1401	“U.S. national” under 8 U.S.C. §1408	“national” under 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101 (a)(22)(B)	Determined by citizenship of parents
Region includes ONLY	26 U.S.C. §7701(a)(9) 26 U.S.C. §7701(a)(10) Title 48	District of Columbia	Virgin Islands, Puerto Rico, Guam	American Samoa, Swains Island	States of the Union	Foreign countries
Main taxing agency at this location		Internal Revenue Service	Revenue agency of territory	Revenue agency of possession	State taxing agency	Foreign government
<b>“Resident”/Alien</b>	<b>26 U.S.C. §7701(b)(1)(A) 26 CFR §1.1441-1(c)(3)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
File which form if you live here?	IRS Pub 519	1040	1040	1040 Plus 2555	1040 Plus 2555	1040 Plus 2555
File where if residing here?	IRS Pub 519	Local district office	Local district office	International branch, Philadelphia	International branch, Philadelphia	International branch, Philadelphia
Source rules found in	IRS Pub 17 IRS Pub 519 26 U.S.C. §861 (sources outside D.C.) 26 U.S.C. §862 (sources inside D.C.) 26 CFR §1.861-8(f)(1)(iv)	IRS Pub 519 26 U.S.C. §861 (sources outside D.C.) 26 CFR §1.861-8(f)(1)(iv)	IRS Pub 519 26 U.S.C. §931(a) 26 U.S.C. §932 26 U.S.C. §933(1) 26 CFR §31.3401(a)(8)(C)-1(a)	IRS Pub 519 26 U.S.C. §931(a) 26 CFR §31.3401(a)(8)(B)-1(a)	IRS Pub 519 26 U.S.C. §862 (sources inside D.C.) 26 CFR §1.861-8(f)(1)(iv) Const. Art. 1, Section 8, Clause 3	IRS Pub 519 26 U.S.C. §911 26 U.S.C. §862 (sources inside D.C.) 26 CFR §1.861-8(f)(1)(iv)
Taxable activities	IRS Pub 519	Income connected with a “trade or business” from within D.C. (U.S.) ONLY	No income tax upon income exclusively from this source	No income tax upon income exclusively from this source	Foreign commerce by U.S. corporations	No income tax upon income from foreign sources
Tax rate(s)	IRS Pub 519	Graduated rate	No tax	No tax	No tax	No tax
Notes	NA	A “resident” can ONLY inhabit the District of Columbia under the I.R.C. When he leaves there, he is outside its jurisdiction.	A “resident” can ONLY inhabit the District of Columbia under the I.R.C. When he leaves there, he is outside its jurisdiction and becomes a “nonresident alien”.	There is no such thing as a “resident” under the I.R.C. who lives within a possession 100% of the time	There is no such thing as a “resident” under the I.R.C. who lives within a state of the Union 100% of the time.	There is no such thing as a “resident” under the I.R.C. who lives abroad 100% of the time
<b>citizen of the federal “United States”</b>	<b>26 CFR §1.1-1(c) 8 U.S.C. §1401</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
File which form if you live here?	1040 Booklet	1040	1040	1040 Plus 2555 (Within federal jurisdiction. See <i>Cook v. Tait</i> , 265 U.S. 47 (1924))	1040 Plus 2555 (Within federal jurisdiction. See <i>Cook v. Tait</i> , 265 U.S. 47 (1924))	1040 Plus 2555 (Within federal jurisdiction. See <i>Cook v. Tait</i> , 265 U.S. 47 (1924))
File where if residing here?	1040 Booklet	Local district office	Local district office	Local district office	Local district office	International branch, Philadelphia

Taxable subject	Described in	Taxable Sources by Region/Situs				
		“United States”/ District of Columbia	U.S. territories	U.S. possessions	States of the Union	Abroad / Foreign country
Source rules found in	IRS Pub 17 IRS Pub 54 26 U.S.C. §861 (sources outside D.C.) 26 U.S.C. §862 (sources inside D.C.) 26 CFR §1.861-8(f)(1)(iv)	IRS Pub 17 26 U.S.C. §861 (sources inside D.C.) 26 U.S.C. §862 (sources outside D.C.) 26 CFR §1.861-8(f)(1)(iv)	IRS Pub 519 26 U.S.C. §931(a) 26 U.S.C. §932 26 U.S.C. §933(1) 26 CFR §31.3401(a)(8)(C)-1(a)	IRS Pub 54 26 U.S.C. §931(a) 26 CFR §31.3401(a)(8)(B)-1(a)	IRS Pub 54 26 U.S.C. §862 (sources outside D.C.) 26 CFR §1.861-8(f)(1)(iv) Const. Art. 1, Section 8, Clause 3	IRS Pub 54 26 U.S.C. §911 26 U.S.C. §862 (sources outside D.C.) 26 CFR §1.861-8(f)(1)(iv)
Taxable “activities”		Income connected with a “trade or business” from within D.C. (U.S.) ONLY	No income tax upon income exclusively from this source	No income tax upon income exclusively from this source	Foreign commerce by U.S. corporations but not individuals	No income tax upon income from foreign sources
Tax rate(s) for income from this source		Graduated rate for income connected with a “trade or business” 30% for those in states of the Union with income not connected with a “trade or business”	No income tax upon income exclusively from this source	No income tax upon income exclusively from this source	See I.R.C. Subtitle D for rates.	No income tax upon income exclusively from this source
Notes		A “citizen of the United States” is born ONLY in the District of Columbia or U.S. territories. People in states of the Union are NOT “citizens of the United States” under 8 U.S.C. §1401	A “citizen of the United States” is born ONLY in the District of Columbia or U.S. territories. People in states of the Union are NOT “citizens of the United States” under 8 U.S.C. §1401. Instead, they are “nationals” or “state nationals”	A “citizen of the United States” under 8 U.S.C. §1401 becomes simply a “national but not a citizen” under 8 U.S.C. §1101(a)(21) when he leaves the federal zone to live in a possession.	A “citizen of the United States” under 8 U.S.C. §1401 becomes simply a “national but not a citizen” under 8 U.S.C. §1101(a)(21) when he leaves the federal zone to live in a state of the Union. Taxes collected under Agreement on Coordination of Tax Administration between Secretary of the Treasury and Attorney General of state. Collected ONLY within federal areas and not within rest of state.	A “citizen of the United States” under 8 U.S.C. §1401, when living overseas becomes an “alien” under a tax treaty with a foreign country. The “taxable activity” is that of being protected while overseas living in a foreign country but domiciled in the federal zone. See <i>Cook v. Tait</i> , 265 U.S. 47 (1924). Taxing rates of foreign country are set by treaty, and “U.S. citizen” becomes an “alien” under the provisions of the treaty with foreign country.
<b>Nonresident alien</b>	<b>26 U.S.C. §7701(b)(1)(B)</b> <b>8 U.S.C. §1101(a)(21)</b> <b>8 U.S.C. §1101(a)(22)</b> <b>26 CFR §1.1441-1(c)(3)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
File which form if you live here?	IRS Pub 519 1040NR booklet	1040NR, 1040NR-EZ	1040NR, 1040NR-EZ	1040NR, 1040NR-EZ	1040NR, 1040NR-EZ	1040NR, 1040NR-EZ
File where if residing here?	IRS Pub 519 1040NR booklet	NA (treated as a “resident”/“alien”)	International branch, Philadelphia	International branch, Philadelphia	International branch, Philadelphia	International branch, Philadelphia

Taxable subject	Described in	Taxable Sources by Region/Situs				
		<i>“United States”/ District of Columbia</i>	<i>U.S. territories</i>	<i>U.S. possessions</i>	<i>States of the Union</i>	<i>Abroad / Foreign country</i>
Source rules found in	IRS Pub 519 26 U.S.C. §871(a) 26 U.S.C. §871(b) 26 U.S.C. §864 1040NR booklet	26 U.S.C. §871(b)	26 U.S.C. §871(a) 26 U.S.C. §864 26 CFR §1.861-8(f)(1)(iv)	26 U.S.C. §871(a) 26 U.S.C. §864 26 CFR §1.861-8(f)(1)(iv)	26 U.S.C. §871(a) 26 U.S.C. §864 26 CFR §1.861-8(f)(1)(iv) Const. Art. 1, Section 8, Clause 3	26 U.S.C. §871(a) 26 U.S.C. §864 26 CFR §1.861-8(f)(1)(iv)
Taxable activities	IRS Pub 519 1040NR booklet	Income from within D.C. (U.S.) ONLY	No income tax upon income exclusively from this source	No income tax upon income exclusively from this source	Foreign commerce by U.S. corporations	No income tax upon income from foreign sources
Tax rate(s) for income from this source	IRS Pub 519 1040NR booklet	Graduated rate for income connected with a “trade or business” in D.C. 30% rate for sources within D.C. only not connected with “trade or business”	No tax	No tax	No tax	No tax
Note(s)		“nonresident aliens” are treated as a “resident”/“alien” if living here 100% of time!	People born here are not “nonresident aliens”	People born here are “U.S. Nationals” and “nonresident aliens”.	People born in states of the Union are “nationals” and have the same status as foreign nationals from other countries under the I.R.C., which is that of a “nonresident alien”	People born here are foreign nationals. Those born to American parents take same citizenship as their parents.

**NOTE(S):**

1. Territories and possessions typically have their own local income taxes that replace, not supplement, the federal income tax.
2. This table assumes that the “taxpayer” is not involved in a “trade or business” anywhere except in the District of Columbia.
3. The IRS is the tax collection agency exclusively for the District of Columbia. Treasury Order 150-02 reveals that the only remaining Internal Revenue District is in the District of Columbia.
4. Taxes on “foreign commerce” are taxes on imports but not exports coming under Constitution Article 1, Section 8, Clause 3. The U.S. Constitution prohibits taxes on exports from states of the Union under Article 1, Section 9, Clause 5. These types of taxes are also called “excises, duties, and imposts”. Most of these taxes are listed under Subtitle D of the Internal Revenue Code and are licensed under 26 U.S.C. §7001. An example is the tax on petroleum imported into the 50 states imposed under 26 U.S.C. §4611. Note that the term “United States”, in the context of imported petroleum taxes is specifically defined in 26 U.S.C. §4612(a)(4)(A) as “The term ‘United States’ means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, any possession of the United States, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. “



The most notable conclusion one can draw from the above table is that if you don't have a domicile within the District of Columbia and do not elect to connect your earnings to a "trade or business" within the "United States" (D.C.), then you can't earn "gross income". Without "gross income", you do not meet the minimum requirement for filing a return found in 26 U.S.C. §6012. Therefore, you are in effect:

1. A "nontaxpayer" and not a "taxpayer". This means every reference in the I.R.C. or the Internal Revenue Manual which imposes an obligation upon a "taxpayer" doesn't apply to you.
2. Not subject to any of the provisions of the Internal Revenue Code.
3. Are not subject to withholding on any payments you receive.
4. If any money was withheld from your pay by either a business or a financial institution, then you are due for a refund of all withholding.
5. Cannot file an IRS Form 1040, because EVERYTHING that goes on that form is treated as "effectively connected with a trade or business". That form is for "aliens", and not "nonresident aliens", as was shown in section 5.5.2 of our Great IRS Hoax, Form #11.302.
6. Cannot lawfully have any CTR's, or Currency Transaction Reports, prepared against you by any financial institution. See 31 CFR §103.30(d)(2), which excludes these reports for persons not engaged in a "trade or business".
7. Cannot have Form 8300 filed against you by anyone. See IRS Publication 334 entitled Tax Guide for Small Businesses, p. 12.
8. Cannot have Form 1099-MISC filed against you. See IRS Publication 583, Starting a Business and Keeping Records, p. 8.
9. "foreign" with respect to the Internal Revenue Code because you live outside the "United States" and do not have any earnings from within the "United States" that are connected with a "trade or business".

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > §7701  
[§7701. Definitions](#)

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(31) Foreign estate or trust

(A) Foreign estate

The term "foreign estate" means an estate the income of which, from sources without the [federal] United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

10. Not liable for most state income taxes, because all of them usually have as a prerequisite that you must have reportable income on a federal return before you can be subject to state income tax.
11. An "individual" who does not earn "gross income" because earned outside the District of Columbia, which is called "sources without the United States" in the I.R.C.:

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART I](#) > § 864  
[§864. Definitions and special rules](#)

(c) Effectively connected income, etc.

(4) Income from sources without United States

(A) Except as provided in subparagraphs (B) and (C), no income, gain, or loss from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States.

IRS Publication 519, Year 2000 edition also has an enlightening section on p. 14 entitled "Services Performed for Foreign Employer" which confirms the above conclusions. Here is what it says. Once again, we have boldfaced and underlined the "words of art" to draw special attention to them:

*Services Performed for **Foreign** Employer*

If you were paid by a foreign employer, your U.S. source income may be exempt from U.S. tax, but only if you meet one of the situations discussed next.

Employees of foreign persons, organizations, or offices. If three conditions exist, income for personal services performed in the United States as a nonresident alien is not considered to be from U.S. sources and is tax exempt. If you do not meet all three conditions, your income from personal services performed in the United States is U.S. source income and is taxed according to the rules in chapter 4.

The three conditions are:

1) You perform personal services as an employee of or under a contract with a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in a trade or business in the United States; or you work for an office or place of business maintained in a foreign country or possession of the United States by a U.S. corporation, a U.S. partnership, or a U.S. citizen or resident.

2) You perform these services while you are a nonresident alien temporarily present in the United States for a period or periods of not more than a total of 90 days during the tax year, and

3) Your pay for these services is not more than \$3,000.

If your pay for these services is more than \$3,000, the entire amount is income from a trade or business within the United States. To find if your pay is more than \$3,000, do not include any amounts you get from your employer for advances or reimbursements of business travel expenses, if you were required to and did account to your employer for those expenses. If the advances or reimbursements are more than your expenses, include the excess in your pay for these services.

A day means a calendar day during any part of which you are physically present in the United States.

[IRS Publication 519: U.S. Tax Guide for Aliens, year 2000, p. 14. Available from: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub519.pdf>]

Now, we will take the above deceptive excerpt from Publication 519 and translate it from legalese into common English using the I.R.C. definitions into something that *really* reveals the *whole* truth to make it's meaning crystal clear and consistent with what we have learned throughout the rest of this chapter. We have taken the "words of art" and put their definitions in brackets after the words. As you read the below, replace the item in brackets for the underlined word it precedes. This will blow your mind, folks!:

#### Services Performed for foreign [outside the District of Columbia] Employer

If you were paid by a foreign employer [an employer outside the District of Columbia], your U.S. [District of Columbia] source income may be exempt from U.S. [District of Columbia] tax, but only if you meet one of the situations discussed next.

Employees of foreign persons [persons born outside the federal zone], organizations, or offices [in foreign countries or states of the Union]. If three conditions exist, income [federal payments] for personal services [labor in connection with a public office] performed in the United States [District of Columbia] as a nonresident alien is not considered to be from U.S. [District of Columbia] sources and is tax [donation] exempt. If you do not meet all three conditions, your income from personal services performed in the United States [District of Columbia] is U.S. [District of Columbia] source income [federal payments] and is taxed [subject to donation] according to the rules in chapter 4.

The three conditions are:

1) You perform personal services as an employee of or under a contract with a nonresident alien individual, foreign [outside the District of Columbia] partnership, or foreign [outside the District of Columbia] corporation, not engaged in a trade or business [public office] in the United States [District of Columbia]; or you work for an office or place of business maintained in a foreign country [including a state of the Union] or possession of the United States by a U.S. [District of Columbia registered] corporation [and excluding state registered corporations], a U.S. [District of Columbia] partnership, or a U.S. citizen [person born in the District of Columbia or a territory] or resident [alien].

2) You perform these services while you are a nonresident alien temporarily present in the United States [District of Columbia] for a period or periods of not more than a total of 90 days during the tax [donation] year, and

3) Your pay for these services is not more than \$3,000.

If your pay for these services is more than \$3,000, the entire amount is income from a trade or business [public office] within the United States [District of Columbia]. To find if your pay is more than \$3,000, do not include any amounts you get from your employer for advances or reimbursements of business travel expenses, if you were required to and did account to your employer for those expenses. If the advances or reimbursements are more than your expenses, include the excess in your pay for these services.

A day means a calendar day during any part of which you are physically present in the United States [District of Columbia].

Mind blowing, how deceptive the IRS publications are, isn't it? No wonder the IRS says you can't depend on them in IRM Section 4.10.7.2.8!

The Nonresident Alien position seems pretty simple, huh? The simplicity of this approach, by the way, far exceeds that of the 861 Position advocates, which is why we don't recommend using the 861 Position during litigation. Those who argue the 861 Position live within and cite the I.R.C., which is irrelevant to the average American because they are "nontaxpayers" not subject to the I.R.C. to begin with. Why? Because most Americans are "nationals" and not "citizens" under federal law and "nonresident aliens" with no income "effectively connected with a trade or business in the United States" and all of whose sources of income are from outside the federal "United States":

#### *Income Subject to Tax*

Income from sources outside the United States that is not effectively connected with a trade or business in the United States is not taxable if you receive it while you are a nonresident alien. The income is not taxable even if you earned it while you were a resident alien or if you became a resident alien or a U.S. citizen after receiving it and before the end of the year.  
[IRS Publication 519, Year 2000, p. 26]

All that citing the I.R.C. does is help the government to demonstrate that you are subject to it and a party to it, and we sincerely believe this is a VERY BIG MISTAKE! We showed in sections 5.4.1 through 5.4.3.6 of the Great IRS Hoax, Form #11.302 that the I.R.C. is effectively a private contract and not a positive law, so citing it just proves you are party to the contract and consent to be bound by it. It is precisely this kind of BIG oversight by proponents of the 861 Position such as Larken Rose that will eventually be their downfall. This also explains why, for instance, the ONLY proponents of tax honesty who are still out there to offer you information are those who know what a "nontaxpayer" is and who only help "nontaxpayers". This is no accident, folks. All the other tax honesty advocates who don't understand the "nontaxpayer" and "nonresident alien" issue have had injunctions placed against them and were shut down long ago as easy targets by the federal mafia. If you want your freedom back, you're going to have to get educated and stick with simple, solid, arguments that are supportable with lots of evidence that juries can understand and believe.

Instead of citing the code and using the complicated 861 Position, it's much better to stick to the simple issues of jurisdiction and cite only the Supreme Court and the code as your authority and the whole house of cards will fall down simply and easily. Both you and a jury can easily understand this approach without ever looking at the Treasury regulations or talking about "positive law" or other complicated subjects. It's simple and easy to defend and it depends on only a handful of very simple definitions that are not subject to misinterpretation by an informed jury. The only caveat with using this approach is that the IRS will try to use the word "includes" as a way to stretch the meaning of the code to fit their position, and we show how to fight this illegal, unconstitutional, unscrupulous and dishonest tactic in the following pamphlet entitled below. The questions at the end of this pamphlet will get them squirming:

Meaning of the Words "Includes" and "Including"  
<http://famguardian.org/Subjects/Taxes/FalseRhetoric/Includess.pdf>

### **23.9 Withholding and taxation of Ministers and Church Employees**

We have compiled an index of tax regulations that lists all of the requirements pertaining to ministers and church employees below:

1. Legal References on Taxation of Churches
  - 1.1. [Church Audit Procedures Act-IRS](#)
  - 1.2. [26 U.S.C. §501: Exemption from tax on corporations, certain trusts, etc.](#)

- 1.3. [IRS Website: Annual Exempt Organization Information Returns](#)-shows that churches don't have to report ANYTHING
- 1.4. [IRS Website: Application for Recognition of Exemption](#)-notice that churches don't have to apply for exemption.
2. Federal Tax Regulations Relating to "Self-Employed" Ministers
  - 2.1. [26 CFR §1.1402\(a\)-11: Ministers and members of religious orders](#)
  - 2.2. [26 CFR §1.1402\(c\)-5: Ministers and members of religious orders](#)
  - 2.3. [26 CFR §1.1402\(c\)-7: Members of religious groups opposed to insurance](#)
  - 2.4. [26 CFR §1.1402\(e\)-2A Ministers, members of religious orders and Christian Science practitioners: application for exemption from self-employment tax](#)
  - 2.5. [26 CFR §1.1401\(e\)\(1\)-1: Election by ministers, members of religious orders, and Christian Science practitioners for self-employment coverage](#)
  - 2.6. [26 CFR §1.1402\(h\)-1 Members of certain religious groups opposed to insurance](#)
  - 2.7. [26 CFR §1.1402\(e\)-5A Applications for exemption from self-employment taxes filed after December 31, 1986, by ministers, certain members of religious orders, and Christian Science practitioners.](#)
3. Federal Tax Regulations Relating to "Employed" Ministers
  - 3.1. [26 CFR §31.3121\(b\)\(8\)-1 Services performed by a minister of a church or a member of a religious order.](#)
  - 3.2. [26 CFR §31.3401\(a\)\(9\)-1 Remuneration for services performed by a minister of a church or a member of a religious order](#)
  - 3.3. [26 CFR §31.3121\(b\)\(8\)-2 Services in employ of religious, charitable, educational, or certain other organizations exempt from income tax.](#)

In addition, we have posted the IRS Market Segment Specialization Program guide for auditing Ministers on our website at:

<http://famguardian.org/Subjects/Spirituality/ChurchTaxation/IRS-MSSP-minister.pdf>

The bottom line on ministers, just like everyone else, is that unless you are domiciled in the District of Columbia and/or earn income from within the District of Columbia or have employment, agency, or contracts with the federal government, then you can't earn taxable income or have a requirement to withhold or report earnings. As a matter of fact, the IRS website admits that churches aren't even required to submit any kind of Information Returns, whether it be W-2, W-4, 1042, 1099, 8300 (Currency Transaction Reports) etc. Read it the amazing truth for yourself:

**Annual Exempt Organization Information Returns**

Every organization exempt from federal income tax under Internal Revenue Code section 501(a) must file an annual information return **except**:

- A church, an interchurch organization of local units of a church, a convention or association of churches,
- An integrated auxiliary of a church,
- A church-affiliated organization that is exclusively engaged in managing funds or maintaining retirement programs,
- A school below college level affiliated with a church or operated by a religious order, even though it is not an integrated auxiliary of a church,
- Certain church-affiliated mission societies that conduct activities in foreign countries, or activities directed at persons in foreign countries,
- An exclusively religious activity of any religious order. . . .

[SOURCE: <http://www.irs.gov/charities/charitable/article/0,,id=123308,00.html>]

**23.10 Responding to IRS Levies upon the pay of employees**

Under the Fifth Amendment to the Constitution, "due process of law" is required before the property of anyone can be seized within states of the Union. This limitation does not apply inside the federal zone, because it is not covered by the Bill of Rights. Constitutional "due process" requires:

1. Proper service of legal process upon the defendant. This is done usually in person.
2. A trial by a court of competent jurisdiction. This means that the court must have in rem jurisdiction over the property of the defendant because that property is located where the court has both territorial and subject matter jurisdiction.

Federal courts do not possess such jurisdiction within states of the Union under Subtitle A of the Internal Revenue Code.

3. A jury trial if one is requested by the accused. If it is a federal district court, then jurists MUST come only from federal areas or enclaves and cannot come from outside of federal jurisdiction.
4. Strict compliance with the Federal Rules of Evidence and Civil Procedure by all parties concerned.
5. All decision makers must be free of any kind of bias or conflict of interest and must be drawn from within the territorial jurisdiction of the court. This means that if it is a tax trial, then neither the judge nor the jury can be “taxpayers” or receive any federal benefit from Subtitle A of the Internal Revenue Code.
6. The order of the court must be published in an “abstract of judgment” signed by a judge, which then becomes the authority to follow the order.
7. The order need only be obeyed by those within the territorial jurisdiction of the court. The territorial jurisdiction of federal courts is limited exclusively to the federal zone and does not include states of the Union.

When the IRS wants to seize the assets of a party, they will typically mail an IRS Form 668W to private employers, which is called a “Notice of Levy”. This simply constitutes a request to withhold additional earnings of a “taxpayer” to satisfy an imputed tax debt and to send the withholdings to the Internal Revenue Service. Private employers are NOT required by any law to honor such a request. The only thing that would obligate them to withhold from employees is a valid court order signed by a judge as indicated above.

Typically, the IRS Form 668W, like the IRS Form 668(Y)(c) (DO), has imprinted on the back portions of Internal Revenue Code section 6331. Conspicuously missing from this citation is paragraph (a), which reads:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 64](#) > [Subchapter D](#) > [PART II](#) > §6331  
[§6331. Levy and distraint](#)

(a) Authority of Secretary

*If any person liable to pay any tax neglects or refuses to pay the same within 10 days after notice and demand, it shall be lawful for the Secretary to collect such tax (and such further sum as shall be sufficient to cover the expenses of the levy) by levy upon all property and rights to property (except such property as is exempt under section 6334) belonging to such person or on which there is a lien provided in this chapter for the payment of such tax. Levy may be made upon the accrued salary or wages of any officer, employee, or elected official, of the United States, the District of Columbia, or any agency or instrumentality of the United States or the District of Columbia, by serving a notice of levy on the employer (as defined in section 3401(d)) of such officer, employee, or elected official. If the Secretary makes a finding that the collection of such tax is in jeopardy, notice and demand for immediate payment of such tax may be made by the Secretary and, upon failure or refusal to pay such tax, collection thereof by levy shall be lawful without regard to the 10-day period provided in this section.*

Notice that it says that levy MAY ONLY be made upon federal employees and not private employees. It also say “may be” and not “must be”. Therefore, the recipient is not obligated to withhold. If the receiving private employer unilaterally decides to withhold anyway:

1. Against the wishes of the private employee...OR
2. Does not have a valid abstract of judgment that orders him or her to withhold...OR
3. Is not within the territorial jurisdiction of the issuing court.

...then they assume complete and personal liability for theft of the property of the private employee whom they are withholding for. Under the rules of equity, they are obligated to return the property to the violated private employee plus interest and damages. This theft of property may be recovered by the private employee by filing suit usually in state superior court against the payroll clerk individually for grand theft, larceny, and other crimes.

How should private employers respond to the receipt of an IRS Notice of Levy Form that they don’t consent to cooperate with because no law requires them to? Below are some ideas, and all of them are questions to ask the IRS. Both the questions and the answers should be exchanged IN WRITING via certified mail. The IRS’ response MUST be signed under penalty of perjury and include a photocopy of the driver’s license of the evaluating agent, his home address, email, and phone number where he can be served with legal papers if he is acting outside his authority. Below are the some of the questions that private employers should ask of the agent:

1. “Why is [26 U.S.C. §6331](#)(a) missing from the Form 668W Notice of Levy you sent me?”



2. "What constraints, if any, does the missing section from [IRC 6331\(a\)](#) impose upon the IRS?"
3. "Why should I, a private employer, that is not part of the federal government, feel obligated to honor the Notice of Levy?"
4. "The legislative notes under [1 U.S.C. §204](#) indicate that the Internal Revenue Code is not positive law and the 1939 code indicates that the I.R.C. was REPEALED. What makes you think that it is law and that I have to obey it?"
5. "Treasury Order 150-02 indicates that all Internal Revenue Districts have been eliminated except for the District of Columbia. Since I do not reside in the District of Columbia and since your enforcement powers are limited to Internal Revenue Districts, please explain why you think you have enforcement powers in this case?"
6. "Please explain what authorizes you to violate the Fifth Amendment by doing collection without a court order or abstract of judgment in this case?"
7. "I refuse to be held responsible if this notice of levy is not lawful. Therefore, I insist on a color photocopy of your state-issued driver's license, your IRS pocket commission, and the address where you live so that if my private employee is injured by this levy, he can serve you with legal process. Are you willing to be sign an agreement under penalty of perjury taking full and personal responsibility if I institute this notice of levy and it turns out that it wasn't lawful and my employee wants to file a lawsuit? If not, I can't do it, because there is no law authorizing me to act as a withholding agent."
8. You might also send the entire "Appendix B: Test for Federal Tax Professionals" and ask the agent to answer the questions before you can comply.

In most cases, the IRS agent will respond by simply hanging up, because they know they don't have a leg to stand on and any answer they give will incriminate them and cause them to be held personally responsible for their willful fraud and extortion.

### 23.11 Techniques for doing credit checks without Social Security Numbers

When private employers hire new people, they will frequently have an HR packet that includes several forms asking the employee for information. Sometimes employers need to assess the credibility of their employees by doing background checks, credit reports, or security clearances, and it is very difficult to do such checks without a Social Security Number. Reliability of employees is an important concern, especially where government security clearance is used. Without such a number, the employer is unable to check the credit history and background of the employee, which renders them unable to assess the credibility of their new hires. This could lead to the inability to get a job under certain circumstances, which is unacceptable to many people. We have come up with a solution for this dilemma that private employees can use, whereby they don't have to provide a "Social Security Number" and yet at the same time, their employer can still do a credit check. Below is how it is implemented by the private employee:

1. In the withholding paperwork provided by the employee, the SSN block contains the word "None".
2. On the credit check or security clearance application forms in the block that says "Social Security Number", the employee:
  - 2.1. Lines the words "Social Security" out, leaving only the word "Number"
  - 2.2. Writes the following next to the word "Number":

*See Note 1 Below*

3. Then in Note 1 at the bottom of the page, the employee writes the following.

*This is not a Social Security Number and it is not my number, but it is the one that I use. This number is not suitable for use as a Taxpayer Identification Number (TIN) and may not be used on any tax document, because Treasury Regulations at [26 CFR §301.6109-1\(d\)\(3\)](#) only allow the use of TINs on tax forms, and also say that TINs are not the same as SSNs.*

After using the above technique, the employer may balk by asking questions like the following:

1. Well if its not "your" number, then whose exactly is it?
2. If it's not a Social Security Number, then who issued it?
3. What happens if I use that on your withholding forms?

In answer to the above questions, you can simply say:



1           *"How I got that number and who issued it is simply my business. If you misuse that number as a Taxpayer*  
2           *Identification Number (TIN), then you will get someone else in BIG trouble and violate all kinds of laws. I*  
3           *don't think you want to do that. Furthermore, the only information you can provide to the IRS or state taxing*  
4           *authorities is ONLY the information that I voluntarily provide and only on the forms that I signed and gave to*  
5           *you that relate to tax withholding. You are violating the Privacy Act, 5 U.S.C. §552a to disclose that number to*  
6           *anyone I don't want to disclose it to. Even though you are not a government agency, in your capacity as a*  
7           *voluntary withholding agent for taxes, you are acting as a government agent, and so you must by law abide by*  
8           *the terms of the Privacy Act or suffer the consequences."*

9       Don't worry. They won't be able to get the records indicating that it's yours, because they are protected from government  
10       disclosure by the Privacy Act found in [5 U.S.C. §552a](#). Without evidence and proof, all they can do is speculate and  
11       probably get themselves in trouble. There are lots of laws against misusing Social Security Numbers or providing a number  
12       that you know is either wrong, or is not guaranteed to be correct.

## 13   **24. Guidance to Workers in how to deal with private employers on withholding issues**

14   **WARNING:** It is extremely important that you read and heed every part of this section so that you do not become the  
15   target of unscrupulous tactics by employers who wish to discriminate against you for ensuring that your rights are not  
16   infringed!

### 17   **24.1   General guidance to workers for dealing with companies, payroll, and HR people to stop withholding**

18       During a typical new hire process, there is a lot of paperwork to fill out. Save all of the withholding and tax paperwork for  
19       LAST. Hand everything else in and get it processed and wait a few hours or days before you do the withholding paperwork  
20       if they will let you. This will give you a chance to work a while and integrate into the workplace before you stir the pot. It  
21       will also make it more difficult for the private employer to terminate you because it will create the appearance of  
22       discrimination directly and exclusively related to the withholding issue.

23       After things cool down and you've submitted everything you can except the withholding paperwork, next you will need to  
24       educate the payroll people with what the law actually says about information returns (such as W-1, 1099) and withholding,  
25       to make sure they are reading and following it. This book is larger and more complicated than the attention span of most  
26       executives can tolerate, and therefore may not be useful in the education process. Even many corporate counsel are too  
27       lazy and presumptuous to want to read it, which explains why our tax system is such a mess to begin with. The simpler and  
28       easier and shorter you keep the education process, the more likely you are to win the loyalty and cooperation of your  
29       average payroll person or executive. Consequently, a condensed version of this book is available at the address below that  
30       is only 22 pages and which can be finished in only about 15 minutes. The pamphlet is called "[\*Federal Tax Withholding\*](#)".

31       [\*Federal Tax Withholding\*](#), Form #04.102  
32       <http://sedm.org/Forms/FormIndex.htm>

33       The pamphlet above concludes with both a summary of the facts relating to withholding as well as a short quiz based on the  
34       facts revealed that boxes private companies and payroll people into admitting the truth. You should use the pamphlet as an  
35       introductory device to simply and quickly document your position by handing it to payroll types who feel inclined to argue  
36       with them. They should see the pamphlet hopefully BEFORE they see your withholding paperwork. If they don't have the  
37       patience for that, then attach it to your withholding paperwork. You may also even encourage them to take the pamphlet  
38       home and look it over, or to talk with you after they have read it to get any questions answered that they may have. You  
39       will likely not be able to field their questions convincingly or forcefully unless you have read this book cover-to-cover first,  
40       so be prepared! Be flexible, reasonable, and open minded and emphasize continually that your goal is to do *exactly* what  
41       the law says and no more. Tell them you want them to answer the questions at the end and prove it wrong using the law  
42       itself, if they can.

43       Another useful resource for educating private employers and companies about the legal requirements for filling out  
44       information returns, such as the W-2, 1042-S, and 1099, is the following resource. If you give them this form and patiently  
45       go over what the law says, you will prevent a lot of headaches, and will probably prevent them from filing a false  
46       information return that would connect you with an excise taxable "trade or business", if you are not in fact engaged in this  
47       activity. See:

If you don’t educate your private employer or business associate about the correct way to do information returns, then you will need to go back after they file false returns against you and do the following to undo their damage:

1. Correcting Erroneous Information Returns, Form #04.001. See:  
<http://sedm.org/Forms/FormIndex.htm>
2. Correcting Erroneous IRS Form 1042’s, Form #04.003:  
<http://sedm.org/Forms/FormIndex.htm>
3. Correcting Erroneous IRS Form 1098’s, Form #04.004:  
<http://sedm.org/Forms/FormIndex.htm>
4. Correcting Erroneous IRS Form 1099’s, Form #04.005:  
<http://sedm.org/Forms/FormIndex.htm>
5. Correcting Erroneous IRS Form W-2’s, Form #04.006. See:  
<http://sedm.org/Forms/FormIndex.htm>
6. Possibly sue them for filing false and fraudulent information returns against you under 26 U.S.C. §7434. This statute allows ANY PERSON, including “nontaxpayers” to sue anyone for filing false information returns and recover a minimum of \$5,000 per false return.

After you have educated the payroll people using the pamphlet and answering their questions, you next may want to introduce them to this book if they have further questions or appear interested in hearing more. Don’t ram anything down their throat, which ironically is EXACTLY what they are trying to do with you. Instead, offer them as much information as they can tolerate. The more people who get educated about this fraud, the better it will be for everyone.

After you have completed the education phase and let things settle down, next you can submit whichever form you think is appropriate for your situation out of Appendix A. Be ready for the following types of responses and statements: a lot of consternation and questions and off-the-wall very presumptuous statements such as:

**Table 30: Responding to comments by private employers upon the submission of withholding paperwork**

#	Their statement or reaction	The truth or what they are really thinking
1	“We don’t accept that form [W-8] here.”	None of our employees have ever taken the time to read what the law says for themselves. If they are thinkers, they wouldn’t be working for us. We want slaves and conformists, not self-directed thinkers.
2	“All we want around here are “employees” who all look the same to our accounting and payroll people. Don’t rock the boat. This is not a good way to start off a job.”	Their convenience is more important than your rights or liberty. Why would you want to work for a company like that?
3	“Your view of the Internal Revenue Code is inconsistent with prevailing practice. You need to seek the help of a professional to educate you about what the law actually requires.”	They think you are a “psycho” nut case, when in fact, they are acting presumptuously and prejudicially and discriminating against you for being an informed American who sticks up for your rights.
4	“I want you to throw away this nonsense and hand me a W-4 like the rest of the employees.”	The real purveyor of nonsense is the person making the statement. Hand them the Federal Withholding pamphlet above and ask them to answer the questions at the end to prove it’s nonsense.
5	“We don’t have time to trifle over legal issues. We have work to get done around here. Now do what you are told.”	Quit thinking independently, and get back into slave/zombie mode. If you continue questioning authority, you won’t go anywhere around here.

If working with the payroll people privately, on-on-one doesn’t help, then elevate to the corporate counsel. Give him the Federal Withholding pamphlet above and ask him to prove why what you are doing violates the law. We’ll give you a hint: he won’t be able to. The best he will likely be able to do is say:

*“Your interpretation of the law is not consistent with my understanding. I don’t have time to trifle over it. If you want our cooperation, find a lawyer or CPA and have them give us an opinion that basically absolves us of liability for implementing your choice of withholding.”*

The main purpose of most corporate counsels is limiting corporate risk. As long as they don’t have to sweat anything or litigate, then they will leave you alone. The psychology of this kind of selfish, warped thinking is explained in the article below:

<http://famguardian.org/Subjects/Spirituality/Articles/UnlimitedLiabilityUniverse.htm>

1 The best way to handle this is to focus on what the law itself says and to insist that the corporate counsel explain why the  
2 law shouldn't be interpreted based on its plain meaning, which clearly doesn't require him to withhold or you to participate.  
3 He won't be able to do it. No one we have ever met can defend their positions in a way that is consistent with their answers  
4 to the questions at the end of the *Federal Withholding* pamphlet above.

5 Out of desperation, the corporate counsel may emulate the IRS by pointing to the word "includes" in the definitions of key  
6 words like "trade or business", "United States", "State", etc in [26 U.S.C. §7701](#) and try to argue that [26 U.S.C. §7701\(c\)](#)  
7 makes it a word of "enlargement" and therefore the common definition of terms applies ***IN ADDITION TO*** definitions in  
8 the Internal Revenue Code. This too is BUNK with a capital "B". The pamphlet below proves why and ends with a series  
9 of questions that will absolutely leave him squirming on this issue as well:

*Meaning of the Words "Includes" and "Including"*  
<http://famguardian.org/Subjects/Taxes/FalseRhetoric/Includess.pdf>

10 After you have worked through the "includes" scam and the "you're a psycho who needs to have your head examined by a  
11 high-priced tax professional", then you can get back to the focus of them answering the questions at the end of the pamphlet  
12 and making sure they comply with exactly what the law says. They may also try to call the IRS to settle the dispute. We  
13 prove earlier in section 23.2 that the courts say people can be PENALIZED for relying on advice by the IRS. This will lead  
14 him right back to what the law says, and the law is your friend, folks. He'll either have to admit he doesn't want to follow  
15 the law even though you have educated him on what it says, or invent some "stealth" excuse to get rid of you as a  
16 troublemaker for forcing him to follow the law.

17 At every point, be firm, informed, reasonable, and listen intently to what corporate counsel and executives say when debating  
18 the issues with you. Always go back to the *Federal Withholding* pamphlet and what the law actually says, and why what it  
19 says can't be trusted because it is "presumed" to be law instead of actually being positive law, according to [1 U.S.C. §204](#).  
20 It will drive them crazy. They may also try to direct you to other sources of opinion, and if you have done your homework,  
21 you will realize that these sources are simply irrelevant. See the following for the reason why you can't rely upon anything  
22 but what enacted law says:

*Reasonable Belief About Income Tax Liability*, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

23 During your discussions and debates, its best to have some witnesses present or a tape recorder, if they try to turn against  
24 you and fire you or not hire you because of your firm stance on obeying the law. If you do this, you will have plenty of  
25 evidence to sue them for discrimination later on, but hopefully it won't come to that and they will eventually decide,  
26 through education and gentle persuasion, that your wishes are lawful and that they must obey the law.

27 If after talking with the payroll manager and the corporate counsel, they are still uncertain as to what the law requires, we  
28 have included IRS Form SS-8, FORM #14, in section 27.11 later which is a formal way to submit your dispute to the IRS  
29 for resolution. The version of the form we include has been filled out consistent with the rest of this book. You can find a  
30 blank, electronically fillable version of the form on our website at:

*Federal Forms, Publications, and Notices*  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

31 Below is some additional specific guidance that will prevent most problems with private companies in changing or stopping  
32 federal withholding.

- 33 1. Do your homework and read and understand as much of this pamphlet as you can well in advance of tangling with  
34 corporate types or filling out your employment paperwork. If you reveal a weak spot or ignorance about the subjects in  
35 this pamphlet, they will exploit your ignorance and walk all over you. Assume that they are *not* there to help you, but  
36 to help themselves. There is only one person who is going to look out for #1, and it's NUMBER ONE, which is you.  
37 Freedom is NOT a spectator sport. The more you know, the less likely they are to try to hood wink you or extort your  
38 cooperation. Be ready to discuss and debate at any moment. Quote them chapter and verse of the laws on withholding  
39 as explained in this book and based on your own *personal* knowledge and diligent study. They won't argue with you  
40 usually and will be more likely to cooperate out of respect for your knowledge and conviction.

- 2 2. If you are a new hire, then submit the New Hire Application Attachment included in section 27.10 with your  
3 withholding paperwork after you get your job offer. This will prevent LOTS of problems. You can add to the form in  
4 that section, but we don't recommend removing anything from the original form because you will probably miss  
5 something important.

6 **WARNING!:** DO NOT email anything to anyone. Email is very poor way to gather legally admissible evidence for  
7 use in litigation. It is always best to mail everything as described in the next step.

- 8 3. Everything you send them or that they ask for should be either delivered in person by a neutral third party with a  
9 "Certificate of Service" or sent overnight via Certified mail with a "Certificate of Service". That way you have legal  
10 proof of what you sent and they can't say that you either didn't send it or that they didn't receive it. *Do not* hand  
11 anyone at the company anything personally, because then you won't have legal evidence of what they received or  
12 when they received it. Below is a sample "Certificate of Service" you can use:  
13 <http://famguardian.org/TaxFreedom/Forms/General/ProofOfSvcViaMail.htm>  
14 4. Fill out all your New Hire or withholding paperwork at home rather than in the company offices and mail it in as  
15 directed in the previous step. This will discourage verbal communications for which there are no witnesses and no  
16 evidence trail.  
17 5. Do not talk about withholding issues on the phone or in person without having at least a neutral third party witness or  
18 tape recording. Everything must be in writing or through a neutral third party who can complete an affidavit of the  
19 interactions that can be used as evidence in case litigation is required against the employer for discrimination.  
20 6. If the company calls you in for a meeting after you submit your withholding paperwork:  
21 6.1. Do so ON YOUR OWN TIME and NOT on company time. When you show up to the meeting, and  
22 especially if you are already working there, emphasize on the record in front of EVERYONE present that you are  
23 on unpaid leave during the meeting and that this is your own personal time that will NOT affect the company  
24 bottom line in any way. That way they can't order you to do anything or accuse you of disobeying a direct order.  
25 Remember:

26 *"What you do with the money you earned in your off-duty time is NOT a company matter, but a private matter,  
27 and ought to be decided free of any and all company influence or coercion."*

- 28 6.2. Bring neutral witness who are NOT relatives or company employees along to the meeting or discussion and  
29 make sure they are not related to you and not already employees of the company. This will qualify them as a  
30 disinterested and credible witness in the event that litigation is necessary. It will also prevent company  
31 management from exerting influence against them if litigation becomes necessary for wrongful termination or  
32 employment discrimination later down the line.  
33 6.3. If they won't allow a witness in the meeting, then at least tape record it.  
34 6.4. If they won't allow either tape recording or a witness, then tell them that you will meet with them on the  
35 phone and record the conversation. The article below shows how to record a phone call using your computer.  
36 <http://famguardian.org/Subjects/PropertyPrivacy/Articles/TelephoneRecording.htm>  
37 7. Be a good listener and don't let your knowledge puff you up. It may very well be that you are wrong about more than  
38 one issue and you ought to welcome and gracefully accept correction, or you are being a hypocrite because you are  
39 expecting the same thing from the company. Set the example and "take the high ground" at all times.  
40 8. Be totally cooperative in showing up to EVERY meeting they call and provide them with all the information they ask  
41 for, EXCEPT possibly a Social Security Number.  
42 9. If a meeting is called by the company where documents are to be presented by either you or them, ensure that the  
43 documents are mailed to the opposing parties with a "Certificate of Service" well in advance of the meeting or deliver  
44 them to your neutral third party witness.  
45 10. If the company comes up with an excuse for why they can't accommodate your W-8 request to be recognized as a  
46 "nonresident alien" with no social security number and no withholding, then thoroughly investigate every excuse they  
47 come up with by personally talking with the employees in the company or the third parties outside the company who  
48 they claim to be basing their adverse decision on. When you talk to these third parties, have a witness along with you  
49 and/or a recorder. Take copious notes in pen of what they told you and perhaps even summarize it and ask them to  
50 sign your notes in pen. Chances are, they either don't know what they are talking about or are flat out lying to you to  
51 cover their butt. There is no lawful reason they can't handle "nonresident aliens" who are "nontaxpayers" and who  
52 have no withholding nor W-2 reporting requirements nor Slave Surveillance numbers. People from other countries  
53 visit America all the time temporarily to work, aren't domiciled here, and don't want or need withholding, and there is  
54 no reason they can't treat you the same way.  
55 11. Work patiently and enthusiastically to help them with any problems they need help with. Give them no excuse to say  
56 that you ever operated dishonestly or in bad faith, because you may have to drag them into court for discrimination at a

later time, and do so under equity jurisdiction. The moving party in all equity disputes must always have “clean hands”.

12. Be very specific about the methods available to communicate with you in resolving problems to limit the temptation for them to say that they could not get in contact with you. The “New Hire Application Attachment” in section 27.10 later covers this subject thoroughly. Give them absolutely no excuse for why they could not get in contact with you or why you would not respond to their request for information or meet with them.
13. If representatives of the company want to request or order you to stop collecting evidence about their statements or actions, then ask them to explain in writing why this is, and why they feel the need to cover up their activities. Ask them specifically in writing:
  - 13.1. Do you think you are doing something illegal here?
  - 13.2. Why are you being so secretive?
14. Remind them that in the context of withholding, they are acting as voluntary agents of the government, and that they have no more authority than the government in that context. If the government can’t compel you to do anything or violate your rights, then neither can they in the capacity as “voluntary withholding agents”.
15. If they indicate that they must do something a certain way in respect to withholding, ask them:
  - 15.1. To identify the requirement as either a requirement of company policy or of law.
  - 15.2. If the requirement is a legal requirement, ask them to produce a statute and implementing regulation that specifies the requirement. If they can’t, then it is just “policy” and not law. Make sure that every request they make of you is clearly distinguished as either “policy” or “law” and make sure that if it is policy, ask them to explain WHY it is policy on the record and in writing.

#### **24.2 Handling questions about Social Security Numbers and Taxpayer Identification Numbers or compelled use of these numbers**

Those who use this document are reminded that they:

1. May not lawfully participate in Social Security. It is ILLEGAL, in fact, for a person domiciled in a state of the Union on other than federal territory to participate in Social Security. See:  

<http://sedm.org/Forms/FormIndex.htm>  
[Why You Aren't Eligible for Social Security](#), Form #06.001
2. Must terminate participation in Social Security in order to truly be “nontaxpayers” and sovereigns. See:  

<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>  
[Resignation of Compelled Social Security Trustee](#)
3. May not lawfully apply for and are not eligible for a Taxpayer Identification Number (TIN) because they are not “aliens”.
4. Must be very careful to explain to those who ask for Social Security Numbers and Taxpayer Identification Numbers that they are ineligible to receive, hold, or use either.

You can find very useful help for dealing with questions about Social Security Numbers and Taxpayer Identification Numbers from government, private employers, and financial institutions in the following free resources, which we won’t repeat here in the interests of saving space. This form also makes a good handout to provide to government and company attorneys for those who need to legally explain and defend their status. Those who challenge your stance can be handed this pamphlet and then demanded to rebut it and answer the questions at the end to prove you wrong. They won’t be able to and will have to surrender their “plausible deniability” by being notified of this information.

<http://sedm.org/Forms/FormIndex.htm>  
[About SSN's and TIN's on Government Forms and Correspondence](#), Form #05.012

If you are compelled to provide a Social Security Number or Taxpayer Identifying Number by the government, private employers, business associates, or financial institutions, then we strongly suggest attaching the following form to any government, tax forms, withholding forms, or correspondence you send or submit to these entities to preserve your standing to sue them and make their illegal actions fraudulent and actionable in court:

<http://sedm.org/Forms/FormIndex.htm>  
[Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”](#), Form #04.205



## 24.3 Responding to HR and Payroll traps and excuses

### 24.3.1 Techniques for private workers “coerced” by scared or misinformed employers into using the W-4

Many private employers are especially fearful and insecure and they may demand a W-4 form out of their private employees so they don't have to assume what they may perceive as the “risks” of not participating in the socialist tax system. Several creative solutions are available to deal precisely with this situation as follows:

1. If you are under duress, you must do everything that you can to gather evidence to prove the duress. This will give you tools you can use to litigate against the source of the duress. If you don't do this, then any litigation that results from the duress and underlying discrimination will degenerate into a “he says/she says” pointless argument. Any private employer that would be willing to entice its employees into federal peonage is probably dishonest enough to also compel its employees to lie about what you said and did during the withholding or hiring process. For instance, you can:
  - 1.1. Have a neutral third party who is not a relative submit your withholding paperwork and give them power of attorney to negotiate and submit the forms. Then when the withholding process is done, you can have them fill out an affidavit documenting the duress and notarize it so that it is admissible in court without testimony.
  - 1.2. Insist that the private employer document everything they are demanding of you, and especially if they indicate that you will either not be hired or fired if you refuse to withhold.
  - 1.3. Have a neutral witness with you when you submit the withholding paperwork to the private employer and get a notarized affidavit of what happened after the withholding was negotiated.
  - 1.4. If the private employer calls a meeting, bring along a witness and/or a tape recorder and record everything.
  - 1.5. Send all of your responses to their requests with a Certificate of Service mailed by a neutral third party and notarized.
2. The “smorgasbord approach”. Employees can submit multiple withholding forms and let the employer pick which one they want to use. For instance, submit BOTH the W-4 and the W-8, and make the attachment reflect that the W-8 is the correct form but the employer can use the W-4 form even though it is not guaranteed to be accurate:
  - 2.1. Use the Modified W-4, FORM 6 in the Appendix A.
  - 2.2. Attach the W-8 form appearing as FORM 2 of the Appendix A to the W-4 form. Include the attachment as well.
  - 2.3. On the bottom of the W-4 form, write “Not valid without attached W-8 and statement”.
3. Change the wording on the top of the standard W-4 form so that the meaning of the word “voluntary” correctly reflects the private nonfederal employee's true intent. By default, the form says “**Employee** Withholding Allowance Certificate”. Since we know that the only “employees” are defined in the IRC at 26 CFR §31.3401(c )-1 as elected or appointed officers of the United States government, then private employees aren't an “employee” and they definitely don't every want to be accused of “allowing” or volunteering for tax withholding. Therefore, change this form to say any one of the following:
  - 3.1. “**Employee** Withholding Nonallowance Certificate”
  - 3.2. “Withholding Termination Certificate”
4. Change the form number everywhere it appears on the form to “W-4X” instead of “W-4”, where the “X” means an arbitrary letter. That way, when the form is submitted to stop withholding, the employer doesn't need to send it in to the IRS. Treasury regulations only describe what to do with a “W-4”, and do not describe how to process forms with other numbers. Therefore, the IRS can't accuse the employer of not following regulations, because it wasn't a “W-4” they received. Instead, it was, for instance a “W-4T” instead, and the regulations don't talk about W-4T, nor do they say that there aren't OTHER forms that people can use to stop withholding.
5. If a private employee writes “EXEMPT” in block 7 of the standard IRS Form W-4, federal (but not private) employers are required to send the form to the IRS immediately, which means they have to “snitch” on employees if who decide not to volunteer. Snitching on people who don't want to withhold has the side affect of inviting the IRS to terrorize these rebels into “volunteering”. Private employers are not federal employers, but in many cases they will ignorantly and wrongfully comply with the requirement to send in the Exempt W-4, and thereby act as an “informant” or “government spy” against their employees. Who says we don't live in a communist country!
6. When the IRS receives the “EXEMPT” form from misguided and fearful private employer, they will forward the “EXEMPT” W-4 to their “Questionable W-4 Program” group. That group will then try to illegally penalize the filer for a false W-4 with a \$500 fine. The penalty will be illegal because the definition of “person” means an officer or employee of a corporation in the context of penalties, as defined in [26 U.S.C. §6671\(b\)](#), and private employees aren't such a person. The penalty will also be illegal because the Constitution, in Article 1, Section 10 says that Bills of Attainder are prohibited. A Bill of Attainder is a penalty imposed by the government without a court hearing. One way to avoid this penalty is file a fictitious business name for yourself that is close but different from your real name



and use the business name and number on the W-4 instead of your name or number. This is not illegal or fraudulent, and if you disestablish the business immediately after you file the W-4, the information won't be relevant. They can penalize a defunct business that has no assets all day long, and it won't matter.

**WARNING!:** NEVER, EVER willfully commit fraud under penalty of perjury on any government form. This is a criminal offense that will land you in jail. If you are going to put a knowingly false number on the form, then you must at least indicate duress somewhere on the form. When this kind of duress happens, it's best to not only indicate duress on the form, but also send in an affidavit separately to the IRS after you submit the withholding paperwork indicating you were under duress and that the information was wrong and that they should disregard as inaccurate all information provided and all W-2 reports.

As long as the private employee is under duress and they indicate so on the forms they submit both during and after the withholding paperwork submission event, and qualify the perjury statement to put them outside of federal jurisdiction, then they can't be held personally responsible for providing accurate information and they can't be prosecuted for fraud. It's not fraud unless is deliberate, willful, and voluntary. Below is an example of a qualified perjury statement:

*"I declare under penalty of perjury from without the "United States" and from within the United States of America under 28 U.S.C. §1746(1) that the foregoing facts are true and correct and that I was under financial duress to sign this form."*

7. Therefore, the best approach for those who want to stop withholding and who are compelled unlawfully to use a W-4 is to write "Nontaxpayer" in block 7 or simply "No Withholding" instead of the word "EXEMPT". At that point, the private employer doesn't have to withhold, but at the same time, since it doesn't say "EXEMPT", then the private employer isn't required to send the W-4 form into the IRS either. That way, the private employee is off the hook and the only aftermath they will have to deal with is the false W-2 that is filed on them at the end of the calendar year, which will be incorrect or inaccurate. The W-2, Block 1, under "Wages, tips, and other compensation" may only contain a nonzero amount if they have a voluntary withholding agreement in place under 26 CFR §31.3401(a)-3. The W-4 the employee submitted, if it conformed to this guidance, didn't say "Employee Withholding Allowance Certificate", but instead it said "Withholding Termination Certificate", so you never "volunteered". Therefore, the private employee didn't earn "wages" and so technically, their private employer misreported their earnings. Private employees can fix that employer mistake at the end of the year, if they file forms with the IRS, by simply providing an amended or substitute W-2, called an IRS Form 4852, that zeros out block 1 of the W-2, and then to attach a note explaining that they never volunteered, or better yet, give the IRS a copy of the Substitute or modified W-4 that they gave to their private employer showing that they never volunteered. IRS can't argue with that, and especially if it is signed under penalty of perjury and you have proof that you gave it to your employer. W-2's, on the other hand, aren't even signed, so under the Federal Rules of Evidence, the false W-2 your employer gave the IRS are technically not admissible as evidence in a court of law because not authenticated or signed. The substitute 4852 you provide, however, IS admissible under Federal Rule of Evidence 902, because it is executed under penalty of perjury.

If you take the above approach, the employer is happy because he has a "W-4" and he thinks he has complied with what the IRS wants. You are happy because:

1. The substitute W-4 does not need to be sent to the IRS because it isn't labeled as a "W-4". Therefore, private employees don't get in trouble with the IRS.
2. There is no evidence in the government's possession that allows them to claim that the private employee is an "employee" under the Internal Revenue Code.
3. There is no evidence the IRS can use to wrongfully impute the receipt of "wages" to the private employee.
4. There is no law the IRS can cite that prevents the private employee from modifying forms. Therefore, it must be authorized because such a law violates the First Amendment right of free speech. See section 21.2 later.

Checkmate!

#### **24.3.2 Dishonest tactics used by unscrupulous private employers operating in BAD faith**

Be forewarned that the task of a person regaining their sovereignty and complete control over their labor and the fruits of your labor as a private worker is something that less scrupulous private employers and companies may try to fight vigorously. They will do this because they:

1. Want to minimize their perceived but not actual personal liability for violating the law.
2. Want to minimize risk exposure of the company.
3. Are jealous that you aren't paying taxes and they are, so their "fair share" will go up eventually.
4. Want to make their job "convenient" without really caring for or defending their private employees. For instance, they may want to simplify the HR and payroll paperwork so that you look like all the other workers and don't have all kinds of new or special exceptions that they aren't used to dealing with or learning about or confronting.
5. Do not want to have to confront the IRS if or when an illegal attempt is made to levy a worker's pay.
6. Do not want to get educated and finally take a stand on anything against anyone. Instead, they would rather be "politically correct" and not take any risks at all that would draw unwanted management attention to them or their ignorance about payroll or the tax laws.
7. Know based on reading this document that what they are doing is not only morally wrong, but illegal. If they have to discuss these issues with you and defend their perspective from a legal standpoint on the record, they lose the ability to claim "plausible deniability" and thereafter can be held legally liable for the injury they are causing to your rights.

Payroll and HR departments of large corporations especially are structured and optimized with the specific goal of minimizing risk exposure to both HR and payroll employees and to the company in general. For instance, they:

1. Are trained to deal skillfully and decisively with itinerant but usually less educated workers who want to defend their rights by refusing to participate in a voluntary tax system. They probably have already dealt with hundreds of such workers like you before you even set foot in their office. They are a well-oiled corporate machine, and you will need to sharpen your sword in order to get what you want out of the machine.
2. Are structured so that the payroll and HR components of the company are not located in the same state as most of their workers so that they are outside of the jurisdiction of the local courts. This allows them to violate the rights of their workers with impunity by making legal redress more difficult. When an aggrieved worker files a lawsuit for violation of rights, the court where it is filed must be the court where the offender is domiciled, and not where the victim is domiciled.
3. Use automated and standardized payroll information systems that are deliberately designed to be inflexible so that they are not able to accommodate the situation of a "nonresident alien" who is a "nontaxpayer" and who does not have an identifying number. They may even use their payroll systems or payroll system provider as an excuse why they cannot accommodate your request even though they in most cases they are lying and were just fishing for an excuse not to accommodate your request so as to minimize their liability.
4. Will have experienced people on their staff who are indoctrinated with "best industry practices" in their field. Their payroll people attend continuing education courses in "tax compliance" and "payroll compliance". Oftentimes, their HR and legal and financial personnel are also government licensed or accredited. This is true especially of CPA's and the corporate counsel. This level of licensing and accreditation is promoted by the government and the IRS mainly to provide a channel for false propaganda about taxes and compliance, and to scare the hell out of anyone who reads and obeys the law by respecting peoples withholding wishes and right to their own earnings. These accredited "professionals" will abuse their "experience" and alleged prestige as an intimidation mechanism to say things like:
  - 4.1. "I've never seen anyone do it this way. We can't make an exception for you."
  - 4.2. "I don't know how to do this and our systems don't support it. You are just going to have to 'look' like everyone else here instead of bucking the system all the time. This is NOT a good way to start a relationship."
  - 4.3. "The IRS told us that we can't do it that way. We're going to get in trouble for this and we hired you to solve problems, not create them."
  - 4.4. "The boss says he can't hire you without you signing a W-4 withholding form."
  - 4.5. "You're going to get me in trouble if you continue to push this."

Remember as you deal with the above devious tactics that the main goal of a dishonest private employer is to minimize risk exposure for them and their company and to minimize the amount of resources they have to expend to attract and keep qualified workers. Workers are expendable "throw-away" resources to them. They are taught in MBA schools to only care about "numbers", promotions, golden parachutes, and profitability and not their workers. They are also taught to be "politically correct" enough never to admit this truth to your face, because then they would reduce your loyalty and the "profitability" of having you on the payroll, and discredit them for their selfish attitude. Therefore, they will perpetuate a lie that deep down they know is a lie. You are a "number", a "production unit", a "mercenary", a "statistic", and not a real person. You are part of the inventory of the "corporate matrix", which exists only because people who wanted to avoid liability got together and formed a "corporation". The "taxes" the corporation pays amount essentially to "liability insurance" for all the people in the company who want to sin economically without personal consequence. If this were not the case, why form a corporation at all? The whole goal of all the above approaches are:

1. To minimize the amount of legally admissible evidence that workers have of abuse of rights. This evidence would come mainly from written correspondence or eye witnesses. This means that they will try to:
  - 1.1. Prevent you from insisting only on written communication going both ways, preferring verbal communications instead.
  - 1.2. Prevent you from using certified mail or “Certificates of Service” proving that they were served with specific withholding paperwork.
  - 1.3. Do as much verbally as they can, by calling you into the office when no one else is around and there are no other witnesses. This is called “blind-siding” and it is very frequently done when people are up to no good.
  - 1.4. Prevent you from recording phone conversations or in-person conversations with them over withholding issues.
  - 1.5. If you bring along a witness to a meeting because they do not want you recording the meeting, they may insist that the witness cannot come into the meeting, so that you can’t prove what was said using an affidavit from the eye-witness.
2. To at least “appear” as though they are operating in good faith when in fact they are not.
3. Making administrative decisions about your employment without being willing to document them on paper or justify or explain them. They will do this because they do not want to be held personally liable for workplace discrimination. For instance, they may put a worker on administrative leave after seeing their withholding paperwork, and wait a few days to explain it after they have had a “pow wow” with their cohorts in crime about how to outsmart you.
4. Getting really nitpicky over what otherwise would be very small employment issues so has to generate an inflated laundry list of reasons or excuses why they fired or refused to hire you OTHER than the real reason, which is that they want you to withhold and you refuse. They may falsely accuse you, for instance:
  - 4.1. Of showing up to work late, and then coaching or pressuring certain key employees into vouching for their lie.
  - 4.2. Of “violating the employment contract” because you refuse to withhold. No employment contract we have ever seen even mentions withholding, and it can’t, because participation in employment withholding is entirely voluntary BY LAW. See 26 U.S.C. §3402(p) and the regulations thereunder.
  - 4.3. Of not responding to correspondence that they either never sent or sent much later than they said they sent.
  - 4.4. Of refusing to appear at meetings called to discuss the issues. For instance, you may have notified them that you want all communications be in writing or through a neutral third party witness. They may:
    - 4.4.1. Refuse to communicate in writing and say that you would not cooperate with or talk with them so they had to let you go.
    - 4.4.2. Schedule a meeting and invite you instead of your withholding representative and then accuse you of being uncooperative for not showing up, even though your representative was there and they had been notified that he was the only person they could talk with.
    - 4.4.3. Schedule a meeting and when you show up with a witness and a tape recorder, say the witness must go home and the tape recorder must go off. When you say you can’t comply, accuse you of not following orders and being uncooperative and disobeying a direct order.

You should be ready to deal with the above types of game-playing with your own practiced bag of defenses. These defenses wouldn’t even be necessary if companies and employees would just respect and honor and love their workers like most American companies used to. This aspect of American workplace ethics, however, has vanished from most workplaces, leaving naked greed and lust for power and prestige as the only motivator for most companies. We have such a mobile society that people never hang in one place long enough to become truly “civilized” or develop a reputation and a good name. Instead, they often will do whatever they must do to “get by” and not much more. They are so busy as single parents, government slaves (to the income tax), and the distractions of a media culture that there is little time left to stand up for what is right and honor and love our fellow man. Most workplaces, in fact, have become the equivalent of “The Survivor” reality shows, where the most treacherous employees usually come out on top.

In the sections remaining in this subsection, we will deal with most of the situations above and give workers helpful pointers on how to deal with each unique situation.

#### **24.3.3 The “inflexible payroll/HR software” or “payroll provider” trap**

Your company may do their payroll in-house using an handful of standardized national payroll software packages, such as:

1. Intuit Payroll Services: <http://www.payroll.com/>
2. Pensoft: <http://www.pensoft.com/>.
3. PayCycle: <http://www.paycycle.com/>
4. Propay: <http://www.paysoft.com/>

1 Many companies will also outsource their payroll to dedicated American payroll companies such as:

- 2 1. Paychex: <http://www.paychex.com/>. Phone: 800-322-7292, ext. 638.
- 3 2. ADP: <http://adp.com/>.
- 4 3. Ceridian: <http://ceridian.com/>. Phone: 952-853-8100.
- 5 4. Payroll Control Systems (PCS): <http://www.payrollcontrolsyste.ms.com/>

6 Because they will probably want to preserve “plausible deniability” and avoid liability for making a decision that might  
7 hurt you, many private employers will often try to make someone else into the scapegoat for why they can’t accommodate  
8 your withholding arrangement. In response to your request to be treated as a “nonresident alien” who has no withholding  
9 or reporting requirements or identifying number, they may say, for instance:

- 10 1. Our payroll system cannot process your pay without a Social Security Number.
- 11 2. There is no option in the system for accommodating anything but W-4 for withholding.
- 12 3. The system does not accept W-8BEN Forms instead of W-4 forms.
- 13 4. The payroll system does not allow us to turn off W-2 reporting at the end of the year.
- 14 5. There is no way to make the W-2 Block 1, “wages”, a zero value for our workers, even though 26 CFR §31.3401(a)-3  
15 says that those who do not have voluntary withholding agreements in place do not earn “wages” as legally defined.
- 16 6. We must do security background checks and we can’t do them without a Social Security Number.
- 17 7. Not withholding or reporting would treat you as an independent contractor, and we want you as an “employee”, not a  
18 contractor.
- 19 8. If we hire you as an independent contractor, then we will have to do a 1099 on you.

20 In response to the above excuses, the following approaches may be helpful:

- 21 1. Say that you want to be the equivalent of an independent contractor with no benefits, and will handle your own  
22 benefits, deductions, and reporting, and to absolve them from all liability for withholding, benefits, or taxes in writing.  
23 Show them the article below

*Correcting Erroneous IRS Form 1099’s*, Form #04.005  
<http://sedm.org/Forms/FormIndex.htm>

24  
25 The above article proves that the only people who should be receiving 1099’s are those engaged in a “trade or  
26 business”, which you ARE NOT and refuse to be involved in. Ask them to provide proof why you are engaged in a  
27 “trade or business”, and offer them as a starting point, the article below entitled “The ‘trade or business’ scam” and ask  
28 them to rebut it in writing:

*The “Trade or Business” Scam*  
<http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>

- 29 2. If they say they can’t hire you as an independent contractor, ask them how they pay their vendors and why they can’t  
30 treat you the same way. Usually, they will have multiple vendors who they “order” from and pay at the end of the  
31 month. Simply have them “order” hours of your service and reimburse you at the end of the month. Put together a  
32 simple contract that covers a specific period of performance, and hire on as a contractor for an indefinite period. Make  
33 sure the contract specifies precisely the terms under which they can terminate your services, so that they can’t  
34 terminate you over withholding or tax issues, or any other discriminatory basis, but only based on the quality of the  
35 work you do and upon the business environment.
- 36 3. Offer them Form 10 in section 27.7 entitled “Attachment to Consultant/independent Contractor” form and ask them if  
37 they would consent to modify it to their liking.
- 38 4. Tell them that you can’t have any reporting because 26 CFR §31.3401(a)-3(b) says that you don’t earn “wages” if you  
39 never explicitly consented in writing to withhold.
- 40 5. Pull out the *Test for Federal Tax Professionals* in Appendix B of this document and go over the questions one by one  
41 and ask them to answer with a witness present and/or a tape recorder.
- 42 6. Go over the content of this document in sections 1 through 4 with them and/or send it to them with a “Certificate of  
43 Service” and a cover letter asking that they rebut anything in it in a signed writing, and that if they can’t or won’t  
44 within ten days, then they shouldn’t be making decisions about your earnings or tax compliance and default to your  
45 position.
- 46 7. Give them the pamphlet below and ask them to rebut why they think you are “nonresident alien” by rebutting the  
47 questions at the end in a signed writing:

8. Show them the content of Internal Revenue Manual, Section 4.10.7.2.8, which says that you cannot rely on any IRS publication, or by implication form, as a basis for determining liability, according to the IRS. Ask them why they think you should trust anything on the W-4 form to accurately represent either the law or what you must actually do:

*"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 \(05-14-1999\)\]](#)

9. Show them the upper left corner of the W-4 form, and point to the word “employee” and then show them the government’s definition in 26 CFR §31.3401(c)-1, which is a federal employee ONLY. Tell them that you ain’t “one of them” and ask them to provide written evidence under penalty of perjury of why they think you are.

[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."*

what we usually do is call the provider directly and talk to the technical support to verify this. It’s best to get this number BEFORE you turn in your withholding paperwork, in fact, so that they can’t call the provider up ahead of time and coach him what to say so that he helps them deceive you.

#### **24.3.4 “The IRS or someone else says to withhold” trap**

Your private employer may try to blame the IRS as the reason for why they MUST withhold, regardless of what you give them for a withholding form. They may say, for instance:

1. The IRS says you can’t use the W-8BEN Form.
2. IRS says you can’t submit your own form or modify existing payroll withholding forms.
3. We’ve never had a worker submit a W-8BEN and don’t know what to do with it.
4. If you won’t submit a W-4, then the IRS will tell us to withhold at “single-zero”, so we HAVE to withhold, regardless of the form you submit to us.

All of the above excuses are just that...lame excuses designed to transfer responsibility and blame to a third party and to exploit your ignorance, uncertainty, and fear as a means to gain a political and legal advantage. We have investigated each of the above claims and none of them can be substantiated with ANY law or implementing regulations whatsoever for persons who truly are “nonresident aliens” not domiciled within federal jurisdiction and who are not engaged in a “trade or business” as described in 26 CFR §1.871-1(b)(1)(i). Anyone who would say the above things is simply uniformed, and probably fearful of rocking the boat or taking a stand. They want to avoid responsibility and transfer it to someone else. That is why they work in a corporation instead of a real job to begin with: to avoid liability. Below are a few questions you can ask, preferably in writing, that will quickly reveal their folly, ignorance, and willful irresponsibility:

1. Politely saying to the payroll or HR person:

*“The federal courts say that you should not rely on what IRS employees say, because they are wrong. In fact, they say that you can be PENALIZED for relying on IRS advice, whether it be by phone or in writing. Why are you listening to them anyway, other than to avoid responsibility for reading the law yourself and following it?”*

Then go over what it says in Section 15.15.2 of this pamphlet, which PROVES in the government’s own words why you can’t rely on anything the IRS says or writes, and can ONLY rely on the Internal Revenue Code and regulations themselves for an accurate representation of the actual requirements of the law.

2. Asking the requester why they insist on withholding, if the IRS’ own website literally says they don’t have to:

[IRM 5.14.10.2 \(09-30-2004\)](#)  
[Payroll Deduction Agreements](#)



2. **Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[<http://www.irs.gov/irm/part5/ch14s10.html>]

3. Reminding them that if they withhold against your wishes, then they become legally and personally responsible for grand theft and could be prosecuted under state law.
4. Reminding them that the employment contract said nothing about withholding, and that they are aiding and abetting the government in interfering with your right to contract, which the Supreme Court said that the government has no authority to do:

"Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts [either the Constitution or the private employment 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 \(1878\)](#)]

5. Remind them that they cannot exercise any more authority than the government itself has when acting as a voluntary agent of the government, and that the federal government has NO LEGISLATIVE JURISDICTION inside states of the Union. Read the quote from the Supreme Court below and then simply ask them: Is the Internal Revenue Code "legislation, and if not, why not?":

"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. The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, *Jones v. United States*, 137 U.S. 202, 212, 11 S.Ct. 80; *Nishimur Ekiu v. United States*, 142 U.S. 651, 659, 12 S.Ct. 336; *Fong Yue Ting v. United States*, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016; *Burnet v. Brooks*, 288 U.S. 378, 396, 53 S.Ct. 457, 86 A.L.R. 747."  
[*Carter v. Carter Coal Co.*, 298 U.S. 238 (1936)]

6. If they say "I don't know anything about the law", then you can entertain one of the following options:
  - 6.1. Quoting the Supreme Court, which said the following, implying that to NOT know or be willing to learn and thereby OBEY the law as a citizen makes one a BAD citizen:

"Every citizen of the United States is supposed to know the law."  
[U.S. Supreme Court in *Pierce v. United States*, 7 Wall (74 U.S. 169) 666 (1869)]

"One who turns his ear from hearing the law, even his prayer is an abomination."  
[Prov. 28:9, Bible, NKJV]

- 6.2. Insist on a meeting with the corporate counsel and the payroll dept ON THE RECORD. Bring witnesses and a tape recorder.
- 6.3. Have the corporate counsel rebut the Test for Federal Tax Professionals in Appendix B in writing under penalty of perjury and tell them that their answers MUST be consistent with what the law says. Tell him that everything



done under the authority of the Internal Revenue Code, including acting as a voluntary withholding agent, must be signed under penalty of perjury as required by [26 U.S.C. §6065](#).

### **24.3.5 “Our Payroll compliance book and/or training say you can’t do this” scam**

If you are interfacing with payroll personnel, they may pull out their trade publications and use them to say any one of the following:

1. Our payroll compliance book from \_\_\_\_\_ says that “nonresident aliens” have to withhold the same as everyone else.
2. You can’t modify payroll withholding forms.

To answer these questions, it is helpful to be aware of the main publications that payroll professionals use as a basis for how they handle state and federal tax withholding. These include, but are not limited to:

1. Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54. Available at: <http://panelpublishers.com/>
2. Commerce Clearinghouse, Tax Research Products; <http://www.cch.com/>. See some of the following products:
  - 2.1. Practical Guide to Tax Issues in Employment- This new *Guide* concisely and clearly explains the interrelationship between employment law and tax, so that all those involved in employment and labor law can understand the fundamental principles of income taxation in the context in which they work.
  - 2.2. U.S. Master Compensation Tax Guide (Fourth Edition)- Using clear and concise explanations, this book unravels the complexity of the critical area of compensation tax. No other book, at any price, covers this topic in such a comprehensive fashion.

We have read the above publications for the condition of being a “nonresident alien” with no withholding or reporting or identifying number and have found no legal foundation for any of the above claims. In response to such ignorant babble:

1. Ask them to show you the page of their trade publication that makes the claim they are trying to support. Photocopy it and fax or email it to us as a PDF. Ask them where in the book it shows the statute and regulations that backs up what they are saying, because if there isn’t a law to back it up, it is simply hearsay evidence that is not admissible in court as a basis for good-faith belief.
2. Show them the content of Section 23.2 of this pamphlet, in which we specifically rebut the content of the most prominent payroll compliance book, by showing that their advice on the subject of “nonresident aliens” is very misleading and incomplete, and does not cite ANY legal authority for any of the recommendations they make.
3. Read to them section 5.6.15.7 of our Great IRS Hoax, Form #11.302, which conclusively proves that tax professionals have a conflict of interest in perpetuating what amounts to a needless profession in the absence of a real lawful income tax against people in states of the Union.  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>
4. Tell them that you can’t rely on experts or industry “best practices”, because that is presumptuous, often wrong, and FOOLISH. Tell them that it is Biblical sin to “presume” anything and offends your religious beliefs (see Numbers 15:30). Tell them that anything but enacted, positive law is literally “government propaganda”. Instead insist on ONLY actual statutes and implementing regulations published in the Federal Register that explicitly require them to do what they are saying they have to do We’ll give you a hint: There AIN’T none! If they say they don’t know, then have a conference call with the IRS and let them tell the payroll clerk. They won’t be able to either. If that doesn’t work, go up the chain and ask to talk to the IRS supervisor. Tell them that none of the following sources are “law” and cannot be relied upon to accurately represent the requirements of law:
  - 4.1. District or Circuit Court rulings, in the context of a person who is a “nonresident alien” and does not reside in any United States judicial or Internal Revenue district.
  - 4.2. IRS publications
  - 4.3. The Internal Revenue Manual on the IRS website
  - 4.4. Treasury Decisions
  - 4.5. IRS telephone or written advice
  - 4.6. What you did in the past in a similar circumstance
  - 4.7. Part 601 of the Treasury Regulations (26 CFR).

If you would like to know why the above aren't law and don't have the force and effect of law, see the following and also section 15.15.2 earlier:

<http://famguardian.org/TaxFreedom/LegalRef/PrecOfLaws.htm>

5. Go over the *Test for Federal Tax Professionals* in Appendix B point by point in person with the payroll clerk or person making the claim. Do it on the record with witnesses, and patiently and politely answer and resolve all the issues they have. Make sure that they know that what they are doing is completely inconsistent with the Constitution, the Internal Revenue Code, and actually amounts to conspiracy to commit grand theft because it isn't voluntary.

#### **24.3.6 Geographic diversity of payroll or HR providers**

This situation relates to the large company or corporation that is in multiple states or is international, and which uses a centralized HR, corporate counsel, and payroll office that is remote from most of the company employees and which handles all the personnel issues. This is the most tenuous and difficult situation to deal with, because all of the key decision makers are outside of the jurisdiction of the courts within the state where you are located and usually are difficult to get in contact with. Often times, the decision makers will be unresponsive, overworked, and will refuse to deal with your situation because it is "high maintenance". The only response you will often get under such circumstances is simply a pink slip without explanation. This does not foster a responsible work environment. It's usually not a good idea to work in such a big organization because they tend to be very impersonal, and do not take care of their workers at all. You're just a number and a corporate whore, and not much more.

Most of the communications you will have with the decision makers in this environment will be by phone. You are smart if you indicate in small print in your employment paperwork that all your conversations with them will be recorded, and that consent is implied if they talk to you on the phone. You need to be aware of the tape recording laws in your state if you are going to do this and have software tools to facilitate high quality phone recording.

**WARNING:** Violating the telephone recording laws in some states is a criminal offense. Watch out!

We have written an article on telephone recording below, which may prove helpful to you:

<http://famguardian.org/Subjects/PropertyPrivacy/Articles/TelephoneRecording.htm>

Communicating only in writing is best. Make sure that you use a Certificate of Service if you send them anything.

<http://famguardian.org/TaxFreedom/Forms/General/ProofOfSvcViaMail.htm>

If they send you anything, keep the original envelope and the letter itself so you have all the evidence. The contract in section 27.7 is good in this situation, because it emphasizes that you were coerced into providing numbers and that you are still a nontaxpayer not engaged in a "trade or business". This protects you because it becomes a part of your employment contract that you can show the IRS to prove duress and why any 1099's were wrongfully filed and incorrect.

If you are wronged by people who are so far away, the only legal recourse you have is to sue the company instead of the individual. Whereas, if you are wronged by a local person, it is best to sue the person individually and not the company, so that you don't jeopardize your employment. The place where the suit is filed is in a state where the corporation has filed with the Secretary of State. Usually, this will be in the state where the headquarters of the corporation is located. This makes it very inconvenient and time consuming and expensive to litigate if they hurt you or help the government STEAL from you. That is why it is best to not work for such a big organization.

#### **24.3.7 Dealing with CPAs, CFO's, and Attorney "experts"**

CPA's and attorneys working especially in large companies or corporations are famous for abusing their privileged position as a way to "intimidate" or threaten or "haze" new hires or junior personnel into "voluntary compliance" with their withholding wishes. They will "play poker" by trying to make corporate or company or personal policy "look" like law that must be obeyed, so they don't have to take responsibility or culpability for violating your rights or aiding and abetting the government in literally STEALING your earnings without even lifting a finger. They will do so because they know that you are far less likely to challenge or question "the big boss" and his deputies than the other people at the bottom of the food chain. You know how the saying goes: "Never look a gift horse in the mouth."

Meeting with such “big guns” will often be saved as a last resort if the underlings in HR and payroll are unsuccessful in using Fear, Uncertainty, and Doubt (FUD) and your own ignorance as a weapon to extort you into complying with what they want, but which no law actually requires. If you show up to meet with a high-level person such as the corporate counsel or CFO or payroll manager and bring a witness and a tape recorder or video recorder, it is not unusual for them to do any one of the following, which are dishonest tactics also used by the IRS at Collection Due Process (CDP). Next to each tactic, we suggest methods for dealing with it:

**Table 31: Treachery by higher-ups**

#	Tactic	Optimal response
1	Cancel the meeting immediately without explanation and then to suddenly terminate you without explanation, and to do so usually verbally so there is no paper trail.	File a lawsuit for discrimination and use all the evidence and witnesses you accumulated to get your judgment.
2	Reschedule the meeting for a later time, to make it more difficult for your witness to appear, and hope that he won't appear. This way, they can at least make it “appear” like they aren't trying to hide anything or escape liability for their illegal actions.	Reschedule your witnesses appearance.
3	Say they can't schedule a time in advance and will call you when time becomes available. This makes it impossible for you to schedule to have a witness.	Tell them you will meet with them after hours at any time or place they specify, including weekends. Do so in a neutral third party location, such as a hotel conference room, or a city recreation center. Bring witnesses and a recorder or camera and record the meeting.
4	“Blind side” you if you are working there by calling you up out of the blue and insisting on an IMMEDIATE meeting that you can't get ready for or bring a witness to.	Tell them you need one day's advance notice so you can arrange witnesses, but emphasizing that you WILL appear at the appointed time as requested. Our FORM 12: “Job Application Attachment”, covers this tactic and prevents it.

Many managers high up in a company tend to be MUCH more indirect and devious because they are at the top of the “The Survivor” game heap in their workplace. They got to the top by stabbing people in the back, and that is how many of them continue to “defend their turf” so to speak.

#### **24.4 Avenues of Redress for workers who have been fired over withholding issues**

Those workers who have been terminated or who have had an offer of employment retracted because of tax withholding issues may wish to contact the Equal Employment Opportunity Commission. There has been at least one case where this has happened before and the employer settled out of court with a financial settlement. This famous case was called *EEOC v. Information Systems Consulting*.

#### **24.5 Dealing with the IRS and statements by the IRS when talking with Private Employers**

We cannot over emphasize enough that if you call up the IRS on their 800 number and specifically ask them about any of the issues discussed in this document, they will literally and deliberately LIE to you about it. You should prudently realize that:

1. The federal and state courts positively refuse to hold the IRS accountable for the LIES in their publications and their phone support, which is why they keep doing it. See: <http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>
2. IRS agents are also encouraged to lie because they use pseudonyms instead of their real legal name and will not tell you their last name when you talk to them. Their IRS identification cards also LIE because they do not give the real name of the agent. Every time you talk to an IRS agent, you should insist on seeing OTHER than their IRS issued ID, such as a USA passport or their state driver's license so that you can hold them accountable if they lie.
3. The IRS will lie because they want your FREE money and want employers literally STEALING for them, because they don't have to take personal liability for the THEFT of your money.
4. They can't tell you the truth because they have borrowed the government so deep in debt that the whole thing would implode if everyone followed the law.

5. They will pretend like they don't know what you are talking about to maintain their "plausible deniability".
6. Any agent you talk to will play dumb and say they aren't trained on these things. When they do this, keep going up the supervisory chain until you talk to a supervisor who DOES know what the law says.

#### **24.6 Avoiding Enumeration for Companies that Use E-Verify System**

We talked earlier in section 21.9 about the I-9 Form. This section will expand upon that discussion to explain how the E-Verify System is used in conjunction with the I-9 Form.

The Department of Homeland Security offers an E-Verify system in which employers can verify information provided on the Form I-9 during the new hire paperwork process. That system is described on the web at:

[http://www.dhs.gov/files/programs/gc\\_1185221678150.shtm](http://www.dhs.gov/files/programs/gc_1185221678150.shtm)

Use of E-Verify is mandatory for some employers:

##### ***E-Verify***

*E-Verify is an Internet-based system that allows an employer, using information reported on an employee's Form I-9, Employment Eligibility Verification, to determine the eligibility of that employee to work in the United States. For most employers, the use of E-Verify is voluntary and limited to determining the employment eligibility of new hires only. There is no charge to employers to use E-Verify. The E-Verify system is operated by the Department of Homeland Security in partnership with the Social Security Administration.*

*More than 216,000 employers are enrolled in the program, with over 8.7 million queries run through the system in fiscal year 2009. There have been over 13 million queries run through the system in fiscal year 2010 (as of July 31, 2010).*

*"E-Verify is mandatory for some employers, such as those employers with federal contracts or subcontracts that contain the Federal Acquisition Regulation (FAR) E-Verify clause and employers in certain states."*

[...]

##### ***For Federal Contract Employers***

*Federal contractors and subcontractors are required to use E-Verify as of September 8, 2009. Executive Order 12989 mandates the electronic verification of all employees working on any federal contract. The amended Executive Order reinforces the policy that the federal government supports a legal workforce.*

[SOURCE: [http://www.dhs.gov/files/programs/gc\\_1185221678150.shtm](http://www.dhs.gov/files/programs/gc_1185221678150.shtm)]

Here are some pertinent facts from government websites about the program:

1. The E-Verify program verifies that the identifying number and the name you provided to the company correspond.
2. You cannot run a check without an identifying number such as a Taxpayer Identification Number or Social Security Number.
3. If you are not eligible for or do not have a number, the system cannot be used to verify anything.
4. If you are FORCED to obtain or use a government identifying number, a crime is being committed by the person instituting the force. See:

Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>

5. Information entered into the system is shared between the Social Security Administration, Dept. of Homeland Security, and the IRS. Hence, it is probably not a good idea to allow yourself to be entered into this system.
6. The term "employment" used within the E-Verify documentation and on the I-9 Form is nowhere defined in the E-Verify system or documentation, but here is what it means:

*Title 26: Internal Revenue*

PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE

Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)

General Provisions

§ 31.3121(b)-3 Employment; services performed after 1954.

(a) In general.

Whether services performed after 1954 constitute employment is determined in accordance with the provisions of section 3121(b).

(b) Services performed within the United States [federal territory].

Services performed after 1954 within the United States (see §31.3121(e)-1) by an employee for his employer, unless specifically excepted by section 3121(b), constitute employment. With respect to services performed within the United States, the place where the contract of service is entered into is immaterial. The citizenship or residence of the employee or of the employer also is immaterial except to the extent provided in any specific exception from employment. Thus, the employee and the employer may be citizens and residents of a foreign country and the contract of service may be entered into in a foreign country, and yet, if the employee under such contract performs services within the United States, there may be to that extent employment.

"(c) Services performed outside the United States—

(3) In general.

(4) Except as provided in paragraphs (c)(2) and (3) of this section, services performed outside the United States (see §31.3121(e)-1) do not constitute employment."

7. A statutory "employer" is defined in 26 U.S.C. §3401(d) as someone who has statutory "employees". They aren't an "employer" in relation to you until you in fact and in deed are a statutory "employee", which is almost NEVER the case.

[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.

8. The statutory term "employee" is then defined at 5 U.S.C. §2105(a), 26 U.S.C. §3401(c), and 26 CFR §31.3401(c)-1 as a federal government "employee" occupying a public office in the U.S. government.

[TITLE 5 > PART III > Subpart A > CHAPTER 21 > § 2105](#)  
[§ 2105. Employee](#)

(a) For the purpose of this title, "employee", except as otherwise provided by this section or when specifically modified, means an [public] officer and an individual who is—

---

[26 U.S.C. Sec. 3401\(c\) Employee](#)

For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, 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.

---

[26 CFR §31.3401\(c\)-1 Employee](#)



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

- 5 9. NOWHERE is that term defined to include PRIVATE labor or PRIVATE human beings, because the ability to  
6 regulate, tax, or burden PRIVATE conduct is "repugnant to the Constitution" as held by the U.S. Supreme Court.

7 *"The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide modes*  
8 *of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also United States*  
9 *v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190*  
10 *U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or*  
11 *modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest,*  
12 *383 U.S. 745 (1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not*  
13 *been questioned."*  
14 *[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

- 15 10. It is a maxim of statutory interpretation and construction that:  
16 10.1. It is a violation of due process and THEFT to add any thing or class of things to a definition that does not  
17 expressly appear SOMEWHERE in the definitions within the code.  
18 10.2. Because the terms are statutorily defined, then the common or common law meaning of the terms "employee" and  
19 "employer" do not apply. The purpose of providing statutory definitions is to SUPERSEDE, not ENLARGE the  
20 ordinary meaning of a legal term.

21 *"It is apparent that a constitutional prohibition cannot be transgressed indirectly by the creation of a statutory*  
22 *presumption any more than it can be violated by direct enactment. The power to create presumptions is not a*  
23 *means of escape from constitutional restrictions."*  
24 *[Bailey v. Alabama, 219 U.S. 219 (1911)]*

25 *"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one*  
26 *thing is the exclusion of another.* *Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles,*  
27 *170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. When certain persons*  
28 *or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be*  
29 *inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects*  
30 *of a certain provision, other exceptions or effects are excluded."*  
31 *[Black's Law Dictionary, Sixth Edition, p. 581]*

32 *"When a statute includes an explicit definition, we must follow that definition, even if it varies from that*  
33 *term's ordinary meaning.* *Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory*  
34 *definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n.*  
35 *10 ("As a rule, 'a definition which declares what a term "means" . . . excludes any meaning that is not stated");*  
36 *Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S.*  
37 *87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction §*  
38 *47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at*  
39 *998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include*  
40 *the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the*  
41 *contrary."*  
42 *[Stenberg v. Carhart, 530 U.S. 914 (2000)]*

## 43 **25. Frequently Asked Questions About Tax Withholding and Reporting**

44 This section describes various questions that are likely to come up in your mind fairly frequently:

### 45 **25.1 General Questions**

#### 46 **25.1.1 QUESTION #1.1: Can I hire a lawyer or tax expert to handle this for me?**

47 **Question #1.1:** Can I hire a lawyer or tax expert to handle this for me?

48 **Answer #1.1:** A lawyer or tax expert is not going to look a gift horse in the mouth or bite the hand that feeds them. If  
49 we followed the tax laws exactly as written, most lawyers and accountants and CPAs would be without  
50 work and would be irrelevant. Therefore, they have a vested interest in perpetuating their livelihood so  
51 that they can make their house payments. It is also impossible for them to be objective because if they



1 speak out about this fraud, they are often terrorized and harassed and threatened with loss of their  
2 professional license. Consequently, don't count on finding a government licensed or credentialed expert  
3 who is willing to speak and do the truth on this issue. The only people who are going to do that are those  
4 who don't have a government license or credential to lose by telling the truth. You won't find these types  
5 of people in the phone book. Usually they are on the Internet. It is therefore usually best to do your own  
6 homework and to handle the issue yourself. Take your time and really learn the ins and outs of this  
7 approach by studying this book and the free Great IRS Hoax, Form #11.302. After you feel confident to  
8 argue the issues, then take them on yourself. Freedom is not a spectator sport. If you have to rely on  
9 anyone but yourself to defend your freedom, whether it is a tax expert or an attorney, then you aren't free  
10 and are deceiving yourself.

## 11 **25.2 Employer Questions**

### 12 **25.2.1 QUESTION #2.1: I'm a private employer and when I follow this pamphlet by not providing SSNs on 1099** 13 **and W-2 Forms I send to the IRS, they reject my paperwork. What can I do?**

14 **Question #2.1:** I'm a private company and my problem is NOT the non-usage of the Social Security number or the  
15 Employers Identification Number. I understand all that. It is that when I send in the W-2 and 1099 forms  
16 on my private workers and contractors at the end of the year, the IRS kicks back not just your 1099 form,  
17 but all the tax forms I send in that don't have SSNs. That would not be so bad as to just add the needed  
18 information requested by the IRS agent and resubmit the form, but the IRS stamps all the W-2 and 1099  
19 and other tax-related forms papers with red ink "Rejected Void" all over the documents. Then I have to  
20 re-due all those tax forms and papers, all over again.

21 **Answer #2.1:** There is no positive law or regulation requiring Taxpayer Identification Numbers on W-2 and 1099 forms  
22 for private employers. The IRS admits in their own Internal Revenue Manual that private employers are  
23 not required to even withhold. If they aren't required to withhold, then they can't be required to  
24 REPORT either.

25 *[IRM 5.14.10.2 \(09-30-2004\)](#)*  
26 *Payroll Deduction Agreements*

27 *2. Private employers, states, and political subdivisions are not required to enter into payroll*  
28 *deduction agreements. Taxpayers should determine whether their employers will accept and process*  
29 *executed agreements before agreements are submitted for approval or finalized.*  
30 *[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]*

31 Title 31 also specifies that nonresident aliens, which is the status of the private employee you are dealing  
32 with, do NOT have to use or provide a Social Security Number. Here is the statute that says this:

33 *[31 CFR §306.10](#)*

34 *<sup>2</sup> Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not*  
35 *engaged in trade or business within the United States, international organizations and foreign*  
36 *corporations not engaged in trade or business and not having an office or place of business or a*  
37 *financial or paying agent within the United States, and other persons or organizations as may be*  
38 *exempted from furnishing such numbers under regulations of the Internal Revenue Service.*

39 *[SOURCE: <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=91cf1eb1a8e0cb0a3551dc7dad0b353b;idno=31;region=DIV1;q1=%20trade%20or%20business%20;rgn=div8;view=text;node=31:2.1.1.2.23.2.5.1>]*

42 What the IRS is trying to do is convince you to compel your workers, without any authority of law, to get  
43 a number that they aren't legally required or allowed to have, and by implication, force them into  
44 involuntary servitude and a business relationship with the federal government, which the Internal  
45 Revenue Code calls a "trade or business". If you compel your workers, you could be sued for slavery in  
46 violation of the Thirteenth Amendment under this scenario. The IRS has no lawful delegated authority to  
47 compel you to enumerate people who aren't legally required to have numbers, and they won't tell you  
48 that they don't have this authority, because then you would know that you, and not them, are liable for the  
49 consequences of what amounts to extortion and money laundering of your workers who do not consent to

engaged in a “trade or business”, which is a voluntary, excise taxable activity that is the main subject of the Internal Revenue Code. See and rebut the following if you disagree:

The “Trade or Business” Scam

<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>

You can confirm the above by simply asking the IRS employee to provide their full legal name, home address, and Social Security Number and sign an agreement taking full and personal liability for the advice they gave you if they are wrong. If you do that, they will hang up and drop you like a hot potato because they know they have no authority to do what they are doing and could suffer huge legal liabilities if they were held personally liable for what they said. See the article below for the proof:

Federal Courts and the IRS' Own IRM Say 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>

If your private employees are not “aliens” then they don’t need numbers, and even if they did, the SSN cannot be used as a substitute for a Taxpayer Identification Number. Therefore, there is no number that you can put on these reports. The only personal information you can put on these reports is the information give to you by the private employee and appearing on the W-4 form. If the employee never submitted a form W-4, then you aren’t even allowed to violate his privacy and send in a W-2 in the first place, and if you do, then the W-2 must contain ZERO in the block for “wages”, because a person can only earn “wages” if they have a W-4 on file, under 26 U.S.C. §3402(p) and 26 CFR §31.3401(a)-3(a).

26 CFR §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

(b) Remuneration for services.

(1) Except as provided in subparagraph (2) of this paragraph, the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a). For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)-1 and 31.3401(d)-1 for the definitions of “employee” and “employer”.

If your private worker isn’t a volunteer, is not a federal employee, or if you threatened him with being fired or not hired because he refused to submit a W-4, then the form isn’t voluntary and he doesn’t earn “wages”, according to the above and you shouldn’t be reporting anything to begin with. If you disregard the above and file a W-2 anyway, then the “wages” block must be ZERO, in which case there is no need for a number at all on the W-2 because there is nothing to keep track of.

The same argument applies to the 1099 form. That form is ONLY used for income “effectively connected with a trade or business” which originates from the District of Columbia. We covered this earlier in section 23.4 earlier. If you are a private employer not located in the District of Columbia, then all your private workers are “nonresident aliens” and there is no requirement to deduct or withhold anything.

If there are no earnings to report on either a W-2 or a 1099 because a private company has no connection to the District of Columbia or any taxable activity such as a “trade or business”, then don’t send the forms

in to begin with! The whole thing is a donation program for the District of Columbia anyway. See our free Great IRS Hoax, Form #11.302, Sections 5.4 through 5.4.6 for details.

Now if you aren't going to heed the warnings here and thoughtlessly mail in unnecessary W-2 and 1099 forms to the IRS that no enacted positive law requires you to send in and the IRS rejects them, that's great! Just ignore the rejection and throw them away. Your workers will simply love you. If you are worried about negative repercussions of not sending in corrected forms, then here are some strategies to deal with that situation:

1. When you send them in to begin without absent identifying numbers, then put zeros in the wage block and the Taxpayer Identification Block or put "Fifth Amendment" in the number block and/or the personal information blocks. They can't tell you that you can't exercise your Fifth Amendment.
2. Attach a note to the top of the stack that says if they don't like the forms, then the fee for correcting them is the amount of tax liability indicated on all of them. You aren't required to work for the government for free and the Thirteenth Amendment says slavery was outlawed. Therefore, they must pay you for your time. When they pay you, refund the withheld monies back to your employees with their payment. If they don't want to pay you for your uncompensated time and trouble, then they, not you, have decided that you don't need to send in the forms by their actions.
3. Demand from the IRS a regulation that requires providing an SSN. The only kind of number that the I.R.C. says they can ask for is a Taxpayer Identification Number (TIN) and SSNs are NOT Taxpayer Identification Numbers. The only way SSNs can be used as Taxpayer Identification Numbers is with the consent of the person who has the SSN and there is no positive law that can compel such consent. Tell them the private worker does NOT consent to this, and that you cannot proceed without consent without them providing at least an enacted positive law and implementing regulation that has jurisdiction outside the District of Columbia, and you haven't found one. If they don't provide you with one, then tell them that they have decided you don't need one.
4. Another option is to use the IRS' own mailing address as the return address for your mailing. That way, they will be barraging themselves with rejected documents! Turn all the spam in their direction. If you do this, you might also want to put down all zeros for the EIN, because you aren't required to have one of those either. Do a change of address so that all correspondence headed for you is sent to the IRS Commissioner's office. He'll get millions of pieces of mail every day and eventually he'll quit his spam terrorism campaign.© If the mail bounces and comes back to you, then reject it and forward it back to the Commissioner's office. Sooner or later, he'll get the message. The address is:

*IRS Commissioner  
1111 Constitution Ave, N.W.  
Washington, DC 20224  
Phone: 202-622-9511*

As you proceed with the above options, remember that the IRS is like the Wizard of Oz behind the curtain. They look like snarling attack dogs on the surface, but this is a façade. In reality, they aren't even an enforcement agency and there are not implementing regulations authorizing them to do anything outside the District of Columbia against private citizens. See Great IRS Hoax, Form #11.302, Sections 5.4.6 through 5.4.13 for details. The only thing that will allow you to stand your ground confidently is education, the free Great IRS Hoax book will give you all the education and confidence you could ever need on the federal tax subject if you can find the time to at least read and understand chapters 4 and 5.

If you are a private employer, we therefore recommend having your worker complete the following form and put it in his employee records. To minimize your risk exposure, you may also want to provide a copy of it to the corporate counsel and see if they can find anything wrong with it:

**25.2.2 QUESTION #2.2: My worker says he is a nonresident alien not involved in a "trade or business" and my payroll reference materials say I have to treat him just like everyone else using the W-4. Is that right?**

**Question #2.2:** My worker says he is a nonresident alien not involved in a "trade or business" and my payroll reference materials say I have to treat him just like everyone else using the W-4. Is that right?

**Answer #2.2:** There is much deliberate misinformation or lack of information in payroll trade publications about how to treat nonresident aliens who are not engaged in a "[trade or business](#)". The subject of "trade or business" is described below:

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

This misinformation or lack of information includes the following trade publications:

1. The [American Payroll Association \(APA\)](#) publishes information for payroll clerks that is flat out wrong on the subject of nonresident withholding in the case of those not engaged in a "trade or business". See the book entitled: *The Payroll Source*, 2002; American Payroll Association; Michael P. O'Toole, Esq.; ISBN 1-930471-24-6.
2. The other main source of payroll trade publications is [RIA](#), which also publishes flat out wrong information about the subject of "nonresident aliens" not engaged in a "trade or business" in the following publications:  
*Principles of Payroll Administration*; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price, CPP; [RIA](#), 117 West Stevens Ave; Valhalla, NY 10595; ISBN 0-7913-5230-7.
3. *Payroll Answer Book*, Third Edition, Gregory E. Matthews, Panel Publishers (now [Aspen Publishers](#)); ISBN 0-7355-1662-6; 2001.

All of the above trade publications suffer from the same universal defects which make them inconsistent with what the law says:

1. They do not define what a "trade or business" is nor relate it to the definition of "trade or business" found in the Internal Revenue Code at [26 U.S.C. §7701\(a\)\(26\)](#). See:

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

2. They falsely assume that "States" within the Internal Revenue Code refer to states of the Union, even though this is emphatically not the case. See:

*An Investigation Into the Meaning of the Term "United States"*  
<http://famguardian.org/Subjects/Taxes/ChallJurisdiction/Definitions/freemaninvestigation.pdf>

3. They falsely presume that persons born in states of the Union are "U.S. citizens" as defined in [8 U.S.C. §1401](#) and 26 CFR §1.1-1(c), even though this is not the case. See:

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006*  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>

4. They do not relate the requirement for a "[Taxpayer Identification Number](#)" or Social Security Number to the act of voluntarily consenting to involve oneself in an excise taxable privileged "trade or business". The Treasury regulations tell the truth plainly:

[31 CFR §306.10](#)

<sup>2</sup> Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States, and other persons or organizations as may be exempted from furnishing such numbers under regulations of the Internal Revenue Service.

[SOURCE: <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=91cf1eb1a8e0cb0a3551dc7dad0b353b;idno=31;region=DIV1;q1=%20trade%20or%20business%20;rgn=div8;view=text;node=31:2.1.1.2.23.2.5.1>]

For further information on this scam, see:

*About SSN's and TIN's on Government Forms and Correspondence*, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

5. They falsely presume that “nonresident aliens” are “aliens”, but this is simply NOT true. A “nonresident alien” is defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). An “alien” is defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#). These are two totally different definitions that overlap but are not equivalent. For instance, a person can be a “national” as defined in [8 U.S.C. §1101\(a\)\(21\)](#) but not a “citizen” as defined in 26 CFR §1.1-1(c) and be a “nonresident alien” without being an “alien”. This is the status of persons born in states of the Union.
6. They do not define the term “wages” nor relate it to the definition found in the regulations at [26 CFR §31.3401\(a\)-3](#). A person who did not submit a form W-4, who is a “nonresident alien” not engaged in a “trade or business”, and who provided an IRS Form W-8BEN cannot lawfully have any withholding whatsoever taken out of their pay. See:

*Sovereignty Forms and Instructions Online*, Form #10.004, Forms, Section 6  
<http://famguardian.org/TaxFreedom/Forms/Employers/WithhAttachment.htm>

7. They falsely and wrongfully presume that everyone earns “wages” as legally defined, with or without their individual consent. The term “wages” is defined in the I.R.C. to have a completely different meaning than the common understanding, and most payroll people do not read these legal definitions but instead apply the common meaning of the term when reading the law and their trade publications, which is negligent and irresponsible. We remind the reader that the purpose for providing a definition in the code is because the common definition of the term simply DOES NOT APPLY and is irrelevant. The regulations show the REAL meaning of “wages” and define them to include only amounts received in connection with a voluntarily filed W-4 agreement. Without the voluntary submission of the W-4 form and the party signing it actually being involved in a “trade or business”, no “wages” can be earned or reported on a W-2:

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general. **Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

(b) Remuneration for services. (1) Except as provided in subparagraph (2) of this paragraph, **the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a).** For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)-1 and 31.3401(d)-1 for the definitions of “employee” and “employer”.

A person who is a nonresident alien not engaged in a trade or business, who gave you a W-8BEN, and who does not consent to fill out and submit a W-4 cannot legally earn “wages”, based on the above regulation.

8. They wrongfully presume that “United States” includes the states of the Union, even though this conclusion is completely inconsistent with the definition of “United States” found in the Internal Revenue Code at [26 U.S.C. §7701](#)(a)(9) and (a)(10).

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701. \[Internal Revenue Code\]](#)  
[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.

The only argument the IRS can come back with to the above definitions is to violate the rules of statutory construction and basically compel or incentivize you to “presume” something about the above definitions that simply isn’t the case. This is a violation of due process of law and is thoroughly debunked in the pamphlet below:

[Meaning of the Words “Includes” and “Including”](#)  
<http://famguardian.org/Subjects/Taxes/FalseRhetoric/Includess.pdf>

### 25.3 Worker Questions

#### 25.3.1 QUESTION #3.1: What if the company requires or demands a Taxpayer Identification Number or that I give them an SSN in place of one?

**Question #3.1:** What if they insist on or demand a “Taxpayer Identification Number” and I either don’t have one or don’t want to use an SSN in place of one.

**Answer #3.1:** Request a meeting with the CFO, lawyer, or payroll person and go over the content of the two resources below.

1. Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205. This form is included as Form 17 in Section 27.17 later. Fill it out completely and sign it and hand it to the CFO and demand that he prove anything wrong on the form and insist that he is violating the law to force you to use a number if he can’t.

2. Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>

Bring witnesses, a tape recorder, and have the witness produce an affidavit of what was said and done at the meeting. Remind them that their conclusions are inconsistent with the written law and illegal. Read and study the pamphlet in advance and know your stuff. Demand a conference call with the IRS and the private employer to discuss the matter. If either the private employer or the IRS won’t be reasonable, then sue the individual personally who is misapplying the law in a state court. Don’t sue the company, but the individual, so as to minimize the chance that you will alienate the private employer or end up being fired. Remind them that they will be held fully accountable for the damage their illegal decisions are having on you.

Whatever you decide to do about this, please MAKE SURE that you do not use forms W-7 and W-9, because they are ONLY allowed to be used for “aliens”, which doesn’t describe most Americans. This subject is covered earlier in section 21.6 earlier. The W-8 is the only proper withholding form to fill out



for most Americans born within and domiciled within states of the Union and it should be filled out WITHOUT an identifying number and with a “permanent address” (domicile) of Heaven. All other approaches are a compromise to appease an ignorant private company.

**25.3.2 QUESTION #3.2: Is there a less confrontational or risky way to handle taxes so I don’t have to drag my private employer into the dispute with the IRS?**

**Question #3.2:** Is there a less confrontational way to handle taxes so I don’t have to drag my private employer into the dispute and can simply let him withhold the way he wants to and then get all my money back from the IRS at the end of the year?

**Answer #3.2:** Yes there is, but it isn’t guaranteed to work consistently. It has produced refunds fairly often for many people, but it depends on a knowledgeable IRS agent handling your return and requires lots of follow-up on your part to make sure they make an informed decision about your return. It also requires that you still submit the correct withholding paperwork, which is the W-8, and for the private employer to disregard your wishes so that you can show that you were under duress and that he was violating the I.R.C. The approach is documented at:

The “Trade or Business” Scam

<http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>

**25.3.3 QUESTION #3.3: Are independent contractors “private employers”? And what about insurance in relation to withholding?**

**Question #3.3:** Are independent contractors considered “private employers” and what about insurance and the affect it has on withholding? (Below is the complete content of a real question along these lines that we received)

Hello \_\_\_\_\_,

Been looking over your book "Federal and State Tax Withholding Options for Private Employers". I am and have been a "private sub-contractor" for years.

1. Would a Contractor be considered a "private employer" and I myself be considered a "private employee" even though I sub-contract for hire for pay? As you suggest, I have not used a W2, W4, W7 though 9 forms for work. I just provided an SSN and I was sent a 1099 form in the mail. Since 1992, I stopped contracting with the IRS, by sending in a 1040 Form. On my IMF print out, the status there was a 01. not a business 05. I have had no problems ever with the IRS. The problem is that I relinquished the SSN in 2001, and notified the ABC agencies of said. I am a private citizen, born in the New Jersey Country. I hire my labors for pay. Now, that I do not use that SSN, the Contractors want to hold a percentage of my pay to cover taxes. These forms no longer apply to me. I do not know what to do and say to these men. What form to give to stop the IRS from hounding Contractors. Or to stop the Contractors from withholding. They think they are doing what is right and lawful but I know it is actually they on their part and that they are being deceived by the IRS in withholding my "private property" of my fruits of my labors,\*\*\*\*

2. Next, issue is the insurance companies. When a Contractor is audited, the insurance agent tells the Contractor, if a person has no insurance, we must raise your Contractor's premium to cover you. This then makes me an “employee”, which I don’t want to be. The Contractor wants to then deduct 7% from my pay to cover the insurance hike incurred. I am a Private Sub-Contractor. My Religious convictions are to Obey Jehovah as my protector and provider. Insurance is gambling. I trust our Creator and our Savior Jesus Christ, but corporations and the people employed by the insurance companies just do what they want. It is obviously a policy and not the law to try to make me an “employee” and raise the contractor rates. I have asked for the Law that gives them the authority to do the premium adjustment, but all I get is that it is policy. The “State Of” wants every one covered for liability reasons. “State Of” owns a lot of those insurance companies. Something smells fishy to me! Now what Jehovah says in Proverbs 29:19,

*"A [public] servant will not be corrected by mere words; for though he understands, he will not respond....."*

I am not an “employee”, and the insurance company is trying to/has made the contractors into criminals by withholding monies from my private property labors to cover their insurance premium hike sham. Because I refused to disobey the Messiah, I lose precious resources to further the work for the Kingdom of Jehovah....

How do I get all these people to comply? How do I organize and teach these people of my political status for hiring out my private property-Me for hire? How do I protect the very people that pay me from being attacked by the IRS, because of my political/citizenship status and obedience to the Godhead? ....

I have been on your wonderful web site and used it often. Thanks for taking the time to do what you have done. I understand a lot and have been doing a lot of the things mentioned. The two sites help confirm that I was on the correct narrow path to sovereignty. I am totally lost how to get these people to conform to my lawful request without alienating myself so they won't want to hire me as a contractor. The "States Of" are cracking down, at least in the "State Of" New Jersey. General contractors have to register with the "State Of"; by the end of fiscal year of 2005. I do not want to contract with the "State Of" Beast...

I wish not to concern you with these issue, but you are a Christian brother and everything on your website is very true based on personal experience. I have examined the public law, codes etc and they confirm what I understand. It is all there for people to read, but most people are just too lazy and/or privileged to pursue the remedies to free themselves from the involuntary servitude imposed upon them, the citizenry of this once fine republic. Now, the Republic is fading fast into history.

Respectfully,

XXXX

**Answer #3.3:**

We get many questions along the lines of the above. People being backed into a corner with a brutal choice between starving to death or being compelled to bow down to and worship and fornicate with (commerce) "the Beast", and involuntarily connect with the government corporate "matrix". We can't give these people individual or personal help or advice, but we can suggest any one of the following options that may be helpful, in the sequence provided. These are options we would undertake if we were in the situation described above. We don't intend to suggest or guarantee that these options would be appropriate for your specific situation or that they are likely to work in your case, but we offer them to give you some brainstorming ideas:

1. I would conclude that I am a nonresident alien and hand them a W-8, and then show them section 23.7 of this document, which proves that no withholding is required for nonresident aliens with no income from the District of Columbia.
2. If that doesn't work, sit down with the people you are working with and try to patiently and politely educate them using the content of this book. Do your homework in advance. Sit down with the corporate counsel and/or payroll person, if they have one. Go over the questions at the end of this pamphlet and get them to rebut the evidence that their beliefs are simply incorrect. Make sure you bring along witnesses, because if they can't prove they are right and they decide to ignore that fact anyway to your injury, then you will need evidence for use in court.
3. If education doesn't work, then another option would be to start up one's own company and have the people you work for hire the company instead of you personally. Then it is up to the company you formed to do the compliance and not the people who are trying to hire you. Have the company pass all profits through to you and have no income or assets that can be taken, and make sure that it does not reporting and preferably, has no EIN because it is a nonresident alien.
4. If that doesn't work, another option is to sue the individuals personally for extortion and slavery, but make sure there is plenty of witnesses, affidavits, correspondence, and evidence that you can base the case on. Don't sue the company you are working for, but the private individuals who are misapplying the law. This is the easiest target at the bottom of the food chain that is most likely to keep you out of trouble with the company you seek work with.
5. If you are unwilling to do any of the above, you may wish to work for cash and discount your fees so that it is worth it to them.
6. If you cannot or will not do any of the above, then the only option left is to bend over and worship the beast, slave.

**25.3.4 QUESTION #3.4: What if my private employer asks for my work papers when presented with the form W-8BEN because he thinks only "aliens" can file this form?**

**Question #3.4:** What if my private employer asks for my work papers when presented with the form W-8BEN because he thinks only "aliens" can file this form? He wants me to fill out the I-9 to prove that I have a right to work in the United States.

**Answer #3.4:** Point to the title of the form, which says “nonresident alien”. Show him the definition of “nonresident alien” is defined in 26 U.S.C. §7701(b)(1)(B) as:

[26 U.S.C. §7701\(b\)\(1\)\(B\) Nonresident alien](#)

*An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).*

Show him table 8-1 in section 23.2 earlier, which shows that a “national” is a “nonresident alien” but not an “alien” under the tax code. Tell him that only aliens need permission to work in this country, not those who were born or naturalized here. Anyone who is a “national” but not a “citizen” is not an “alien” but qualifies as a “nonresident alien”. This is revealed by 26 CFR §1441-1(c)(3)(i), which defines “alien” as:

[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.

*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).*

The above definition is also repeated at [8 U.S.C. §1101\(a\)\(3\)](#). Aliens cannot own U.S. passports. Show him your passport and then point to the text in the passport that says:

*“The Secretary of the United States of America hereby requests all whom it may concern to permit the **citizen/national of the United States** named herein to pass without delay or hindrance and in case of need to give all lawful aid and protection.”*

The “/” above means “or”. In the legal field, a “/” is called a “virgule” and it is defined as “or”. That means that the passport can be issued to EITHER a “citizen” OR a “national”. The above is proof that you are a “national”. Therefore, you don’t need to fill out the BCIS Form I-9 because you are not an “alien” as defined above or a “resident alien” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).

**25.3.5 QUESTION #3.5: My private employer says I HAVE to participate in Social Security. How can I prove this isn’t true?**

**Question #3.5:** My private employer says I HAVE to participate in Social Security. How can I prove this isn’t true?

**Answer #3.5:** Participation in Social Security is optional for those who live outside of the territorial jurisdiction of the federal government, such as in a state of the Union, and who have terminated participation in the Social Security Program. Those who participate in the program should make payroll contributions but there is no requirement for a person to participate in payroll deductions who either never signed up with the SS-5 or who terminated participation using our free document below:

[Resignation of Compelled Social Security Trustee](#)

<http://famguardian.org/TaxFreedom/Forms/Emancipation/SSTrustIndenture.pdf>

Reading the above document will very clearly reveal why you don’t have to participate in the program and can end participation at any time. If you aren’t participating, then you aren’t a “Trustee” or “employee” of the federal government and therefore have no legal obligation to deduct or withhold either payroll or Social Security or Medicare contributions. You can also show your private employer the following regulations, which states that nonresident aliens not engaged in a “trade or business”, do not need identifying numbers.

2 <sup>2</sup> *Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not*  
3 *engaged in trade or business within the United States, international organizations and foreign*  
4 *corporations not engaged in trade or business and not having an office or place of business or a*  
5 *financial or paying agent within the United States, and other persons or organizations as may be*  
6 *exempted from furnishing such numbers under regulations of the Internal Revenue Service.*

7 [SOURCE: <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=91cf1eb1a8e0cb0a3551dc7dad0b353b;idno=31;region=DIV1;q1=%20trade%20or%20business%20;rgn=div8;view=text;node=31:2.1.1.2.23.2.5.1>]  
8  
9

10 We remind our readers once again that the only persons who can read this booklet without violating the  
11 Copyright/Software/User License Agreement are people who are “nonresident aliens” not engaged in a  
12 “trade or business”.

13 **25.3.6 QUESTION #3.6: My private employer says the only thing they will accept is a signed W-4 with no**  
14 **attachments and that if I don’t submit it, I will be fired or not hired.**

15 **Question #3.6:** My private employer says the only thing they will accept is a signed W-4 with no attachments and that if  
16 I don’t submit it, I will be fired or not hired.

17 **Answer #3.6:** This happens usually on the advice of the legal counsel of a company in order to minimize his risk  
18 exposure and to prevent evidence from getting into your employee records which would incriminate him  
19 in a crime. He is trying to preserve plausible deniability so that he can’t be sued later for slavery,  
20 extortion, and lots of other crimes. Your job is to ensure that all the evidence necessary to prosecute him  
21 for those crimes eventually ends up in your employee records.

22 We recommend the following technique:

- 23 1. Prepare the W-4 with nothing attached.
- 24 2. Complete all the additional paperwork you wanted to attach to the W-4 along with a letter clearly  
25 stating that they are in violation of the law and that they can be sued civilly for their crimes if they either  
26 withhold or report. Send these materials via certified mail to the corporate counsel and use the following  
27 form as legal evidence of precisely WHAT was sent and follow the instructions:

*Certificate/Proof/Affidavit of Service*, Form #01.002  
<http://sedm.org/Forms/FormIndex.htm>

- 28 3. Drop the above items in the mail.
- 29 4. Hand them the W-4 personally AFTER the items are in the mail.
- 30 5. If they withhold or report, send them the following legal warning:

*Legal Notice to Correct Fraudulent Tax Status, Reporting, and Withholding*, Form #04.401  
<http://sedm.org/Forms/FormIndex.htm>

- 31 6. If they continue withholding and reporting after receiving the legal notice in step 5, sue the payroll  
32 clerk personally and individually for violating the law. Leave the company out of it in order to minimize  
33 the possibility of being fired or not hired.

34 Be careful every step of the way to develop a bullet proof evidence trail of everything going back and  
35 forth and make sure it is in writing. Do not accept any meetings, and especially not without neutral third  
36 party witnesses or recordings. You will need all the evidentiary ammunition you can to prosecute the  
37 criminal payroll clerk for violating both the law and your rights. Do everything you possibly can to stick  
38 up for your rights.

1    **26. Where to go for further information and/or to rebut this pamphlet**

2    If you disagree with anything in the pamphlet, you are encouraged to rebut the overwhelming evidence supporting it at the  
3    web address below:

*Tax Deposition Questions*, Form #03.016

<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>

4    There is over 20,000 pages of mainly government documents backing up every aspect of the research appearing in this  
5    pamphlet. The website has been reviewed by several hundred thousand readers and the evidence appearing there has never  
6    been successfully rebutted.

## **27. APPENDIX A: PRIVATE WORKER WITHHOLDING FORMS**

The following subsections contain forms useful in complying fully and completely with the laws on tax withholding and reporting. If you would like additional forms above and beyond those appearing in this chapter, please consult the following:

<i>Tax Withholding and Reporting Forms</i> , Section 1.4 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
---

### **27.1 FORM 1: Stop Withholding Affidavit**



## **AFFIDAVIT OF EXEMPTION FROM WITHHOLDING IN LIEU OF W-4**

Consistent and in pari materia with Section 3402(n) of the Internal Revenue Code ("IRC"), shown herewith

*Internal Revenue Code, Section 3402(n):*

*(n) Employees Incurring No Income Tax Liability. --*

*Notwithstanding any other provision of this section, an employer shall not be required to deduct and withhold any tax under this chapter upon a payment of wages to an employee if there is in effect with respect to such payment a withholding exemption certificate (in such form and containing such other information as the Secretary may prescribe) furnished to the employer by the employee certifying that the employee --*

*(1) incurred no liability for income tax imposed under Subtitle A for his preceding taxable year, and*

*(2) anticipates that he will incur no liability for income tax imposed under Subtitle A for his current taxable year.*

*The Secretary shall by regulations provide for the coordination of the provisions of this subsection with the provisions of subsection (f).*

I do hereby certify to being EXEMPT by law from all federal income tax withholdings because:

- A. No liability for income tax has knowingly been incurred by Me under Subtitle A in the past year or in previous years.
- B. No liability for income tax will knowingly be incurred by Me under Subtitle A in the current year or in future years.

Effective immediately, please stop all federal tax withholdings.

From this point forward, please ensure that you do not file form W-2 on my behalf, and if you mistakenly do, please ensure that the amount in block 1, entitled "wages, tips, and other compensation" is "0", because without a voluntary withholding agreement in place in the form of a W-4, then I can't earn "wages", as required by 26 CFR 31.3401(a)-3(a) below

[26 CFR Sec. 31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements.](#)

*(a) IN GENERAL. Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, **the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (Section 31.3401(a)-3).*

*(b) REMUNERATION FOR SERVICES.*

*(1) **Except as provided in subparagraph (2) of this paragraph, the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a).** For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a)(2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See Sections 31.3401(c)-1 and 31.3401(d)-1 for the definitions of "employee" and "employer".*

The only statutes which impose a specific liability for federal income taxes imposed by Subtitle A are those which are found for the provisions applicable to withholding agents, as itemized in the definition of "Withholding agent" at [IRC 7701\(a\)\(16\)](#). Thank you for your consideration.

### **VERIFICATION**

The Undersigned hereby verifies, under penalty of perjury, under the laws of the United States of America, from without the "United States" (federal government/federal zone), that the above statement is true and correct, to the best of My current

information, knowledge, and belief, so help Me God, pursuant to 28 U.S.C. §1746(1). All Rights Reserved without Prejudice, UCC 1-207

Executed on: \_\_\_\_\_  
Month / Day / Year

Signed: \_\_\_\_\_  
(blue ink signature)

Name: \_\_\_\_\_  
(printed name)

Address: \_\_\_\_\_  
(c/o street, post office box, or general delivery)

County: \_\_\_\_\_  
(name of county, followed by "county")

Union State: \_\_\_\_\_  
(one of the 50 states of the Union)

## **27.2     FORM 2: W-8: Certificate of Foreign Status with Attachment**

This method of filing makes the filer into a nonresident alien. The attachment found later in section 27.5 is optional but recommended. If the attachment is included, then the bottom of each side of the W-8 form should say the following:

*“Not valid without the attached enclosure, quantity 10 pages. Each page of the enclosure must be initialed by the submitter so that it cannot be tampered with.”*

If you would like additional help in preparing the IRS Form W-8BEN, please refer to the excellent article at:

<a href="http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm">http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm</a>
---

# Certificate of Foreign Status

Please print or type	Name of owner (If joint account, also give joint owner's name.) (See <b>Specific Instructions.</b> )		U.S. taxpayer identification number (if any)	
	Permanent address (See <b>Specific Instructions.</b> ) (Include apt. or suite no.)			
	City, province or state, postal code, and country			
	Current mailing address, if different from permanent address (Include apt. or suite no., or P.O. box if mail is not delivered to street address.)			
	City, town or post office, state, and ZIP code (If foreign address, enter city, province or state, postal code, and country.)			
List account information here (Optional, see <b>Specific Instructions.</b> )	Account number	Account type	Account number	Account type

**Notice of Change in Status.**—To notify the payer, mortgage interest recipient, broker, or barter exchange that you no longer qualify for exemption, check here . . . . . ☐  
**If you check this box, reporting will begin on the account(s) listed.**

Please Sign Here	<b>Certification.</b> —(Check applicable box(es)). Under penalties of perjury, I certify that:	
	<input type="checkbox"/> For <b>INTEREST PAYMENTS</b> , I am not a U.S. citizen or resident (or I am filing for a foreign corporation, partnership, estate, or trust).	
	<input type="checkbox"/> For <b>DIVIDENDS</b> , I am not a U.S. citizen or resident (or I am filing for a foreign corporation, partnership, estate, or trust).	
	<input type="checkbox"/> For <b>BROKER TRANSACTIONS</b> or <b>BARTER EXCHANGES</b> , I am an exempt foreign person as defined in the instructions below.	
	Signature	Date

## General Instructions

(Section references are to the Internal Revenue Code unless otherwise noted.)

### Purpose

Use Form W-8 or a substitute form containing a substantially similar statement to tell the payer, mortgage interest recipient, middleman, broker, or barter exchange that you are a nonresident alien individual, foreign entity, or exempt foreign person not subject to certain U.S. information return reporting or backup withholding rules.

**Caution:** Form W-8 does not exempt the payee from the 30% (or lower treaty) nonresident withholding rates.

### Nonresident Alien Individual

For income tax purposes, "nonresident alien individual" means an individual who is neither a U.S. citizen nor resident. Generally, an alien is considered to be a U.S. resident if:

- The individual was a lawful permanent resident of the United States at any time during the calendar year, that is, the alien held an immigrant visa (a "green card"), or
- The individual was physically present in the United States on:

- (1) at least 31 days during the calendar year, and
- (2) 183 days or more during the current year and the 2 preceding calendar years (counting all the days of physical presence in the current year, one-third the number of days of presence in the first preceding year, and only one-sixth of the number of days in the second preceding year).

See **Pub. 519**, U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.

**Note:** If you are a nonresident alien individual married to a U.S. citizen or resident and have made an election under section 6013(g) or (h), you are treated as a U.S. resident and **may not** use Form W-8.

### Exempt Foreign Person

For purposes of this form, you are an "exempt foreign person" for a calendar year in which:

1. You are a nonresident alien individual or a foreign corporation, partnership, estate, or trust,
2. You are an individual who has not been, and plans not to be, present in the United States for a total of 183 days or more during the calendar year, and
3. You are neither engaged, nor plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from transactions with a broker or barter exchange.

If you do not meet the requirements of **2** or **3** above, you may instead certify on **Form 1001**, Ownership, Exemption, or Reduced Rate Certificate, that your country has a tax treaty with the United States that exempts your transactions from U.S. tax.

### Filing Instructions

**When To File.**—File Form W-8 or substitute form before a payment is made. Otherwise, the payer may have to withhold and send part of the payment to the Internal Revenue Service (see **Backup Withholding** below). This certificate

generally remains in effect for three calendar years. However, the payer may require you to file a new certificate each time a payment is made to you.

**Where To File.**—File this form with the payer of the qualifying income who is the withholding agent (see **Withholding Agent** on page 2). Keep a copy for your own records.

### Backup Withholding

A U.S. taxpayer identification number or Form W-8 or substitute form must be given to the payers of certain income. If a taxpayer identification number or Form W-8 or substitute form is not provided or the wrong taxpayer identification number is provided, these payers may have to withhold 20% of each payment or transaction. This is called backup withholding.

**Note:** On January 1, 1993, the backup withholding rate increases from 20% to 31%.

Reportable payments subject to backup withholding rules are:

- Interest payments under section 6049(a).
- Dividend payments under sections 6042(a) and 6044.
- Other payments (i.e., royalties and payments from brokers and barter exchanges) under sections 6041, 6041A(a), 6045, 6050A, and 6050N.

If backup withholding occurs, an exempt foreign person who is a nonresident alien individual may get a refund by filing **Form 1040NR**, U.S. Nonresident Alien Income Tax Return, with the Internal Revenue

(Continued on back.)

Service Center, Philadelphia, PA 19255, even if filing the return is not otherwise required.

## U.S. Taxpayer Identification Number

The Internal Revenue law requires that certain income be reported to the Internal Revenue Service using a U.S. taxpayer identification number (TIN). This number can be a social security number assigned to individuals by the Social Security Administration or an employer identification number assigned to businesses and other entities by the Internal Revenue Service.

Payments to account holders who are foreign persons (nonresident alien individuals, foreign corporations, partnerships, estates, or trusts) generally are not subject to U.S. reporting requirements. Also, foreign persons are not generally required to have a TIN, nor are they subject to any backup withholding because they do not furnish a TIN to a payer or broker.

However, foreign persons with income effectively connected with a trade or business in the United States (income subject to regular (graduated) income tax), must have a TIN. To apply for a TIN, use **Form SS-4**, Application for Employer Identification Number, available from local Internal Revenue Service offices, or **Form SS-5**, Application for a Social Security Card, available from local Social Security Administration offices.

## Special Rules

**Mortgage Interest.**—For purposes of the reporting rules, mortgage interest is interest paid on a mortgage to a person engaged in a trade or business originating mortgages in the course of that trade or business. A mortgage interest recipient is one who receives interest on a mortgage that was acquired in the course of a trade or business.

Mortgage interest is not subject to backup withholding rules, but is subject to reporting requirements under section 6050H. Generally, however, the reporting requirements do not apply if the payer of record is a nonresident alien individual who pays interest on a mortgage not secured by real property in the United States. Use Form W-8 or substitute form to notify the mortgage interest recipient that the payer is a nonresident alien individual.

**Portfolio Interest.**—Generally, portfolio interest paid to a nonresident alien individual or foreign partnership, estate, or trust is not subject to backup withholding rules. However, if interest is paid on portfolio investments to a beneficial owner that is neither a financial institution nor a member of a clearing organization, Form W-8 or substitute form is required.

**Registered obligations not targeted to foreign markets** qualify as portfolio interest not subject to 30% withholding, but require the filing of Form W-8 or substitute form. See **Instructions to Withholding Agents** on this page for reporting rules.

See **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations, for **registered obligations targeted to foreign markets** and when Form W-8 or substitute form is not required on these payments.

**Bearer obligations.**—The interest from bearer obligations targeted to foreign markets is treated as portfolio interest and is not subject to 30% withholding. Form W-8 or substitute form is not required.

**Dividends.**—Any distribution or payment of dividends by a U.S. corporation sent to a foreign address is subject to the 30% (or lower treaty) withholding rate, but is not subject to backup withholding. Also, there is no backup withholding on dividend payments made to a foreign person by a foreign corporation. However, the 30% withholding (or lower treaty) rate applies to dividend payments made to a foreign person by a foreign corporation if:

- 25% or more of the foreign corporation's gross income for the three preceding taxable years was effectively connected with a U.S. trade or business, and
- The corporation was not subject to the branch profits tax because of an income tax treaty (see section 884(e)).

If a foreign corporation makes payments to another foreign corporation, the recipient must be a qualified resident of its country of residence to benefit from that country's tax treaty.

**Broker or Barter Exchanges.**—Income from transactions with a broker or barter exchanges is subject to reporting rules and backup withholding unless Form W-8 or substitute form is filed to notify the broker or barter exchange that you are an exempt foreign person as defined on page 1.

## Specific Instructions

**Name of Owner.**—If Form W-8 is being filed for portfolio interest, enter the name of the beneficial owner.

**U.S. Taxpayer Identification Number.**—If you have a U.S. taxpayer identification number, enter your number in this space (see the discussion earlier).

**Permanent Address.**—Enter your complete address in the country where you reside permanently for income tax purposes.

<i>If you are:</i>	<i>Show the address of:</i>
An individual	Your permanent residence
A partnership or corporation	Principal office
An estate or trust	Permanent residence or principal office of any fiduciary

Also show your current mailing address if it differs from your permanent address.

**Account Information (optional).**—If you have **more than one account** (savings, certificate of deposit, pension, IRA, etc.) with the same payer, list all account numbers and types on one Form W-8 or

substitute form unless your payer requires you to file a separate certificate for each account.

If you have **more than one payer**, file a separate Form W-8 with each payer.

**Signature.**—If only one foreign person owns the account(s) listed on this form, that foreign person should sign the Form W-8.

If each owner of a joint account is a foreign person, **each** should sign a separate Form W-8.

**Notice of Change in Status.**—If you become a U.S. citizen or resident after you have filed Form W-8 or substitute form, or you cease to be an exempt foreign person, you must notify the payer in writing within 30 days of your change in status.

To notify the payer, you may check the box in the space provided on this form or use the method prescribed by the payer.

Reporting will then begin on the account(s) listed and backup withholding may also begin unless you certify to the payer that:

- (1) The U.S. taxpayer identification number you have given is correct, **and**
- (2) The Internal Revenue Service has not notified you that you are subject to backup withholding because you failed to report certain income.

You may use **Form W-9**, Request for Taxpayer Identification Number and Certification, to make these certifications.

If an account is no longer active, you do not have to notify a payer of your change in status unless you also have another account with the same payer that is still active.

**False Certificate.**—If you file a false certificate when you are not entitled to the exemption from withholding or reporting, you may be subject to fines and/or imprisonment under U.S. perjury laws.

## Instructions to Withholding Agents

**Withholding Agent.**—Generally, the person responsible for payment of the items discussed above to a nonresident alien individual or foreign entity is the withholding agent (see Pub. 515).

**Retention of Statement.**—Keep Form W-8 or substitute form in your records for at least four years following the end of the last calendar year during which the payment is paid or collected.

**Portfolio Interest.**—Although registered obligations **not** targeted to foreign markets are not subject to 30% withholding, you must file **Form 1042S**, Foreign Person's U.S. Source Income Subject to Withholding, to report the interest payment. Both Form 1042S and a copy of Form W-8 or substitute form must be attached to **Form 1042**, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons.

**27.3     FORM 3: Modified W-8BEN: Certificate of Foreign Status for United States Tax Withholding with Attachment**

This method of filing makes the filer into a nonresident alien. The attachment found later in section 27.5 is optional but recommended. If the attachment is included, then the bottom of each side of the W-8 form should say the following:

*“Not valid without the attached enclosure, quantity 10 pages. Each page of the enclosure must be initialed by the submitter so that it cannot be tampered with.”*

If you would like additional help in preparing the IRS Form W-8BEN, please refer to the excellent article at:

<a href="http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm">http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm</a>
---



**Certificate of Foreign Status of Nonresident Alien  
for United States Tax Withholding**

▶ Section references are to the Internal Revenue Code

▶ See separate instructions.

▶ Give this form to the withholding agent or payer. Do NOT send to the IRS.

Substitute for  
OMB No. 1545-1621**Do not use this form for:**

- A U.S. citizen or other U.S. person, including a resident alien individual \_\_\_\_\_ **W-9**
  - A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States \_\_\_\_\_ **W-8ECI**
  - A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) \_\_\_\_\_ **W-8ECI or W-8IMY**
  - A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) \_\_\_\_\_ **W-8ECI or W-8EXP**
- Note:** These entities should use Form **W-8BEN** if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.
- A person acting as an intermediary \_\_\_\_\_ **W-8IMY**

**Note:** See instructions for additional exceptions.**Part I Identification of Nonresident Alien Claiming non-"U.S. person" status**

<b>1</b> Name of nonresident alien (non-U.S. person)		<b>2</b> Country of incorporation or organization NA: Human being	
<b>3</b> Type of nonresident alien: <input type="checkbox"/> Individual (public officer) <input type="checkbox"/> Corporation <input type="checkbox"/> Disregarded entity <input type="checkbox"/> Partnership <input type="checkbox"/> Simple trust <input type="checkbox"/> Grantor trust <input type="checkbox"/> Complex trust <input type="checkbox"/> Estate <input type="checkbox"/> Government <input type="checkbox"/> International organization <input type="checkbox"/> Central bank of issue <input type="checkbox"/> Tax-exempt organization <input type="checkbox"/> Private foundation <input type="checkbox"/> Union state Citizen			
<b>4</b> Permanent address (street, apt. or suite no. or rural route)			
City or town, state or province. Include postal code where appropriate.		Country (do not abbreviate) United States of America	
<b>5</b> Mailing address (if different from above)			
City or town, state or province. Include postal code where appropriate.		Country (do not abbreviate)	
<b>6</b> Identification number (unless not required) NOT REQUIRED. See W-8BEN Inst. p. 1,2,4,5 (Cat. 25576H); W-8 Supp. Inst. p. 1,2,6 (Cat. 26698G) Pub. 515 Inst. p. 7; Form 1042-s Inst. p. 1,14; 31 CFR 306.10; 31 CFR 103.34(a)(3)		<b>7</b> Foreign tax ID no., if any	
<b>8</b> Reference number(s) Status claimed at 26 CFR 1.871-1(b)(1)(i)-nonresident alien who at no time during the year engaged in a "trade or business" in the U.S.			

**Part II Claim of Tax Treaty Benefits (if applicable)****9 I certify that (check all that apply):**

- a ☐ The nonresident alien is a resident of \_\_\_\_\_ within the meaning of an income tax treaty between the U.S. and that country
- b ☐ If required, the identification number is stated on line 6 (see instructions).
- c ☐ The nonresident alien is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).
- d ☐ The nonresident alien is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).
- e ☐ The nonresident alien is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, \$500,000.

**10 Special rates and conditions** (if applicable--see instructions): The nonresident alien is claiming the provisions of Article \_\_\_\_\_ of the treaty identified on line 9a above to claim a \_\_\_\_\_ % rate of withholding on (specify type of income): \_\_\_\_\_

Explain the reasons the nonresident alien meets the terms of the treaty article: \_\_\_\_\_

**Part III Notional Principal Contracts**

**11** ☐ I have provided or will provide a statement that identifies those notional principal contracts which the income is not effectively connected with the conduct of a trade or business in the United States

**Part IV Certification**

Under penalties of perjury from without the "United States" in accordance with 28 U.S.C. 1746(1), I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete when litigated only in a state court with a jury trial. I further certify under penalties of perjury that:

- I am the nonresident alien (or am authorized to sign for the nonresident alien) of all the transactions to which this form relates
- The nonresident alien is NOT a U.S. person and is not liable for withholding or paying income taxes or filing returns under 26 U.S.C. or 26 C.F.R.
- The income to which this form relates is not effectively connected with the conduct of a "trade or business" in the "United States" and is not subject to tax under an income tax law or treaty, and
- For broker transactions or broker transaction, the nonresident alien is a "foreign estate" as defined in 26 U.S.C. 7701(a)(31)

The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person and, if applicable, obtain a reduced rate of withholding.

**Sign Here**

Signature of nonresident alien (or person authorized to sign for nonresident alien)

Date (MM-DD-YYYY)

Capacity in which acting

#### **27.4     FORM 4: W-8BEN: Certificate of Foreign Status for United States Tax Withholding**

This method of filing makes the filer into a nonresident alien. The attachment found later in section 27.5 is optional but recommended. If the attachment is included, then the bottom of each side of the W-8 form should say the following:

*“Not valid without the attached enclosure, quantity 8 pages. Each page of the enclosure must be initialed by the submitter so that it cannot be tampered with.”*

If you would like additional help in preparing the IRS Form W-8BEN, please refer to the excellent article at:

About IRS Form W-8BEN, Form #04.202

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

**Certificate of Foreign Status of Beneficial Owner  
for United States Tax Withholding**

OMB No. 1545-1621

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.  
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

Do not use this form for:

- A U.S. citizen or other U.S. person, including a resident alien individual . . . . . W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States . . . . . W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

**Note:** These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.

- A person acting as an intermediary . . . . . W-8IMY

**Note:** See instructions for additional exceptions.

Instead, use Form:

**Part I Identification of Beneficial Owner (See instructions.)**

1 Name of individual or organization that is the beneficial owner		2 Country of incorporation or organization	
3 Type of beneficial owner: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Disregarded entity <input type="checkbox"/> Partnership <input type="checkbox"/> Simple trust <input type="checkbox"/> Grantor trust <input type="checkbox"/> Complex trust <input type="checkbox"/> Estate <input type="checkbox"/> Government <input type="checkbox"/> International organization <input type="checkbox"/> Central bank of issue <input type="checkbox"/> Tax-exempt organization <input type="checkbox"/> Private foundation			
4 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.  City or town, state or province. Include postal code where appropriate. Country (do not abbreviate)			
5 Mailing address (if different from above)  City or town, state or province. Include postal code where appropriate. Country (do not abbreviate)			
6 U.S. taxpayer identification number, if required (see instructions) <input type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN		7 Foreign tax identifying number, if any (optional)	
8 Reference number(s) (see instructions)			

**Part II Claim of Tax Treaty Benefits (if applicable)**

9 I certify that (check all that apply):

- a ☐ The beneficial owner is a resident of ..... within the meaning of the income tax treaty between the United States and that country.
- b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).
- c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).
- d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).
- e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, \$500,000.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article ..... of the treaty identified on line 9a above to claim a ..... % rate of withholding on (specify type of income): .....  
Explain the reasons the beneficial owner meets the terms of the treaty article: .....

**Part III Notional Principal Contracts**

- 11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

**Part IV Certification**

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

**Sign Here**

Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY) Capacity in which acting

## **27.5     FORM 5: Payroll Withholding Form Attachment (Long version)**

This form is attached to either a form W-4, W-8, or W-8BEN. It properly clarifies your status and eliminates any false presumptions about your status that could create an incorrect tax liability with the IRS. We highly recommend attaching it to any kind of withholding form you might submit.

# **PAYROLL WITHHOLDING FORM ATTACHMENT**

## **Attachment(s): (initial all that apply)**

Check	Title	Mandatory?	Enclosure #
<input type="checkbox"/>	Affidavit of Citizenship, Domicile, and Tax Status	Yes	1
<input type="checkbox"/>	Tax Form Attachment	Yes	2
<input type="checkbox"/>	IRS Form W-8/W-8BEN	Yes	3
<input type="checkbox"/>	Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number"	Yes	4
<input type="checkbox"/>	IRS Form W-4 Submitted under unlawful duress. For details, see section 4 later.	No	5
<input type="checkbox"/>	State withholding form number: _____ State name: _____	No	6

## **TABLE OF CONTENTS**

<b>1. PURPOSE .....</b>	<b>1</b>
<b>2. INDEMNIFICATION OF LIABILITY TO COMPANY IN RECEIPT OF THIS NOTICE .....</b>	<b>2</b>
<b>3. FORM W-8/W-8 BEN NOTES (if attached): .....</b>	<b>2</b>
<b>4. FORM W-4 NOTES (if also attached): .....</b>	<b>2</b>
<b>5. ACKNOWLEDGMENT OF RECEIPT BY OR DELIVERY TO PRIVATE EMPLOYER:.....</b>	<b>3</b>
<b>ENCLOSURE (1): AFFIDAVIT OF CITIZENSHIP, DOMICILE AND TAX STATUS.....</b>	<b>5</b>
<b>ENCLOSURE (2): TAX FORM ATTACHMENT .....</b>	<b>6</b>
<b>ENCLOSURE (3): IRS FORM W-8/W-8BEN.....</b>	<b>7</b>
<b>ENCLOSURE (4): WHY IT IS ILLEGAL FOR ME TO REQUEST OR USE A "TAXPAYER IDENTIFICATION NUMBER" .....</b>	<b>8</b>
<b>ENCLOSURE (5): IRS FORM W-4 SUBMITTED UNDER UNLAWFUL DURESS .....</b>	<b>9</b>
<b>ENCLOSURE (6): STATE TAX WITHHOLDING FORMS .....</b>	<b>10</b>

**WARNING:** This submission shall be considered invalid, null, and void without this attachment and all other forms attached to it.

### **1. PURPOSE**

The purpose of this submission is to completely and unambiguously describe my tax status for the payroll person who will process all tax withholding and reporting forms connected with the business relationship between me as a private person and the company that is in receipt of this form. Exhibits indicated in the table at the beginning of this submission are described below:

- Exhibit 1: Affidavit of Citizenship, Domicile, and Tax Status. Establishes my tax status and all the withholding and reporting requirement applicable to that status.
- Exhibit 2: Tax Form Attachment. Defines all the terms on any attached government forms and contains a franchise agreement obligating only the government if they receive any portion of this submission.
- Exhibit 3: IRS Form W-8/W-8BEN. Documents my status as a "nonresident alien" who has no requirement to either withhold or report my earnings to the IRS.
- Exhibit 4: Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number. Establishes why it is illegal for me to request or use a Taxpayer Identification Number. It is provided to explain why no TIN is provided with this submission.
- Exhibit 5: IRS form W-4 Submitted Under Unlawful Duress. Provided ONLY in the event that you, the recipient illegally either threaten to fire or not hire me for failure to provide IRS Form W-4. Section 4 establishes why it is submitted under duress.
- Exhibit 6: State tax withholding forms. Contains any relating state tax withholding or reporting forms.

## 2. INDEMNIFICATION OF LIABILITY TO COMPANY IN RECEIPT OF THIS NOTICE

The worker who is submitting this form to his private employer makes the following stipulations and promises relating to income tax withholding and administration by the private employer:

1. Worker indemnifies private employer against any lawsuits arising from the misapplication of the internal revenue laws of the United States relating to withholding against worker, provided that it honors the withholding forms submitted here.
2. Worker has repeatedly contacted the IRS about the validity of the approach documented here and has never been provided with a statute and/or implementing regulation that contradicts any of it.
3. Worker has diligently made a good-faith effort to ensure that everything appearing in this attachment and the accompanying withholding forms are consistent with the Internal Revenue Code and will *not* result in any liability of the private employer to the IRS.
4. If IRS inquires about withholding or tax forms or worker, worker will gladly meet with them during *off-duty time*, answer all their questions, and work in good faith to resolve any disputes over compliance with the law. Employee will also provide a written record of any and all dialog to employer immediately after it occurs.

In return these valuable considerations, worker simply asks that private employer:

1. Not remove or destroy any of the withholding forms and attachments submitted.
2. If it submits any of the withholding forms to the IRS, it provides all of them, rather than a subset of them. For instance, if both a W-4 and a W-8Ben form were submitted by the worker to the private employer, then both of the forms plus this attachment must be sent to the IRS.
3. Not terminate him/her or refuse to hire him/her because of his stance on withholding issues, social security numbers, citizenship status as a "non-citizen national", or tax status as a "nonresident alien" who is NOT an "individual".
4. Not honor any IRS "Notice of Levies", but only valid court orders signed by a judge as required by the Fifth Amendment to the U.S. Constitution.

## 3. FORM W-8/W-8 BEN NOTES (if attached):

1. Unlike the IRS form W-4 Exempt, the W-8 and W-8BEN forms need not be submitted to the IRS. It says so right on the form. The top of the form says "Do not send to the IRS", and this applies to the employer as well as the submitter.
2. The W-8 or W-8BEN forms remains in place for a three year period or until rescinded by the submitter. Unlike the IRS form W-4 Exempt, this form DOES NOT expire in February of every year. Acceptance of this form by the recipient implies understanding of this. Any attempt to re-institute withholding by expiring this form incorrectly as a W-4 would expire shall be interpreted as willful conspiracy to commit grand theft in violation of [18 U.S.C. §2111](#).
3. If the recipient or the IRS request any changes to this attachment or the attached W-8 or W-8BEN form, then the legal authority for demanding such a change is specifically requested. A specific statute and accompanying regulation authorizing you to refuse to accept this form or to demand the submitter to make changes must be cited or a replacement will not be provided because the law does not authorize you to refuse this submission or to apply duress by not receiving this form and thereby surrendering my property to a third party without authority of law and in violation of the Fifth Amendment. Furthermore, refusal to accept this form constitutes a violation of the First Amendment to the U.S. Constitution, which says we have a right to decide where, when and HOW we wish to communicate with our government. Since you, the recipient, are acting as a compelled and involuntary and uncompensated agent of the federal government in executing and processing this form, then the same constitutional restrictions that apply to the federal government must apply to the recipient/employer.

## 4. FORM W-4 NOTES (if also attached):

1. It would constitute perjury under penalty of perjury for me to sign or submit IRS Form W-4 instead of the W-8 attached because it is the incorrect form. You will note that the title says:

"Employee's Withholding Allowance Certificate"

The W-4 form and all the federal regulations pertaining to submission and treatment of form W-4 only apply to "public officers" of the United States government, as defined in [26 U.S.C. §3401\(d\)](#) and 26 CFR §31.3401(c). Me being compelled to commit fraud by you in submitting the Form W-4 incorrectly and fraudulently makes monies received by me, which are not "income" as defined by the Supreme Court, into "gross income" under 26 CFR §31.3231(e)-1 as follows:

*26 CFR Sec. 31.3231(e)-1 Compensation.*

*(a) DEFINITION.*



(1) The term compensation has the same meaning as the term wages in section 3121(a), determined without regard to section 3121(b)(9), except as specifically limited by the Railroad Retirement Tax Act (chapter 22 of the Internal Revenue Code) or regulation. The Commissioner may provide any additional guidance that may be necessary or appropriate in applying the definitions of sections 3121(a) and 3231(e).

(2) A payment made by an employer to an individual through the employer's payroll is presumed, in the absence of evidence to the contrary, to be compensation for services rendered as an employee of the employer.

This attachment is submitted to not only nullify the W-4 creating the false presumption above and also to replace it with the correct W-8 form, but also to overcome the presumption established above that I am either an "employee" or that the monies I make are "income" or "gross income" as defined in [26 U.S.C. §61](#).

2. In the event that you will not accept the W-8 form attached, a W-4 form will also be attached annotated conspicuously with the words:

*"Not valid without attached W-8/W-8BEN form and statement."*

The submitter believes that both the private employer who is receiving this withholding form and the submitter are under unlawful duress by the IRS, which has obviously been mis-enforcing the Internal Revenue Code and thereby violating the Constitution. This duress renders both parties "not liable" for the accuracy of any withholding information they submit to the IRS. IRS is hereby put on notice that the information submitted cannot and should not be relied upon unless and until the unlawful duress is removed and the IRS once again follows the internal revenue laws by stopping its illegal enforcement activity. As I have said, the W-4 form is not the correct form because I am not an "Employee" under [26 U.S.C. §3401](#)(d) or 26 CFR §31.3401(c)-1 and compelling me without explicit authority of law to falsely claim that I am an "employee" is an unconscionable and criminal infringement of my property rights and free speech by the IRS. All such duress is illegal and attributable only to the agent instituting the duress, and not the actors responding to it by complying. Because the IRS did the compelling, this withholding form and attachment now asks the IRS to apply any penalties resulting from submitting a W-4 to itself.

3. Duress has been applied to me in the submission of the W-4 form, if it is attached, because of the following considerations and additional others not mentioned:

- 3.1. I have grave anxiety about losing my job if I don't submit this form and I know other individuals who have indeed lost their job by attempting what I am doing.
- 3.2. I have grave anxiety about being slandered or harassed by my employer for submitting either a W-8 form or an Exempt W-4 form, and having my evaluations or my pay raises jeopardized if I don't comply, even if it is against everything that I believe it. I either have to commit fraud at gunpoint just so I can feed my family or I have to lose everything. The choice is:

*"Extreme bravery or lifelong slavery."*

I believe that no man should ever be put into such a precarious and very damning situation and any government that would do that to the very citizens who it is there to serve and protect is no only hypocritical, but extremely unjust. I ask you now, if someone told you that you had to admit that you were a prostitute in order to collect the money you earned or starve to death, would you do that. Well, a "taxpayer" is exactly that, a WHORE that sleeps with a wicked IRS that tramples our rights.

## **5. ACKNOWLEDGMENT OF RECEIPT BY OR DELIVERY TO PRIVATE EMPLOYER:**

The information appearing below identifies the private employer in receipt of this form and all other attached withholding paperwork indicated in the checklist at the beginning. Acknowledgment of receipt allows worker to produce legally admissible evidence that the employee was under duress by the IRS and state taxing authorities but not the employer, did not submit this information and/or Social Security Number voluntarily, and may therefore not be held responsible for its content. The only legal person responsible when duress exists is the person instituting the duress, which is the IRS and/or state taxing authorities. This evidence will be used by the worker in resolving any disputes with the IRS or state taxing authorities only and may not be used for any other purpose. This acknowledgment in no way obligates the private employer to anything other than testifying that they received the attached withholding information and are using it for the person who submitted it.

**Process server certification/identity**

I certify that this document was personally delivered to the recipient appearing below by me on the date indicated by (check one):

☐ Dropping in U.S. postal mail

☐ Certified mail #: \_\_\_\_\_

☐ Personally delivering document to the address shown

Date delivered: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

**Address/identity of recipient**

Recipient name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

**Notary Jurat**

BEFORE ME, the undersigned authority, a Notary Public, of the County of \_\_\_\_\_, Republic of \_\_\_\_\_ (statename), this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

\_\_\_\_\_ mailer/process server did personally appear and was identified by driver's license and who, upon first being duly sworn and/or affirmed, deposes and says that the foregoing is true to the best of his/her knowledge and belief.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

Notary Public

My Commission Expires On: \_\_\_\_\_

1    **ENCLOSURE (1): AFFIDAVIT OF CITIZENSHIP, DOMICILE AND TAX STATUS**

2    This enclosure establishes my tax status and all the withholding and reporting requirement applicable to that status.

1    **ENCLOSURE (2): TAX FORM ATTACHMENT**

2    This enclosure defines all the terms on any attached government forms and contains a franchise agreement obligating only the  
3    government if they receive any portion of this submission.

1    **ENCLOSURE (3): IRS FORM W-8/W-8BEN**

2    This enclosure documents my status as a “nonresident alien” who has no requirement to either withhold or report my earnings  
3    to the IRS.

1 **ENCLOSURE (4): WHY IT IS ILLEGAL FOR ME TO REQUEST OR USE A “TAXPAYER IDENTIFICATION**  
2 **NUMBER”**

3 This enclosure establishes why it is illegal for me to request or use a Taxpayer Identification Number. It is provided to explain  
4 why no TIN is provided with this submission.



1    **ENCLOSURE (5): IRS FORM W-4 SUBMITTED UNDER UNLAWFUL DURESS**

2    This enclosure is provided ONLY in the event that you, the recipient illegally either threaten to fire or not hire me for failure to  
3    provide IRS Form W-4. Section 4 establishes why it is submitted under duress.

1    **ENCLOSURE (6): STATE TAX WITHHOLDING FORMS**

2    Contains any relating state tax withholding or reporting forms.

## 27.6 **FORM 6: Payroll Withholding Form Attachment (Short version)**

This form is a short version of FORM 8, and is for employers who have a short attention span, do not have the patience to read FORM 8, are unwilling to sign for receipt of FORM 8, and who have basically told their new hires or existing employees:

*“Give me a W-4, sign it, don’t modify it, don’t attach anything to clarify or define anything on it, or go hit the street. I have very little patience for tax protesters like you. All I want is an ‘employee’ who looks like all the other employees. This workplace is for my convenience and entertainment, and you’re just a serf, so sit down and SHUT UP, boy.”*

Basically, these employers are selfish, ignorant, refuse to be educated or to contradict the overwhelming evidence that contradicts all the stupid presumptions they are making. They simply refuse to listen and don’t give a damn about their employees. Why would anyone want to work for someone like this? You’re just a number. I’d tell them to take a hike!

The form includes a place for your signature but not that of the process server because there isn’t room for it. However, you should attach the “Certificate/Proof/Affidavit of Service” form as proof that you sent it, which you can download for free.

<p><u><i>Certificate/Proof/Affidavit of Service</i></u>, Form #01.002 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
---

Make sure you precisely list everything that was sent to the employer on the form, including the number of pages, and the document or form name. Keep the original of the completed Affidavit form and include a copy with the document. Send the document via certified postal mail to your employer. DO NOT hand it to him/her in person, because they may use it as a basis to terminate you or not hire you, and you want to have legally admissible evidence of the reasons why you were terminated. Usually, when employers fire or refuse to hire you, they will notify you immediately after they get your withholding form. When you have legal proof of the date you sent the form to them, then you have a basis for an employment discrimination lawsuit.

**Attachment(s): (initial all that apply)**

- a. \_\_\_\_\_ IRS Form W-4  
b. \_\_\_\_\_ IRS Form W-8/W-8BEN  
c. \_\_\_\_\_ State withholding form number: \_\_\_\_\_ State name: \_\_\_\_\_  
d. \_\_\_\_\_ Form SSN: Citizen's Assertion of Legal right to Withhold SSN
- 

**WITHHOLDING FORM ATTACHMENT:**

The purpose of this form is to briefly clarify the significance and meaning of the attached W-4 "Withholding Allowance Certificate". The following terms and conditions apply to the attached form W-4 as prescribed and voluntarily declared by the submitter:

1. Employee does not want to be forced to obtain or use a Social Security Number. Employer insists that employee disclose or provide a number for use in tax withholding and that if he doesn't, then he/she either won't get the job or can't keep the job he/she already has. 42 U.S.C. §408 makes it a felony to compel the involuntary disclosure or use of SSNs, but employee is willing to forego the criminal aspects of this problem if employer will give him a job. He is hungry and has become the laughing stock of his family because he is unemployed. However, he won't forego making sure that the full story is told in the withholding forms he submits.
2. Employee asserts that he is a "national" or its equivalent under 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452. He also claims that he is a "Citizen" within the meaning of the United States Constitution. He is not, however, a statutory "U.S. citizen" under 8 U.S.C. §1401 or under any federal law. The term "U.S." or "United States" as used in federal law does not have the same meaning as "United States" as used in the Constitution. Employee has observed that the employer simply refuses to recognize or be educated about the two types of citizens recognized in federal law and under the Law of Nations, and insists on "assuming" that employee is a federal citizen under 8 U.S.C. §1401, even though employee knows this isn't true.
3. Employee asserts that he is classified as a "nonresident alien" under the Internal Revenue Code. A "nonresident alien" is defined in 26 U.S.C. §7701(b)(1)(B) as a person who is "*neither a citizen of the United States nor a resident of the United States*". "Nonresident aliens" and "aliens" are mutually exclusive classes under the Internal Revenue Code. An "alien" is defined in federal law at 26 CFR §1.1441-1(c)(3)(i) as a person who is "*not a citizen or a national of the United States*". Employee asserts that he is NOT an "alien", and that being a "nonresident alien" doesn't mean he isn't a "U.S. citizen" under the Constitution.
4. Employee says that the SSN is the wrong number to put on an IRS tax form, because the only type of number that the IRS can require is a Taxpayer Identification Number (TIN) under 26 U.S.C. §6109(b) and 26 CFR §301.6109-1(b). TINs can only be issued to aliens, as per 26 CFR §301.6109-1(d)(3), and employee is not an "alien".
5. Employee asserts that even though the withholding form asks for an SSN, the Internal Revenue Code doesn't require or authorize him to put that number on an IRS form. The IRS' own Internal Revenue Manual also says in section 4.10.7.2.8 that you can't trust IRS forms or publications, so there is no basis to believe that what the IRS is really asking for is an SSN in the context of any tax form.
6. The employer has also told the employee that he will not be able to either get the job as a new hire or keep the one he already has with the company unless he signs a W-4 "Withholding Allowance Certificate" and provides a Social Security Number (SSN) on the form.
7. Employee believes that the W-4 form is the WRONG withholding form and does not want to submit that form. His involuntary submission of the W-4 form to the employer does not constitute consent or agreement with the employer's position. Employee asserts that the correct form for him/her is that of the W-8BEN, because he/she is a "nonresident alien". Employer refuses to accept the W-8BEN form, but can't justify using statutes and regulations why it is not the correct form and is operating entirely on uninformed and false presumption. The W-8BEN form, however, remains the only withholding form that employee can submit voluntarily and without knowingly committing involuntary perjury or fraud.
8. Employee is therefore caught between a figurative rock and a hard place: Willfully commit perjury under penalty of perjury by submitting the wrong W-4 withholding form and indicating a false TIN on it, or starving to death and being the laughing stock of his family because he is unemployable.
9. Employee does not want to withhold income taxes from his pay. In order to not withhold using the W-4 he is compelled to use, the form says that you have to write "Exempt", but employee knows he is not exempt and instead is simply a "nonresident alien" and a "nontaxpayer" who is outside the jurisdiction of the Internal Revenue Code, and has no income "effectively connected with a trade or business in the United States". No matter what he does with the W-4 form, employee thinks it is going to be willful fraud under duress. Employee would like to use a word other than "Exempt" on block (7) of the W-4 in order to stop withholding, such as "nontaxpayer", but employer says that employee won't get the job or hold the one he has if he doesn't use that word in order to stop withholding. If employee willfully commits involuntary fraud on the W-4 in response to duress by employer by writing "Exempt" on the W-4 form, then he knows that the form will be sent into the IRS, and the IRS will eventually attempt to illegally penalize him with a \$500 fine., and he doesn't want to be illegally penalized (in violation of 26 U.S.C. §6671(b)) for simply trying to comply under duress to the employer's unreasonable, and unlawful demands.
10. Employee therefore has to commit involuntary perjury using a W-4 form in order to simply work and eat and responsibly support himself, and this is deplorable. What is even more deplorable is that the IRS refuses to intervene in this undoubtedly common situation and explain to employers that employee is correct. It could do this by clarifying the facts in an IRS publication or by advising people with the truth on its 800 number, but it choose not to do either. The reason IRS won't admit the truth and side with the employee is because it would reduce their revenues. Their silence has been procured with extorted loot. The love of money is the root of all evil.
11. IRS is put on notice by this attachment that if a form W-8BEN is also attached, then it "trumps" or nullifies the W-4 information. Employer is instructed that if he sends in the W-4 because it says "Exempt", then he also must send in everything else that is attached, to include this statement and the W-8BEN, in order to ensure that the IRS does not attempt to illegally penalize employee for submitting a form that he knows is fraudulent because under duress.
12. All the information on this form and the attached withholding forms is considered copyrighted and may not be entered into any government computer system, nor shared with any third party, but must stay in the paper form it was submitted in. Failure to observe this copyright shall subject the government to a liability of \$1 Million plus the value of any tax assessments that are made based on it.
13. Additional information included in this attachment is found at the following address on the web, and the reader should carefully read all of it, or he will get the wrong perception of what the W-4 means that is attached.

<http://famguardian.org/TaxFreedom/Forms/Employers/WithhAttachment.htm>

Employee signature:_____	Date:_____
Employee name:_____	Employee
position:_____	
Employer name:_____	

## 27.7 **FORM 7: Attachment to Consultant/Independent Contractor agreement**

This form and is for Businesses who have a short attention span, who are hiring an independent Contractor to do some work, are not withholding taxes on the earnings of the contractor, and who want to properly reflect the status of the contractor in their records and their IRS information reporting:

The form includes a place for your signature but not that of the process server because there isn't room for it. However, you should attach the "Certificate/Proof/Affidavit of Service" form as proof that you sent it, which you can download for free.

Certificate/Proof/Affidavit of Service, Form #01.002  
<http://sedm.org/Forms/FormIndex.htm>

Make sure you precisely list everything that was sent to the employer on the Affidavit of Service, including the number of pages and the document or form name. Keep the original of the completed Affidavit form and include a copy with the document. Send the document via certified postal mail to your employer. DO NOT hand it to him/her in person, because they may use it as a basis to terminate you or not hire you, and you want to have legally admissible evidence of the reasons why you were terminated. Usually, when employers fire or refuse to hire you, they will notify you *immediately* after they get your withholding form. When you have legal proof of the date you sent the form to them, then you have a basis for an employment discrimination lawsuit. If you would like to know more about fighting employment discrimination, please refer to the following page on our website:

<http://famguardian.org/Subjects/Discrimination/discrimination.htm>



**Attachment(s): (initial all that apply)**

a. \_\_\_\_\_ Independent Contractor/Consultant Agreement.

**CONTRACTOR AGREEMENT ATTACHMENT:**

The purpose of this form is to briefly clarify the tax consequences of the Contract being instituted between Contractor and Client. The following terms and conditions apply, as mutually stipulated by Contractor and his/her Client:

1. This agreement is undertaken in good faith to document aspects of the Contract that Client has not to date documented relating to state and federal withholding requirements and disclosure of Social Security Numbers. Good faith business dealings demand that all aspects of the arrangements between Client and Contractor be fully and completely documented and disclosed in writing.
2. Contractor does not want to be forced to obtain or use a Social Security Number. He says it violates his Fifth Amendment rights to be required to do so, and that at least in the context of tax reporting, Client is acting as a voluntary, uncompensated agent of the federal government and therefore must respect his constitutional rights. Client insists that Contractor disclose or provide a number for use in tax withholding and/or reporting and that if he doesn't, then he/she either won't get the Contract or can't keep the Contract he/she already has.
3. 42 U.S.C. §408 makes it a felony to compel the involuntary disclosure or use of SSNs, but Contractor is willing to indemnify Client against the criminal aspects of this problem if Client will give him a Contract. Contractor would like to seek a permanent and enduring business relationship but do so without duress, undue influence, or compulsion against either party to the Contract in regards to use of Social Security Numbers, "tax" withholding, or tax reporting. The only way to ensure that no duress is applied is for the IRS to demonstrate "liability" and "legal duty" for taxes of Contractor by producing a statute and implementing regulation, and to do so in an affidavit signed under penalty of perjury. Absent such proof of legal liability, there is no other adequate way to guarantee a liability or the need to report or withhold.
4. Contractor declares that he is a "national" or its equivalent under 8 U.S.C. §1101(a)(22)(B) and 8 U.S.C. §1452. He also declares that he is a "citizen of the United States" under Section 1 of the Fourteenth Amendment. As such, he is a "U.S. citizen", where the term "U.S." in that case means the collective states of the Union mentioned in the Constitution of the United States. He is not, however, a "U.S. citizen" under 8 U.S.C. 1401 or under any federal law. The term "U.S." or "United States" as used in federal law does not have the same meaning as "United States" as used in the Constitution.
5. Contractor declares that he is classified as a "nonresident alien" under the Internal Revenue Code. A "nonresident alien" is defined in 26 U.S.C. §7701(b)(1)(B) as a person who is "*neither a citizen of the United States nor a resident of the United States*". "Nonresident aliens" and "aliens" are mutually exclusive classes under the Internal Revenue Code. An "alien" is defined in federal law at 26 CFR §1.1441-1(c)(3)(i) as a person who is "*not a citizen or a national of the United States*". Contractor asserts that he is NOT an "alien", and that being a "nonresident alien" doesn't mean he isn't a "U.S. citizen" under the Constitution.
6. Contractor declares that an SSN is the wrong number to put on an IRS tax form, because the only type of number that the IRS can require is a Taxpayer Identification Number (TIN) under 26 U.S.C. §6109(b) and 26 CFR §301.6109-1(b). TINs can only be issued to aliens, as per 26 CFR §301.6109-1(d)(3), and Contractor is not an "alien". "nonresident aliens" are not the same as "aliens", both of which are defined in 26 CFR §1.1441-1(c)(3).
7. Contractor asserts that even though the withholding forms ask for an SSN, the Internal Revenue Code doesn't require or authorize him to put that number on an IRS form. The IRS' own Internal Revenue Manual also says in section 4.10.7.2.8 that you can't trust IRS forms or publications, so there is no basis to believe that what the IRS is really asking for is an SSN in the context of any tax form.
8. Contractor has been corresponding with the IRS for years asking them to produce a law that makes him "liable" to pay or withhold federal income taxes under Subtitle A of the Internal Revenue Code and has been extensively studying the issue and found no law that requires him to pay or withhold, and therefore had a good faith belief that he is a "nontaxpayer" and a person not liable for federal income taxes under subtitle A of the Internal Revenue Code.
9. Client has also told the Contractor that he will not be able to either get the Contract or keep the one he already has with the company unless he involuntarily and under duress discloses a Social Security Number (SSN). Therefore, should disclosure of such a number be made, it is certain that it may not be relied upon to be accurate and definitely will not be the number owned by Contractor. Any information provided regarding identifying numbers is guaranteed to be no more accurate than the form it will eventually be printed on, which is the 1099. According to the IRS' own Internal Revenue Manual:

*"IRS Publications [and by implication, all of the information they contain, including that added by Contractor], 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)]*

The Fourteenth Amendment to the Constitution of the United States guarantees everyone "equal protection of the laws". Since the IRS is not held accountable under law for any of its forms or their content, then Contractor absolutely refuses to be held any more accountable for the information he adds to such untrustworthy forms. Attaching this agreement to every 1099 provided is his way to ensure that the IRS is also put on notice of the existence of such constructive fraud and duress. The untrustworthy number provided for use in 1099 reporting as provided under duress by Contractor is as follows:

*Number (Not a TIN and Not MY SSN): \_\_\_\_\_*

10. Contractor does not want to withhold federal taxes of any kind from his pay or participate in federal or state income taxation, because as a "nonresident alien" with no income "effectively connected with a trade or business in the United States", he is not the proper subject of Internal Revenue Code and has no "taxable" sources of "income" under 26 CFR §1.861-8(f)(1).
11. Contractor therefore has to commit involuntary perjury in submitting a number to Client which he knows is not a TIN, and which is not authorized by law to be used as a TIN by the IRS in order to simply work and eat and responsibly support himself, and he believes this is immoral, injurious, violates the Fifth Amendment, and prejudices his rights. What is even more deplorable is that the IRS refuses to intervene in this undoubtedly common situation and explain to Clients that Contractor is correct. It could do this by clarifying the facts in an IRS publication or by advising people

with the truth on its 800 number, but it chooses not to do either. The reason IRS won't admit the truth and side with the Contractor is because it would reduce their revenues from illegal extortion. Their silence has been procured with extorted loot. The love of money is the root of all evil.

12. All the information on this form and the attached withholding forms is considered copyrighted and may not be entered into any government computer system, nor shared with any third party, but must stay in the paper form it was submitted in. Failure to observe this copyright shall subject the government to a liability of \$1 Million plus the value of any tax assessments that are made based on it.
13. Parties agree that no 1099 forms will be filed with the IRS relating to this business relationship unless and until a regulation is provided in a signed affidavit provided by the IRS demonstrating that the earnings are derived from a taxable source under the regulations at 26 CFR §1.861-8(f)(1), and that the specific source in that regulation is identified in writing under penalty of perjury.
14. Client is willing to stipulate to the following given this unique situation in order to minimize the illegal duress imposed by the IRS upon Contractor:
  - 14.1. A 1099 form will not be provided to the IRS for Contractor related to this business relationship.
  - 14.2. Contractor has delegated authority to correct any "income" erroneously reported by Client on a 1099 form using an IRS form 4852, and agrees that these corrected forms shall take precedence over anything provided by Client, as far as IRS is concerned.
  - 14.3. If the IRS contacts Client about the earnings of Contractor, Client will contact Contractor and inform him of the contact, and Contractor will then contact IRS and resolve the problem to his satisfaction.
15. If 1099 forms either in paper or reported electronically are used by Client in reporting Contractor information, against the wishes of Contractor, then:
  - 15.1. All information about Contractor will be provided ONLY in paper form. No information about Contractor will be provided ELECTRONICALLY to any government entity. The reason is because doing otherwise would violate the copyright on this information.
  - 15.2. This agreement will be attached in its entirety to the PAPER ONLY 1099 provided to the government entity. The 1099 form shall indicate in a conspicuous place "Not valid without the two page attachment signed by Contractor and/or Client".
  - 15.3. No number or address shall be reported on 1099 forms for Contractor.
  - 15.4. The PAPER 1099 form will NOT contain either the number, the address, or the full name of Contractor.
16. In consideration of the benefits of this agreement, Contractor agrees to indemnify and hold harmless Client in all respects provided that the terms of this agreement are adhered to completely and conscientiously. Contractor therefore agrees to:
  - 16.1. Not involve himself in litigation against Client relating to the proper implementation of this agreement.
  - 16.2. Pay any penalties wrongfully and illegally assessed by the IRS or state taxing authorities which might be associated with implementing this agreement.
  - 16.3. Pay all his own legal fees, if any, that might be associated with dealing with the IRS and state taxing authorities.
  - 16.4. Make any changes to this agreement required to satisfy the needs of Client, but also to document the changes requested in this agreement.
17. Should the corporate counsel, financial officer, or payroll agent of Client have any questions or issues with the legal findings contained in this Contractor Agreement Attachment, then Contractor simply requests that they clarify their position *in writing* by sending a completed version of the following document to Contractor with a signature indicating that it is true and correct to the best of their knowledge. The rebuttal to the below document may will be used to identify precisely where the parties disagree and to quickly converge on the truth surrounding the legal issues discussed herein:

Test for Federal Tax Professionals

<http://sedm.org/Forms/Discovery/TestForFedTaxProfessionals.pdf>

Contractor declares that the foregoing facts are true, correct, and complete to the best of his knowledge and ability, from without the "United States" under the laws of the United States of America, in accordance with 28 U.S.C. §1746(1). Client hereby acknowledges receipt of this writing and agrees to abide by his part of the bargain as best he can.

Contractor signature: \_\_\_\_\_ Date: \_\_\_\_\_

Contractor name: \_\_\_\_\_ Contractor position: \_\_\_\_\_

Client name: \_\_\_\_\_ Client signature: \_\_\_\_\_ Date: \_\_\_\_\_

## 27.8 **FORM 8: Tax Form Attachment**

This form is for use by those who are forced to fill out and submit any kind of standard IRS or government form by a private employer or financial institution. It has the affect of:

1. Clearly documenting your citizenship, domicile, and tax status so that it cannot be misconstrued to make you into a person domiciled on federal territory or a federal franchisee.
2. Nullifying the prejudices associated with the “words of art” found on most government forms.
3. Reserving your rights and sovereign status.
4. Making any information submitted unreliable and unusable for tax collection or reporting purposes.
5. Creating a franchise/license that forces all those using the information to suffer legal liabilities for using the information to compel you into participating into any government franchise, such as the “trade or business” franchise.
6. Limits your delegated authority so that it does not include signing up for any federal franchise.

To use this form, simply write somewhere in bit letters the following on the standard IRS Form:

*“Not valid without attached and signed Tax Form Attachment, Form #04.201”*

You can also find the latest copy of this form below:

<p><u><i>Tax Form Attachment</i></u>, Form #04.201 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
--

# TAX FORM ATTACHMENT

## PURPOSE OF THIS FORM:

This form is intended to prevent the following illegal and unconstitutional results which flow from using standard Internal Revenue Service (IRS) forms, state taxing agency forms, or Social Security Administration Forms:

1. The taking of "oaths" to a foreign power, the "United States" government, which is a foreign corporation pursuant to [28 U.S.C. §3002\(15\)\(A\)](#). My religious beliefs forbid the taking of oaths and therefore I cannot sign a government form under penalty of perjury without violating my sincerely held religious beliefs, found in [Matt. 5:33-37](#)
2. Committing perjury under penalty of perjury in violation of [18 U.S.C. §1001](#), and [18 U.S.C. §1621](#). For instance, all IRS forms presume the Submitter is a "taxpayer" and the perjury statement at the end places them within the jurisdiction of the "United States" pursuant to [26 U.S.C. §1746](#). Submitter is neither a "taxpayer" nor domiciled on territory under the exclusive or general sovereignty of the United States government such that he could be the object of any civil penalty imposed under civil laws of the federal government.
3. False presumptions about the Submitter which might prejudice his or her status. See: *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>
4. Abuse of "words of art" or undefined words by the government which might encourage false presumptions or prejudice the rights and status of the Submitter.
5. Being associated with or consenting to participate in any federal franchise, including a "trade or business" as defined in [26 U.S.C. §1701\(a\)\(26\)](#), "social security", or "domicile" or "residence" within the exclusive jurisdiction of the "United States". Instead, this form infers duress and lack of consent to participate, and implies no delegated authority to consent to said franchises.
6. Penalties instituted against human beings or those other than federal instrumentalities for the exercise of Constitutionally protected rights who are not subject to the I.R.C. or the "trade or business" franchise. I remind the recipient that I.R.C. Subtitles A and C describes a "trade or business" franchise agreement which is "private law" that only applies to those who explicitly consent to participate. I never consented and have disconnected myself from all government benefits, franchises, and identifying numbers. Therefore, it is unlawful and constitutes an unconstitutional "bill of attainder" to penalize me without a court trial. See and rebut the following if you disagree within 30 days or be estopped from later challenging it:  
*Why Penalties and are Illegal for Anything but Federal Employees, Contractors, and Agents*, Form #05.010  
<http://sedm.org/Forms/FormIndex.htm>

This form shall accomplish the above by defining the legal meaning and significance of specific terms, words, or paragraphs found on the following forms in the context of the government:

1. All standard government or IRS forms submitted by the Submitter of this form to the Recipient.
2. All oral or written communications between the Submitter and the Recipient going in either direction.
3. All information about the Submitter provided to the government by all third parties, including but not limited to employers, financial institutions, title companies, etc.

Any obligations or rights conferred upon the Submitter and against the recipient by this form as an agreement or contract in commerce pertain to the recipient as a private party and not to the government or entity that they work for. This provision is meant to ensure that sovereign, official, or judicial immunity may not be invoked to protect individual wrongdoers in the government and also to protect my right to not contract with the government. The acceptance by the Recipient of this form of any commercial "benefit", including penalties or the right to penalize, whether to the Recipient as a private party or the entity the Recipient works for, shall constitute consent to be bound by all the terms of this franchise agreement.

The recipient of this form is attempting to compel me into a commercial relationship with the government that violates both my Constitutional rights to property and my religious beliefs. Such duress is an injury to my right to NOT contract protected by Article 1 Section 10 of the Constitution and my right of freedom from compelled association protected by the First Amendment. All franchises are contracts, and I am being compelled to participate in a franchise by having to fill out a tax form and/or use government identifying numbers that clearly misrepresent me as a person domiciled on federal territory or acting as an instrumentality for the federal government. This form is also consistent with the idea that when any government representative exceeds his or her delegated authority, they cease to represent the government. If my God doesn't exist, then your employer, the "government" or "state" doesn't exist and this interaction therefore devolves to an act of private contracting between two private individuals where silence infers consent:

*"In addition, there are several well known subordinate principles. The Government may not be sued except by its consent. The United States has not submitted to suit for specific performance 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)]*

The context and time frame to which this form applies is to all forms, correspondence, and communications either retroactively into the past or present, as well as indefinitely into the future. This form is necessitated by the fact that there is no credible definition for any of the words used on any government form and the IRS [Internal Revenue Manual Section 4.10.7.2.8](#) says that not only all their forms, but EVERYTHING published by the IRS is UNTRUSTWORTHY. The Courts have also repeatedly held that what the IRS or any employee of the IRS says is untrustworthy as well. Therefore, I as a human being and not a legal "person" communicating with the government am the only credible source of definitions for the words that I use in the context of that communication. This is further explained using the government's own words and publications below, which the recipient is challenged to rebut within 30 days or forever be estopped from later challenging:

*Reasonable Belief About Income Tax Liability*, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

The authority for this form is the First Amendment, which gives those protected by it the right to communicate, to not communicate, and to define the significance and legal meaning of all communications they have with the government. Any administrative penalty instituted against the Submitter for this communication constitutes a penalty for the exercise of Constitutionally protected rights.

Citations of federal statutory law in this document should not be construed by the Recipient as the undersigned human being seeking the protection of those laws, having any intention to engage in commerce subject to regulation within the jurisdiction of the sovereign, or of

"purposefully availing" him/her self of the commercial "benefits" of any government franchise. Any citations of statutory law or regulations are solely for the purpose of putting the Recipient on NOTICE of what is expected and required of their behavior by the laws that limit and regulate that behavior. All statutory civil law attaches to those domiciled or "resident" within the jurisdiction of the sovereign and the Submitter of this form is a nonresident party who never made an election to become subject to said laws by consensually choosing a domicile therein and thereby becoming a "citizen" or a "resident" under the civil laws of the forum. Instead, he/she/it is and always has been a nonresident and a transient foreigner with no delegated authority to contract extraterritorially with foreign sovereigns such as the "United States" federal corporation ("U.S. Inc" per 28 U.S.C. 3002(15)(A)). It is also constitutes fraud and perjury on the part of anyone who attributes to him/herself/it the status of a "resident" party as a human being who is neither an alien nor who maintained a physical presence in the forum during the periods that are or might be the subject of the attached tax forms.

## SECTION 1: STATUS OF SUBMITTER

The following citizenship, domicile, and tax status of the Submitter of this form is hereby established, regardless of what the attached standard government form(s) say or imply. This status is an extension of both my Constitutional right to contract or not contract, and also my First Amendment right of freedom from compelled association. Any attempt to change this status by any court is a direct violation of my Right to contract or associate AND also shall cause the court to entertain a "political question" in violation of the separation of powers doctrine. Submitter is:

### WHAT I AM:

1. A "nontaxpayer" not subject to any provision of Subtitles A through C of the Internal Revenue Code:

*"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]. 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)]*

2. A constitutional "citizen of the United States **OF AMERICA**". See and rebut: Why you are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>
3. A "non-citizen national" as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452.
4. Domiciled on other than federal territory and not within any internal revenue district or United States Judicial District or "State" defined in 28 U.S.C. §1332(d).
5. Subject to constitutional diversity of citizenship pursuant to U.S. Const. Art. III, Section 2, but NOT statutory diversity pursuant to 28 U.S.C. §1332.
6. A "nonresident alien" as defined in 26 U.S.C. §7701(b)(1)(B).
7. A "stateless person" immune from the jurisdiction of federal courts within the meaning of 28 U.S.C. §1332. See Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989).

### WHAT I AM NOT:

1. I am NOT a "nonresident alien individual" as defined in 26 CFR §1.1441-1(c)(3).
2. I am NOT the "person" described in 26 U.S.C. §7701(c), 26 U.S.C. §6671(b) or 26 U.S.C. §7343.
3. I am NOT the "individual" mentioned in 26 U.S.C. §7701(a)(1) because not an officer, "employee", agency, or instrumentality of the United States government or the District of Columbia. See and rebut the following if you disagree within 30 days or forever be estopped from later challenging:  
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. I am NOT the "citizen", "resident", or "individual" mentioned in 26 CFR §1.6012-1 who has a legal liability to file an income tax return.
5. I am NOT the "individual" as defined in 5 U.S.C. §552a(a)(2) because neither a statutory "U.S. citizen" pursuant to 8 U.S.C. §1401 nor a "resident" (alien) pursuant to 26 U.S.C. §7701(b)(1)(A) nor a government employee or officer. I am an individual in a common sense of the term, but not within the meaning of any federal statute. Only "public officers", "employees", agencies, and instrumentalities operating in a representative capacity within the United States government can be "individuals" within the meaning of any provision of the I.R.C.
6. I am NOT an "employee" as defined in 26 U.S.C. §3401(c) or 26 CFR §31.3401(c)-1.
7. I am NOT engaged in the "trade or business" excise taxable franchise as defined in 26 U.S.C. §7701(a)(26).
8. I am NOT a statutory "citizen and national of the United States" as described in 8 U.S.C. §1401.
9. I am NOT a statutory "U.S. national" as defined in 8 U.S.C. §1408 or 8 U.S.C. §1101(a)(22)(B).
10. I am NOT an "alien" or "resident alien" as defined in 26 U.S.C. §7701(b)(1)(A).

**WARNING:** Recipient is reminded that 28 U.S.C. §2201(a) PROHIBITS the Recipient from presuming any status OTHER than that listed above in the context of federal or state taxes.

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. § 7701(a)(14)." (See Compl. at 2.) **This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. §2201; see also Hughes v. United States, 953 F.2d 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED.***  
*[Rowen v. U.S., 05-3766MMC, (N.D.Cal. 11/02/2005)]*

Only I as the sovereign may declare and establish my tax and citizenship status, because only I can lawfully exercise my First Amendment right of political association and freedom from compelled association in deciding what political group, "state", or "government" I wish to associate with and thereby have allegiance toward and a domicile within. "Domicile" is the origin of ALL of the government's authority to impose an income tax pursuant to 26 U.S.C. §911(d)(3) and Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954), and only I can determine my domicile.

## SECTION 2: WARNING ABOUT INSTITUTING PENALTIES FOR ANY ASPECT OF OUR INTERACTIONS

Penalties may only lawfully be instituted against federal "employees" (as defined in [5 U.S.C. §2105](#) and [26 U.S.C. §3401\(c\)](#)), instrumentalities, agents, and benefit recipients, all of whom are involved in federal franchises of one kind or another. For Internal Revenue Code Subtitle A, the franchise described therein is a "[trade or business](#)", which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office". Those who are not involved in said government franchises:

1. If they are penalized in connection with the submission of this form, are being subjected to illegal witness tampering in violation of [18 U.S.C. §1512\(b\)](#) punishable by a fine and/or imprisonment for up to ten years.
2. Are protected by the Constitutional prohibition against "[Bills of Attainder](#)" found in [Article 1, Section 10](#).
3. Are protected against administrative penalties of all kinds, which constitute "[Bills of Attainder](#)" in the case of those who are not franchisees.
4. May not lawfully have any provision of federal statutory law cited against them *without* enforcement implementing regulations published in the Federal Register which allow or permit enforcement against those who are not in receipt of federal franchises. This requirement is found in 26 CFR §601.702(a)(2)(ii) and [5 U.S.C. §552\(a\)](#). See and rebut the questions at the end of the following if you disagree or forever be estopped from challenging later:

[Federal Enforcement Authority in States of the Union](#), Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>

Any Recipient of this form who attempts to institute or successfully institutes a penalty for use of this form is demanded to answer the following Admissions in the correspondence or penalty notice they send in response to this correspondence. Failure to answer the question shall constitute a default of "Admit" in response to every question. Recipient waives his right to contradict his answers beyond 30 days from mailing of this notice.

1. Admit that a human being who is NOT "resident" or present within the "United States" as legally defined, according to [28 U.S.C. §1746](#), cannot sign any variation of the following perjury statement without either committing perjury under penalty of perjury or electing to be treated as a resident:

*"Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge."*

[IRS forms 1040 and 1040NR jurat/perjury statement]

2. Admit that a human being who is not a "taxpayer" as defined in [26 U.S.C. §7701\(a\)\(14\)](#) and instead who is a "nontaxpayer" not subject to any part of the Internal Revenue Code cannot sign the above perjury statement without committing perjury under penalty of perjury.
3. Admit that the IRS Mission Statement found in IRM 1.1.1.1 says the IRS serves ONLY "taxpayers" and that the word "nontaxpayers" are nowhere identified as being entitled to anything from the IRS.

[Internal Revenue Manual, Section 1.1.1.1 \(02-26-1999\)](#)  
[IRS Mission and Basic Organization](#)

1. The IRS Mission: Provide America's [taxpayers](#) [not "nontaxpayers"] top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all [taxpayers only].

4. Admit that the Internal Revenue Code Subtitle A describes a franchise agreement that pertains to "persons" either engaged in a "public office" which is described in [26 U.S.C. §7701\(a\)\(26\)](#) as a "[trade or business](#)", or those in receipt of payment from or on behalf of the U.S. government pursuant to [26 U.S.C. §871](#).

*"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, 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]. 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 F2d. 585 \(1972\)](#)]

5. Admit that no provision of the I.R.C. may lawfully be cited against those who are "nontaxpayers".
6. Admit that no federal court ruling involving a "[taxpayer](#)" may lawfully be cited as authority against those who are "nontaxpayers".
7. Admit that the IRS [Internal Revenue Manual, Section 4.10.7.2.9.8](#) says that no ruling below the U.S. Supreme Court may be cited against anyone other than the individual "taxpayer" who was party to the suit.

[Internal Revenue Manual, Section 4.10.7.2.9.8 \(05/14/99\)](#)

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."

8. Admit that the reason for the above section of the IRS Internal Revenue Manual is that there is no federal common law within states of the Union.

*"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"*



Any Recipient of this form who attempts to institute or successfully institutes a penalty for use of this form is demanded to answer the following open-ended interrogatories in the correspondence or penalty notice they send in response to this correspondence. Recipient waives his right to contradict his answers beyond 30 days from mailing of this notice.

1. Please describe which government or IRS forms would be suitable for use by "nontaxpayers" as a substitute for the standard government forms you received, in order to avoid perjuring myself in signing the perjury statement consistent with the entire content of this form and all attachments.
2. The [First Amendment](#) gives me a right to communicate, to NOT communicate, and to define the significance OF said communication when interacting with the government. How can you order me to say something to the government that I know is clearly inconsistent with the truth without violating the [First Amendment](#)?
3. Please show me the statute and implementing regulation published in the Federal Register that prohibits alteration of forms.
4. How can those who do not maintain a domicile or residence in the "United States" and instead are located in the "United States of America" sign a perjury statement consistent with [28 U.S.C. §1746\(2\)](#) without committing perjury under penalty of perjury?
5. How can those who are "nontaxpayers" not subject to any provision of the Internal Revenue Code sign any government form which uses the word "taxpayer" and is signed under penalties of perjury without committing perjury under penalty of perjury?
6. Will the IRS accept a form with the portion "signature of taxpayer" crossed off?
7. How can those who have no "Social Security Number" and who never personally or lawfully applied for one be required to accept all the obligations and disabilities associated with participation in the Social Security Program without violating the prohibition against involuntary servitude found in the [Thirteenth Amendment](#), [42 U.S.C. §1994](#), and [18 U.S.C. §1589](#)?
8. Will the IRS accept a form with the words "of taxpayer" struck thru? [in other words leaving just the word "Signature" showing.]
9. Will the IRS accept a form with the portion "signature of taxpayer" replaced with "signature of non-taxpayer"?
10. Will the IRS accept a form with the portion "signature of taxpayer" replaced with "signature of non-filer"? [The term non-filer is a permitted designation by the IRS]
11. Will the IRS accept a form with a separate declaration printed on the bottom attesting to non-taxpayer or non-filer status?
12. Will the IRS accept a form with an attachment and the statement in the signature block, "invalid without attachment".?
13. Please provide court-admissible evidence under penalty of perjury that I am the "person" defined in [26 U.S.C. §6671\(b\)](#) as "an officer or employee of a corporation or partnership", which is the only "person" against whom IRS penalties may be instituted. That person can only be a public officer in the government and not a private human being.
14. You may allege that the IRS prohibits alteration of forms. Please explain how can I fill in ANYTHING on the form prior to submission without altering it? Do you want me to send you ONLY blank forms with no information added to them?
15. How can I submit the attached government forms and omit this form WITHOUT committing subornation of perjury? The exclusion of the information contained on this form renders the remaining information the incomplete truth which is susceptible to misinterpretation because it uses terms that are nowhere defined in the law and even if they were defined on the IRS website or in an IRS publication, that definition would be untrustworthy pursuant to [IRM 4.10.7.2.8](#):

[Internal Revenue Manual, Section 4.10.7.2.8 \(01-01-2006\)](#)  
IRS Publications

1. IRS Publications 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.

16. Explain why any sane, rational American in their right mind would want to sign a form under penalty of perjury that the IRS itself DEFIANTLY REFUSES to guarantee the accuracy and completeness of similarly under penalty of perjury as required by [26 U.S.C. §6065](#)? See [IRM 4.10.7.2.8](#) above.

### SECTION 3: IDENTIFYING NUMBERS ON ATTACHED GOVERNMENT FORMS

1. Pursuant to 26 CFR §1.1441-1(c)(3), all "individuals" are "taxpayers" are statutory "aliens". Consequently, SSNs may only lawfully be used as a substitute for TINs in the case of a statutory but not constitutional alien. Since I am NOT an statutory alien in relation to the national government as a person born within and/or present within the constitutional but not statutory "United States", then I would be committing fraud to either obtain or to use a Taxpayer Identification Number from the IRS or to use an SSN in place of a TIN.
2. Statutory "Nonresident aliens" not engaged in the "trade or business"/public office franchise such as myself are not required to have or to use Social Security Numbers in connection with any financial arrangement or transaction pursuant to the following:

[31 CFR §306.10](#)

<sup>2</sup> **Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States, and other persons or organizations as may be exempted from furnishing such numbers under regulations of the Internal Revenue Service.**

3. The terms "Social Security Number", "SSN", "Employer Identification Number", "EIN", "Taxpayer Identification Number", or "TIN" as used on all attached government forms means "Nontaxpayer Identification Number (NIN)", signifying that the Submitter is a "nontaxpayer" who does not meet the definition of "taxpayer" found in [26 U.S.C. §7701\(a\)\(14\)](#), who is not subject to any provision within the Internal Revenue Code, who is a "nonresident alien" not engaged in a "trade or business", and who has no earnings from within the "United States" as described in [26 U.S.C. §871](#).
4. The term "Social Security Number" or "SSN" as used on the attached government forms **IS NOT** the number issued under the authority of 20 CFR §422.104, which can only lawfully be issued to federal employees, agents, and benefit recipients, none of which describe the Submitter. See and rebut the following if you disagree:  
[Resignation of Compelled Social Security Trustee](#), Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>
5. The term "Employer Identification Number" or "EIN" as used on the attached government forms **IS NOT** the number issued under the authority of [26 U.S.C. §6109](#) or any other Act of Congress. Instead, it means a "Nontaxpayer Identification Number" or "NIN" as defined above.
6. The term "Taxpayer Identification Number" or "TIN" as used on the attached government form **IS NOT** the number issued under the authority

- of either [26 U.S.C. §6109](#) or any other Act of Congress. Instead it means a "Nontaxpayer Identification Number" or "NIN" as defined above.
7. All "Nontaxpayer Identification Numbers" or "NINs", or any other synonym described in this section and included in any form or attachment included herein or submitted on any previous government form are the exclusive, licensed, copyrighted intellectual property of the Submitter. They are protected by the Copyright Act codified in [Title 17 of the U.S. Code](#) and this license agreement. Any use by the government of this property for any commercial or government purpose, including tax collection, is STRICTLY PROHIBITED. Each unauthorized use is punishable by a penalty of \$100,000 per incident plus any tax or penalty assessment associated with the unauthorized use.
  8. Providing any kind of identifying number on any government form shall NOT be evidence of consent to engage in a privileged "trade or business" franchise as described in [26 U.S.C. §7701\(a\)\(26\)](#). Instead, it shall be evidence of NONconsent to engage in said franchise and a formal request to criminally prosecute the employer, financial institution, and/or government entity associated with the submission for criminal racketeering in violation of [18 U.S.C. §1956](#) and "extortion under the color of law" for compelling the use of said identifying number in violation of [42 U.S.C. §408](#).

**WARNING!** You may not lawfully use any government issued identifying number in connection with the Submitter, such as a Social Security Number (SSN) as defined in 20 CFR 422.103(d), Taxpayer Identification Number (TIN) as defined in [26 U.S.C. §6109](#), or Employer Identification Number (EIN) as defined in [26 U.S.C. §6109](#). Submitter:

1. Does not participate and is not lawfully eligible to participate in Social Security or the "trade or business" excise taxable franchise described in 26 U.S.C. Subtitle A.
2. Is not a statutory "U.S. person" ([26 U.S.C. §7701\(a\)\(30\)](#)) for which a "Taxpayer Identification Number" may lawfully be used pursuant to [26 U.S.C. §6109](#) and 26 CFR §30-1.6109-1.
3. May not lawfully use or possess any government identifying number because it is "public property" which belongs to the government pursuant to 20 CFR §422.103(d). Only "public officers" on official business may lawfully use public property, and only in strict accordance with law for the benefit of the government and not them as private individuals.
4. Is appearing here as a PRIVATE HUMAN BEING and not a PUBLIC OFFICER. If you compel me to use a government identifying number, you are an accessory to criminal conversion of private property to a public use and a public purpose if you connect me or my assets with a public number in violation of [18 U.S.C. §654](#). You could end up in jail for up to ten years if you put an identifying number on any records pertaining to me or my property, assets, or my earnings from PRIVATE employment.
5. Has been a victim of identity theft, compelled association, and conversion by the government and its agents in banks and financial institutions in the past by unlawfully and involuntarily connecting him/her with knowingly false and fraudulent identifying numbers in criminal violation of [18 U.S.C. §1028\(a\)\(7\)](#), [18 U.S.C. §1028A](#), and a civil violation of [42 U.S.C. §408\(a\)\(7\)](#) and [42 U.S.C. §405\(c\)\(2\)\(C\)\(i\)](#). He would like to prevent a recurrence of this behavior again.
6. Will file a criminal complaint in connection with the use of any government issued identifying number connected with his exclusively PRIVATE life, property, and liberty and vociferously prosecute all those who unlawfully compel him to use a knowingly false number or any number at all in order to obtain any service or product in violation of [42 U.S.C. §408](#).

If the number "000-00-0000" appears in the TIN or SSN block on the attached government form, then it means that I don't have a validly issued STATUTORY SSN or TIN. Consequently, I am not "federal personnel" as indicated in [5 U.S.C. §552a\(a\)\(13\)](#).

If a number other than "000-00-0000" for the SSN/TIN was provided on the attached government form:

1. It was provided under unlawful duress because the agent accepting the form threatened to withhold issuance of the passport if I would not provide a number. It is a CRIME to compel the use of such numbers per [42 U.S.C. §408\(a\)\(8\)](#).
2. The number shall be treated AS IF it were "000-00-0000", regardless of what it says.
3. The acceptance agent, by instituting duress in compelling the use of government numbers, is attempting to convert constitutional rights into statutory privileges and franchises, which is a CRIMINAL CONSPIRACY against my rights punishable under [18 U.S.C. §241](#). Anyone who does any of the following is party to said conspiracy:
  - 3.1. Anyone he or she talked to about how to circumvent my attempts to avoid enumeration is party to said conspiracy.
  - 3.2. Anyone who fails or omits deliberately to prosecute the crimes indicated herein.
4. The number provided is NOT the number described in [26 U.S.C. §6109](#), [20 CFR §422.103\(d\)](#), or any other federal law, statute, or regulation. Hence, it is not subject to being either true, false, factual, or consistent with any record in possession of any government. The clerk said it was their "POLICY" (not LAW, but POLICY) to require a number and could show me no law. Well, if he or she can invent such policy, then I can INVENT a Nonstatutory number that conforms with the POLICY but also is equally not subject to or susceptible to the requirements of the law. The constitution protects the equality of ALL PERSONS, and hence, I have the EQUAL right to make "POLICY" to counteract the DOS's policy to prevent injury to my own private rights.
5. The applicant, being under unlawful, criminal duress, does not vouch for the accuracy of said number. Instead, it is NONFACTUAL political beliefs and opinions that are not admissible as evidence in any legal proceeding and not legally actionable in any manner.
6. The applicant does not "have" a number described in [26 U.S.C. §6109](#), [20 CFR §422.103\(d\)](#) and cannot legally "have" such a number. One can only "have" something that they own and control. I don't control the number because if I did, I could tell the government they CANNOT use it, so it must not be mine. The notion of "property" implies the right to FORBID other people from using or benefitting from something so I must not "OWN" a government number. Both the Social Security Card and [20 CFR §422.103\(d\)](#) say the card and the number belong to the GOVERNMENT and not the applicant, and therefore it is a legal and rational impossibility for me to "have" government property unless I am a public officer managing government property and serving in an official capacity. In fact, I DO NOT consent to represent a public office in the government and it is a crime to unilaterally elect or appoint myself into such an office. Furthermore, filling out an SS-5 form or W-9 form and asking for such a number cannot and does not CREATE any public office in the government and any attempt to use it for that purpose is a violation of [18 U.S.C. §912](#). It is acknowledged as a CRIME to use government property such as a statutory SSN or TIN for a private purpose or personal benefit. Hence, the number provided MUST be described herein as NOT corresponding with anything described in any federal law and NOT to be used for any enforcement or government purpose because not connected with any existing application the government has ever received.
7. The power to create is the power to define, and since I created the form being processed, then I am the only one who can define both the meaning or the intended meaning of every word or phrase on the form. And I must do so in order to avoid being victimized by the self-serving presumptions of others or conferring undue discretion to a government bureaucrat or judge to INVENT a meaning I didn't intend.

If a Social Security Number (SSN) or Taxpayer Identification Number (TIN) other than "000-00-0000" was provided on the application, recipient of this form is requested to prosecute the acceptance agent for compelled use of Social Security Numbers under [42 U.S.C. §408\(a\)\(8\)](#), and identity

theft under [42 U.S.C. §405\(c\)\(2\)\(C\)\(i\)](#); [42 U.S.C. §408\(a\)\(7\)](#); [18 U.S.C. §1028\(a\)\(7\)](#); [18 U.S.C. §1028A](#) for the commercial abuse of my identity for personal gain without my consent.

#### SECTION 4: DEFINITION OF KEY "WORDS OF ART" ON ALL ATTACHED GOVERNMENT FORMS

*"When words lose their meaning, people will lose their liberty."  
[Confucius, circa 500 B.C.]*

This section shall and does define key terms used on any associated or attached government forms and all evidence submitted in this case on both sides, all correspondence received by the federal or state governments about me sent by third parties, or any correspondence sent by any state or federal government to me. The time period to which these definitions relate are the past, present, and future. This form is necessitated by the fact that:

1. The Bible makes it a religious sin to "presume" anything. See Numbers 15:30, NKJV.
2. It would therefore be a religious sin to either presume or to condone or encourage others to presume.
3. There is no credible definition for any of the words used on any government form and the IRS [Internal Revenue Manual Section 4.10.7.2.8](#) says that not only all their forms, but EVERYTHING published by the IRS is UNTRUSTWORTHY.
4. The Courts have also said that what the IRS says is untrustworthy as well.

Therefore, I as the human being originating this communication with the government am the only credible source of definitions for the words that I use. The power to create implies the power to define, and I'm the one creating here. This is further explained using the government's own words and publications below, which the recipient is challenged to rebut within 30 days or forever be estopped from later challenging:

[Reasonable Belief About Income Tax Liability](#), Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

##### Definitions:

1. **"taxpayer"**: Defined as human being and NOT a statutory "person" who is:
  - 1.1. NOT the entity described in [26 U.S.C. §7701\(a\)\(14\)](#) or [26 U.S.C. §1313](#) or any other statute or regulation published by the United States federal government.
  - 1.2. NOT subject to any provision of the Internal Revenue Code or any other statute or regulation published by the United States federal government, which is foreign law.
  - 1.3. Whose entire estate is a "foreign estate" pursuant to [26 U.S.C. §7701\(a\)\(31\)](#).
2. **"dollar"**: 1/20<sup>th</sup> of an ounce of gold. There is no statutory definition of "dollar" that equates a Federal Reserve Note with a dollar and the legal definition of "money" found in Black's Law Dictionary specifically excludes "notes" from the definition of "money". See: [Exhibit 06.001](#); <http://sedm.org/Exhibits/ExhibitIndex.htm>
3. **"nontaxpayer"**: Same definition as "taxpayer" above.
4. **"frivolous"**: Truthful, accurate, and consistent with prevailing law and legal precedent. Remember, the key word in "IRS" is "Service". I'm the "customer" you serve and the customer is ALWAYS right! If you want to say something is wrong, you need to tell me it is incorrect and then explain all the legal authorities that justify why, consistent with the following basis for reasonable belief:  
[Reasonable Belief About Income Tax Liability](#), Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>  
*NOTE*: Consistent with IRM 4.10.7.2.9.8, I am NOT interested in any court ruling below the supreme Court, because if the "Service" is not bound by anything below the U.S. Supreme Court, then neither am I or should I.
5. **"meritless"**: See "frivolous" above.
6. **"United States"**: means the United States government corporation defined in [28 U.S.C. §3002\(15\)\(A\)](#) and excludes states of the Union as used in the Constitution of the United States of America.
7. **"State"**: Means the "State" defined in [4 U.S.C. §110\(d\)](#) as a federal territory or possession and not any state of the Union.
8. **"individual"**: Defined as a human being and NOT a statutory "person" that:
  - 8.1. Excludes the "individual" defined in 26 CFR §1.1441-1(c)(3).
  - 8.2. Excludes "aliens" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and "nonresident aliens" as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
  - 8.3. Excludes the definition found in [5 U.S.C. §552a\(a\)\(2\)](#), who are all "domiciliaries" of the "United States".
  - 8.4. Excludes the statutory "citizens and nationals of the United States" defined in [8 U.S.C. §1401](#).
  - 8.5. Includes those who are nonresident aliens not engaged in a "trade or business" who have no earnings from the "United States" as defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and whose estate is a "foreign estate" pursuant to [26 U.S.C. §7701\(a\)\(31\)](#).
9. **"employee"**: Defined as a human being and not a statutory "person" who:
  - 9.1. Works for a "private employer" and not a "public employer" or any state or federal government, who is NOT engaged in a "trade or business" as defined in [26 U.S.C. §7701\(a\)\(26\)](#), and who has no liability to deduct, withhold, or pay any tax described in 26 U.S.C. Subtitles A, B, or C.
  - 9.2. Is NOT the legal entity described in [26 U.S.C. §3401\(c\)](#) or 26 CFR §31.3401(c)-1 or any other statute or regulation published by the United States federal government.
10. **"employer"**: Someone who has "employees" as defined in the previous item.
11. **"exempt"**: Definition:
  - 11.1. Not subject to any provision within the Internal Revenue Code Subtitles A or C.
  - 11.2. Not an "individual" (26 CFR §1.1441-1(c)(3)) or "person" ([26 U.S.C. §7701\(c\)](#)) or "taxpayer" ([26 U.S.C. §7701\(a\)\(14\)](#)) within the Internal Revenue Code.
  - 11.3. Entire estate is a "foreign estate" pursuant to [26 U.S.C. §7701\(a\)\(31\)](#).
  - 11.4. Not the entity described in 26 U.S.C. §7701(b)(5) as an "exempt individual", because not the "individual" defined in 26 CFR §1.1441-1(c)(3) or any other state or federal statute, code, or law.
12. **"citizen", "U.S. citizen", "citizen of the United States"**: A statutory "citizen and national of the United States" defined in [8 U.S.C. §1401](#) and excludes the term "Citizen" or "citizen of the United States" as used in the Constitution of the United States of America.
13. **"resident"**: Means an alien with a legal domicile or "residence" in the ["United States"](#), which includes the territories and possessions of the "United States" and excludes states of the Union.
14. **"wage" or "wages"**: The term defined in [26 U.S.C. §3401\(a\)](#). Excludes earnings of human beings who are not engaged in a "public office"

or a "trade or business" or who have not made an "election" to associate their earnings with a "public office" by voluntarily submitting an "agreement" pursuant to 26 CFR §31.3401(a)-3(a), and 26 CFR §31.3402(p)-1. Consequently, anyone who does not submit an IRS form W-4 and who is not otherwise engaged in a "public office" earns no reportable "wages" or "gross income" in connection with their labor pursuant to 26 CFR §31.3401(a)-3(a), and 26 CFR §31.3402(p)-1.

15. **"trade or business"**: Defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office". Excludes anything or class of thing not expressly described somewhere in the Internal Revenue Code. See:  
[The "Trade or Business" Scam, Form #05.001](#)  
<http://sedm.org/Forms/FormIndex.htm>
16. **"gross income"**: Profit originating from within the United States government corporation and earned by a federal instrumentality. Pursuant to [26 U.S.C. §871](#), said profit must either originate from the District of Columbia or abroad pursuant to [26 U.S.C. §911](#) but may not originate within any state of the Union.
17. **"beneficial owner"**: Defined as a human being who is:
  - 17.1. NOT the entity described in 26 CFR §1.1441-1(c)(6) or any other statute or regulation published by the United States federal government.
  - 17.2. A "nonresident alien" not engaged in a "trade or business"/
  - 17.3. A "nontaxpayer" not subject to any provision of Internal Revenue Code Subtitles A, B, or C.
18. **"U.S. person"**: Defined as:
  - 18.1. NOT the entity described [26 U.S.C. §7701\(a\)\(30\)](#) or any other statute or regulation published by the United States federal government.
  - 18.2. Those domiciled in either a state of the Union or a foreign country on land not under the exclusive jurisdiction of the United States Federal Government as documented in [40 U.S.C. §3112](#).
19. **"permanent address"**: Defined as one's legal domicile. See:  
[Why Domicile and Becoming a "Taxpayer" Require Your Consent](#), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>
20. **"personal services"**: Defined as services which:
  - 20.1. Are NOT connected with a "trade or business" or a "public office" within any government or any other government "franchise".
  - 20.2. Are NOT the term defined in 26 CFR §1.469-9(b)(4).
  - 20.3. Are NOT defined or referenced anywhere within any statute or regulation published by the United States federal government and therefore entirely beyond the jurisdiction of the government to regulate.
  - 20.4. Are connected with labor of a human being that is not subject to withholding, attachment, or taxation of any kind:  
  
*"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)]*
21. **"transferor"**: Defined as all the following:
  - 21.1. The entity or human being selling real property that is NOT located in the "United States" as defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10), not connected with a "trade or business" as defined in [26 U.S.C. §7701\(a\)\(26\)](#).
  - 21.2. The owner of real property that is not subject to the Federal Investment in Real Property Transfer Act (FIRPTA), [26 U.S.C. §897](#), the proceeds of which is not "gross income" as described in [26 U.S.C. §61](#) and which does not originate from "sources within the United States" described in [26 U.S.C. §871](#).
  - 21.3. NOT the entity defined in [26 U.S.C. §1445\(f\)\(1\)](#)
  - 21.4. NOT the "taxpayer" defined in [26 U.S.C. §7701\(a\)\(14\)](#) or [26 U.S.C. §1313](#).
22. **"benefit"**: Defined as follows:  
  
*"Benefit: Advantage; profit; fruit; gain; interest associated with a specific transaction which conveys a right or property interest which:*
  1. *Is not dispensed by an administrative agency of any state or federal government, but by a private individual.*
  2. *Does not require the recipient to be an officer, agent, employee, or "personnel" within any government.*
  3. *Is not called a "tax" or collected by the Internal Revenue Service, but is clearly identified as "private business activity beyond the core purposes of government".*
  4. *Does not confer upon the grantor any form of sovereign, official, or judicial immunity.*
  5. *Is legally enforceable in OTHER than a franchise court or administrative agency. That is, may be heard in equity within a true, Article III constitutional court and NOT a legislative franchise court.*
  6. *True constitutional courts are provided in which to litigate disputes arising under the benefit and those with said disputes are not required to exhaust administrative remedies with an executive branch agency BEFORE they may litigate. These constitutional courts are required to produce evidence that they are constitutional courts with OTHER than strictly legislative franchise powers when challenged by the recipients of said benefits.*
  7. *The specific value of the consideration can be quantified at any time.*
  8. *Monies paid in by the recipient to subsidize the program are entirely refundable if the benefits they pay for have not been received or employed either partially or in full.*
  9. *Has all contributions paid in refunded if they die and never collect any benefits.*
  10. *Participation in the program is not also attached to any other government program. For instance, being a recipient of "social insurance" does not also make the recipient liable for unrelated or other federal taxes.*
  11. *The term "benefit" must be defined in the franchise agreement that dispenses it, and its definition may not be left to the subjective whims of any judge or jury.*
  12. *If the "benefit" is financial, then it is paid in lawful money rather than Federal Reserve Notes, which are non interest bearing promissory notes that are not lawful money and are backed by nothing.*
  13. *The franchise must expressly state that participation is voluntary and that no one can be prosecuted or punished for failure to participate.*
  14. *The identifying numbers, if any, that administer the program may not be used for identification and may not be shared with or used by any nongovernmental entity other than the recipient him or her self.*
  15. *May not be heard by any judge, jurist, or prosecutor who is a recipient or beneficiary of the same benefit, because this would cause a conflict of interest in violation of 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455, 18 U.S.C. §597, and 18*



U.S.C. §201.

16. During any litigation involving the "benefit", both the grantor and the grantee share equal obligation to prove that equally valuable consideration was provided to the other party. Note that Federal Reserve Notes do not constitute lawful money or therefore consideration.

Anything offered by the government that does not meet ALL of the above criteria is herein defined as an INJURY and a TORT. Compelled participation is stipulated by both parties as being slavery in criminal violation of 18 U.S.C. §1583, 42 U.S.C. §1994, and the Thirteenth Amendment.

Receipt of the attached government application constitutes consent by the recipient of the application to use the above definition of "benefit" in any disputes that might arise over this transaction. Government recipient and its agents, employees, and assignees forfeit their right as private individuals acting in any government office to define the term "benefit" and agree to use ONLY the above definition.

The following table summarizes the meaning of various geographical terms used in the context of federal and state law, and these definitions also apply to all government forms submitted by Submitter or correspondence sent by the Recipient to the Submitter in the past, present, and future:

**Table 1: Summary of meaning of various terms and the contexts in which they are used**

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
"State"	Union state	Federal state	Federal state	Union state	Union state	Union state
"in this State" or "in the State" <sup>1</sup>	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
"State" <sup>2</sup> (State Revenue and taxation code only)	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
"several States"	Union states collectively <sup>3</sup>	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](#)<sup>4</sup>, 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 Subtitle A*. The lower case word "state" in the context of federal statutes and regulations means one of the 50 union states, which are "foreign states", and "foreign countries" with respect to the federal government as clearly explained in section 5.2.11 of the [Great IRS Hoax](#) book. 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\*\*) mentioned in the Constitution for the United States of America.

## SECTION 5: PRIVACY ACT WARNING

1. The information contained in this submission is protected by the [Privacy Act, 5 U.S.C. §552a](#).
2. Submitter is neither a domiciliary of the "United States" defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10), a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#), a statutory "U.S. resident" pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#), a "U.S. person" pursuant to [26 U.S.C. §7701\(a\)\(30\)](#), or an "individual" as defined in [5 U.S.C. §552a\(a\)\(2\)](#) and 26 CFR §1.1441-1(c)(3). As such, Submitter is not subject to any provision within the Privacy Act but the recipient, as a government entity, is.
3. [5 U.S.C. §552a\(b\)](#) indicates that the government MUST have my consent to use or transmit or store any information about me and I DO NOT give said consent.
4. Recipient is warned that the Submitter **DOES NOT GIVE** his consent to store, use, or transmit any of the information contained herein in electronic form, and especially is not authorized to share any of this information with any other federal or state agency, bureau, instrumentality of any description. This information is licensed and copyrighted and may not be used for ANY commercial or governmental purpose.

<sup>1</sup> 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>

<sup>2</sup> 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>

<sup>3</sup> See, for instance, U.S. Constitution Article IV, Section 2.

<sup>4</sup> See <http://www4.law.cornell.edu/uscode/48/>

## SECTION 6: MANDATORY FRANCHISE AGREEMENT

All information relating to Submitter and all property of the Submitter in the custody or control or influence of the Recipient, including but not limited to the labor and earnings of the Submitter, are protected by the following franchise agreement, which is hereby incorporated by reference into this submission.

Sovereignty Franchise and Agreement, Form #06.027  
<http://sedm.org/Forms/FormIndex.htm>

The above franchise shall govern any and all commercial or governmental uses of information relating to or property owned by the Submitter both prior to and after this submission and all relationships between the Submitter and any government or government agent, officer, or withholding agent. By accepting or using or affecting all such information or property relating to the Submitter for any purpose, the Recipient of this form and all his/her/its agents, assigns, and any and all government entities he or she or it represents implicitly consents to all present and future versions of the above franchise. If Recipient is acting as a tax withholding or reporting agent under 26 U.S.C. §7701(a)(16), Recipient represents that he/she/it has the authority to obligate the government for whom it is acting as said agent, and that if it cannot obligate said government, then it also has no legal authority to act as said agent to begin with.

If the Submitter of this form is treated by any government or court as a public officer or as being engaged in a statutory "trade or business" per 2 U.S.C. §7701(a)(26) in relation to the transaction or relationship established or described by this submission and any attached forms, Submitter hereby exercises his sovereign capacity as said compelled and public officer of any and all governments he or she is imputed to represent in consenting to this agreement on behalf of said government, and in assigning the role of "Government Actor" to everyone in the government who might benefit commercially or financially, both directly or indirectly, by using the information or property protected by the above franchise contract for their commercial benefit.

This attachment shall accompany any and all tax forms, withholding forms, and reporting forms in the custody of the Recipient and his agent or assigns, and any and all reports sent to any government entity and relating to the Submitter in order to give reasonable notice to all parties affected by the above franchise. It shall especially accompany all information returns submitted by the Recipient or his/her/its agents and assigns to any government, including but not limited to IRS forms W-2, 1042-S, 1098, and 1099.

Like government laws, the above franchise agreement is subject to change without notice to the Recipient of this form or the government he/she/it is acting as an agent for. This is a requirement of the mandate for equal protection and equal treatment that is the foundation of the United States Constitution. Caveat emptor.

## SECTION 7: CONSTRAINTS ON THE DELEGATED AUTHORITY OF THE SUBMITTER IN RELATION TO THE GOVERNMENT

1. Submitter is acting in a fiduciary and trustee capacity for God and ONLY God 24 hours a day, seven days a week.
2. The terms of the trust indenture constraining his delegated authority are found in the [Holy Bible Trust Indenture](#). The terms of that trust indenture are exhaustively enumerated in the following document:  
Delegation of Authority Order from God to Christians, Form #13.007  
<http://sedm.org/Forms/FormIndex.htm>
3. Under the terms of the [Holy Bible Trust Indenture](#), Submitter has NO DELEGATED AUTHORITY:
  - 3.1. To accept or consent to any duties or obligations toward, pay any monies to, or render any property or consideration to any government ruler, king, agent, or representative other than God's government on earth beyond that described herein. See sections 2.1, 4.4.3 and 4.4.4 of the above document.

*"You shall have no other gods [including government, laws, or judges] before Me. You shall not make for yourself a carved image—any likeness of anything that is in heaven above, or that is in the earth beneath, or that is in the water under the earth: **you shall not bow down to them nor serve [obey] them.** For I, the LORD your God, am a jealous God, visiting the iniquity of the fathers upon the children to the third and fourth generations of those who hate Me, but showing mercy to thousands, to those who love Me and keep My commandments."  
[Exodus 20:3-6, Bible, NKJV]*

*"You shall make no covenant with them [foreigners], nor with their [pagan government] gods [or judges]. They shall not dwell in your land and you shall not dwell in theirs by becoming a "resident" in the process of contracting with them], lest they make you sin against Me. For if you serve their gods [under contract or agreement], it will surely be a snare to you."  
[Exodus 23:32-33, Bible, NKJV]*

*"It is our true policy to steer clear of permanent alliances [contracts/covenants] with any portion of the foreign world."  
[George Washington, Farewell Address]*

*"Peace, commerce, and honest friendship with all nations – entangling alliances [contracts, covenants, treaties] with none."  
[Thomas Jefferson, First Inaugural Address, March 4, 1801]*

- 3.2. To act as a "public officer", instrumentality, or agent of the government in any capacity, and especially in the context of the "trade or business" franchise defined in 26 U.S.C. §7701(a)(26) as "the functions of a public office". I may ONLY serve the Lord and ONLY have allegiance and protection from Him and not any vain judge, ruler, or man. See section 2.1 in the above document and Luke 16:13.

*"Away with you, Satan! For it is written, '**You shall worship the Lord your God, and Him ONLY [NOT the government!]** you shall serve [with your labor or your earnings from labor].'"  
[Jesus in [Matt. 4:10](#), Bible, NKJV]*

*"You were bought at a price; **do not become slaves of men** [and remember that governments are made up exclusively of men]."  
[1 Cor. 7:23, Bible, NKJV]*

4. The Holy Bible Trust Indenture applies from the date that the Submitter became a Christian.



5. Any express or implied agreements or contracts between the Submitter and the government that impose any duties upon the Submitter or convey any rights to the government or the Recipient of this form beyond those described herein must be deemed to have been undertaken without delegated authority and are therefore null and void ab initio.

*"All persons dealing with public officers [or Heavenly officers] are bound to take notice of the [Biblical] law prescribing their authority and powers."*

*[State ex rel McConnell v. First State Bank, 22 Tenn. App. 577, 124 S.W.2d 726, 733 (1938)]*

*"Of this it is enough to say that the United States is neither bound nor estopped by acts of its officers or agents in entering into an arrangement or agreement to do or cause to be done what the [Biblical] law does not sanction or permit," 243 U.S., at 409. [ditto for officers of Heaven]*

*[Utah Power and Light Co. v. United States, 243 U.S. 389, 37 S.Ct. 387 (1917)]*

*"Where an executive officer, under his misconception of the [Biblical] law, has acted without or beyond the powers given him, the courts have jurisdiction to restore the status quo ante insofar as that may be done (cites omitted)."*

*[United States v. Mott, 37 F.2d 860, 862 (10th Cir. 1930), Affirmed, Mott v. United States, 283 U.S. 747, 51 S.Ct. 642 (1931)]*

*"[T]he authority of ministerial officers is to be strictly construed as including only such powers as are expressly conferred [in the Holy Bible], or necessarily implied," 141 F.2d, at 913.*

*[Youngblood v. United States, 141 F.2d 912 (6th Cir. 1944): Action to compel recorder to record tax liens]*

*"Whatever the form in which the [Heavenly] Government functions, anyone entering into an arrangement with the [Heavenly] Government takes the risk of having accurately ascertained that he who purports to act for the [Heavenly] Government stays within the bounds of his authority. The scope of this authority may be explicitly defined by Congress [or the Holy Bible] or be limited by delegated legislation, properly exercised through the rule-making power. And this is so even though, as here, the agent himself may have been unaware of the limitations upon his authority," 332 U.S., at 384.*

*[Federal Crop Ins. Corp. v. Merrill, 332 U.S. 380, 68 S.Ct. 1 (1947)]*

6. Any contracts or agreements entered into on my behalf by my parents are null and void ab initio. This includes any applications for government benefits or franchises submitted on my behalf by my parents, such as Social Security.
7. Government has received reasonable notice of the revocation of the Social Security Contract by being sent SSA form 521 and the following document, and therefore has received "reasonable notice" that there is no commercial or fiduciary relationship between Submitter and recipient. Silence of the government serves as notice of consent by the government and commercial default under the terms of said document:  
Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>
8. Submitter reserves all his/her God given rights pursuant to UCC 1-308 and its predecessor, UCC 1-207.
9. Because Submitter reserves all rights and has no authority to delegate any of them under the terms of the Holy Bible Trust Indenture, then he/she is a foreign sovereign within the meaning of the [Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapter 97](#).
10. Submitter has notified the government using the following form that all obligations, contracts, or agreements between him and any other foreign sovereign such as the United States government can take ONLY written form and may not be implied by conduct. The written instrument conveying rights must be signed by him/her and fully and completely disclose all of the rights surrendered under the terms of the contract or agreement.  
Legal Notice of Change in Domicile/Citizenship Records and Divorce From the United States, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>
11. Any obligations, debts, or collection notices sent to the Submitter by the government must be accompanied by the written instrument containing his signature that created the alleged debt pursuant to the document above and pursuant to the [Fair Debt Collection Practices Act, 15 U.S.C. §1692g\(b\)](#).
12. Recipient is reminded that if the government can enact an act requiring all contracts with the government to be in writing, then he has the equal right to enforce the same requirement upon the government upon reasonable notice of the existence of such requirement.

*"Every man is supposed to know the law. A party who makes a contract with an officer [of the government or of God's government] without having it reduced to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law."*

*[Clark v. United States, 95 U.S. 539 (1877)]*

## SECTION 8: CONSTRAINTS PERTAINING TO YOUR RESPONSE TO THIS COMMUNICATION AND ALL COMMUNICATIONS WITH, TO, OR ABOUT THE SUBMITTER

Submitter/movant requires of the Recipient the following actions, in addition to those things mentioned in the attached government forms and associated correspondence:

- That your response to this correspondence be signed under penalty of perjury, as required by [26 U.S.C. §6065](#). Anything not signed under penalty of perjury under the laws of my state shall be considered political speech that is inadmissible as evidence of any obligation pursuant to [Federal Rule of Evidence 610](#). The Constitution of the United States and Section 1 of the [Fourteenth Amendment](#) both mandate equal protection of the laws. Equal protection means that you cannot require anything of me that I cannot also require of you. You, the public servant, cannot be greater than me, your Master.
- That the Recipient and the parties construe that this attachment applies to ALL FUTURE SUBMISSIONS, even if not attached. Any later versions of this form attached to future petitions/motions/or responses shall retroactively supersede this form.
- That the Recipient remain silent on all issues raised in this pleading which the Recipient concurs and agrees entirely with. Any facts or statements or admissions included in this pleading which are not denied or rebutted by either the Recipient 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\(b\)\(6\)](#).

4. That the Recipient or the government party to this suit indicate "this matter was already settled or ruled upon" to indicate that it has NOT been ruled upon or settled and that they are EVADING the truth in the case where:
  - 4.1. They do not indicate the docket, page number, and line number and precise language WHERE the question proposed was precisely answered...OR
  - 4.2. They do not provide the specific answer requested to the question proposed by the Submitter of the pleading or petition that this document is attached to.
  - 4.3. They cite caselaw from a federal and not state court as their authority for an answer. Federal caselaw is inapposite and constitutes nothing but political propaganda and involves the courts in "political questions" in relation to those not domiciled on federal territory or lawfully serving in public offices within the government, such as the Submitter. Even the IRS refuses to recognize federal caselaw below the U.S. Supreme Court and so the Submitter invokes the same protection. See [IRM 4.10.7.2.9.8](#) for proof.
5. That unless otherwise provided by law or the Federal Rules of Civil or Criminal Procedure, this Recipient has 60 days in which to make a ruling after the filing of the final pleading/motion by the moving party to make a ruling. Any ruling which is delayed beyond 60 days would be an unreasonable and prejudicial denial of due process and obstruction of justice even if done by omission, in violation of [18 U.S.C. §1509](#). To otherwise allow the Recipient to ignore motions without limitation is to leave the moving party without any remedy at law, which is contrary to the principles of law. This provision is therefore intended to prevent such prejudicial bad faith delay tactics by the Recipient in the instant matter.
6. That the Recipient affirm its agreement with the facts and conclusions in this pleading by indicating that it doesn't have an obligation to respond to the issues raised herein or any part thereof. The oath of office of the judge establishes the affirmative fiduciary obligation to address these issues and any judge who does not honor his or her oath to support, defend and protect the Constitutional rights of the litigants under his or her care is acting not as a "public officer" or "judge", but as a private individual and de facto judge who is usurping public office with the goal of personal gain in violation of [18 U.S.C. §208](#) and [28 U.S.C. §455](#).

*"... the maxim that the King [or the Judge] 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."*  
[\[Polindexter v. Greenhow, 114 U.S. 270; 5 S.Ct. 903 \(1885\)\]](#)

7. That the Recipient or the opposing counsel use the word "frivolous" to describe or identify any issue, fact, or legal argument raised by the Submitter that the Recipient regards as truthful, accurate, and correct on any issue.
8. I demand that your answers be consistent with what the government, the IRS, and the courts themselves say forms the ONLY basis for reasonable belief about tax liability, which is the Constitution, the Statutes at Large after January 2, 1939, and the rulings of the U.S. Supreme Court but not lower courts. DO NOT invoke the I.R.C. in your defense because I am not a "taxpayer" franchisee lawfully subject to it and because it is not positive law per 1 U.S.C. §204 and therefore not legal evidence of an obligation on my part. Prima facie evidence is nothing but presumption and all presumption is a violation of due process of law against a party protected by the Constitution such as the Submitter. According to the [IRM Section 4.10.7.2.9.8](#) listed in section 2 above, you may NOT cite any court ruling below the Supreme Court against anyone other than the litigant himself or herself. Please therefore DO NOT cite rulings of tax courts, district courts, or circuit courts because they are nothing more than political propaganda that is irrelevant to me as a party who is NOT a "public officer" or government franchisee. Only those domiciled on federal territory or lawfully engaged in a public offices or who have consented to waive sovereign immunity as foreign sovereigns can be subject to the jurisdiction of the court and I am NONE of these. These GOVERNMENT requirements are documented in the following memorandum of law, which you are demanded to rebut within 30 days and rebut the admissions at the end or agree with and default to:

[Reasonable Belief About Income Tax Liability](#), Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

## SECTION 9: PERJURY STATEMENTS ON ATTACHED STANDARD GOVERNMENT FORMS

The perjury statement appearing on all government forms to which this form is attached is not materially modified in symbolic form, but regardless of what it says, the perjury statement contained in the Affirmation at the end of this form is the perjury statement that defines and replaces the all such perjury statements. Without such a modification, I would be committing perjury under penalty of perjury to sign a form containing only the government's perjury statement found in [28 U.S.C. §1746](#)(2) because I am a nonresident not present within or domiciled within the statutory "[United States](#)" as defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10). As Section 4 earlier indicates, the statutory but not constitutional "[United States](#)" consists of federal territory and excludes land within the exclusive jurisdiction of states of the Union.

## SECTION 10: YOU ARE NOT EMPOWERED TO PRACTICE LAW ON MY BEHALF OR MAKE LEGAL DETERMINATIONS ABOUT MY STATUS

I do not consent to allow you, the Recipient of this form, to practice law on my behalf, to represent me legally, or make any legal determinations about my status other than those already indicated here under penalty of perjury. You MUST accept what I tell you about my status under penalty of perjury and presume that it is truthful and accurate. Please DO NOT:

1. Contact the IRS to get them to contradict what I tell you here, because they are not authorized to determine my status, they have no personal knowledge of my circumstances and therefore cannot act as a witness, and because nothing they say or print is trustworthy by their own admission! See and rebut:  
[Reasonable Belief About Income Tax Liability](#), Form #05.007; <http://sedm.org/Forms/FormIndex.htm>

*"Unfortunately, the IRS is not bound by answers or positions stated by its employees orally, whether in person or by telephone. According to the procedural regulations, 'oral advice is advisory only and the Service is not bound to*

recognize it in the examination of the taxpayer's return.' 26 CFR §601.201(k)(2). [ . . . ] **Thus, it will still be difficult to bind the IRS even to written statements made by its employees. As was true before, taxpayers may be penalized for following oral advice from the IRS."**

[Tax Procedure and Tax Fraud, Patricia Morgan, 1999, ISBN 0-314-06586-5, West Group, p. 34]

"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."  
[Internal Revenue Manual, Section 4.10.7.2.8 (05-14-1999)]

2. Approach me with legal counsel or an attorney intent on contradicting what I state here under penalty of perjury. He or she does not have personal knowledge of my circumstances and therefore is not a competent witness, and I do not empower him or her to "represent me". Furthermore, the courts say that you cannot rely on legal counsel to determine your status. See the above Reasonable Belief About Income Tax Liability for details. We are a society of laws and not men and each American is the only party who can or should read and apply the law to their own specific circumstances:

**"But it must be remembered that all are presumed to know the law [the Internal Revenue Code, which is municipal law for the District of Columbia], and that whoever deals with a municipality [e.g. the District of Columbia, also called the "United States"] is bound to know the extent of its powers. Those who contract with it, or furnish it supplies, do so with reference to the law, and must see that limit is not exceeded. With proper care on their part and on the part of the representatives of the municipality, there is no danger of loss."**

[San Francisco Gas Co. v. Brickwedel, 62 Cal. 641 (1882). See also Dore v. Southern Pacific Co. (1912), 163 Cal. 182, 124 P. 817; People v. Flanagan (1924), 65 Cal.app. 268, 223 P. 1014; Lincoln v. Superior Court (1928), 95 Cal.App. 35, 271 P. 1107; San Francisco Realty Co. v. Linnard (1929), 98 Cal.App. 33, 276 P. 368]

3. Tell me you have a "policy" to disregard or contradict what appears here. Corporate or private policy cannot and does not supersede the requirements of enacted law. I am NOT interested in your "policy", but only in doing what the law allows and requires both me and you to do or not do in this circumstance. I WILL NOT help you violate the laws clearly documented here by applying for or using government issued identifying numbers, regardless of what your "policy" is. I am a law abiding American who scrupulously reads and obeys all laws that apply to the jurisdiction I am in. Are you?

I am willing, able, and eager to be educated by your legal counsel if you believe anything here is incorrect. If I am proven incorrect with court admissible evidence signed under penalty of perjury for which the witness agrees to take personal responsibility, I will change my testimony on this form, but not before. The only thing I want to talk about, however, is the law. I am not interested in what the "policy" of the recipient is because I don't and won't govern my life by "policy" or even "public policy" disguised as de facto law. I must obey the laws of my God, which say that I can't contract with, do business with, be a "resident", "citizen", or domiciliary of, or pay money to any government, which it calls "the Beast" in Rev. 19:19.

**"You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a "resident" in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their gods [under contract or agreement or franchise], it will surely be a snare to you."**  
[Exodus 23:32-33, Bible, NKJV]

"You shall have no other gods [including political rulers, governments, or earthly laws] before Me [or My commandments]." [Exodus 20:3, Bible, NKJV]

"Do you not know that friendship with the world is enmity with God? **Whoever therefore wants to be a friend ["citizen", "resident", "taxpayer", "inhabitant", or "subject" under a king or political ruler] of the world [or any man-made kingdom other than God's Kingdom] makes himself an enemy of God."**  
[James 4:4, Bible, NKJV]

I am protected in the above pursuits by the First Amendment to the United States Constitution and the Religious Freedom Restoration Act, 42 U.S.C. Chapter 21B. It is my right and my duty under God's laws to have the status and the standing described herein. For further details on the content of this section, see and rebut the following within 30 days or be found to agree:

Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008; <http://sedm.org/Forms/FormIndex.htm>

**AFFIRMATION****Submitter  
signature:**

I declare under penalty of perjury under ONLY the laws of the Holy Bible from without the "United States", and in accordance with [28 U.S.C. §1746\(1\)](#) and [Federal Rule of Civil Procedure 44.1](#) (the Holy Bible, New King James Version, is "foreign law") that the statements made in this document and all attachments are true, correct, and complete to the best of my knowledge and belief when all definitions of words, my status, and the franchise agreement pertaining to our interactions described in this correspondence and all attachments are fully respected and enforced by everyone making use of this information in any administrative or legal interactions between us. If litigation ensues and the judge institutes duress by interfering with my right to contract or associate and assigns a status or standing in conflict with this correspondence, redefines terms already defined herein to have a different meaning in the context of the proceeding, or interferes with the franchise agreement herein, then:

1. Everything documented herein shall become HIS speech rather than mine. All acts performed under duress become the responsibility and liability of the source of the duress rather than the compelled actor.
2. Everything contained herein shall be treated as FALSE, fraudulent, and perjurious, on the judge's part.
3. In relation to me, this submission and all attachments shall instead constitute religious and political beliefs and speech that are not factual, not actionable, and not admissible as evidence under [Federal Rule of Evidence 610](#).

The above provisions are intended to avoid making me an accessory after the fact ([18 U.S.C. §3](#)) to CRIME committed by the judge, including perjury, slavery, FRAUD, conspiracy against rights, etc.

*"You shall not circulate a false report. Do not put your hand with the wicked [judge] to be an unrighteous witness."*  
[\[Exodus 23:1, Bible, NKJV\]](#)

\_\_\_\_\_  
Signature, Agent, Fiduciary, Trustee of God

**Date  
signed:****FREE REFERENCES AND RESOURCES:****Family Guardian-Taxation page:**

<http://famguardian.org/Subjects/Taxes/taxes.htm>

**Liberty University:**

<http://sedm.org/LibertyU/LibertyU.htm>

**Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002:**

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

**Why You are a "national", "state national", and Constitutional but not Statutory Citizen (pamphlet), Form #05.008:**

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

**Great IRS Hoax (book), Form #11.302:**

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

**Federal and State Tax Withholding Options for Private Employers (pamphlet), Form #09.001:**

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

## 27.9 **FORM 9: Substitute IRS Form W-9**

This form is provided for those workers who are coerced by bigoted and ignorant employers into submitting a federal identifying number that no federal law requires or can require them to have. It is to be submitted instead of the original IRS Form. The standard IRS Form W-9 is prejudicial, because it forces the submitter to testify under penalty of perjury that they are “U.S. Persons”, which we showed earlier in section 21.6 is simply NOT true. It’s hazardous to be committing perjury on a government form while under duress by an ignorant employer and then signing it under penalty of perjury. The substitute form provided in this section:

1. Contains a copyright notice that ensures that information provided on the form may not be disclosed to the government or used for tax withholding purposes.
2. Doubles as a “notice of default” because it forces ignorant employers to rebut the evidence of their wrongdoing or be estopped from challenging the evidence in future litigation.
3. Eliminates “plausible deniability” of private employers by informing them that they are acting illegally.
4. Requires a written, not verbal response, thereby ensuring that private workers have evidence they can use in court to prove that their rights were violated.

Private workers are cautioned that private employers who are in receipt of this form may react by terminating the private employee as a risk avoidance measure. This, however, amounts to employment discrimination which is an actionable tort. Consequently, it is best to provide this form via mail via either “Certified mail” with return receipt requested or to have a person who is not a relative complete a “Certificate of Service” and mail it for you. You can find an example “Certificate of Service” at:

<p><i>Certificate/Proof/Affidavit of Service</i>, Form #01.002 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
--

The purpose of using the above techniques to produce court-admissible evidence that will prove very useful if workers attempt litigation against employers who engage in such openly illegal activity.

## Request for Nontaxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Print or type See Specific Instructions on page 2.	Name	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other <input type="checkbox"/> Exempt from backup withholding	
	Dwelling Location (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City and State	
List account number(s) here (optional)		

### Part I Nontaxpayer Identification Number (NTIN)

Enter your NTIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a NTIN** on page 2.

**Note:** If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Nontaxpayer Identifying Number								
or								
Employer identification number								

### Part II Certification

I declare under penalty of perjury under the laws of the United States of America 28 U.S.C. §1746(1) that the foregoing is true and correct.

1. If a number was provided on this form, it was provided under duress and its accuracy cannot be guaranteed in the presence of duress.
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am NOT a "U.S. person" under 26 USC 7701(a)(30) but instead am a "nonresident alien" not engaged in a "trade or business".
4. I am submitting this form ONLY because the recipient has demanded it and the IRS has not provided any form for those who do not have or need or want a federal identifying number because they are a "nonresident alien" occupying areas outside of exclusive federal jurisdiction.
5. The appropriate form to submit is an IRS form W-8BEN, but the recipient would not accept this form and has threatened me with either termination or denial of a Constitutionally protected right if I do not submit a form which I know to be untrue and sign it under penalty of perjury. They have done so under the "color of law" as a voluntary alleged "agent" of the federal government, but have also refused to discuss or demonstrate or respect the lawful limits upon their authority to do so. This results in an actionable tort, since it was done in willful defiance of what submitter alleges but is being prevented from proving is a legal duty, in what appears to be obstruction of justice.
6. That the recipient of this form is without lawful authority to interfere with my First Amendment right to communicate with my government as I see fit and NOT according to requirements that it cannot demonstrate using positive law and corresponding implementing regulations.
7. If the recipient takes issue with the content of this form, then he/she shall do so ONLY in a signed writing under penalty of perjury, just as this form is submitted. No verbal responses or "blind siding" will be allowed. All demands must be accompanied by the statute AND implementing regulation published in the Federal Register which authorizes such a demand. Making any "presumptions" is a violation of due process of law and a deprivation of Constitutional rights to life, liberty, and property.
8. The content of this form are copyrighted and a trade secret. NO PART of the information contained herein may be disclosed to any government agency or third party. Failure to observe this restriction shall result in a personal liability of \$100,000 for each occurrence, plus whatever additional liabilities result for misenforcement and misapplication of the Internal Revenue Code against the innocent party who is the compelled submitter.
9. It amounts to "compelled association" in violation of the First Amendment to the Constitution to be forced to declare that I am either a "U.S. Person" or a "taxpayer" when I do not consent to be and when I can prove with overwhelming evidence that this is simply NOT the case.
10. The recipient of this form is encouraged to rebut the court admissible evidence upon which it is based in good faith, which can be found at: <http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>. Failure to rebut within ten days of the date on this form shall constitute an "estoppel in pais" and a "nihil dicit judgment" against the recipient for all factual matters addressed by the evidence.
11. On the subject of duress, the American Jurisprudence legal encyclopedia 2d has the following enlightening things to say:  

"An agreement obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced. Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it. However, duress in the form of physical compulsion, in which the party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void." (American Jurisprudence 2d, Duress, Section 21)

Sign Here	Signature ►	Without Prejudice UCC 1-207	Date ►
--------------	-------------	-----------------------------	--------



## **27.10 FORM 10: New Hire Paperwork Attachment**

This section provides a form that people can use to attach to their new-hire paperwork AFTER they have received a job offer and before they begin work in order to specify their wishes relating to tax withholding. It should not be used for any other purpose. Details on how to use this form are covered earlier in section 24 earlier. It is based on practical experience from several of our readers, and is carefully optimized to remove all excuses a dishonest company might try to use to terminate or not hire you after they find out your wishes regarding withholding. Attached to this paperwork, you should include whatever withholding form works best for you from the preceding sections 27.1 through 27.7. We recommend that workers send this form to their companies with a Certificate of Service, so they have legally admissible evidence of all correspondence that can be used in case litigation becomes necessary for employment discrimination. The Certificate of Service can be found at:

*Certificate/Proof/Affidavit of Service*, Form #01.002

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

Use of the above form is discussed below, under item 3.1: Proof of service by Mail:

<http://sedm.org/ItemInfo/RespLtrs/AdminRecord/AdminRecord.htm>

---

---

---

---

---

---

---

---

Registered/Certified Mail #:

---

Subject: Tax Withholding and Reporting Status Declaration and Request

TABLE OF CONTENTS

1	Introduction .....	1
2	How to Lawfully Handle My Withholding and Reporting .....	3
3	Explanatory Enclosures .....	6
4	Conclusions .....	6
5	Enclosure 1: Completed IRS Form W-8BEN .....	8
6	Enclosure 2: IRS Instructions for Form W-8BEN, cover and pages 2, 4, and 5.....	9
7	Enclosure 3: IRS Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY .....	10
8	Enclosure 4: IRS Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Entities, Cover and Page 7 .....	11
9	Enclosure 5: IRS Instructions for Form 1042-S, Cover and Page 14 .....	12
10	Enclosure 6: Title 31 U.S. Code of Federal Regulations, Section 306.10, Footnote 2, page 143.....	13
11	Enclosure 7: Title 26 U.S. Code of Federal Regulations, Section 1.871-1(b)(1)(i), p. 336.....	14

Dear \_\_\_\_\_, and to whom else it may concern:

**1 Introduction**

I am providing this information to explain my withholding and reporting status because as you will see, my circumstances are different from what you likely deal with or because the various tax forms you provided do not permit a way to truthfully and accurately describe or document my lawful status. If I used the standard forms normally used, then I would have to commit perjury because they do not accurately reflect my status, as I desire to be compliant with all applicable law. My tax status and withholding and reporting requirements are summarized below:

1. My tax status:
  - 1.1. I am an American National domiciled outside of the statutory but not constitutional “United States”.
  - 1.2. I am a “foreign person” because I was born in the country but do not have a domicile on federal territory.
  - 1.3. I am a “nonresident alien” per 26 U.S.C. §7701(b)(1)(B).
  - 1.4. I am not an “alien” per 26 U.S.C. §7701(b)(1)(A).
  - 1.5. I am not engaged in the “trade or business” franchise, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”.
  - 1.6. My estate is a “foreign estate” pursuant to 26 U.S.C. §7701(a)(31).
  - 1.7. I make no elections pursuant to 26 U.S.C. §6013(g) or (h), **to be treated as a U.S. resident or a resident alien** for tax purposes. See very top of Form W-8BEN, Enclosure 1, under “**Do not use this form for:**”, for clarifications for use.
  - 1.8. For the purpose of the Internal Revenue Code, I am not the “taxpayer” described in 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313.

- 1.9. Not the “individual” defined in 26 CFR §1.1441-1(c)(3), 5 U.S.C. §552a(a)(2) or any other federal statute.
- 1.10. Not the “nonresident alien individual” referenced in 26 CFR §1.6012-1(b).
2. Tax liability: I am not liable.
  - 2.1. Not engaged in “personal services” because not within the “United States” and working for a nonresident alien company, foreign corporation, or private employer.

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART I](#) > Sec. 864  
[Sec. 864](#). - Definitions and special rules

(b) [Trade or business within the United States](#)

For purposes of [this part \[part I\], part II](#), and [chapter 3](#), the term “trade or business within the United States” includes the performance of [personal services](#) within the United States at any time within the taxable year, but **does** not include -

**(1) Performance of personal services for foreign employer**

The performance of [personal services](#) -

(A) for a [nonresident alien](#) individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

- 2.2. 26 CFR §1.6012-1(b) identifies “nonresident alien” individuals who are engaged in a “trade or business” franchise (federal public office) as having a requirement to file a return on Form 1040-NR.
- 2.3. A “nonresident alien” must accrue income from a specific source or activity outlined by Congress in the Internal Revenue (I.R.C.) in order to have a requirement to file a return, and that source or activity is the effective conduct in a “trade or business” within the United States.
- 2.4. No “income” pursuant to 26 U.S.C. §643(b).
- 2.5. No “gross income” pursuant to 26 U.S.C. §871(b)(2).
- 2.6. No “taxable income” pursuant to:
  - 2.6.1. [26 U.S.C. §864](#)(b)(1)(A).
  - 2.6.2. [26 U.S.C. §861](#)(a)(3)(C)(i).
  - 2.6.3. [26 U.S.C. §3401](#)(a)(6).
  - 2.6.4. [26 U.S.C. §1402](#)(b).
  - 2.6.5. [26 U.S.C. §871](#)(b)(1).
3. Withholding requirements: No withholding required.
  - 3.1. Withholding only required for payments originating within the “United States” as required by 26 U.S.C. §871.
  - 3.2. [26 U.S.C. §3401](#)(a)(6) indicates that no withholding is required in my case:

[TITLE 26](#) > [Subtitle C](#) > [CHAPTER 24](#) > § 3401  
[§ 3401. Definitions](#)

(a) For the purposes of this chapter, the term “wages” means all remuneration (other than fees paid to a public official) for services performed by an employee [an elected or appointed public official] to his employer...**except that such term shall not include remuneration for:**

[...]

**(6) such services, performed by a nonresident alien individual.**

- 3.3. 26 CFR §31.3401(a)(6)-1(b) indicates that no withholding is required in my case:

[Title 26](#)  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3401\(a\)\(6\)-1 Remuneration for services of nonresident alien individuals.](#)

(a) In general. All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, **if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section.** In regard to wages paid under this section after February 28, 1979, the term “nonresident alien individual” does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).

(b) Remuneration for services performed outside the United States. Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.

- 3.4. Withholding only required if I am in receipt of earnings originating from within the “United States”. I am not in the “United States”. See 26 CFR §1.872-2(f).
- 3.5. Most likely, you are not within the “United States” within the meaning of the Internal Revenue Code, which is defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) to mean the District of Columbia. Nowhere within Subtitle A (income tax) are the states of the Union implicated. Please provide a definition of “State” from the I.R.C. that expressly includes a state of the Union if you disagree:

*“It is no longer open to question that the general [federal] government [including its agents, the IRS], 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 to the internal affairs of the states, and emphatically not with regard to legislation.”*  
[*Carter v. Carter Coal Co.*, [298 U.S. 238](#) (1936)]

*“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 [including AFTER the passage of the Sixteenth Amendment] 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)]

4. **Reporting requirements:** No tax reporting required or allowed.
- 4.1. IRS Form W-2 may only indicate “wages” and that term does not include earnings not connected with a “trade or business” per 26 U.S.C. §3401(a)(11).
- 4.2. No reportable “wages” pursuant to 26 U.S.C. §3401(a)(11), 26 CFR §31.3402(p)-1, and 26 CFR §31.3401(a)-3(a).
- 4.3. Information returns such as IRS Form W-2, 1042-s, 1098, and 1099 may only be filed against persons engaged in a “trade or business” as required by 26 U.S.C. §6041(a) and I am not engaged in a “trade or business”.
- 4.4. Any information return reports filed would be knowingly false and subject to criminal liability pursuant to 26 U.S.C. §7206 and 7207 as well as civil liability pursuant to 26 U.S.C. §7434.
- 4.5. IRS Form 1042-s is the form most often suggested for use with respect to nonresident aliens. This form, like all other information returns, is not appropriate for use in my case, because once again, 26 U.S.C. §6041(a) as well as the form instructions themselves say this form may only be connected with a “trade or business” and I am not engaged in a public office within the government, and neither are you. If you believe otherwise, I invite you to rebut the exhaustive analysis of what a “trade or business” found below within 30 days or be found to agree:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

5. **Identifying numbers:** None and I am not eligible for one.
- 5.1. Cannot lawfully request on Form W-7 or W-9, or use a Taxpayer Identification Number. Taxpayer Identification Numbers may only lawfully be issued to “aliens” as defined in [26 U.S.C. §7701](#)(b)(1)(A) and I am not an alien. All “individuals”, in fact, are statutory and not constitutional aliens per 26 CFR §1.1441-1(c)(3).
- 5.2. Do not participate in the Social Security franchise.
- 5.3. Not eligible to participate in Social Security. See and rebut the following within 30 days or be found to agree:

*Why You Aren’t Eligible for Social Security*, Form #06.001  
<http://sedm.org/Forms/FormIndex.htm>

## **2 How to Lawfully Handle My Withholding and Reporting**

The attached completed IRS Form W-8BEN reflects my lawful status. As revealed in IRS publication 515, some of the legal purposes for the filing of Form W-8BEN are as follows:

1. To certify my “nonresident alien” (foreign person) status for income tax purposes;
2. To specify an exemption from backup withholding and 1099 reporting:

*“Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting.”*  
[IRS Publication 515, Enclosure 4]

3. To claim the legal classification of “nonresident alien” pursuant to 26 CFR §1.871-1(b)(1)(i), which is one who at *no* time during the taxable year received payments that were effectively connected with the conduct of a “trade or business” within the United States, as the term “trade or business” is defined by Congress at 26 U.S.C. §7701(a)(26). This status is documented in Enclosure 7 attached.
4. To claim an *exception* from information return reporting about me on your part. 26 U.S.C. §6041(a) authorizes reporting only on earnings connected with a “trade or business” and I do not occupy a public office within the U.S. government. See Enclosure 3 attached and 26 U.S.C. §7701(a)(26) for a definition of “trade or business”.
5. To notice you that I am under *no* legal obligation to apply for *or* obtain a Taxpayer Identification Number. 26 CFR §1.1441-1(c)(3) indicates that “individuals” are statutory but not constitutional “aliens” and I am not an “alien”, but rather a “nonresident alien”. Therefore, it would be unlawful and constitute perjury under penalty of perjury to file an IRS Form W-7 or W-9. Only statutory but not constitutional “aliens” are eligible for TINs and one can be a “nonresident alien” without being an alien, as confirmed by 26 U.S.C. §7701(b)(1)(A) and 26 U.S.C. §7701(b)(1)(B). These realities are also reflected in the following regulations, if you would like to investigate further:
  - 5.1. 31 CFR §306.10. See Enclosure (6) later.
  - 5.2. 31 CFR §103.34(a)(3)(x).

I emphasize that by submitting the Form W-8BEN, *I am making no elections* pursuant to 26 U.S.C. §871(d) to treat payments connected to our relationship **as if** they were payments effectively connected with a “trade or business” within the United States, as the term “trade or business” is defined by Congress at 26 U.S.C. §7701(a)(26). Consequently, 26 CFR §1.6012-1(b) says I have no requirement to file a tax return.

For your convenience and record, I have enclosed the IRS Form W-8BEN Instructions for the payer as Enclosure 2. The IRS also publishes similar instructions for the recipient of the form, which I have included as Enclosure 3. These instructions require that:

1. The form is valid for three years from the date signed.
2. The form is for “your” files, do not send it to the IRS per the instructions.

Please retain this correspondence and all attachments in your files for future reference. If I neglect to resubmit an updated form three years from now please kindly contact me and I will be happy to do so.

I emphasize that you have no discretion to change my declared status and that doing so would constitute tampering with a witness, since the form is signed under penalty of perjury by me and not anyone else. I am the only one who can complete or submit the Form W-8BEN and no one else is authorized to do it for me. The law requires that you must accept what is given to you and use it as is.

*“The employer is not authorized to alter the form or to dishonor the employee's claim. The certificate goes into effect automatically in accordance with certain standards enumerated in [§3402\(f\)\(3\)](#).”*  
*[U.S. v. Malinowski, 347 F.Supp. 347 (1972)]*

In handling this request, please resist the temptation:

1. To cite any IRS publication as authority, which even the IRS says is not a good idea. By way of clarification, the attached IRS publications within the enclosures are not authoritative references, but simply informal policy guidance:

*“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.”*  
*[Internal Revenue Manual, Section 4.10.7.2.8 (05-14-1999)]*

2. To call the IRS for advice on this matter because the courts have ruled that anyone who relies on anything they or any other government employee says is foolish and it may not be correct advice. Furthermore, all such feedback is hearsay evidence because not authenticated under penalty of perjury and therefore not admissible as evidence. Furthermore, the IRS can't practice law and simply administers Title 26, which is the law for “taxpayers”. See:

*Reasonable Belief About Income Tax Liability*, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

3. To “presume” that you know what the law says and what is “included” within the definition or meanings of the terms used on government forms. Any attempt to “presume” anything that cannot be proven with evidence is a violation of due process and a violation of rights.

(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 Bd. of Ed. v. LaFleur (1974) [414 US 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]

**IMPORTANT NOTE:** Please notice that “terms” defined in law and used on government forms that implement the law typically have an entirely different meaning than the same words as used in ordinary everyday speech. Such terms include the following, NONE of which have anything to do with either you or me:

- 3.1. “United States” as defined in 26 U.S.C. §7701(a)(9) and (a)(10). Hint: Not any part of any state of the Union.
- 3.2. “trade or business” as defined in 26 U.S.C. §7701(a)(26). Hint: Not anything a man could do to earn a living, but simply public office in the government.
- 3.3. “employee” as defined in 26 U.S.C. §3401(c) and 26 CFR §31.3401(c)-1 and 26 U.S.C. §6331(a). Hint: A government public officer and not private common law employee.
- 3.4. “employer” as defined in 26 U.S.C. §3401(d). Hint: A federal agency who pays public officers in their official capacity.
- 3.5. “State” as defined in 26 U.S.C. §7701(a)(10) and 4 U.S.C. §110(d). Hint: A federal territory or possession and no part of a state of the Union.
- 3.6. “income” as defined in 26 U.S.C. §643(b). Hint: The earnings of a trust or estate and not a human being which is wholly owned by a federal corporation called the “United States” as defined in 28 U.S.C. §3002(15)(A).

Instead, please consult the law and look at the definitions for yourself. If you want to include anything that is not listed in the definition of a specific term found in the code, please provide the specific place where the exact thing that you want to include is expressly specified. Otherwise, creating your own definitions of terms that you mistake for everyday words would cause you to violate the law and engage in little more than a state-sponsored religion. Below are the reasons why, from both the U.S. Supreme Court and a well known legal dictionary:

**“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)]

**“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]

If there is any question at all in your mind about what is “included” in the definition of any term used in the I.R.C., please refer to and rebut the following. If you don’t rebut it within 30 days, I shall conclude that you agree with it:

**The Meaning of the Words “includes” and “including”, Form #05.014**

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

4. To quote rulings below the U.S. Supreme Court to justify your position. Not even the IRS is allowed to do that:

[IRM 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.**



### 3 **Explanatory Enclosures**

In order to make your payroll and accounting job as easy as possible, I have spent a great deal of time assembling several explanatory enclosures from IRS publications as well as the Internal Revenue Code. These enclosures provide legally admissible evidence to back up every statement of fact made in this correspondence. It is my hope that this information will simplify the process of justifying and explaining to others what you have done with my tax withholding or reporting, should you be called upon to do so at any time. Below is a summary and explanation of each of these enclosures, which you are welcome to further investigate:

#	Title	Explanation
1	IRS Form W-8BEN	Withholding form documenting my status
2	IRS Instructions for Form W-8BEN, cover and pages 2, 4, 5.	Proves that the IRS Form W-8BEN is used to claim exemption from withholding and reporting and to establish that you are not a "U.S. person". Recognizes that TINs are not required for nonresident aliens.
3	IRS Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY" (Supplement), cover and pages 2, 5, 6.	Describes legitimate uses of the W-8BEN form, which include exception from domestic information returns and to establish that earnings are not connected with a "trade or business". Also describes instructions for using the form. Acknowledges that the form may be used WITHOUT a Taxpayer Identification Number.
4	IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, cover and page 7.	Proves that the IRS Form W-8BEN is used to: 1. Establish foreign status; 2. Claim that the foreign person is exempt from reporting and withholding.
5	IRS Instructions for Form 1042-S, cover and page 14.	Proves that 1042s is not required to be filed against nonresident aliens who are not engaged in a "trade or business".
6	Title 31 U.S. Code of Federal Regulations section 306.10, Footnote 2, page 143.	Proves that Taxpayer Identification Numbers are not required for nonresident aliens not engaged in a "trade or business". Also shows that Taxpayer Identification Numbers are only required for payments connected with a "trade or business".
7	Title 26 U.S. Code of Federal Regulations section 1.871-1(b)(1)(i), page 336.	Documents the type of nonresident alien that I am, which is a nonresident alien not engaged in a "trade or business".

### 4 **Conclusions**

I readily acknowledge the unusual nature of this submission and sincerely thank you for taking the time to educate yourself about all the implications of it and all the laws, regulations, and publications authorizing it. I apologize for any added effort this may impose upon your busy schedule. The only motivation behind this submission is to comply with the law to the fullest extent possible. Any other approach, I believe, would be a violation of the tax laws as written and intended by the United States Congress.

If you find anything in error in this submission, I respectfully ask that you provide legally admissible evidence in writing (as I have), signed under penalty of perjury, proving why it is in error within 30 days. Otherwise, it shall be deemed by me that I am correct and that you agree entirely with this submission and all attachments. These materials have been carefully reviewed by over 100,000 people and I have also been researching this subject for quite some time. I have found no errors in anything enclosed herein. I agree to assume any and all consequences for this submission and indemnify you, the recipient of any and all liabilities that might result from accepting and implementing this submission. The law is clear: You can only rely on what I tell you regarding my status.

If you or anyone at your company would like to investigate the information contained herein further, the following resources may prove helpful. If you disagree with this submission or refuse to process it, I also respectfully request that you rebut the following materials in writing within 30 days or be found to agree. This includes the admissions at the end of the items indicated:

1. Nonresident Alien Position, Form #05.020  
<http://sedm.org/Forms/FormIndex.htm>
2. The "Trade or Business" Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

I am looking forward to doing business with your company. Because of my status, I can do this at a much lower cost to your company than other people you may do business with due to the lack of information reporting and all associated paperwork that goes with such reporting. My contact information is indicated above. If there are any problems with the submission and instructions provided in support, please kindly contact me promptly to discuss them. I would also be happy to meet with your corporate counsel, accountant, or CPA to discuss the laws described herein and how to conscientiously comply with all of them. I am a law abiding American National and I would hope that all those I do business with are as well.

Thank you kindly for your assistance and cooperation.

“I declare under penalty of perjury from without the United States pursuant to 28 U.S.C. §1746(1) that the information provided by me in this submission is truthful, accurate, consistent with prevailing law, and complete to the best of my knowledge and belief.”

---

Enclosures 1 through 7 identified in the table of contents follow on the remaining pages after this submission

**5    Enclosure 1: Completed IRS Form W-8BEN**

This enclosure is the withholding form that documents my lawful status.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----

**Certificate of Foreign Status of Nonresident Alien  
for United States Tax Withholding**

▶ Section references are to the Internal Revenue Code

▶ See separate instructions.

▶ Give this form to the withholding agent or payer. Do NOT send to the IRS.

Substitute for  
OMB No. 1545-1621**Do not use this form for:**

- A U.S. citizen or other U.S. person, including a resident alien individual \_\_\_\_\_ **W-9**
  - A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of of a trade or business in the United States \_\_\_\_\_ **W-8ECI**
  - A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) \_\_\_\_\_ **W-8ECI or W-8IMY**
  - A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) \_\_\_\_\_ **W-8ECI or W-8EXP**
- Note:** These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding and information reporting.
- A person acting as an intermediary \_\_\_\_\_ **W-8IMY**

**Note:** See instructions for additional exceptions.**Part I Identification of Nonresident Alien Claiming non-"U.S. person" status**

<b>1</b> Name of nonresident alien (non-U.S. person)		<b>2</b> Country of incorporation or organization NA: Human being																
<b>3</b> Type of nonresident alien: <table border="0"> <tr> <td><input type="checkbox"/> Individual (public officer)</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Disregarded entity</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> Simple trust</td> </tr> <tr> <td><input type="checkbox"/> Grantor trust</td> <td><input type="checkbox"/> Complex trust</td> <td><input type="checkbox"/> Estate</td> <td><input type="checkbox"/> Government</td> <td><input type="checkbox"/> International organization</td> </tr> <tr> <td><input type="checkbox"/> Central bank of issue</td> <td><input type="checkbox"/> Tax-exempt organization</td> <td><input type="checkbox"/> Private foundation</td> <td><input type="checkbox"/> Transient foreigner</td> <td><input type="checkbox"/> Union state Citizen</td> </tr> </table>				<input type="checkbox"/> Individual (public officer)	<input type="checkbox"/> Corporation	<input type="checkbox"/> Disregarded entity	<input type="checkbox"/> Partnership	<input type="checkbox"/> Simple trust	<input type="checkbox"/> Grantor trust	<input type="checkbox"/> Complex trust	<input type="checkbox"/> Estate	<input type="checkbox"/> Government	<input type="checkbox"/> International organization	<input type="checkbox"/> Central bank of issue	<input type="checkbox"/> Tax-exempt organization	<input type="checkbox"/> Private foundation	<input type="checkbox"/> Transient foreigner	<input type="checkbox"/> Union state Citizen
<input type="checkbox"/> Individual (public officer)	<input type="checkbox"/> Corporation	<input type="checkbox"/> Disregarded entity	<input type="checkbox"/> Partnership	<input type="checkbox"/> Simple trust														
<input type="checkbox"/> Grantor trust	<input type="checkbox"/> Complex trust	<input type="checkbox"/> Estate	<input type="checkbox"/> Government	<input type="checkbox"/> International organization														
<input type="checkbox"/> Central bank of issue	<input type="checkbox"/> Tax-exempt organization	<input type="checkbox"/> Private foundation	<input type="checkbox"/> Transient foreigner	<input type="checkbox"/> Union state Citizen														
<b>4</b> Permanent address (street, apt. or suite no. or rural route)																		
City or town, state or province. Include postal code where appropriate.			Country (do not abbreviate) United States of America															
<b>5</b> Mailing address (if different from above)																		
City or town, state or province. Include postal code where appropriate.			Country (do not abbreviate)															
<b>6</b> Identification number (unless not required) NOT REQUIRED. See W-8BEN Inst. p. 1,2,4,5 (Cat. 25576H); W-8 Supp. Inst. p. 1,2,6 (Cat. 26698G) Pub. 515 Inst. p. 7; Form 1042-s Inst. p. 1,14; 31 CFR 306.10; 31 CFR 103.34(a)(3)(x)		<b>7</b> Foreign tax ID no., if any																
<b>8</b> Reference number(s) Status claimed at 26 CFR 1.871-1(b)(1)(i)-nonresident alien who at no time during the year engaged in a "trade or business" in the U.S.																		

**Part II Claim of Tax Treaty Benefits (if applicable)****9 I certify that (check all that apply):**

- a** ☐ The nonresident alien is a resident of \_\_\_\_\_ within the meaning of an income tax treaty between the U.S. and that country
- b** ☐ If required, the identification number is stated on line 6 (see instructions).
- c** ☐ The nonresident alien is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).
- d** ☐ The nonresident alien is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).
- e** ☐ The nonresident alien is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, \$500,000.

**10 Special rates and conditions** (if applicable--see instructions): The nonresident alien is claiming the provisions of Article \_\_\_\_\_ of the treaty identified on line 9a above to claim a \_\_\_\_\_ % rate of withholding on (specify type of income): \_\_\_\_\_

Explain the reasons the nonresident alien meets the terms of the treaty article: \_\_\_\_\_

**Part III Notional Principal Contracts**

- 11** ☐ I have provided or will provide a statement that identifies those notional principal contracts which the income is not effectively connected with the conduct of a trade or business in the United States

**Part IV Certification**

Under penalties of perjury from without the "United States" in accordance with 28 U.S.C. 1746(1), I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete when litigated only in a state court with a jury trial. I further certify under penalties of perjury that:

- I am the nonresident alien (or am authorized to sign for the nonresident alien) of all the transactions to which this form relates
- The nonresident alien is NOT a U.S. person and is not liable for withholding or paying income taxes or filing returns under 26 U.S.C. or 26 C.F.R.
- The income to which this form relates is not effectively connected with the conduct of a "trade or business" within the "United States" and is not subject to tax under an income tax law or treaty, and
- For broker transactions or broker transaction, the nonresident alien is a "foreign estate" as defined in 26 U.S.C. 7701(a)(31)

The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person and, if applicable, obtain a reduced rate of withholding.

**Sign Here**

Signature of nonresident alien (or person authorized to sign for nonresident alien)

Date (MM-DD-YYYY)

Capacity in which acting

**6    Enclosure 2: IRS Instructions for Form W-8BEN, cover and pages 2, 4, and 5**

This enclosure proves that the IRS Form W-8BEN is used to claim exemption from withholding and reporting and to establish that you are not a “U.S. person”. Recognizes that TINs are not required for nonresident aliens.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----



# Instructions for Form W-8BEN

(Rev. February 2006)

## Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding



Department of the Treasury  
Internal Revenue Service

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

For definitions of terms used throughout these instructions, see *Definitions* on pages 3 and 4.

**Purpose of form.** Foreign persons are subject to U.S. tax at a 30% rate on income they receive from U.S. sources that consists of:

- Interest (including certain original issue discount (OID));
- Dividends;
- Rents;
- Royalties;
- Premiums;
- Annuities;
- Compensation for, or in expectation of, services performed;
- Substitute payments in a securities lending transaction; or
- Other fixed or determinable annual or periodical gains, profits, or income.

This tax is imposed on the gross amount paid and is generally collected by withholding under section 1441 or 1442 on that amount. A payment is considered to have been made whether it is made directly to the beneficial owner or to another person, such as an intermediary, agent, or partnership, for the benefit of the beneficial owner.

In addition, section 1446 requires a partnership conducting a trade or business in the United States to withhold tax on a foreign partner's distributive share of the partnership's effectively connected taxable income. Generally, a foreign person that is a partner in a partnership that submits a Form W-8 for purposes of section 1441 or 1442 will satisfy the documentation requirements under section 1446 as well. However, in some cases the documentation requirements of sections 1441 and 1442 do not match the documentation requirements of section 1446. See Regulations sections 1.1446-1 through 1.1446-6. Further, the owner of a disregarded entity, rather than the disregarded entity itself, shall submit the appropriate Form W-8 for purposes of section 1446.

If you receive certain types of income, you must provide Form W-8BEN to:

- **Establish that you are not a U.S. person;**
- Claim that you are the beneficial owner of the income for which Form W-8BEN is being provided or a partner in a partnership subject to section 1446; and

- If applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty.

You may also be required to submit Form W-8BEN to claim an exception from domestic information reporting and backup withholding for certain types of income that are not subject to foreign-person withholding. Such income includes:

- Broker proceeds.
- Short-term (183 days or less) original issue discount (OID).
- Bank deposit interest.
- Foreign source interest, dividends, rents, or royalties.
- Proceeds from a wager placed by a nonresident alien individual in the games of blackjack, baccarat, craps, roulette, or big-6 wheel.

You may also use Form W-8BEN to certify that income from a notional principal contract is not effectively connected with the conduct of a trade or business in the United States.

A withholding agent or payer of the income may rely on a properly completed Form W-8BEN to treat a payment associated with the Form W-8BEN as a payment to a foreign person who beneficially owns the amounts paid. If applicable, the withholding agent may rely on the Form W-8BEN to apply a reduced rate of withholding at source.

Provide Form W-8BEN to the withholding agent or payer before income is paid or credited to you. Failure to provide a Form W-8BEN when requested may lead to withholding at a 30% rate (foreign-person withholding) or the backup withholding rate.

**Additional information.** For additional information and instructions for the withholding agent, see the Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.

**Who must file.** You must give Form W-8BEN to the withholding agent or payer if you are a foreign person and you are the beneficial owner of an amount subject to withholding. Submit Form W-8BEN when requested by the withholding agent or payer whether or not you are claiming a reduced rate of, or exemption from, withholding.

Do not use Form W-8BEN if:

- You are a U.S. citizen (even if you reside outside the United States) or other U.S. person (including a resident alien individual). Instead, use Form W-9, Request for Taxpayer Identification Number and Certification.
- You are a disregarded entity with a single owner that is a U.S. person and you are not a hybrid entity claiming treaty benefits. Instead, provide Form W-9.



- You are a nonresident alien individual who claims exemption from withholding on compensation for independent or dependent personal services performed in the United States. Instead, provide Form 8233, Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, or Form W-4, Employee's Withholding Allowance Certificate.
- You are receiving income that is effectively connected with the conduct of a trade or business in the United States, unless it is allocable to you through a partnership. Instead, provide Form W-8ECI, Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States. If any of the income for which you have provided a Form W-8BEN becomes effectively connected, this is a change in circumstances and Form W-8BEN is no longer valid. You must file Form W-8ECI. See *Change in circumstances* on this page.
- You are filing for a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming the applicability of section 115(2), 501(c), 892, 895, or 1443(b). Instead, provide Form W-8EXP, Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding. However, you should use Form W-8BEN if you are claiming treaty benefits or are providing the form only to claim you are a foreign person exempt from backup withholding. You should use Form W-8ECI if you received effectively connected income (for example, income from commercial activities).
- You are a foreign flow-through entity, other than a hybrid entity, claiming treaty benefits. Instead, provide Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding. However, if you are a partner, beneficiary, or owner of a flow-through entity and you are not yourself a flow-through entity, you may be required to furnish a Form W-8BEN to the flow-through entity.
- You are a disregarded entity for purposes of section 1446. Instead, the owner of the entity must submit the form.
- You are a reverse hybrid entity transmitting beneficial owner documentation provided by your interest holders to claim treaty benefits on their behalf. Instead, provide Form W-8IMY.
- You are a withholding foreign partnership or a withholding foreign trust within the meaning of sections 1441 and 1442 and the accompanying regulations. A withholding foreign partnership or a withholding foreign trust is a foreign partnership or trust that has entered into a withholding agreement with the IRS under which it agrees to assume primary withholding responsibility for each partner's, beneficiary's, or owner's distributive share of income subject to withholding that is paid to the partnership or trust. Instead, provide Form W-8IMY.
- You are acting as an intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian). Instead, provide Form W-8IMY.
- You are a foreign partnership or foreign grantor trust for purposes of section 1446. Instead, provide Form

W-8IMY and accompanying documentation. See Regulations sections 1.1446-1 through 1.1446-6.

**Giving Form W-8BEN to the withholding agent.** Do not send Form W-8BEN to the IRS. Instead, give it to the person who is requesting it from you. Generally, this will be the person from whom you receive the payment, who credits your account, or a partnership that allocates income to you. Give Form W-8BEN to the person requesting it before the payment is made to you, credited to your account or allocated. If you do not provide this form, the withholding agent may have to withhold at the 30% rate, backup withholding rate, or the rate applicable under section 1446. If you receive more than one type of income from a single withholding agent for which you claim different benefits, the withholding agent may, at its option, require you to submit a Form W-8BEN for each different type of income. Generally, a separate Form W-8BEN must be given to each withholding agent.

**Note.** If you own the income or account jointly with one or more other persons, the income or account will be treated by the withholding agent as owned by a foreign person if Forms W-8BEN are provided by all of the owners. If the withholding agent receives a Form W-9 from any of the joint owners, the payment must be treated as made to a U.S. person.

**Change in circumstances.** If a change in circumstances makes any information on the Form W-8BEN you have submitted incorrect, you must notify the withholding agent or payer within 30 days of the change in circumstances and you must file a new Form W-8BEN or other appropriate form.

If you use Form W-8BEN to certify that you are a foreign person, a change of address to an address in the United States is a change in circumstances. Generally, a change of address within the same foreign country or to another foreign country is not a change in circumstances. However, if you use Form W-8BEN to claim treaty benefits, a move to the United States or outside the country where you have been claiming treaty benefits is a change in circumstances. In that case, you must notify the withholding agent or payer within 30 days of the move.

If you become a U.S. citizen or resident alien after you submit Form W-8BEN, you are no longer subject to the 30% withholding rate or the withholding tax on a foreign partner's share of effectively connected income. You must notify the withholding agent or payer within 30 days of becoming a U.S. citizen or resident alien. You may be required to provide a Form W-9. For more information, see Form W-9 and instructions.

**Expiration of Form W-8BEN.** Generally, a Form W-8BEN provided without a U.S. taxpayer identification number (TIN) will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2005, remains valid through December 31, 2008. A Form W-8BEN furnished with a U.S. TIN will remain in effect until a change in circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner who provided the Form W-8BEN. See the instructions for line 6



A disregarded entity shall not submit this form to a partnership for purposes of section 1446. Instead, the owner of such entity shall provide appropriate documentation. See Regulations section 1.1446-1.

**Amounts subject to withholding.** Generally, an amount subject to withholding is an amount from sources within the United States that is fixed or determinable annual or periodical (FDAP) income. FDAP income is all income included in gross income, including interest (as well as OID), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums).

For purposes of section 1446, the amount subject to withholding is the foreign partner's share of the partnership's effectively connected taxable income.

**Withholding agent.** Any person, U.S. or foreign, that has control, receipt, or custody of an amount subject to withholding or who can disburse or make payments of an amount subject to withholding is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, and U.S. branches of certain foreign banks and insurance companies. Generally, the person who pays (or causes to be paid) the amount subject to withholding to the foreign person (or to its agent) must withhold.

For purposes of section 1446, the withholding agent is the partnership conducting the trade or business in the United States. For a publicly traded partnership, the withholding agent may be the partnership, a nominee holding an interest on behalf of a foreign person, or both. See Regulations sections 1.1446-1 through 1.1446-6.

## Specific Instructions



*A hybrid entity should give Form W-8BEN to a withholding agent only for income for which it is claiming a reduced rate of withholding under an income tax treaty. A reverse hybrid entity should give Form W-8BEN to a withholding agent only for income for which no treaty benefit is being claimed.*

### Part I

**Line 1.** Enter your name. If you are a disregarded entity with a single owner who is a foreign person and you are not claiming treaty benefits as a hybrid entity, this form should be completed and signed by your foreign single owner. If the account to which a payment is made or credited is in the name of the disregarded entity, the foreign single owner should inform the withholding agent of this fact. This may be done by including the name and account number of the disregarded entity on line 8 (reference number) of the form. However, if you are a disregarded entity that is claiming treaty benefits as a hybrid entity, this form should be completed and signed by you.

**Line 2.** If you are a corporation, enter the country of incorporation. If you are another type of entity, enter the country under whose laws you are created, organized, or

governed. If you are an individual, enter N/A (for "not applicable").

**Line 3.** Check the one box that applies. By checking a box, you are representing that you qualify for this classification. You must check the box that represents your classification (for example, corporation, partnership, trust, estate, etc.) under U.S. tax principles. Do not check the box that describes your status under the law of the treaty country. If you are a partnership or disregarded entity receiving a payment for which treaty benefits are being claimed, you must check the "Partnership" or "Disregarded entity" box. If you are a sole proprietor, check the "Individual" box, not the "Disregarded entity" box.



*Only entities that are tax-exempt under section 501 should check the "Tax-exempt organization" box. Such organizations should use Form W-8BEN only if they are claiming a reduced rate of withholding under an income tax treaty or some code exception other than section 501. Use Form W-8EXP if you are claiming an exemption from withholding under section 501.*

**Line 4.** Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax. If you are giving Form W-8BEN to claim a reduced rate of withholding under an income tax treaty, you must determine your residency in the manner required by the treaty. Do not show the address of a financial institution, a post office box, or an address used solely for mailing purposes. If you are an individual who does not have a tax residence in any country, your permanent residence is where you normally reside. If you are not an individual and you do not have a tax residence in any country, the permanent residence address is where you maintain your principal office.

**Line 5.** Enter your mailing address only if it is different from the address you show on line 4.

**Line 6.** If you are an individual, you are generally required to enter your social security number (SSN). To apply for an SSN, get Form SS-5 from a Social Security Administration (SSA) office or, if in the United States, you may call the SSA at 1-800-772-1213. Fill in Form SS-5 and return it to the SSA.

If you do not have an SSN and are not eligible to get one, you must get an individual taxpayer identification number (ITIN). To apply for an ITIN, file Form W-7 with the IRS. It usually takes 4-6 weeks to get an ITIN.



*An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.*

If you are not an individual or you are an individual who is an employer or you are engaged in a U.S. trade or business as a sole proprietor, you must enter an employer identification number (EIN). If you do not have an EIN, you should apply for one on Form SS-4, Application for Employer Identification Number. If you are a disregarded entity claiming treaty benefits as a hybrid entity, enter your EIN.

A partner in a partnership conducting a trade or business in the United States will likely be allocated effectively connected taxable income. The partner is



required to file a U.S. federal income tax return and must have a U.S. taxpayer identification number (TIN).

You must provide a U.S. TIN if you are:

- Claiming an exemption from withholding under section 871(f) for certain annuities received under qualified plans,
- A foreign grantor trust with 5 or fewer grantors,
- Claiming benefits under an income tax treaty, or
- Submitting the form to a partnership that conducts a trade or business in the United States.

However, a U.S. TIN is not required to be shown in order to claim treaty benefits on the following items of income:

- Dividends and interest from stocks and debt obligations that are actively traded;
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund);
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933; and
- Income related to loans of any of the above securities.



*You may want to obtain and provide a U.S. TIN on Form W-8BEN even though it is not required. A Form W-8BEN containing a U.S. TIN remains valid for as long as your status and the information relevant to the certifications you make on the form remain unchanged provided at least one payment is reported to you annually on Form 1042-S.*

**Line 7.** If your country of residence for tax purposes has issued you a tax identifying number, enter it here. For example, if you are a resident of Canada, enter your Social Insurance Number.

**Line 8.** This line may be used by the filer of Form W-8BEN or by the withholding agent to whom it is provided to include any referencing information that is useful to the withholding agent in carrying out its obligations. For example, withholding agents who are required to associate the Form W-8BEN with a particular Form W-8IMY may want to use line 8 for a referencing number or code that will make the association clear. A beneficial owner may use line 8 to include the number of the account for which he or she is providing the form. A foreign single owner of a disregarded entity may use line 8 to inform the withholding agent that the account to which a payment is made or credited is in the name of the disregarded entity (see instructions for line 1 on page 4).

## Part II

**Line 9a.** Enter the country where you claim to be a resident for income tax treaty purposes. For treaty purposes, a person is a resident of a treaty country if the person is a resident of that country under the terms of the treaty.

**Line 9b.** If you are claiming benefits under an income tax treaty, you must have a U.S. TIN unless one of the exceptions listed in the line 6 instructions above applies.

**Line 9c.** An entity (but not an individual) that is claiming a reduced rate of withholding under an income tax treaty must represent that it:

- Derives the item of income for which the treaty benefit is claimed, and

- Meets the limitation on benefits provisions contained in the treaty, if any.

An item of income may be derived by either the entity receiving the item of income or by the interest holders in the entity or, in certain circumstances, both. An item of income paid to an entity is considered to be derived by the entity only if the entity is not fiscally transparent under the laws of the entity's jurisdiction with respect to the item of income. An item of income paid to an entity shall be considered to be derived by the interest holder in the entity only if:

- The interest holder is not fiscally transparent in its jurisdiction with respect to the item of income, and
- The entity is considered to be fiscally transparent under the laws of the interest holder's jurisdiction with respect to the item of income. An item of income paid directly to a type of entity specifically identified in a treaty as a resident of a treaty jurisdiction is treated as derived by a resident of that treaty jurisdiction.

If an entity is claiming treaty benefits on its own behalf, it should complete Form W-8BEN. If an interest holder in an entity that is considered fiscally transparent in the interest holder's jurisdiction is claiming a treaty benefit, the interest holder should complete Form W-8BEN on its own behalf and the fiscally transparent entity should associate the interest holder's Form W-8BEN with a Form W-8IMY completed by the entity.



*An income tax treaty may not apply to reduce the amount of any tax on an item of income received by an entity that is treated as a domestic corporation for U.S. tax purposes. Therefore, neither the domestic corporation nor its shareholders are entitled to the benefits of a reduction of U.S. income tax on an item of income received from U.S. sources by the corporation.*

To determine whether an entity meets the limitation on benefits provisions of a treaty, you must consult the specific provisions or articles under the treaties. Income tax treaties are available on the IRS website at [www.irs.gov](http://www.irs.gov).



*If you are an entity that derives the income as a resident of a treaty country, you may check this box if the applicable income tax treaty does not contain a "limitation on benefits" provision.*

**Line 9d.** If you are a foreign corporation claiming treaty benefits under an income tax treaty that entered into force before January 1, 1987 (and has not been renegotiated) on (a) U.S. source dividends paid to you by another foreign corporation or (b) U.S. source interest paid to you by a U.S. trade or business of another foreign corporation, you must generally be a "qualified resident" of a treaty country. See section 884 for the definition of interest paid by a U.S. trade or business of a foreign corporation ("branch interest") and other applicable rules.

In general, a foreign corporation is a qualified resident of a country if any of the following apply.

- It meets a 50% ownership and base erosion test.
- It is primarily and regularly traded on an established securities market in its country of residence or the United States.
- It carries on an active trade or business in its country of residence.
- It gets a ruling from the IRS that it is a qualified resident.

**7    Enclosure 3: IRS Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY**

This enclosure describes legitimate uses of the W-8BEN form, which include exception from domestic information returns and to establish that earnings are not connected with a “trade or business”. Also describes instructions for using the form. Acknowledges that the form may be used WITHOUT a Taxpayer Identification Number.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----



# Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY

(Rev. May 2006)



Department of the Treasury  
Internal Revenue Service

## Instructions for the Withholding Agent

Section references are to the Internal Revenue Code unless otherwise noted.

### What's New

A Form W-8 provided by a foreign grantor trust with 5 or fewer grantors is valid even if the trust does not provide a U.S. taxpayer identification number.

### Before You Begin

These instructions supplement the instructions for:

- Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding.
- Form W-8ECI, Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States.
- Form W-8EXP, Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding.
- Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding.

For general information and the purpose of each of the forms described in these instructions, see those forms and their accompanying instructions.

Throughout these instructions, a reference to or mention of "Form W-8" includes Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.

### Requirement To Withhold

For purposes of section 1441 and 1442, a withholding agent must withhold 30% of any payment of an amount subject to withholding made to a payee that is a foreign person unless it can associate the payment with documentation (for example, Form W-8 or Form W-9) upon which it can rely to treat the payment as made to (a) a payee that is a U.S. person or (b) a beneficial owner that is a foreign person entitled to a reduced rate of withholding. However, a withholding agent making a payment to a foreign person need not withhold if the foreign person assumes responsibility for withholding on the payment as a qualified intermediary, a withholding foreign partnership, or a withholding foreign trust and has provided a valid Form W-8IMY. Withholding is also not required if the payment is made to a U.S. branch of certain foreign insurance companies or foreign banks that agree to be treated as U.S. persons and provide a valid Form W-8IMY.

Generally, an amount is subject to withholding if it is an amount from sources within the United States that is fixed or determinable annual or periodical (FDAP) income. FDAP income is all income included in gross income, including interest (and original issue discount), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums). FDAP income also does not include items of income excluded from gross income without regard to the U.S. or foreign status of the owner of the income, such as interest under section 103(a).

Generally, a partnership that allocates effectively connected taxable income (ECTI) to a foreign person must withhold at the highest tax rate applicable to that person for the type of income allocated (for example, ordinary income or capital gains). Unless the partnership is a publicly traded partnership, the partnership must withhold in the year the ECTI is allocable to the foreign partner, rather than the year in which the distribution is made. The partnership may rely on documentation (for example, Form W-8BEN or Form W-9) to determine if the partner is foreign or domestic and the type of partner (for example, individual or corporate). A partnership that does not receive valid documentation or knows or has reason to know that the documentation is incorrect or unreliable must presume the partner is foreign.

### Who Is the Withholding Agent?

Any person, U.S. or foreign, that has control, receipt, or custody of an amount subject to withholding or who can disburse or make payments of an amount subject to withholding is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, or U.S. branch of certain foreign banks and insurance companies. If several persons qualify as withholding agents for a single payment, the tax required to be withheld must only be withheld once. Generally, the person who pays (or causes to be paid) an amount subject to withholding to the foreign person (or to its agent) must withhold. See the instructions for Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, for return filing and information reporting obligations.

For ECTI allocable to a foreign partner, the partnership is generally the withholding agent and must file Form 8804, Annual Return for Partnership Withholding Tax (Section 1446), Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, and Form



## Responsibilities of the Withholding Agent

If you are a withholding agent making a payment of U.S. source interest, dividends, rents, royalties, commissions, nonemployee compensation, other fixed or determinable annual or periodical gains, profits, or income, and certain other amounts (including broker and barter exchange transactions, and certain payments made by fishing boat operators), you are generally required to obtain from the payee either a Form W-9, Request for Taxpayer Identification Number and Certification, or a Form W-8. These forms are also used to establish a person's status for purposes of domestic information reporting (for example, on a Form 1099) and backup withholding. If you receive a Form W-9, you must generally make an information return on a Form 1099. If you receive a Form W-8, you are exempt from reporting on Form 1099, but you may have to file Form 1042-S and withhold under the rules applicable to payments made to foreign persons. See the Instructions for Form 1042-S for more information.

Generally, a foreign person that is a partner in a partnership that submits a Form W-8 for purposes of section 1441 or 1442 will satisfy the documentation requirements under section 1446. However, in some cases the documentation requirements for sections 1441 and 1442 do not match the documentation requirements of section 1446. For example, a partner may generally submit Form W-8BEN to establish itself as a foreign person for purposes of section 1446, but a foreign partnership or foreign grantor trust must submit Form W-8IMY and accompanying documentation as provided by Regulations sections 1.1446-1 through 1.1446-6. Also, the owner of a disregarded entity, rather than the entity itself, must submit the appropriate Form W-8 for purposes of section 1446.

Generally, you must withhold 30% from the gross amount of FDAP income paid to a foreign person unless you can reliably associate the payment with a Form W-8. You can reliably associate a payment with a Form W-8 if you hold a valid form, you can reliably determine how much of the payment relates to the form, and you have no actual knowledge or reason to know that any of the information or certifications on the form are unreliable or incorrect. In addition, a partnership that has ECTI allocable to a foreign partner is a withholding agent with respect to that income and must withhold in accordance with the provisions of Regulations sections 1.1446-1 through 1.1446-6. See the instructions to Forms 8804, 8805, and 8813.

**Do not send Forms W-8 to the IRS.** Instead, keep the forms in your records for as long as they may be relevant to the determination of your tax liability under section 1461.

## Failure To Obtain Form W-8 or Form W-9 — Presumption Rules

If you do not receive a Form W-8 or Form W-9, or cannot otherwise determine whether a payment should be treated as made to a U.S. person or to a foreign person, use the presumption rules provided in the regulations under sections 1441, 1446, 6045, and 6049.

## Requesting Form W-8

Request a Form W-8 from any person to whom you are making a payment that you presume or otherwise believe to be a foreign person. You should request the form before making a payment so that you have the form when you make the payment. A withholding agent or payer that fails to obtain a Form W-8 or Form W-9 and fails to withhold as required under the presumption rules may be assessed tax at the 30% rate or backup withholding rate of 28%, as well as interest and penalties for lack of compliance.

A partnership should request a Form W-8 or W-9 from any partner that is allocated income that is effectively connected with the conduct of the partnership's U.S. trade or business. A partnership that fails to withhold as required under section 1446, is liable for the tax required to be withheld. In addition, the partnership may be liable for interest, penalties, and additions to the tax even if there is no underlying tax liability due from a foreign partner on its allocable share of partnership ECTI.

When you receive a completed Form W-8, you must review it for completeness and accuracy. This responsibility extends to the information attached to Form W-8IMY, including beneficial owner withholding certificates or other documentation and information. The following special rules apply when requesting a specific type of Form W-8.

### Form W-8BEN

Request Form W-8BEN from any foreign person or organization to which you are making a payment if it is the beneficial owner of the income, whether or not it is claiming a reduced rate of, or exemption from, withholding. In addition, if you are a partnership, request Form W-8BEN for purposes of section 1446 from any foreign partner that is allocated ECTI, other than a foreign partner that is a partnership, grantor trust, or person or organization that qualifies to file Form W-8EXP.

**Also request Form W-8BEN when a payee may claim an exception from domestic information reporting as a foreign person or to establish that certain income is not effectively connected with the conduct of a U.S. trade or business.**

A beneficial owner is required to enter its U.S. taxpayer identification number (TIN) on line 6 of Form W-8BEN if it is a beneficial owner that is claiming benefits under an income tax treaty or submitting the form to a partnership that conducts a trade or business in the United States.

However, a U.S. TIN is not required to be shown in order to claim treaty benefits on the following items of income:

- Dividends and interest from stocks and debt obligations that are actively traded;
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund);
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933; and
- Income related to loans of any of the above securities.

A U.S. TIN is not required to claim treaty benefits if the payment is unexpected and you, the withholding agent, meet certain requirements. A payment is unexpected if



- a. The permanent residence address is not in the treaty country or the withholding agent is notified of a new permanent residence address that is not in the treaty country. However, the beneficial owner may be treated as a resident of the treaty country if it provides a reasonable explanation for the permanent residence address outside the treaty country or the withholding agent has in its possession, or obtains, documentary evidence that establishes residency in a treaty country.
- b. The mailing address is not in the treaty country or the withholding agent has a mailing address that is not in the treaty country as part of its account information. However, the beneficial owner may be treated as a resident of the treaty country if:
  - The withholding agent has in its possession, or obtains, additional documentation supporting the claim of residence in the treaty country and the additional documentation does not contain an address outside the treaty country,
  - The withholding agent has in its possession, or obtains, documentation that establishes that the beneficial owner is an entity organized in a treaty country (or an entity managed and controlled in a treaty country, if required by the applicable treaty),
  - The withholding agent knows that the beneficial owner is a bank or insurance company that is a resident of the treaty country and the mailing address is the address of a branch of that bank or insurance company, or
  - The beneficial owner provides a written statement that reasonably establishes that it is a resident of the treaty country.
- c. The account holder has standing instructions for the withholding agent to pay amounts from its account to an address outside, or an account maintained outside, the treaty country unless the direct account holder provides a reasonable explanation in writing establishing the account holder's residency in a treaty country.

For additional information on the due diligence requirements applicable to withholding agents, see Regulations section 1.1441-7(b).

**Dual claims.** If you are making payments to a foreign entity that is simultaneously claiming a reduced rate of tax on its own behalf and on behalf of persons in their capacity as interest holders in that entity, you may, at your option, accept the dual claims even though you hold different withholding certificates that require you to treat the entity inconsistently for different payments or for different portions of the same payment. If, however, inconsistent claims are made for the same portion of a payment, you may either reject both claims and request consistent claims or you may choose which reduction to apply. For partnerships that allocate effectively connected taxable income to partners that are foreign partnerships, the rules under section 1.1446-5 apply.

## Requesting a New Form W-8

Request a new Form W-8:

- Before the expiration of an existing Form W-8 (see *Period of Validity* below for more information),
- If the existing form does not support a claim of reduced rate for a type of income that the submitter of the form has not previously received, or

- If you know or have reason to know of a change in circumstances that makes any information on the current form unreliable or incorrect.

**Example.** A foreign investor opens an account with a broker to purchase U.S. Treasury bonds and provides Form W-8BEN to obtain the portfolio interest exemption. The investor does not complete Part II of Form W-8BEN (because he is not claiming treaty benefits). Later, the investor purchases U.S. stock and claims treaty benefits on dividend income. The investor at that time completes a new Form W-8BEN providing the information required in Part II.

## Period of Validity

### Form W-8BEN

Generally, a Form W-8BEN provided without a U.S. TIN will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2006, remains valid through December 31, 2009. A Form W-8BEN with a U.S. TIN will remain in effect until a change of circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner.

### Form W-8ECI

Generally, a Form W-8ECI will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect.

### Form W-8EXP

Generally, a Form W-8EXP provided without a U.S. TIN will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year. However, in the case of an integral part of a foreign government (within the meaning of Temporary Regulations section 1.892-2T(a)(2)) or a foreign central bank of issue, a Form W-8EXP filed without a U.S. TIN will remain in effect until a change in circumstances makes any of the information on the form incorrect. A Form W-8EXP furnished with a U.S. TIN will remain in effect until a change in circumstances makes any information on the form incorrect provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner.

### Form W-8IMY

Generally, a Form W-8IMY remains valid until the status of the person whose name is on the certificate is changed in a way relevant to the certificate or circumstances change that make the information on the certificate no longer correct. The indefinite validity period does not extend, however, to any withholding certificates, documentary evidence, or withholding statements associated with the certificate. Moreover, it does not extend to any statements attached to the certificate if a change of circumstances makes the information on the attached statements no longer correct.



## Forms Received That Are Not Dated

If a Form W-8 is valid except that the person providing the form has not dated the form, the withholding agent may date the form from the day it is received and measure the validity period from that date.

## Substitute Forms W-8

You may develop and use your own Form W-8BEN, W-8ECI, W-8EXP, or W-8IMY (a substitute form) if its content is substantially similar to the IRS's official Form W-8BEN, W-8ECI, W-8EXP, or W-8IMY (to the extent required by these instructions) and it satisfies certain certification requirements. You may develop and use a substitute form that is in a foreign language, provided that the substitute form also provides the English version of the statements and information otherwise required to be included on the substitute form. You may combine Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY into a single substitute form.

The substitute form must contain instructions that adequately inform the beneficial owner of what is meant by permanent residence address and beneficial ownership. You are, however, encouraged to provide all relevant instructions, especially if the payee requests them.

You may incorporate a substitute Form W-8 into other business forms you customarily use, such as account signature cards, provided the required certifications are clearly set forth. However, you may not:

1. Use a substitute form that requires the payee, by signing, to agree to provisions unrelated to the required certifications, or
2. Imply that a person may be subject to 30% withholding or backup withholding unless that person agrees to provisions on the substitute form that are unrelated to the required certifications.

A substitute Form W-8 is valid only if it contains the same penalties of perjury statement as the official forms and the required signature. However, if the substitute form is contained in some other business form, the words "information on this form" may be modified to refer to that portion of the business form containing the substitute form information. The design of the substitute form must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained in the form.

## Content of Substitute Form

### Form W-8BEN

The substitute Form W-8BEN must contain all of the information required in Part I, lines 1 through 5, and line 6, if a U.S. TIN is required. The certifications in Part II must be included in a substitute form only if treaty benefits are claimed, and then only to the extent that the certifications are required. For example, if the substitute form is intended for use by individuals only, the certifications contained in boxes 9c and 9d are not required.

**Penalties of perjury statement.** The design of the substitute Form W-8BEN must be such that the information and certifications that are being attested to by

the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: *"The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person and, if applicable, obtain a reduced rate of withholding."*

### Form W-8ECI

The substitute Form W-8ECI must contain all of the information required in Part I, other than lines 7 or 8. The certifications in Part II of Form W-8ECI must be included in a substitute form.

**Penalties of perjury statement.** The design of the substitute Form W-8ECI must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: *"The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person and that the income for which this form is provided is effectively connected with the conduct of a trade or business within the United States."*

### Form W-8EXP

The substitute Form W-8EXP must contain all of the information required in Part I, lines 1 through 5, and line 6, if a U.S. TIN is required. The substitute Form W-8EXP must also contain all of the statements and certifications contained in Parts II and III, but a specific part needs to be included (in its entirety) only if it is relevant. For example, if the only beneficial owners are U.S. withholding agent has as account holders are foreign governments, the withholding agent may use a substitute Form W-8EXP that contains only the required information in Part I, plus the required statements and certifications from Part II that are related to foreign governments.

**Penalties of perjury statement.** The design of the substitute Form W-8EXP must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: *"The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession."*

### Form W-8IMY

The substitute Form W-8IMY must contain all of the information required in Part I, lines 1 through 5, and line 6, if a U.S. TIN is required. The substitute Form W-8IMY must also contain all of the statements and certifications contained in Parts II, III, IV, V, or VI, but a specific part needs to be included (in its entirety) only if it is relevant. For example, if the only intermediaries are U.S. withholding agent has as account holders are qualified

**8    Enclosure 4: IRS Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Entities, Cover and Page 7**

This enclosure proves that the IRS Form W-8BEN is used to: 1. Establish foreign status; 2. Claim that the foreign person is exempt from reporting and withholding.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----





Department  
of the  
Treasury

Internal  
Revenue  
Service

## Publication 515

(Rev. November 2001)

Cat. No. 15019L

# Withholding of Tax on Nonresident Aliens and Foreign Entities

## For Withholding in 2002



Get forms and other information  
faster and easier by:

Computer • [www.irs.gov](http://www.irs.gov) or FTP • [ftp.irs.gov](ftp://ftp.irs.gov)

FAX • 703-368-9694 (from your FAX machine)

## Contents

Important Changes	2
Important Reminders	2
Introduction	2
Withholding of Tax	3
Withholding Agent	3
Withholding and Reporting Obligations	3
Persons Subject to NRA	
Withholding	3
Identifying the Payee	4
Foreign Persons	6
Documentation	6
Beneficial Owners	7
Foreign Intermediaries and Foreign Flow-Through Entities	8
Standards of Knowledge	9
Presumption Rules	12
Income Subject to NRA	
Withholding	12
Source of Income	12
Fixed or Determinable Annual or Periodical Income	13
Withholding on Specific Income	13
Effectively Connected Income	13
Income Not Effectively Connected	14
Pay for Personal Services Performed	19
Artists and Athletes	23
Other Income	24
Foreign Governments and Certain Other Foreign Organizations	24
U.S. Taxpayer Identification Numbers	25
Depositing Withheld Taxes	25
Returns Required	26
Partnership Withholding on Effectively Connected Income	27
U.S. Real Property Interest	29
Tax Treaty Tables	32
Table 1. Withholding Tax Rates on Income Other Than Personal Service Income—for Withholding in 2002	33
Table 2. Compensation for Personal Services Performed in United States Exempt from Withholding and U.S. Income Tax Under Income Tax Treaties	36
Table 3. List of Tax Treaties	48
How To Get Tax Help	49
Index	50



documentation that establishes either of the following.

- The payee is a U.S. person.
- The payee is a foreign person that is the beneficial owner of the income and is entitled to a reduced rate of withholding.

Generally, you must get the documentation before you make the payment. The documentation is not valid if you know, or have reason to know, that it is unreliable or incorrect. See *Standards of Knowledge*, later.

If you cannot reliably associate a payment with valid documentation, you must use the presumption rules discussed later. For example, if you do not have documentation or you cannot determine the portion of a payment that is allocable to specific documentation, you must use the presumption rules.

The specific types of documentation are discussed in this section. You should, however, also see the discussion, *Withholding on Specific Income*, as well as the instructions to the particular forms. As the withholding agent, you may also want to see the *Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY*.

**Joint owners.** If you make a payment to joint owners, you need to get documentation from each owner.

**Form W-9.** Generally, you can treat the payee as a U.S. person if the payee gives you a Form W-9. The Form W-9 can only be used by a U.S. person and must contain the payee's taxpayer identification number (TIN). If there is more than one owner, you may treat the total amount as paid to a U.S. person if any one of the owners gives you a Form W-9. See *U.S. Taxpayer Identification Numbers*, later. U.S. persons are not subject to NRA withholding, but may be subject to Form 1099 reporting and backup withholding.

**Form W-8.** Generally, a foreign person that is a beneficial owner of the income should give you a Form W-8. Until further notice, you can rely upon Forms W-8 that contain a P.O. box as a permanent residence address provided you do not know, or have reason to know, that the person providing the form is a U.S. person or that a street address is available. You may rely on Forms W-8 for which there is a U.S. mailing address provided you received the form prior to December 31, 2001.

If certain requirements are met, the foreign person can give you documentary evidence, rather than a Form W-8. You can rely on documentary evidence in lieu of a Form W-8 for a payment made in a U.S. possession.

**Other documentation.** Other documentation may be required to claim an exemption from, or a reduced rate of, withholding on pay for personal services. The nonresident alien individual may have to give you a Form W-4 or a Form 8233, *Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual*. These forms are discussed in *Pay for Personal Services Performed under Withholding on Specific Income*.

## Beneficial Owners

If all the appropriate requirements have been established on a Form W-8BEN, W-8ECI, W-8EXP or, if applicable, on documentary evidence, you may treat the payee as a foreign beneficial owner.

**Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding,** is used by a foreign person to:

- 1) Establish foreign status,
- 2) Claim that such person is the beneficial owner of the income for which the form is being furnished, and
- 3) If applicable, claim a reduced rate of, or exemption from, withholding under an income tax treaty.

Form W-8BEN may also be used to claim that the foreign person is exempt from Form 1099 reporting and backup withholding for income that is not subject to NRA withholding. For example, a foreign person may provide a Form W-8BEN to a broker to establish that the gross proceeds from the sale of securities are not subject to Form 1099 reporting or backup withholding.

**Claiming treaty benefits.** You may apply a reduced rate of withholding to a foreign person that provides a Form W-8BEN claiming a reduced rate of withholding under an income tax treaty only if the person provides a U.S. TIN and certifies that:

- It is a resident of a treaty country,
- It is the beneficial owner of the income,
- If it is an entity, it derives the income within the meaning of section 894 of the Internal Revenue Code (it is not fiscally transparent), and
- It meets any limitation on benefits provision contained in the treaty, if applicable.

If the foreign beneficial owner claiming a treaty benefit is related to you, the foreign beneficial owner must also certify on Form W-8BEN that it will file Form 8833, *Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)*, if the amount subject to NRA withholding received during a calendar year exceeds, in the aggregate, \$500,000.

An entity derives income for which it is claiming treaty benefits only if the entity is not treated as fiscally transparent for that income. See *Fiscally transparent entities* discussed earlier under *Flow-Through Entities*.

Limitations on benefits provisions generally prohibit third country residents from obtaining treaty benefits. For example, a foreign corporation may not be entitled to a reduced rate of withholding unless a minimum percentage of its owners are citizens or residents of the United States or the treaty country.

The exemptions from, or reduced rates of, U.S. tax vary under each treaty. You must check the provisions of the tax treaty that apply. Tables at the end of this publication show the countries with which the United States has income tax treaties and the rates of withholding that apply in cases where all conditions of the particular treaty articles are satisfied.

If a nonresident alien individual has made an election with his or her U.S. citizen or resident spouse to be treated as a U.S. resident for income tax purposes, the nonresident alien may not claim to be a foreign resident to obtain the benefits of a reduced rate of, or exemption from, U.S. income tax under an income tax treaty.

If you know, or have reason to know, that an owner of income is not eligible for treaty benefits claimed, you must not apply the treaty rate. You are not, however, responsible for misstatements on a Form W-8, documentary evidence, or statements accompanying documentary evidence for which you did not have actual knowledge, or reason to know that the statements were incorrect.

**Marketable securities.** A Form W-8BEN provided to claim treaty benefits does not need a U.S. TIN if the foreign beneficial owner is claiming the benefits on income from marketable securities. For this purpose, income from a marketable security consists of the following items.

- Dividends and interest from stocks and debt obligations that are actively traded.
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund).
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933.
- Income related to loans of any of the above securities.

**Form W-8ECI, Certificate of Foreign Person's Claim for Exemption From Withholding on Income Effectively Connected With the Conduct of a Trade or Business in the United States,** is used by a foreign person to:

- 1) Establish foreign status,
- 2) Claim that such person is the beneficial owner of the income for which the form is being furnished, and
- 3) Claim that the income is effectively connected with the conduct of a trade or business in the United States. (See *Effectively Connected Income*, later.)

Effectively connected income for which a valid Form W-8ECI has been provided is generally not subject to NRA withholding.

**Form W-8EXP, Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding,** is used by a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession to:

- 1) Establish foreign status,
- 2) Claim that such person is the beneficial owner of the income for which the form is being furnished, and
- 3) Claim a reduced rate of, or an exemption from, withholding as such an entity.

**9    Enclosure 5: IRS Instructions for Form 1042-S, Cover and Page 14**

This enclosure proves that 1042s is not required to be filed against nonresident aliens who are not engaged in a “trade or business”.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----





# Instructions for Form 1042-S

## Foreign Person's U.S. Source Income Subject to Withholding

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.



**Use the 2006 Form 1042-S only for income paid during 2006. Do not use the 2006 Form 1042-S for income paid during 2005.**

### What's New

Beginning in 2006, processing year 2007, IRS will no longer accept 3 1/2-inch diskettes for filing information returns.

New regulations under section 1446 apply to publicly traded partnerships (PTP) that have effectively connected income. The PTP can no longer elect to withhold tax based on effectively connected income allocable to its foreign partners. The PTP must withhold on the distribution of that income to its foreign partners. See page 5.

### Purpose of Form

Use Form 1042-S to report income described under *Amounts Subject to Reporting on Form 1042-S* on page 4 and to report amounts withheld under Chapter 3 of the Internal Revenue Code.

Also use Form 1042-S to report distributions of effectively connected income by a publicly traded partnership or nominee. See *Publicly Traded Partnership (Section 1446 Withholding Tax)* on page 5.



**Every person required to deduct and withhold any tax under Chapter 3 of the Code is liable for such tax.**

Copy A is filed with the Internal Revenue Service. Copies B, C, and D are for the recipient. Copy E is for your records.

Do not use Form 1042-S to report an item required to be reported on—

- Form W-2 (wages and other compensation made to employees (other than compensation for dependent personal services for which the beneficial owner is claiming treaty benefits) including wages in the form of group-term life insurance),
- Form 1099, or
- Form 8288-A, Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests, or Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax. Withholding agents otherwise required to report a distribution partly on a Form 8288-A or Form 8805 and partly on a Form 1042-S may instead report the

entire amount on Form 8288-A or Form 8805.

### Who Must File

Every withholding agent (defined on page 2) must file an information return on Form 1042-S to report amounts paid during the preceding calendar year that are described under *Amounts Subject to Reporting on Form 1042-S* on page 4. However, withholding agents who are individuals are not required to report a payment on Form 1042-S if they are not making the payment as part of their trade or business and no withholding is required to be made on the payment. For example, an individual making a payment of interest that qualifies for the portfolio interest exception from withholding is not required to report the payment if the portfolio interest is paid on a loan that is not connected to the individual's trade or business. However, an individual paying an amount that has actually been subject to withholding is required to report the payment. Also, an individual paying an amount on which withholding is required must report the payment, whether or not the individual actually withholds. See *Multiple Withholding Agent Rule* beginning on page 10 for exceptions to reporting when another person has reported the same payment to the recipient. Also see *Publicly Traded Partnerships (Section 1446 Withholding Tax)* on page 5.

You must file a Form 1042-S even if you did not withhold tax because the income was exempt from tax under a U.S. tax treaty or the Code, including the exemption for income that is effectively connected with the conduct of a trade or business in the United States, or you released the tax withheld to the recipient. For exceptions, see *Amounts That Are Not Subject to Reporting on Form 1042-S* beginning on page 4.

Amounts paid to bona fide residents of U.S. possessions and territories are not subject to reporting on Form 1042-S if the beneficial owner of the income is a U.S. citizen, national, or resident alien.



**If you are required to file Form 1042-S, you must also file Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons. See Form 1042 for more information.**

### Where, When, and How To File

Forms 1042-S, whether filed on paper, electronically, or on magnetic media,

must be filed with the Internal Revenue Service by March 15, 2007. You are also required to furnish Form 1042-S to the recipient of the income on or before March 15, 2007.

Send any paper Forms 1042-S with Form 1042-T, Annual Summary and Transmittal of Forms 1042-S, to the Internal Revenue Service Center, Philadelphia, PA 19255-0607. You must use Form 1042-T to transmit paper Forms 1042-S. Use a separate Form 1042-T to transmit each type of Form 1042-S. See *Payments by U.S. Withholding Agents* beginning on page 5 and the Form 1042-T instructions for more information. If you have 250 or more Forms 1042-S to file, follow the instructions under *Electronic/Magnetic Media Reporting* below.

**Extension of time to file.** To request an extension of time to file Forms 1042-S, file Form 8809, Application for Extension of Time To File Information Returns. See the Form 8809 instructions for where to file that form. You should request an extension as soon as you are aware that an extension is necessary, but no later than the due date for filing Form 1042-S. By filing Form 8809, you will get an automatic 30-day extension to file Form 1042-S. If you need more time, a second Form 8809 may be submitted before the end of the initial extended due date. See Form 8809 for more information.



**If you are requesting extensions of time to file for more than 50 withholding agents or payers, you must submit the extension requests electronically or magnetically. See Pub. 1187, Specifications for Filing Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, Electronically or Magnetically, for more information.**

### Electronic/Magnetic Media Reporting

If you file 250 or more Forms 1042-S, you are required to submit them electronically or using magnetic media.

Electronic submissions are filed using the Filing Information Returns Electronically (FIRE) System. The FIRE System operates 24 hours a day, 7 days a week, at <http://fire.irs.gov>. For more information, see Pub. 1187.

Acceptable form of magnetic media are tape cartridges that meet the specifications in Pub. 1187.

The electronic/magnetic media filing requirement applies separately to original and amended returns. Any person, including a corporation, partnership,



## Box 9, Withholding Agent's Employer Identification Number (EIN)

You are generally required to enter your EIN. However, if you are filing Form 1042-S as a QI, withholding foreign partnership, or withholding foreign trust, enter your QI-EIN, WP-EIN, or WT-EIN. Enter the number and check the applicable box.

If you do not have an EIN, you can apply for one online at [www.irs.gov/smallbiz](http://www.irs.gov/smallbiz) or by telephone at 1-800-829-4933. Also, you can apply for an EIN by filing Form SS-4, Application for Employer Identification Number. File amended Forms 1042-S when you receive your EIN.

To get a QI-EIN, WP-EIN, or WT-EIN, submit Form SS-4 with your application for that status. (See the definitions for *Qualified intermediary (QI)* on page 3 and *Withholding foreign partnership (WP)* or *withholding foreign trust (WT)* on page 4 for more information.) Do not send an application for a QI-EIN, WP-EIN, or WT-EIN to the Philadelphia Service Center; it will not be processed.

## Box 10, Withholding Agent's Name and Address

Enter your name and address. If your post office does not deliver mail to the street address and you have a P.O. box, show the box number instead of the street address.

If you are a nominee that is the withholding agent under section 1446, check the box and enter the PTP's name and other information in boxes 17 through 20.

**Note.** On statements furnished to Canadian recipients of U.S. source deposit interest, in addition to your name and address, you must include the telephone number of a person to contact. This number must provide direct access to an individual who can answer questions about the statement. The telephone number is not required on Copy A of paper forms or on electronic/magnetic media filed with the IRS. You must also include a statement that the information on the form is being furnished to the United States Internal Revenue Service and may be furnished to Canada.

## Box 11, Recipient's Account Number

You may use this box to enter the account number assigned by you to the recipient.

## Box 12, Recipient Code

Enter the recipient code from the list on page 12. The following special instructions apply.

- If applicable, use recipient code 09 (artist or athlete) instead of recipient code 01 (individual), 02 (corporation), or 03

(partnership other than a withholding foreign partnership).

- Use recipient code 12 if you are making a payment to a QI and 04 if you are making a payment to a WP or a WT.

- If you are making a payment to an NQI or flow-through entity, you generally must use the recipient code that applies to the type of recipient who receives the income from the NQI or flow-through entity.

- Use recipient code 03 (partnership other than a withholding foreign partnership) only if you are reporting a payment of income that is effectively connected with the conduct of a trade or business of a nonwithholding foreign partnership in the United States.

Otherwise, follow the rules that apply to payments to flow-through entities.

- Use recipient code 20 (unknown recipient) only if you have not received a withholding certificate or other documentation for a recipient or you cannot determine how much of a payment is reliably associated with a specific recipient. Do not use this code because you cannot determine the recipient's status as an individual, corporation, etc. The regulations under Chapter 3 of the Code provide rules on how to determine a recipient's status when a withholding agent does not have the necessary information.

- Only QIs may use recipient codes 13 (private arrangement intermediary withholding rate pool—general), 14 (private arrangement intermediary withholding rate pool—exempt organizations), 15 (qualified intermediary withholding rate pool—general), and 16 (qualified intermediary withholding rate pool—exempt organizations). A QI should only use recipient code 14 or 16 for pooled account holders that have claimed an exemption based on their tax-exempt status and not some other exemption (for example, treaty or other Code exception). A U.S. withholding agent making a payment to a QI should use recipient code 12.

## Box 13, Recipient's Name and Address

**Name.** Enter the complete name of the recipient.

- If you do not know the name of the recipient, enter "Unknown Recipient."
- If Form 1042-S is being completed by a QI, WP, or WT for a withholding rate pool, enter "Withholding rate pool" in box 13. No address is necessary.

- A QI reporting payments made to a PAI on a withholding rate pool basis must include the name and address of the PAI in box 13.

**Address.** You must generally enter a foreign address in box 13. However, there are limited exceptions. For example, you may enter a U.S. address when reporting payments of scholarship or fellowship grants (income code 15).

For addresses outside the United States or its possessions, follow the foreign country's practice for entering the postal code. Do not abbreviate the country name.

For addresses within the United States, use the U.S. Postal Service 2-letter abbreviation for the state name. Do not enter "United States" or "U.S."

## Box 14, Recipient's U.S. Taxpayer Identification Number (TIN)

You must obtain and enter a U.S. taxpayer identification number (TIN) for:

- Any recipient whose income is effectively connected with the conduct of a trade or business in the United States.

**Note.** For these recipients, exemption code 01 should be entered in box 6.

- Any foreign person claiming a reduced rate of, or exemption from, tax under a tax treaty between a foreign country and the United States, unless the income is an unexpected payment (as described in Regulations section 1.1441-6(g)) or consists of dividends and interest from stocks and debt obligations that are actively traded; dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund); dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were, upon issuance) publicly offered and are registered with the Securities and Exchange Commission under the Securities Act of 1933; and amounts paid with respect to loans of any of the above securities.

- Any nonresident alien individual claiming exemption from tax under section 871(f) for certain annuities received under qualified plans.

- A foreign organization claiming an exemption from tax solely because of its status as a tax-exempt organization under section 501(c) or as a private foundation.

- Any QI.
- Any WP or WT.
- Any nonresident alien individual claiming exemption from withholding on compensation for independent personal services.

- Any foreign grantor trust with five or fewer grantors.

- Any U.S. branch of a foreign bank or foreign insurance company that is treated as a U.S. person.

If a foreign person provides a TIN on a Form W-8, but is not required to do so, the withholding agent must include the TIN on Form 1042-S.

## Box 15, Recipient's Country of Residence for Tax Purposes

Enter the unabbreviated name of the recipient's country of residence for tax purposes.

## Box 16, Recipient's Country Code

You must enter the code (from the list that begins on page 15) for the country of which the recipient claims residency under that country's tax laws. Enter "OC"

**10   Enclosure 6: Title 31 U.S. Code of Federal Regulations, Section 306.10, Footnote 2, page 143**

This enclosure proves that Taxpayer Identification Numbers are not required for nonresident aliens not engaged in a “trade or business”. Also shows that Taxpayer Identification Numbers are only required for payments connected with a “trade or business”.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----



# TITLE 31 CODE OF FEDERAL REGULATIONS

## Fiscal Service, Treasury

## § 306.11

the context, refer only to transferable securities.

[38 FR 7078, Mar. 15, 1973, as amended at 59 FR 59036, Nov. 15, 1994; 64 FR 38125, July 15, 1999]

### § 306.3 Transportation charges and risks in the shipment of securities.

The following guidelines apply to the transportation of reissued securities or securities presented for authorized transactions:

(a) The securities may be presented in person by the owner or the owner's agent.

(b) If securities are not presented in person, shipment of the securities is at the owner's risk and expense.

(c) Reissued securities will be delivered by certified mail or by other means, at the risk of the registered owner and at the expense of the Department.

[64 FR 38125, July 15, 1999]

## Subpart B—Registration

### § 306.10 General.

The registration used must express the actual ownership of a security and may not include any restriction on the authority of the owner to dispose of it in any manner, except as otherwise specifically provided in these regulations. The Treasury Department reserves the right to treat the registration as conclusive of ownership. Requests for registration should be clear, accurate, and complete, conform with one of the forms set forth in this subpart, and include appropriate taxpayer identifying numbers.<sup>2</sup> The registration of all bonds owned by the same person, organization, or fiduciary should be uniform with respect to the name of the owner and, in the case of a fiduciary, the description of the fiduciary

<sup>2</sup> Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States, and other persons or organizations as may be exempted from furnishing such numbers under regulations of the Internal Revenue Service.

capacity. Individual owners should be designated by the names by which they are ordinarily known or under which they do business, preferably including at least one full given name. The name of an individual may be preceded by any applicable title, as, for example, *Mrs.*, *Miss*, *Ms.*, *Dr.*, or *Rev.*, or followed by a designation such as *M.D.*, *D.D.*, *Sr.*, or *Jr.* Any other similar suffix should be included when ordinarily used or when necessary to distinguish the owner from a member of his family. A married woman's own given name, not that of her husband, must be used, for example, *Mrs. Mary A. Jones*, not *Mrs. Frank B. Jones*. The address should include, where appropriate, the number and street, route, or any other local feature and the Zip Code.

### § 306.11 Forms of registration for transferable securities.

The forms of registration described below are authorized for transferable securities:

(a) *Natural persons in their own right.* In the names of natural persons who are not under any legal disability, in their own right, substantially as follows:

(1) *One person.* In the name of one individual. Examples:

John A. Doe (123-45-6789).  
Mrs. Mary C. Doe. (123-45-6789).  
Miss Elizabeth Jane Doe (123-45-6789).

An individual who is sole proprietor of a business conducted under a trade name may include a reference to the trade name. Examples:

John A. Doe, doing business as Doe's Home Appliance Store (123-45-6789).

or

John A. Doe (123-45-6789), doing business as Doe's Home Appliance Store.

(2) *Two or more persons—general.* Securities will not be registered in the name of one person payable on death to another, or in any form which purports to authorize transfer by less than all the persons named in the registration (or all the survivors).<sup>3</sup> Securities will

<sup>3</sup> Warning. Difference Between Transferable Treasury Securities Registered in the Names of Two or More Persons and United States

*Continued*

**11   Enclosure 7: Title 26 U.S. Code of Federal Regulations, Section 1.871-1(b)(1)(i), p. 336**

This enclosure proves that Taxpayer Identification Numbers are not required for nonresident aliens not engaged in a “trade or business”. Also shows that Taxpayer Identification Numbers are only required for payments connected with a “trade or business”.

-----THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK-----



(ii) In 1999, *P* chooses to apply this section to all losses recognized in its 1987 taxable year and in all subsequent years. Consequently, the loss on the sale of *N* is allocated against U.S. source income under paragraph (a)(1) of this section. Allocation of the loss against U.S. source income reduces *P*'s overall foreign loss account and increases *P*'s tax liability in 2 years: 1990, a year that will not be open for assessment on June 30, 1999, and 1997, a year that will be open for assessment on June 30, 1999. Pursuant to paragraph (e)(2)(i) of this section, *P* must file an amended federal income tax return that reflects the rules of this section for 1997, but not for 1990.

**Example 3.** (i) *P*, a domestic corporation, has a calendar taxable year. On March 10, 1989, *P* recognizes a \$100 capital loss on the sale of *N*, a foreign corporation. The loss is allocated against foreign source income under § 1.861-8(e)(7) on *P*'s federal income tax return for 1989 and results in excess foreign tax credits for that year. The excess credit is carried back to 1988, pursuant to section 904(c). In 1999, *P* chooses to apply this section to all losses recognized in its 1989 taxable year and in all subsequent years. On June 30, 1999, *P*'s 1988 taxable year is closed for assessment, but *P*'s 1989 taxable year is open with respect to claims for refund.

(ii) Because *P* chooses to apply this section to its 1989 taxable year, the loss on the sale of *N* is allocated against U.S. source income under paragraph (a)(1) of this section. Allocation of the loss against U.S. source income would have permitted the foreign tax credit to be used in 1989, reducing *P*'s tax liability in 1989. Nevertheless, under paragraph (e)(2)(ii) of this section, because the credit was carried back to 1988, *P* may not claim the foreign tax credit in 1989.

[T.D. 8805, 64 FR 1511, Jan. 11, 1999, as amended by T.D. 8973, 66 FR 67085, Dec. 28, 2001; 67 FR 3812, Jan. 28, 2002]

## NONRESIDENT ALIENS AND FOREIGN CORPORATIONS

### NONRESIDENT ALIEN INDIVIDUALS

#### § 1.871-1 Classification and manner of taxing alien individuals.

(a) *Classes of aliens.* For purposes of the income tax, alien individuals are divided generally into two classes, namely, resident aliens and nonresident aliens. Resident alien individuals are, in general, taxable the same as citizens of the United States; that is, a resident alien is taxable on income derived from all sources, including sources without the United States. See § 1.1-1(b). Nonresident alien individuals

are taxable only on certain income from sources within the United States and on the income described in section 864(c)(4) from sources without the United States which is effectively connected for the taxable year with the conduct of a trade or business in the United States. However, nonresident alien individuals may elect, under section 6013 (g) or (h), to be treated as U.S. residents for purposes of determining their income tax liability under Chapters 1, 5, and 24 of the code. Accordingly, any reference in §§ 1.1-1 through 1.1388-1 and §§ 1.1491-1 through 1.1494-1 of this part to non-resident alien individuals does not include those with respect to whom an election under section 6013 (g) or (h) is in effect, unless otherwise specifically provided. Similarly, any reference to resident aliens or U.S. residents includes those with respect to whom an election is in effect, unless otherwise specifically provided.

(b) *Classes of nonresident aliens*—(1) *In general.* For purposes of the income tax, nonresident alien individuals are divided into the following three classes:

(i) Nonresident alien individuals who at no time during the taxable year are engaged in a trade or business in the United States.

(ii) Nonresident alien individuals who at any time during the taxable year are, or are deemed under § 1.871-9 to be, engaged in a trade or business in the United States, and

(iii) Nonresident alien individuals who are bona fide residents of Puerto Rico during the entire taxable year.

An individual described in subdivision (i) or (ii) of this subparagraph is subject to tax pursuant to the provisions of subpart A (section 871 and following), part II, subchapter N, chapter 1 of the Code, and the regulations thereunder. See §§ 1.871-7 and 1.871-8. The provisions of subpart A do not apply to individuals described in subdivision (iii) of this subparagraph, but such individuals, except as provided in section 933 with respect to Puerto Rican source income, are subject to the tax imposed by section 1 or section 1201(b). See § 1.876-1.



## 27.11 **FORM 11: IRS FORM SS-8**

This form is sent to the IRS by private employers to request the withholding status of a person they are taking on. The form can be useful to resolve disputes between private employers and their workers about whether or how to withhold. The version of this form we provide has been filled in consistent with the rest of this book. If you want to modify it, you can find an editable, electronic version of the form at:

*Federal Forms, Publications, and Notices*

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

The form requires an attachment, which is available below:

*The “Trade or Business” Scam*

<http://famguardian.org/Subjects/Taxes/Remedies/TradeOrBusinessScam.htm>

**Determination of Worker Status  
for Purposes of Federal Employment Taxes  
and Income Tax Withholding**

OMB No. 1545-0004

Name of firm (or person) for whom the worker performed services		Worker's name	
Firm's address (include street address, apt. or suite no., city, state, and ZIP code)		Worker's address (include street address, apt. or suite no., city, state, and ZIP code)	
Trade name		Daytime telephone number (      )	Worker's social security number :      :      :
Telephone number (include area code) (      )	Firm's employer identification number :      :	Worker's employer identification number (if any) :      :	

**Note.** If the worker is paid by a firm other than the one listed on this form for these services, enter the name, address, and employer identification number of the payer. ►

**Disclosure of Information**

The information provided on Form SS-8 may be disclosed to the firm, worker, or payer named above to assist the IRS in the determination process. For example, if you are a worker, we may disclose the information you provide on Form SS-8 to the firm or payer named above. The information can only be disclosed to assist with the determination process. If you provide incomplete information, we may not be able to process your request. See *Privacy Act and Paperwork Reduction Act Notice* on page 5 for more information. **If you do not want this information disclosed to other parties, do not file Form SS-8.**

**Parts I-V.** All filers of Form SS-8 must complete all questions in Parts I-IV. Part V must be completed if the worker provides a service directly to customers or is a salesperson. If you cannot answer a question, enter "Unknown" or "Does not apply." If you need more space for a question, attach another sheet with the part and question number clearly identified.

**Part I      General Information**

- This form is being completed by: ☐ Firm ☐ Worker; for services performed \_\_\_\_\_ to \_\_\_\_\_.  
(beginning date) (ending date)
- Explain your reason(s) for filing this form (for example, you received a bill from the IRS, you believe you erroneously received a Form 1099 or Form W-2, you are unable to get worker's compensation benefits, or you were audited or are being audited by the IRS). \_\_\_\_\_  
\_\_\_\_\_
- Total number of workers who performed or are performing the same or similar services \_\_\_\_\_.
- How did the worker obtain the job? ☐ Application ☐ Bid ☐ Employment Agency ☐ Other (specify) \_\_\_\_\_
- Attach copies of all supporting documentation (contracts, invoices, memos, Forms W-2 or Forms 1099-MISC issued or received, IRS closing agreements, IRS rulings, etc.). In addition, please inform us of any current or past litigation concerning the worker's status. If no income reporting forms (Form 1099-MISC or W-2) were furnished to the worker, enter the amount of income earned for the year(s) at issue \$ \_\_\_\_\_.  
If both Form W-2 and Form 1099-MISC were issued or received, explain why. \_\_\_\_\_  
\_\_\_\_\_
- Describe the firm's business. \_\_\_\_\_  
\_\_\_\_\_
- Describe the work done by the worker and provide the worker's job title. \_\_\_\_\_  
\_\_\_\_\_
- Explain why you believe the worker is an employee or an independent contractor. \_\_\_\_\_  
\_\_\_\_\_
- Did the worker perform services for the firm in any capacity before providing the services that are the subject of this determination request?  
☐ Yes ☐ No ☐ N/A  
If "Yes," what were the dates of the prior service? \_\_\_\_\_  
If "Yes," explain the differences, if any, between the current and prior service. \_\_\_\_\_  
\_\_\_\_\_
- If the work is done under a written agreement between the firm and the worker, attach a copy (preferably signed by both parties). Describe the terms and conditions of the work arrangement. \_\_\_\_\_  
\_\_\_\_\_

**Part II Behavioral Control**

- 1 What specific training and/or instruction is the worker given by the firm? .....
- 2 How does the worker receive work assignments? .....
- 3 Who determines the methods by which the assignments are performed? .....
- 4 Who is the worker required to contact if problems or complaints arise and who is responsible for their resolution? .....
- 5 What types of reports are required from the worker? Attach examples. ....
- 6 Describe the worker's daily routine such as, schedule, hours, etc. ....
- 7 At what location(s) does the worker perform services (e.g., firm's premises, own shop or office, home, customer's location, etc.)? Indicate the appropriate percentage of time the worker spends in each location, if more than one. ....
- 8 Describe any meetings the worker is required to attend and any penalties for not attending (e.g., sales meetings, monthly meetings, staff meetings, etc.). ....
- 9 Is the worker required to provide the services personally? . . . . . ☐ Yes ☐ No
- 10 If substitutes or helpers are needed, who hires them? .....
- 11 If the worker hires the substitutes or helpers, is approval required? . . . . . ☐ Yes ☐ No  
If "Yes," by whom? .....
- 12 Who pays the substitutes or helpers? .....
- 13 Is the worker reimbursed if the worker pays the substitutes or helpers? . . . . . ☐ Yes ☐ No  
If "Yes," by whom? .....

**Part III Financial Control**

- 1 List the supplies, equipment, materials, and property provided by each party:  
The firm .....  
The worker .....  
Other party .....
- 2 Does the worker lease equipment? . . . . . ☐ Yes ☐ No  
If "Yes," what are the terms of the lease? (Attach a copy or explanatory statement.) .....
- 3 What expenses are incurred by the worker in the performance of services for the firm? .....
- 4 Specify which, if any, expenses are reimbursed by:  
The firm .....  
Other party .....
- 5 Type of pay the worker receives: ☐ Salary ☐ Commission ☐ Hourly Wage ☐ Piece Work  
☐ Lump Sum ☐ Other (specify) .....  
If type of pay is commission, and the firm guarantees a minimum amount of pay, specify amount \$ .....
- 6 Is the worker allowed a drawing account for advances? . . . . . ☐ Yes ☐ No  
If "Yes," how often? .....
- Specify any restrictions. ....
- 7 Whom does the customer pay? . . . . . ☐ Firm ☐ Worker  
If worker, does the worker pay the total amount to the firm? ☐ Yes ☐ No If "No," explain. ....
- 8 Does the firm carry worker's compensation insurance on the worker? . . . . . ☐ Yes ☐ No
- 9 What economic loss or financial risk, if any, can the worker incur beyond the normal loss of salary (e.g., loss or damage of equipment, material, etc.)? .....

**Part IV Relationship of the Worker and Firm**

- 1 List the benefits available to the worker (e.g., paid vacations, sick pay, pensions, bonuses, paid holidays, personal days, insurance benefits). \_\_\_\_\_
- 2 Can the relationship be terminated by either party without incurring liability or penalty? . . . . . ☐ Yes ☐ No  
If "No," explain your answer. \_\_\_\_\_
- 3 Did the worker perform similar services for others during the same time period? . . . . . ☐ Yes ☐ No  
If "Yes," is the worker required to get approval from the firm? . . . . . ☐ Yes ☐ No
- 4 Describe any agreements prohibiting competition between the worker and the firm while the worker is performing services or during any later period. Attach any available documentation. \_\_\_\_\_
- 5 Is the worker a member of a union? . . . . . ☐ Yes ☐ No
- 6 What type of advertising, if any, does the worker do (e.g., a business listing in a directory, business cards, etc.)? Provide copies, if applicable. \_\_\_\_\_
- 7 If the worker assembles or processes a product at home, who provides the materials and instructions or pattern? \_\_\_\_\_
- 8 What does the worker do with the finished product (e.g., return it to the firm, provide it to another party, or sell it)? \_\_\_\_\_
- 9 How does the firm represent the worker to its customers (e.g., employee, partner, representative, or contractor)? \_\_\_\_\_
- 10 If the worker no longer performs services for the firm, how did the relationship end (e.g., worker quit or was fired, job completed, contract ended, firm or worker went out of business)? \_\_\_\_\_

**Part V For Service Providers or Salespersons.** Complete this part if the worker provided a service directly to customers or is a salesperson.

- 1 What are the worker's responsibilities in soliciting new customers? \_\_\_\_\_
- 2 Who provides the worker with leads to prospective customers? \_\_\_\_\_
- 3 Describe any reporting requirements pertaining to the leads. \_\_\_\_\_
- 4 What terms and conditions of sale, if any, are required by the firm? \_\_\_\_\_
- 5 Are orders submitted to and subject to approval by the firm? . . . . . ☐ Yes ☐ No
- 6 Who determines the worker's territory? \_\_\_\_\_
- 7 Did the worker pay for the privilege of serving customers on the route or in the territory? . . . . . ☐ Yes ☐ No  
If "Yes," whom did the worker pay? \_\_\_\_\_  
If "Yes," how much did the worker pay? . . . . . \$ \_\_\_\_\_
- 8 Where does the worker sell the product (e.g., in a home, retail establishment, etc.)? \_\_\_\_\_
- 9 List the product and/or services distributed by the worker (e.g., meat, vegetables, fruit, bakery products, beverages, or laundry or dry cleaning services). If more than one type of product and/or service is distributed, specify the principal one. \_\_\_\_\_
- 10 Does the worker sell life insurance full time? . . . . . ☐ Yes ☐ No
- 11 Does the worker sell other types of insurance for the firm? . . . . . ☐ Yes ☐ No  
If "Yes," enter the percentage of the worker's total working time spent in selling other types of insurance . . . . . \_\_\_\_\_%
- 12 If the worker solicits orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments, enter the percentage of the worker's time spent in the solicitation . . . . . \_\_\_\_\_%
- 13 Is the merchandise purchased by the customers for resale or use in their business operations? . . . . . ☐ Yes ☐ No  
Describe the merchandise and state whether it is equipment installed on the customers' premises. \_\_\_\_\_

**Sign  
Here**

Under penalties of perjury, I declare that I have examined this request, including accompanying documents, and to the best of my knowledge and belief, the facts presented are true, correct, and complete.



Type or print name below signature.

Title ►

Date ►

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose

Firms and workers file Form SS-8 to request a determination of the status of a worker for purposes of federal employment taxes and income tax withholding.

A Form SS-8 determination may be requested only in order to resolve federal tax matters. If Form SS-8 is submitted for a tax year for which the statute of limitations on the tax return has expired, a determination letter will not be issued. The statute of limitations expires 3 years from the due date of the tax return or the date filed, whichever is later.

The IRS does not issue a determination letter for proposed transactions or on hypothetical situations. We may, however, issue an information letter when it is considered appropriate.

### Definition

**Firm.** For the purposes of this form, the term "firm" means any individual, business enterprise, organization, state, or other entity for which a worker has performed services. The firm may or may not have paid the worker directly for these services.



*If the firm was not responsible for payment for services, be sure to enter the name, address, and employer identification number of the payer on the first page of Form SS-8, below the identifying information for the firm and the worker.*

### The SS-8 Determination Process

The IRS will acknowledge the receipt of your Form SS-8. Because there are usually two (or more) parties who could be affected by a determination of employment status, the IRS attempts to get information from all parties involved by sending those parties blank Forms SS-8 for completion. Some or all of the information provided on this Form SS-8 may be shared with the other parties listed on page 1. The case will be assigned to a technician who will review the facts, apply the law, and render a decision. The technician may ask for additional information from the requestor, from other involved parties, or from third parties that could help clarify the work relationship before rendering a decision. The IRS will generally issue a formal determination to the firm or payer (if that is a different entity), and will send a copy to the worker. A determination letter applies only to a worker (or a class of workers) requesting it, and the decision is binding on the IRS. In certain cases, a formal determination will not be issued. Instead, an information letter may be issued. Although an information letter is advisory only and is not binding on the IRS, it may be used to assist the worker to fulfill his or her federal tax obligations.

Neither the SS-8 determination process nor the review of any records in connection with the determination constitutes an examination (audit) of any federal tax return. If the periods under consideration have previously been examined, the SS-8 determination process will not constitute a reexamination under IRS reopening procedures. Because this is not an examination of any federal tax return, the appeal rights available in connection with an examination do not apply to an SS-8 determination. However, if you disagree with a determination and you have additional information concerning the work relationship that you believe was not previously considered, you may request that the determining office reconsider the determination.

## Completing Form SS-8

Answer all questions as completely as possible. Attach additional sheets if you need more space. Provide information for all years the worker provided services for the firm. Determinations are based on the entire relationship between the firm and the worker. Also indicate if there were any significant changes in the work relationship over the service term.

Additional copies of this form may be obtained by calling 1-800-829-4933 or from the IRS website at [www.irs.gov](http://www.irs.gov).

### Fee

There is no fee for requesting an SS-8 determination letter.

### Signature

Form SS-8 must be signed and dated by the taxpayer. A stamped signature will not be accepted.

The person who signs for a corporation must be an officer of the corporation who has personal knowledge of the facts. If the corporation is a member of an affiliated group filing a consolidated return, it must be signed by an officer of the common parent of the group.

The person signing for a trust, partnership, or limited liability company must be, respectively, a trustee, general partner, or member-manager who has personal knowledge of the facts.

### Where To File

Send the completed Form SS-8 to the address listed below for the firm's location. However, only for cases involving federal agencies, send Form SS-8 to the Internal Revenue Service, Attn: CC:CORP:T:C, Ben Franklin Station, P.O. Box 7604, Washington, DC 20044.

#### Firm's location:

#### Send to:

Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin, Wyoming, American Samoa, Guam, Puerto Rico, U.S. Virgin Islands

Internal Revenue Service  
SS-8 Determinations  
P.O. Box 630  
Stop 631  
Holtsville, NY 11742-0630

Alabama, Connecticut, Delaware, District of Columbia, Florida, Georgia, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, all other locations not listed

Internal Revenue Service  
SS-8 Determinations  
40 Lakemont Road  
Newport, VT 05855-1555

### Instructions for Workers

If you are requesting a determination for more than one firm, complete a separate Form SS-8 for each firm.



*Form SS-8 is not a claim for refund of social security and Medicare taxes or federal income tax withholding.*



If the IRS determines that you are an employee, you are responsible for filing an amended return for any corrections related to this decision. A determination that a worker is an employee does not necessarily reduce any current or prior tax liability. For more information, call 1-800-829-1040.

**Time for filing a claim for refund.** Generally, you must file your claim for a credit or refund within 3 years from the date your original return was filed or within 2 years from the date the tax was paid, whichever is later.

**Filing Form SS-8 does not prevent the expiration of the time in which a claim for a refund must be filed.** If you are concerned about a refund, and the statute of limitations for filing a claim for refund for the year(s) at issue has not yet expired, you should file Form 1040X, Amended U.S. Individual Income Tax Return, to protect your statute of limitations. File a separate Form 1040X for each year.

On the Form 1040X you file, do not complete lines 1 through 24 on the form. Write "Protective Claim" at the top of the form, sign and date it. In addition, you should enter the following statement in Part II, Explanation of Changes: "Filed Form SS-8 with the Internal Revenue Service Office in (Holtsville, NY; Newport, VT; or Washington, DC; as appropriate). By filing this protective claim, I reserve the right to file a claim for any refund that may be due after a determination of my employment tax status has been completed."

**Filing Form SS-8 does not alter the requirement to timely file an income tax return.** Do not delay filing your tax return in anticipation of an answer to your SS-8 request. In addition, if applicable, do not delay in responding to a request for payment while waiting for a determination of your worker status.

## Instructions for Firms

If a **worker** has requested a determination of his or her status while working for you, you will receive a request from the IRS to complete a Form SS-8. In cases of this type, the IRS usually gives each party an opportunity to present a statement of the facts because any decision will affect the employment tax status of the parties. Failure to respond to this request will not prevent the IRS from issuing a determination letter based on the information he or she has made available so that the worker may fulfill his or her federal tax obligations. However, the information that you provide is extremely valuable in determining the status of the worker.

If you are requesting a determination for a particular class of worker, complete the form for one individual who is representative of the class of workers whose status is in question. If you want a written determination for more than one class of workers, complete a separate Form SS-8 for one worker from each class whose status is typical of that class. A written determination for any worker will apply to other workers of the same class if the facts are not materially different for these workers. Please provide a list of names and addresses of all workers potentially affected by this determination.

If you have a reasonable basis for not treating a worker as an employee, you may be relieved from having to pay employment taxes for that worker under section 530 of the

1978 Revenue Act. However, this relief provision cannot be considered in conjunction with a Form SS-8 determination because the determination does not constitute an examination of any tax return. For more information regarding section 530 of the 1978 Revenue Act and to determine if you qualify for relief under this section, you may visit the IRS website at [www.irs.gov](http://www.irs.gov).

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. This information will be used to determine the employment status of the worker(s) described on the form. Subtitle C, Employment Taxes, of the Internal Revenue Code imposes employment taxes on wages. Sections 3121(d), 3306(a), and 3401(c) and (d) and the related regulations define employee and employer for purposes of employment taxes imposed under Subtitle C. Section 6001 authorizes the IRS to request information needed to determine if a worker(s) or firm is subject to these taxes. Section 6109 requires you to provide your taxpayer identification number. Neither workers nor firms are required to request a status determination, but if you choose to do so, you must provide the information requested on this form. Failure to provide the requested information may prevent us from making a status determination. If any worker or the firm has requested a status determination and you are being asked to provide information for use in that determination, you are not required to provide the requested information. However, failure to provide such information will prevent the IRS from considering it in making the status determination. Providing false or fraudulent information may subject you to penalties. Routine uses of this information include providing it to the Department of Justice for use in civil and criminal litigation, to the Social Security Administration for the administration of social security programs, and to cities, states, and the District of Columbia for the administration of their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. We may provide this information to the affected worker(s), the firm, or payer as part of the status determination process.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: Recordkeeping, 22 hrs.; Learning about the law or the form, 47 min.; and Preparing and sending the form to the IRS, 1 hr., 11 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send the tax form to this address. Instead, see *Where To File* on page 4.



## **27.12 FORM 12: Sample Private Employer/Employee Withholding Agreement**

Private employers are coerced by the IRS into participating in the corrupt federal tax “scheme”, in most cases. They wouldn’t get involved at all if the IRS didn’t threaten, harass, and terrorize them into compliance with laws that don’t apply to them at all and which create no duty on their part to deduct or withhold anything. What private employers expect and want to get out of existing employees or new hires is the following:

1. Minimize their risk exposure in relation to the IRS
2. Not get involved in disputes between the employee and the IRS that would add to their payroll costs.

What most employees want, in contrast, is usually:

1. To not withhold anything from their paycheck so they can take everything home.
2. Stopping withholding with the W-8 or W-8BEN Form instead of the W-4, so they don’t compromise their residency or filing status as “nonresident aliens”.
3. Written, notarized proof from their employer that they were coerced into involuntarily filing the wrong withholding forms and misrepresenting their status in order to avoid not being hired or being fired if they refused. This proof will enable the private employee to correct their filing and/or withholding status with the IRS at the end of the year and give them proof they can send to the IRS that shows that any monies wrongfully withheld from their pay were withheld under duress and were involuntarily paid. This kind of legal evidence is important, because there is legal precedent behind the idea that any monies illegally or involuntarily paid to the government are recoverable, but if they were voluntarily paid, they are not. That way, coerced employees can submit substitute W-2’s using the IRS Form 4852 and zero out any “wages” improperly reported on block 1 of the W-2 Form at the end of the calendar year. Absent such legal evidence, the IRS is likely to reject the form 4852 at the end of the year by saying that they need permission from their employer to change the reported amount. IRS has no legal authority to make such a determination and can’t violate the rules of evidence, which say that the unauthenticated W-2 they receive has more weight than the 4852 you sent them signed under penalty of perjury. See section 21.6 earlier for confirmation of this fact.

What this section will do, then, is present an agreement between the private employer and his private employee that they can both sign which will meet all of the above goals, and maintain a healthy and non-adversarial relationship between the employee and their employer. That agreement starts on the next page and should be signed as part of the employment agreement and before hired or when an employee wants to change withholding status to stop withholding. Feel free to modify or improve it if you like, and if the improved version works for you, then please send your improvement suggestions to us so that we can make this document better.

# ***VOLUNTARY NONWITHHOLDING AGREEMENT***

## ***FORM INSTRUCTIONS***

Last revised: 6-24-2007

Source: <http://sedm.org>

### **1. PURPOSE OF THIS FORM**

- 1.1. This form is for use by persons who do not want to participate in the federal income tax, which is voluntary for “nontaxpayers”, but not for “taxpayers”. In other words, they don’t choose to volunteer to become “taxpayers” and have the I.R.C. enforced against them.
- 1.2. This form is intended to be provided to private employers by private employees.
- 1.3. This form is derived from the *Federal and State Tax Withholding Options for Private Employers* book at the address below. It is found within that book as FORM 15 in section 26.15.

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

### **2. PREPARATION INSTRUCTIONS:**

- 2.1. If you haven’t already, read our article on *Techniques for Building a Good Administrative Record* at:  
<http://sedm.org/ItemInfo/RespLtrs/AdminRecord/AdminRecord.htm>.
- 2.2. Fill in the name of the employer and employee at the beginning.
- 2.3. Sign this form.
- 2.4. Sign this form.
- 2.5. At the end of the associated employment agreement, write:

*“Not valid without attached signed Voluntary Nonwithholding Agreement.”*

- 2.6. Submit a copy to private employer. Keep the original for your records.

### **3. RESOURCES FOR FURTHER STUDY:**

- 3.1. *Federal and State Tax Withholding Options for Private Employers*, Form #04.101  
<http://sedm.org/Forms/FormIndex.htm>
- 3.2. *Nonresident Alien Position*, Form #05.020.  
<http://sedm.org/Forms/FormIndex.htm>
- 3.3. *Federal Enforcement Authority Within States of the Union*, Form #05.032. Proves that the IRS cannot lawfully penalize a person domiciled in a state of the Union who is not party to the franchise agreement codified in Subtitle A of the Internal Revenue Code.  
<http://sedm.org/Forms/FormIndex.htm>
- 3.4. *“Taxpayer” v. “Nontaxpayer”: Which One are You?*. Proves that the I.R.C. is a franchise agreement that is private law that only applies to those who explicitly or implicitly consent. Those who are parties to the agreement are called “taxpayers”.  
<http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm>
- 3.5. *Who are “taxpayers” and who needs a “Taxpayer Identification Number”*, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>
- 3.6. *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017. Shows how the government abuses presumption to prejudice and destroy your constitutional rights. This is done mostly using the words of art that this form redefines in such a way that they benefit rather than hurt you.  
<http://sedm.org/Forms/FormIndex.htm>

## **VOLUNTARY NONWITHHOLDING AGREEMENT**

Comes now, \_\_\_\_\_ (name of private employer), hereinafter titled "Private Employer" and \_\_\_\_\_ (private employee name), hereinafter titled "Private Employee", who have chosen to institute this voluntary nonwithholding agreement to ensure the protection of their mutual financial and best interests. The agreement relates exclusively to payroll withholding arrangements by Private Employer relating to the earnings of Private Employee while working for Private Employer. It is intended that this agreement will provide a good-faith environment of trust and teamwork between the private employers and private employees. The parties therefore have mutually agree that:

### **1. Voluntary Stipulations by Private Employer:**

- 1.1. The **lowest** numbered withholding option I am willing to accept, from section 11 of the document *Federal and State Withholding Options for Private Employers* is: \_\_\_\_\_ (enter number)
- 1.2. Private Employer agrees to keep Private Employee fully informed if or when he/she has subjected this document or any aspects of their interactions relating to withholding to review or comment or advisement by a tax or legal professional, and to provide a written and dated synopsis of what was discussed that is signed by the persons who discussed it. This is an important way to maintain an environment of good faith and trust between Private Employer and Private Employee.
- 1.3. Private Employee is not an "employee" within the meaning of the Internal Revenue Code and as defined in 26 U.S.C. §3401(c) or 26 CFR §31.3401(c)-1.
- 1.4. Private Employer is not an "employer" within the meaning of the Internal Revenue Code.
- 1.5. Private Employer is not a "withholding agent" within the meaning of the Internal Revenue Code.
- 1.6. Private Employer has been unable to identify a law that created a "legal duty" for it to deduct or withhold any monies from the pay of Private Employee under the provisions of the Internal Revenue Code, Subtitle A, or for Social Security or Medicare, based on the declared status of Private Employee as a "nonresident alien".
- 1.7. Private Employer is not qualified or able or willing to make determinations about the filing status or citizenship status of Private Employee. That is the exclusive responsibility of the Private Employee.
- 1.8. Private Employer has made a good faith effort to determine what the Internal Revenue Code and the Constitution require, and has been unable to get any cooperation from the IRS in the proper application of the Internal Revenue Code to his situation that the purveyor of the advice was willing to be held personally liable for. Therefore, it has no good-faith basis to believe anything based on feedback from the IRS it has received so far. This is especially true based on the fact that the Federal courts routinely refuse to hold the IRS accountable for the content of their forms, publications, or the oral advice they give on their phone support line.
- 1.9. Private Employer agrees not to terminate, reduce the benefits of, discriminate against, or otherwise persecute Private Employee for:
  - 1.9.1. His position on the withholding of "Personal Income Taxes" from his pay.
  - 1.9.2. Any IRS actions to levy his pay or benefits or lien his property.
  - 1.9.3. Any legal actions he may take individually against payroll clerks who are operating in violation of the Internal Revenue Code of the United States or the revenue laws of a State of the Union.
- 1.10. Private Employer has been notified of the following facts by Private Employee:
  - 1.10.1. Private Employee does not wish to voluntarily deduct or withhold federal taxes from his paycheck and therefore does not have a "voluntary withholding agreement" in place with Private Employer.
  - 1.10.2. Private Employee declares that he is not an "employee" under the Internal Revenue Code and therefore does not want a W-2 provided to the IRS that reveals anything about himself.
  - 1.10.3. Absent a "voluntary withholding agreement", Private Employee is incapable of earning "wages" as defined under 26 CFR §31.3401(a)-3.
  - 1.10.4. Absent the ability to earn "wages", the amounts reported in Block 1 of the W-2 form annually must be "zero", regardless of the amount of payroll taxes withheld, and that to report anything else would be fraud.
  - 1.10.5. The form "W-2" should only be provided at the end of the year for federal "employees" who have a "voluntary withholding agreement" in place in the form of a valid IRS form W-4 which was voluntarily executed by the "employee" absent any duress.
- 1.11. Private Employer recognizes the right of Private Employee to correct the W-2 forms submitted to the IRS annually relating to the withholding of monies under the Internal Revenue Code, and consents and does not disagree to any such interactions that Private Employee might have with IRS.
- 1.12. Private Employer covenants and agrees that in the event that a W-2 form is mistakenly provided to the IRS by us or our payroll provider or if a nonzero amount is mistakenly reported on that form, then Private Employee has our full consent and authority to submit either this agreement and/or a form 4852 to correct the erroneous amounts

reported and to identify his/her proper status as a “nonresident alien”, and we will never make any effort to contradict what he reports on the form 4852 or relating to his filing or citizenship status.

- 1.13. Private Employer has told Private Employee that he must submit and complete an unmodified W-4 form in order to either keep his job or be hired initially, and that if he didn’t, we would not consider hiring him and/or fire him because of the legal and other hardships that his stance might impose on our company/organization.

Circle one relating to whether this provision is true and initial: (Yes) (No) Initial:\_\_\_\_\_

**2. Voluntary Stipulations of Private Employee:**

- 2.1. The **highest** numbered withholding option I am willing to accept, from section 22 of the document *Federal and State Withholding Options for Private Employers* is: \_\_\_\_\_(enter number)
- 2.2. Private Employee has independently and voluntarily determined that he is not “liable” for the payment of any monies to the IRS under the authority of the Internal Revenue Code, Subtitles A or C.
- 2.3. Private Employee has agreed to assume all responsibility relating to the accuracy or appropriateness of tax withholding/nonwithholding forms he/she submits to Private Employer.
- 2.4. Private Employee has independently and voluntarily determined that he is a “nonresident alien” and a “nontaxpayer” under the Internal Revenue Code.
- 2.5. Private Employee has determined that Private Employer is not qualified or authorized to make determinations about his legal or tax status as a “nonresident alien” or his citizenship status.
- 2.6. Private Employee has agreed to waive the right to sue or prosecute Private Employer for any issues or liabilities relating to this agreement or to payroll withholding of IRS or state income taxes provided that:
- 2.6.1. Private Employee does not have any monies taken out of his pay under the authority of Subtitles A or C of the Internal Revenue Code or under state revenue laws.
- 2.6.2. Private Employer abides by this agreement in good faith.
- 2.6.3. Private Employer does not terminate Private Employee in the event that he takes legal action individually against the payroll agent of Private Employer.
- 2.7. In the interests of justice, Private Employee reserves the right to sue payroll department personnel individually but not the Private Employer for damages to his property and liberty resulting from:
- 2.7.1. Honoring an IRS “Notice of Levy” absent a signed, court order or Abstract of Judgment as required by the Fifth Amendment to the U.S. Constitution.
- 2.7.2. Honoring any IRS request absent being provided by IRS with that request:
- 2.7.2.1. A written request for the thing demanded.
- 2.7.2.2. The signature and full legal name of the person at the IRS who is requesting it.
- 2.7.2.3. The following information about the person making the demand:
- 2.7.2.3.1. Mailing and home residence address
- 2.7.2.3.2. Work and home phone number
- 2.7.2.3.3. Email address
- 2.7.2.3.4. Pocket commission (badge number)
- 2.7.2.3.5. An agreement to be held personally liable if the request is incorrect or inconsistent with the Internal Revenue Code.
- 2.8. Private Employee declares that he has been told that he must submit and complete an unmodified W-4 form in order to either keep his job or be hired initially, and that if he didn’t, Private Employer would not consider hiring him and/or fire him because of the legal and other hardships that his stance might impose on our company/organization. He has also been told that he may not submit the form which he believes represents his true status as a “nonresident alien”, the form W-8BEN, because doing so would impose undue risk or hardship to Private Employer. This is true even though Private Employer has not been able to substantiate why the W-8 form or W-8BEN form are the incorrect form, nor rebut the conclusions of law contained in Appendix B of the document “Federal and State Withholding Options for Private Employers”.

Circle one relating to whether this provision is true and initial: (Yes) (No) Initial:\_\_\_\_\_

The parties to this agreement both stipulate that they will:

1. Not rely on any IRS Publication or the telephone advice of the IRS in reaching any conclusions about what the law requires of them, because the federal courts and the IRS’ own Internal Revenue Manual declare that these sources of information are not trustworthy. See Section 7 earlier for confirmation of why this is.
2. Avoid all presumptions or assumptions about the Internal Revenue Code and the Constitution, because these are very prejudicial. That means that they cannot and will not:



- 2.1. Reach any conclusions or make any recommendations about withholding or payment of income taxes that they cannot back up with a statute and implementing regulation.
- 2.2. Not rely on the advice of an expert unless he can furnish statutes and implementing regulations that confirm what he is saying.
3. Exercise due diligence in finding out what the payroll withholding laws require by reading the statutes and implementing regulations for themselves.
4. Will use the Admissions Relating to Alleged Liability appearing in Appendix B as the means of resolving any disputes of law in respect to payroll tax withholding.

Although Private Employer has determined that they have no duty to deduct or withhold federal income taxes, the parties have elected to sign this voluntary nonwithholding agreement to minimize their risks and legal liabilities while ensuring that they have the ability to hire and employ talented and qualified people who want to work for them.

Private Employee declares that he is under illegal duress by IRS and Private Employer as far as what he can or should do relating to the withholding of payroll taxes. Private Employer also declares that it, in turn, is also under illegal duress from the IRS as far as what it can or may allow its "employees" to do relating to payroll withholding taxes. That duress has been demonstrated repeatedly to both parties through chronic and repeated attempts by the Internal Revenue Service to disobey or "mis-enforce" the Internal Revenue Laws against the parties as well as others whose dealings they have personally observed or heard about. Both parties are therefore not acting voluntarily in the context of employment withholding and the result is that they are acting as compelled, involuntary agents of the IRS and not of their own free will. Consequently, they cannot and should not be held personally or collectively liable for any of their actions relating to the deducting and withholding of payroll taxes.

Both parties agree not to hold the other liable for their involuntary/compelled misapplication of the Internal Revenue Laws under collective illegal duress from the IRS, but instead would like to constructively help each other reach a withholding arrangement that is more consistent with the internal revenue laws and the wishes of the parties than that resulting from what the IRS informally "says" they will allow, which in reality amounts to nothing more than extortion under the color of law in most cases.

The parties hereby consent and agree to the above stipulations, and certify that they are empowered to act on behalf of the parties to this agreement, and will do everything in their power to honor this agreement.

Signed: _____	Date: _____
Private Employer Representative	
Signed: _____	Date: _____
Private Employee	
Signed: _____	Date: _____
Witness/Notary	

### **27.13    FORM 13: Affidavit of Citizenship, Domicile, and Tax Status**

Use this form as an attachment to any tax or withholding form to clearly establish your citizenship, domicile, and tax status and to ensure that you are not prejudicially “presumed” to be a federal “individual” engaged in a federal franchise who is therefore a “taxpayer”. You can find the latest version of this form at:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001

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

# AFFIDAVIT OF CITIZENSHIP, DOMICILE, AND TAX STATUS

## SECTION 1: SUBMITTER INFORMATION

1. Name			
2. Mailing Address (NOT a domicile)			
3. City		4. State	
5. Zip		6. Country	
7. Phone		8. Email	
9. Date of Birth:		10. Place of Birth:	

<b>11. CITIZENSHIP:</b> (Check only one. See Appendix, item #16-18 for explanation)		<b>12. DOMICILE:</b> (Check only one, NO other "residences"). See and rebut the following within 30 days if you disagree or forever be estopped from later challenging it. <i>Why Domicile and Becoming a "Taxpayer" Require Your Consent</i> , Form #05.002; <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>	
<input type="checkbox"/>	11.1 Constitutional but not statutory "Citizen". "national" but not "citizen" under federal law pursuant to <a href="#">8 U.S.C. §1101(a)(21)</a> and <a href="#">8 U.S.C. §1452</a> . Born in state of the Union and a "nonresident" (per <a href="#">26 U.S.C. §7701(b)(1)(B)</a> ) but NOT an "alien" (per <a href="#">26 U.S.C. §7701(b)(1)(A)</a> ) or "Individual" (per 26 CFR §1.1441-1(c)(3)). "Stateless Person" as per <a href="#">Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989)</a> . <i>Constitutional</i> diversity of citizenship pursuant to <a href="#">U.S. Const. Art. III, Section 2</a> , but NOT <i>statutory</i> diversity pursuant to <a href="#">28 U.S.C. §1332</a> . Rebut the following if you disagree within 30 days or you stipulate it as truth. <a href="http://sedm.org/Forms/MemLaw/WhyANational.pdf">http://sedm.org/Forms/MemLaw/WhyANational.pdf</a>	<input type="checkbox"/>	12.1 Nonfederal areas within de jure state of the Union: _____ (state name). NOT part of the "State" defined in <a href="#">26 U.S.C. §7701(a)(10)</a> , <a href="#">4 U.S.C. §110(d)</a> , or <a href="#">28 U.S.C. §1332(d)</a> or of the "United States".  Not a "resident" because not a statutory "alien". No "residence" within the meaning of the I.R.C., because only statutory "aliens" can have a "residence" per 26 CFR §1.871-2. "Non-citizen nationals" have a domicile. Only privileged constitutional "aliens" have a "residence".
<input type="checkbox"/>	11.2 Statutory but not constitutional "U.S. citizen". Described in <a href="#">8 U.S.C. §1401</a> . Born anywhere in the country and domiciled in the District of Columbia or federal territory or possession.	<input type="checkbox"/>	12.2 Kingdom of Heaven on Earth. I have a religious objection to having an earthly domicile within any existing, man-made government. I am a "transient foreigner" but not an "inhabitant" with respect to the man-made government having jurisdiction in the place where I temporarily live. The Bible says in Psalm 89:11-13, Isaiah 45:12, Deut. 10:14 that the Earth was created and is owned exclusively by God and NOT any man or government of men. It also says in Psalm 47:7 that God is the King of all the Earth. Therefore no one but God's Kingdom can have domiciliaries because presence on the territory of the Sovereign is a prerequisite to all declarations of domicile and allegiance.
<input type="checkbox"/>	11.3 Statutory "U.S. national". Described in <a href="#">8 U.S.C. §1408</a> and <a href="#">8 U.S.C. §1101(a)(22)(B)</a> , and <a href="#">8 U.S.C. §1452</a> . Born anywhere in the country and domiciled in American Samoa or Swains Island	<input type="checkbox"/>	12.3 Not within any government on earth. I choose not to politically associate with any group or government on earth for my protection. The First Amendment to the Constitution protects my right of freedom from compelled association. I am a "transient foreigner" but not an "inhabitant" of the place where I live.
<input type="checkbox"/>	11.4 Foreign National. Country: _____. Nonresident alien under <a href="#">26 U.S.C. §7701(b)(1)(B)</a>	<input type="checkbox"/>	12.4 "United States" (District of Columbia, see <a href="#">26 U.S.C. §7701(a)(9)</a> and (a)(10))
<input type="checkbox"/>	11.5 Dual nationality. Non-citizen national of USA (NOT "U.S.") pursuant to <a href="#">8 U.S.C. §1452</a> AND the following country, nation, or government: _____  For description of "non-citizen national" see third item below.	<input type="checkbox"/>	12.5 Federal areas within state: _____ (state name)
<input type="checkbox"/>	11.6 Dual nationality. Non-citizen national of USA (NOT "U.S.") pursuant to <a href="#">8 U.S.C. §1452</a> AND Kingdom of Heaven on Earth. See "Constitutional but not statutory 'Citizen' above for meaning of "non-citizen national".	<input type="checkbox"/>	12.6 Foreign country or government: _____  (name of foreign country or government). See <a href="#">26 U.S.C. §892(a)(3)</a> for definition of "foreign government".
		<input type="checkbox"/>	12.7 Federal territory or possession. Territory/possession name: _____

<b>13. DIPLOMATIC STATUS</b> The following statuses constitute internationally protected persons pursuant to <a href="#">18 U.S.C. §112</a> who are immune (not "exempt") from federal income taxation pursuant to <a href="#">26 U.S.C. §892</a> . Those claiming such status must file IRS Form W-8EXP to claim immunity from taxation.	
<input type="checkbox"/>	13.1 Employee or agent of God's government on earth. Abandoned all aid and protection of man-made government and became a "stateless person" pursuant to <a href="#">Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989)</a> , Phil. 3:20, Psalm 119:19, Psalm 68:8-9.
<input type="checkbox"/>	13.2 Minister or ambassador of a foreign state or government: _____ (State name). See <a href="#">26 U.S.C. §892(a)(3)</a> for definition of "foreign government".
<input type="checkbox"/>	13.3 Employee or agent of a foreign government. Government name: _____

**14. FEDERAL FRANCHISES:**(See Liberty University, Section 4: <http://sedm.org/LibertyU/LibertyU.htm>)Yes ☐ No ☐**14.1** Internal Revenue Code, Subtitle A "trade or business" franchise/excise tax. Also called "income tax".

"trade or business" is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office" in the government. Those not engaged are a "foreign estate" pursuant to [26 U.S.C. §7701\(a\)\(31\)](#); See and rebut following within 30 days if disagree or be held in default, estoppel, and laches:  
[The Trade or Business Scam](#), Form #05.001: <http://sedm.org/Forms/FormIndex.htm>

If "NO" is checked to the left, the following applies:

**PRIVATE RECIPIENTS OF THIS FORM:** If you are a private recipient and the answer to the question to the left is "NO", you are warned that you may NOT use any of the information provided by the Submitter of this form or any of the attached forms to submit to the government or for ANY commercial purpose. This means you may not use any of the information provided to prepare or submit any IRS information return, such as forms W-2, 1042S, 1098, 1099, K-1, etc. and that you risk criminal prosecution if you do under the provisions of [26 U.S.C. §§7206, 7207, 18 U.S.C. §654](#), and [18 U.S.C. §912](#). This document also constitutes an indemnification of all personal liability of the private recipient for failure to withhold or report. Submitter agrees to accept all legal consequences for following the content of this form and to become the Substitute Defendant in an action against the Private Recipient for following the requirements of this form. This indemnification does NOT apply to government recipients.

**GOVERNMENT RECIPIENTS OF THIS FORM:** If recipient of this form is the government and the answer to the question to the left is "NO", you are also hereby legally notified that any information returns you may have received connected with me, such as W-2, 1042S, 1098, and 1099, *are FALSE and FRAUDULENT* and this submission constitutes a formal request to correct the false reports and criminally prosecute the submitter pursuant to [26 U.S.C. §§7206, 7207, 18 U.S.C. §654](#), and [18 U.S.C. §912](#) and civilly prosecute pursuant to [26 U.S.C. §7434](#) and [31 U.S.C. §3729](#). Any numbers associated with these reports are provided *under duress* and are not "Social Security Numbers" as defined in 20 CFR §422.104 but rather PRIVATELY issued "Nontaxpayer Identification Numbers" which are protected by copyright and private license agreement and may NOT be stored in any government computer system or used for ANY commercial purpose without violating the license agreement.

Yes ☐ No ☐

**14.2** Social Security (See [42 U.S.C. Chapter 7](#)). Any applications on file are fraudulent and a nullity for any one or more of the following reasons: 1. Never personally made application and therefore nonbinding; 2. Never consented to participate; 3. Cannot lawfully consent because not domiciled on federal territory and not a "U.S. citizen" per [8 U.S.C. §1401](#) or a "permanent resident" at the time of application in violation of 20 CFR §422.104; 4. Acting as a fiduciary with no capacity to contract with federal government. See: Forms #06.002 and #13.007 at <http://sedm.org/Forms/FormIndex.htm>.

Date that UNLAWFUL participation was retroactively terminated: \_\_\_\_\_

(Date SSA Form 521 and/or Resignation of Compelled Social Security, Form #06.002, was mailed to SSA and IRS)

**WARNING:** If the answer to this question is "NO", any Social Security Number or Taxpayer Identification Number you have on file is FALSE and must be removed from your records. Failure to abide by this absolute requirement of law is a criminal violation of [18 U.S.C. §1028\(a\)\(7\)](#), [18 U.S.C. §1028A](#), and a civil violation of [42 U.S.C. §408\(a\)\(7\)](#) and [42 U.S.C. §405\(c\)\(2\)\(C\)\(i\)](#).

Further details: *Resignation of Compelled Social Security Trustee*, Form #06.002: <http://sedm.org/Forms/FormIndex.htm>Yes ☐ No ☐**14.3** Federal elected or appointed "public officer"Yes ☐ No ☐**14.4** Federal "employee" as defined in [26 U.S.C. §3401\(c\)](#) and 26 CFR §31.3401(c)-1Yes ☐ No ☐**14.5** State-issued driver's license. Corporate (not de jure) State name: \_\_\_\_\_Yes ☐ No ☐**14.6** State-issued marriage license.Yes ☐ No ☐**14.7** Attorney license (Admitted to practice by state-supreme Court)Yes ☐ No ☐**14.8** Government Identifying Numbers. If "NO" is specified, the following applies:

**WARNING:** You may not use any government issued identifying number in connection with the Submitter, such as a Social Security Number (SSN) as defined in 20 CFR §422.103(d), Taxpayer Identification Number (TIN) as defined in [26 U.S.C. §6109](#), or Employer Identification Number (EIN) as defined in [26 U.S.C. §6109](#). Submitter:

1. Would be violating the law to either request or use a Taxpayer Identification Number. See:  
*Why It is Illegal for Me to Request or Use a Taxpayer Identification Number*, Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>
2. Is not required to have or to use a Social Security Number or Taxpayer Identification Number pursuant to 31 CFR §103.34(a)(3)(x) and 31 CFR §306.10 Note 2.
3. Does not participate and is not lawfully eligible to participate in Social Security or the "trade or business" excise taxable franchise described in [26 U.S.C. Subtitle A](#).
4. Is not an "alien" for which an Individual Taxpayer Identification Number may lawfully be used pursuant to 26 CFR §301.6109-1(d)(3). Nonresident aliens are NOT "aliens" and are not equivalent. A person who is a "national" can be a "nonresident alien" without being an "alien". See [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). For further details on this SCAM, see the following:  
*Flawed Tax Arguments to Avoid*, Form #08.004, Section 5.4  
<http://sedm.org/Forms/FormIndex.htm>
5. May not lawfully use or possess any government identifying number because it is "public property" which belongs to the government pursuant to 20 CFR §422.103(d). Only "public officers" on official business may lawfully use public property, and only in strict accordance with law for the benefit of the government and not them as private individuals.
6. Is appearing here as a private person and not a public officer. If you compel me to use a government identifying number, you are an accessory to criminal conversion of private property to a public use and a public purpose if you connect me or my assets with a public number in violation of [18 U.S.C. §654](#). You could end up in jail for up to ten years if you put an identifying number on any records pertaining to me or my property, assets, or my earnings from PRIVATE employment.
7. Has been a victim of identity theft, compelled association, and conversion by the government and its agents in banks and financial institutions in the past by unlawfully and involuntarily connecting him/her with knowingly false and fraudulent identifying numbers in criminal violation of [18 U.S.C. §1028\(a\)\(7\)](#), [18 U.S.C. §1028A](#), and a civil violation of [42 U.S.C. §408\(a\)\(7\)](#) and [42 U.S.C. §405\(c\)\(2\)\(C\)\(i\)](#). He would like to prevent a recurrence of this behavior again.
8. Will file a criminal complaint in connection with the use of any government issued identifying number connected with his exclusively PRIVATE life, property, and liberty and vociferously prosecute all those who unlawfully compel him to use a knowingly false number or any number at all in order to obtain any service or product in violation of [42 U.S.C. §408](#).

**15. DOMICILE AND RESIDENCE:**

1. My domicile and NOT "residence" is that indicated earlier in block 12.
2. My domicile is outside the statutory but not constitutional "[United States](#)" and outside of federal territory. The term "statutory United States" includes all statutory definitions of "United States" within any act of Congress.
3. I am not a statutory "resident". All "residents" are statutory "aliens" per [26 U.S.C. §7701\(b\)\(4\)](#).
4. I DO NOT have a statutory "[residence](#)" anywhere within the statutory "United States" per 26 CFR §1.871-2(b) because I am not a statutory "alien". If you believe that the term "residence" includes the domicile of those who are non-citizen nationals, nonresident alien NON-individuals, please produce a statute that expressly includes this status within the meaning of the term "residence".

**16. TAX WITHHOLDING LEGAL REQUIREMENTS:**

5. **WARNING:** You may not lawfully withhold any amount from my earnings. The remainder of this section provides legally admissible evidence proving why this is.
6. Your withholding is ONLY on "wages" as legally defined in [26 U.S.C. §3401](#). The earnings of nonresident alien NON-individuals not engaged in a "trade or business" as legally defined are excluded from "wages" per [26 U.S.C. §3401\(a\)\(6\)](#) and [26 U.S.C. §3401\(a\)\(11\)](#) and therefore may not lawfully become the subject of tax withholding. If you withhold, you will therefore be guilty of the following crimes:
  - 6.1. [18 U.S.C. §654](#): Conversion of private property to a "public use" and a "public office". You are converting my PRIVATE earnings from labor into a public purpose and a "public office" by fraudulently and falsely connecting same with a "trade or business".
  - 6.2. [18 U.S.C. §201](#): Bribery of public officials and witnesses. You are bribing public officials who will receive the money you STOLE from me in violation of the law. The punishment is a fine and up to 15 years in jail. I remind you that all tax withholdings are classified as "gifts" by the IRS. See IRS Document 6209, pp. 4-1 and 4-2, which identify W-2 forms as "Estate and gift taxes". All tax withholdings are "gifts" to public officials that also constitute bribes.
  - 6.3. [18 U.S.C. §1956\(a\)\(1\)\(A\)\(ii\)](#): Money laundering. You are laundering unlawfully withheld monies. The punishment is a fine up to \$500,000 and imprisonment for up to twenty years.
7. IRS Publication 515 indicates that nonresident alien individuals who give you IRS form W-8BEN are exempt from backup withholding. This requirement is also found in [26 U.S.C. §3401\(a\)\(6\)](#) or [26 CFR §31.3401\(a\)\(6\)-1\(b\)](#). This form serves the equivalent of IRS Form W-8BEN because IRS doesn't have a form for those who are "nonresident aliens" but who are not "individuals", "persons", or "taxpayers".

*"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) **are exempt from backup withholding and Form 1099 reporting.**"*  
 [IRS Publication 515, Year 2001, p. 3]

8. You MAY NOT lawfully tamper with, reject, redact any portion of, or alter any withholding forms that I give you. You must accept them AS IS and may not lawfully threaten me to change them. If you do, you could be prosecuted for extortion.

*"The employer is not authorized to alter the form or to dishonor the employee's claim. The certificate goes into effect automatically in accordance with certain standards enumerated in [§ 3402\(f\)\(3\)](#)."*  
 [U.S. v. Malinowski, 347 F.Supp. 347 (1972)]

9. The earnings connected with our relationship do not constitute "income" and therefore cannot be the subject of any tax or withholding or reporting within the Internal Revenue Code. The only definition of "income" in the Internal Revenue Code is found in [26 U.S.C. §643\(b\)](#) and it includes ONLY the earnings of a trust or estate. I am not representing a domestic trust or estate. My earnings and my entire estate instead are a "foreign estate" pursuant to 26 U.S.C. §7701(a)(31).
10. Any earnings that result from our relationship do not originate from "sources within the United States". The term "United States" is defined below. If you dispute this definition, please provide the definition that expressly identifies states of the Union as being included in the meaning of "United States":

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. - Definitions](#)

(a) Definitions

(9) United States

The term "United States" when used in a geographical sense includes only the States and the District of Columbia.

(10) State

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

---

TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
 CHAPTER 4 - **THE STATES**

[Sec. 110. Same; definitions](#)

(d) The term "State" includes any [Territory](#) or possession of the United States.

---

*"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]

11. The financial transactions likely to result from our relationship are excluded from (not "subject to" but not "exempt") taxation pursuant to the following authorities and therefore not subject to withholding:



- 11.1. [26 U.S.C. §861](#)(a)(3)(C)(i): Earnings from labor of “nonresident aliens” not engaged in a “trade or business” and working in the “United States” is not deemed to be income from sources within the “United States”.
- 11.2. [26 U.S.C. §3401](#)(a)(6): Nonresident aliens do not earn “wages”.
- 11.3. [26 U.S.C. §1402](#)(b): Nonresident aliens do not earn “self-employment income”.
- 11.4. [26 U.S.C. §864](#)(b)(1)(A): Earnings of “nonresident aliens” working for foreign employers such as private employers do not have earning associated with a “trade or business in the United States”
- 11.5. 26 CFR §31.3401(a)(6)-1(b): Remuneration of nonresident aliens outside the “United States” is not subject to taxation.
- 11.6. 26 CFR §1.872-2(f): Earnings of nonresident aliens outside the “United States” do not constitute “gross income”.
- 11.7. 26 CFR §1.871-7(a)(4): Nonresident aliens not engaged in a “trade or business” earn no “gross income”
12. Tax withholding is only appropriate for those having a tax liability. A nonresident alien NON-individual such as the submitter with no “income” or earnings from “sources within the United States” under [26 U.S.C. §871](#) can have no tax liability. If you think you, as a private employer or private institution, constitute a “source within the United States”, then why did the IRS Internal Revenue Manual say the following and where are states of the Union included in “United States” as defined above?:

[IRM 5.14.10.2 \(09-30-2004\)](#)

Payroll Deduction Agreements

2. **Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

[\[http://www.irs.gov/irm/part5/ch14s10.html\]](http://www.irs.gov/irm/part5/ch14s10.html)

13. You can only be an “employer” if I am an “employee”, according to [26 U.S.C. §3401](#)(d). I am NOT an “employee”, because all “employees” are “public officers” engaged in a “trade or business” who work for the United States government as the equivalent of “temps” or “Kelly Girls” on loan to private employers such as you. I DO NOT consent to act in such capacity, and therefore you cannot be an “employer” in the context of me:

[26 CFR § 31.3401\(c\)-1](#) Employee:

*“...the term [employee] includes [is limited to] 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.”*

[26 U.S.C. §3401\(c\)](#) Employee

*For purposes of this chapter, the term “employee” includes [is limited to] an officer, employee, or elected official of the United States, a State, 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.*

**8 Federal Register, Tuesday, September 7, 1943, §404.104, pg. 12267**

**Employee:** “The term employee specifically includes officers and employees **whether elected or appointed**, of the United States, a state, territory, or political subdivision thereof or the District of Columbia or any agency or instrumentality of any one or more of the foregoing.”

If you disagree with this item, please rebut the admissions at the end of the following document within 30 days or be held in default and estoppel to challenge later: [Why Your Government is Either a Thief or You Are a “Public Officer” for Federal Income tax Purposes](#), Form #05.008; <http://sedm.org/Forms/FormIndex.htm>

14. You are only liable to withhold if you are an “employer” and if I receive “wages”. 26 CFR §31.3403-1, 26 CFR §31.3111-4, 26 CFR §3102-1(c). The only way I can receive “wages” is to sign a contract called a W-4 **absent duress** consenting to call what I earn “wages” as legally defined but not commonly understood. If I don’t sign the contract, then I don’t earn “wages” subject to any withholding or reporting:

**“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)]*

**“Included in the rights of personal liberty and the right of private property--partaking of the nature of each--is the right to make contracts for the acquisition of property. Chief among such contracts is that of personal employment, by which labor and other services are exchanged for money or other forms of property.”**

**“...The right of a person to sell his labor upon such terms as he deems proper is, in its essence, the same as the right of the purchaser of labor to prescribe the conditions under which he will accept such labor from the person offering to sell it.”**

[26 CFR §31.3401\(a\)-3](#) Amounts deemed wages under voluntary withholding agreements

(a) In general.

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

Revenue

Title 26: Internal

[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)

(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 §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. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

15. If I never give you an IRS form W-4 and thereby consent to call what I earn “wages” as defined in the Internal Revenue Code, then you can’t lawfully withhold or report anything:  
15.1. Everything that goes on the IRS form W-2 constitutes “wages” as legally defined and not commonly understood.  
15.2. Tax withholding ONLY pertains to “wages” as legally defined and NOT all earnings. The U.S. Supreme Court confirmed this:

“We must reject in this case, as we have rejected in cases arising under the Corporation Excise Tax Act of 1909 (Doyle, Collector, v. Mitchell Brothers Co., 247 U.S. 179, 38 Sup. Ct. 467, 62 L. Ed.--), the broad contention submitted on behalf of the government that all receipts—everything that comes in—are income within the proper definition of the term ‘gross income,’ and that the entire proceeds of a conversion of capital assets, in whatever form and under whatever circumstances accomplished, should be treated as gross income. Certainly the term ‘income’ has no broader meaning in the 1913 act than in that of 1909 (see Stratton’s Independence v. Howbert, 231 U.S. 399, 416, 417 S., 34 Sup. Ct. 136), and for the present purpose we assume there is no difference in its meaning as used in the two acts.”  
[Southern Pacific Co., v. Lowe, 247 U.S. 330, 335, 38 S.Ct. 540 (1918)]

- 15.3. If you are ordered by the IRS to withhold at single zero because I refuse to submit an IRS form W-4, then you must withhold and report ONLY on “wages” as statutorily defined and limited pursuant to the I.R.C. “trade or business” franchise agreement. I don’t earn “wages” if I never consented to call them “wages” using a private contract called an IRS form W-4.  
16. On the subject of unlawful withholding, the Bible says the following. “Wages” as used below implies the ordinary and excludes the statutory definition:

*“Woe to him who builds his house by unrighteousness  
And his chambers by injustice,  
Who [whether individual or government] uses his neighbor's service without wages  
And gives him nothing for his work,”*  
[Jer. 22:13, Bible, NKJV]

*“Come now, you rich, weep and howl for your miseries that are coming upon you! Your riches are corrupted, and your garments are moth-eaten. Your gold and silver are corroded, and their corrosion will be a witness against you and will eat your flesh like fire. You have heaped up treasure in the last days. Indeed the wages of the laborers who mowed your fields, which you kept back by fraud, cry out; and the cries of the reapers have reached the ears of the Lord of Sabaoth. You [the business owner who controls the purse of the workers] have lived on the earth in pleasure and luxury; you have fattened your hearts as in a day of slaughter. You have condemned, you have murdered the just; he does not resist you.”*  
[James 5:1-6, Bible, NKJV]

*“You shall not cheat your neighbor, nor rob him. The wages of him who is hired shall not remain with you all night until morning.”*  
[Lev. 19:13, Bible, NKJV]

#### 17. TAX REPORTING LEGAL REQUIREMENTS:

1. **WARNING:** It is a criminal offense to file information returns against any payments you make in connection with our relationship. Filing of false information returns carries severe civil and criminal penalties. Information returns include IRS Forms W-2, 1042S, 1098, and 1099. I can only earn “wages” reportable on an IRS form W-2 if I am lawfully engaged in a “public office” in the U.S. Government as required by 26 U.S.C. §6041(a). Voluntarily signing a contract/agreement called an IRS form W-4 is the only way that a nonresident alien NON-individual not engaged in a “trade or business” can engage in such a “public office” per 26 CFR §31.3401(a)-3(a), and 26 CFR §31.3402(p)-1. Otherwise, it is a crime to impersonate a public officer in violation of 18 U.S.C. §912 to file an information return. If you file any kind of information return relating to me, you will be guilty of conspiracy to commit all the following crimes and civil infractions:
- 1.1. False information returns submitted in violation of 26 U.S.C. §7434. Punishment is all attorney fees plus twice the false amount reported.
  - 1.2. Impersonating a public officer in violation of 18 U.S.C. §912. Punishment is a fine and up to three years in jail. Only “public officers” can act as “taxpayers”, and you are creating a false presumption that I am a “taxpayer” by filing false information returns.
  - 1.3. Conversion of private property to a public use, public purpose, and public office as a “withholding agent” in violation of 18 U.S.C. §654.
  - 1.4. Impersonating a statutory “U.S. citizen” pursuant to 18 U.S.C. §911. Punishment is a fine and up to three years in jail. Only statutory and not constitutional “U.S. citizens” can lawfully act as “public officers” engaged in a “trade or business” and I am NOT a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 but rather a non-citizen national.
  - 1.5. False information returns in violation of 26 U.S.C. §7206. Punishment is up to a \$100,000 fine and 3 years in jail to file a false information return.
  - 1.6. False information returns in violation of 26 U.S.C. §7207. Punishment is up to \$10,000 and 1 year in jail to submit a false information return.
  - 1.7. Perjury in violation of 18 U.S.C. §1001 and 18 U.S.C. §1621. The IRS Forms W-3 and 1096 submitted with the information return is signed under penalty of perjury and verifies the accuracy of the accompanying information return. These forms are submitted as a government officer and agent called a “withholding agent” defined in 26 U.S.C. §7701(a)(16). Those forms are FRAUDULENT now

that you have been notified that they are false and you willfully refuse to either stop filing the false report or correct the false reports already filed.

2. IRS Publication 515 indicates that nonresident aliens who give you IRS form W-8BEN are exempt from 1099 reporting. This form serves the equivalent purpose and is a superset of that form.

*"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) **are exempt from backup withholding and Form 1099 reporting.**"*  
*[IRS Publication 515, Year 2001, p. 3]*

3. [26 U.S.C. §6041](#) says that only earnings connected with a "trade or business" may be reported on an information return such as IRS forms W-2, W-3, 1042-S, 1096, and 1099.

[TITLE 26 > Subtitle F > CHAPTER 61 > Subchapter A > PART III > Subpart B > § 6041](#)  
[§ 6041. Information at source](#)

(a) Payments of \$600 or more

**All persons engaged in a trade or business and making payment in the course of such trade or business to another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044 (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is required under the authority of section 6042 (a)(2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.**

4. None of the earnings connected with our relationship pertains to a "trade or business" as statutorily defined below, and therefore is not subject to reporting:

[26 U.S.C. Sec. 7701\(a\)\(26\)](#)

"The term 'trade or business' [includes](#) the performance of the functions of a [public office](#)."

5. The term "income" is defined in [26 U.S.C. §643](#)(b), and only "income" may be reported. Since I am NOT an "estate or trust", I earn no reportable "income":

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter J > PART I > Subpart A > § 643](#)  
[§643. Definitions applicable to subparts A, B, C, and D](#)

(b) **Income**

*For purposes of this subpart and subparts B, C, and D, **the term "income", when not preceded by the words "taxable", "distributable net", "undistributed net", or "gross", means the amount of income of the estate or trust for the taxable year determined under the terms of the governing instrument and applicable local law.** Items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting in good faith, determines to be allocable to corpus under the terms of the governing instrument and applicable local law shall not be considered income.*

IRS Form 1042-S may only be prepared in the case of statutory "nonresident aliens" (per [26 U.S.C. §7701\(b\)\(1\)\(B\)](#)) (who have "income" from "sources within the statutory but not constitutional "United States" that is not connected with a "trade or business" and therefore constitutes "gross income" within the meaning of [26 U.S.C. §61](#). All such sources are expressly indicated in [26 U.S.C. §871\(a\)](#). All of these sources are government payments. The transactions likely to occur between us are NOT government payments and are not listed in [26 U.S.C. §871\(a\)](#), and therefore may not lawfully be reported. For further details, see the following article:

[Correcting Erroneous Information Returns, Form #04.001](#); <http://sedm.org/Forms/FormIndex.htm>

## SECTION 2: AFFIDAVIT OF TAX STATUS

**Human being (but not statutory "Person") who signed this form hereby affirms under penalty of perjury from WITHOUT the statutory "United States" per 26 U.S.C. §1746(1) that:**

1. Submitter has **NO tax liability** or "gross income" pursuant to [26 CFR §1.872-2\(f\)](#), [26 CFR §1.871-1\(a\)](#), and [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#) and therefore no need to deduct or withhold.
2. Submitter is not a statutory "taxpayer" as defined in [26 U.S.C. §7701\(a\)\(14\)](#) and not subject to the revenue laws.

**"Revenue Laws relate to taxpayers [instrumentalities, officers, employees, 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 not engaged in the "trade or business" franchise as a public officer]. 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 F2d. 585 (1972)]*

3. Submitter is not "exempt" or an "exempt individual" as defined in [26 U.S.C. §7701\(b\)\(5\)](#) because one must otherwise be subject to the I.R.C. to be such a legal "person". Rather, Submitter is "not subject" to Internal Revenue Code Subtitle A franchise agreement and is a nonresident. Since IRS forms very deliberately do not have a block for "not subject" and are only for use by those who are "taxpayers", Submitter had to make his/her own form, THIS form, to avoid committing perjury on a government form in describing his/her status under penalty of perjury. Those who are "not subject" are described NOT as a "person", "individual", or "taxpayer", but simply as "foreign" or a "foreign estate" in [26 U.S.C. §7701\(a\)\(31\)](#).

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

(a) Definitions

(31) Foreign estate or trust

(A) Foreign estate

The term "foreign estate" means **an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.**

4. Submitter is a "nonresident" as statutorily defined pursuant to [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) but not a "nonresident alien *individual*". A "nonresident alien" is defined as one who is "neither a citizen nor a resident" of the "United States", which is exactly what an "American National", or "national" born in a state of the Union who is not domiciled on federal territory in the "United States" is. The only withholding form that a "nonresident" who is neither a statutory "alien" (per [26 U.S.C. §7701\(b\)\(1\)\(A\)](#)) nor an "individual" (per [26 CFR §1.1441-1\(c\)\(3\)](#) and [5 U.S.C. §2105\(a\)](#)) and who is not engaged in federal franchises can fill out is a W-8BEN with block 3 modified to add the word "nontaxpayer" or "human being" to it. All statutory "taxpayers" and "individuals" are "aliens" per [26 CFR §1.1441-1\(c\)\(3\)](#) and public officers in the national and not state government, and therefore submitter cannot check the "individual" block of the W-8BEN form without committing perjury. Even statutory "U.S. Citizens" per [26 CFR §1.1-1\(c\)](#) and [26 U.S.C. §3121\(e\)](#) must be aliens in relation to a foreign country under a tax treaty per [26 U.S.C. §911](#) in order to be "taxpayers".
5. Submitter is not engaged in a "[trade or business](#)", which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office". Receipt of earnings from the District of Columbia in connection with a "trade or business" under [26 U.S.C. §871\(b\)](#) or not connected under [26 U.S.C. §871\(a\)](#) are the only types of "gross income" or "taxable income" that nonresidents who are not aliens can have under I.R.C. [Subtitle A](#).
6. Submitter is a "transient foreigner" but not a statutory "foreign person" or statutory "alien" in respect to the national government and federal territory. A human being or artificial entity such as a state corporation domiciled in a state of the Union is a "transient foreigner" but not a "person", "individual", or "foreign person" for the purposes of the Internal Revenue Code because the term "United States" is defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) as the District of Columbia and is nowhere expressly expanded to include any state of the Union.
7. Submitter is not in receipt of any treaty benefit under the terms of an income tax treaty with a foreign country.
8. Submitter has not made an election to be treated as a "resident alien" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) under the authority of [26 U.S.C. §6013\(g\)](#) and (h).
9. Submitter is not a statutory "individual" as defined in [26 CFR §1.1441-1\(c\)\(3\)](#) or a "person" as defined in [26 U.S.C. §7701\(c\)](#) because not domiciled or resident on federal territory and not eligible or consensually participating in any federal franchise or "benefit" in the context of this exclusively private and not public transaction. As such, he/she is not a "public officer" within the government but rather a private human being. The only thing the government can regulate or tax are public activities, public officers, and public "employees" who are the only "persons mentioned in the I.R.C. franchise per [26 U.S.C. §7343](#) and [6671\(b\)](#). It is otherwise unconstitutional to regulate exclusively private conduct.

*"The power to "legislate generally upon" [the PRIVATE] life, liberty, and property, as opposed to the "power to provide modes of redress" against offensive state [e.g. "public officer"/"employee"] 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. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

10. Submitter is **NOT** subject to IRS Form 1099 reporting, withholding, or backup withholding pursuant to [26 U.S.C. §3401\(a\)\(6\)](#) or [26 CFR §31.3401\(a\)\(6\)-1\(b\)](#):

**"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting."**

*[IRS Publication 515, year 2001, p. 3]*

11. Submitter is not a "[U.S. person](#)" as statutorily defined pursuant to [26 U.S.C. §7701\(a\)\(30\)](#). The term "U.S. person" is statutorily defined as follows:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#).  
[Sec. 7701. - Definitions](#)

(a)(30) [United States](#) person

The term "United States person" means -

(A) a [citizen](#) or [resident](#) of the United States,

(B) a domestic partnership,

(C) a domestic [corporation](#),

(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

(E) any trust if -

(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

12. The term "United States" as used in "U.S. person" above is defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) as follows:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > [Sec. 7701](#). [[Internal Revenue Code](#)]  
[Sec. 7701. - Definitions](#)

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(9) [United States](#)

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

(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.

13. Pursuant to the rules for statutory construction, if the states of the Union are not mentioned anywhere in Subtitle A of the Internal Revenue Code and are not included in the definition of "United States" above, they can be safely assumed to be EXCLUDED by implication:

**"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]

14. Nonresidents not engaged in a "trade or business" such as the Submitter are not required to provide identifying numbers to open financial accounts. The regulation below mentions "nonresident aliens", and nonresidents who are not statutory "aliens" must be treated the same:

Title 31: Money and Finance: Treasury

[PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS](#)

[Subpart C—Records Required To Be Maintained](#)

[§103.34 Additional records to be made and retained by banks.](#)

(a)(3) **A taxpayer identification number required under paragraph (a)(1) of this section need not be secured for accounts or transactions with the following:**

(x) **non-resident aliens who are not engaged in a trade or business in the United States.**

***In instances described in paragraphs (a)(3), (viii) and (ix) of this section, the bank shall, within 15 days following the end of any calendar year in which the interest accrued in that year is \$10 or more use its best effort to secure and maintain the appropriate taxpayer identification number or application form therefor.***

15. It amounts to "compelled to association" in violation of the First Amendment to force me to associate with or be identified as a "U.S. person" (under [26 U.S.C. §7701\(a\)\(30\)](#)), a statutory "U.S. citizen" (under [8 U.S.C. §1401](#)), or a "taxpayer" (under [26 U.S.C. §7701\(a\)\(14\)](#)) or any status OTHER than that described above. I would also be committing perjury under penalty of perjury to sign any government form that identified me as any of these three types of entities.
16. I will not allow you to compel me to participate in the "trade or business" franchise or contract with the government by changing my status to be anything other than that described herein. All franchises are contracts between the grantor and the grantee:

***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,<sup>1</sup> 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.<sup>2</sup>***

[*Am.Jur.2d, Franchises, §4: Generally*]

<sup>1</sup> *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 NW 691.

<sup>2</sup> *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 NW 691.



17. Pursuant to the [Declaratory Judgments Act, 28 U.S.C. §2201](#)(a) and the federal courts, the recipient of this form and any government agent handling this case has NO authority to assume any tax status other than that indicated on this form or to convert an innocent "nontaxpayer" into a "taxpayer".

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. § 7701(a)(14)." (See Compl. at 2.) **This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. §2201; see also Hughes v. United States, 953 F.2d 531, 536-537 (9th Cir. 1991)** (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED. [Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]*

*"And by statutory definition, 'taxpayer' includes any person, trust or estate subject to a tax imposed by the revenue act. ...Since the statutory definition of 'taxpayer' is exclusive, the federal courts do not have the power to create nonstatutory taxpayers for the purpose of applying the provisions of the Revenue Acts..." [C.I.R. v. Trustees of L. Inv. Ass'n, 100 F.2d 18 (1939)]*

*"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)]*

18. A summary of Citizenship Status v. Tax Status and the meaning of "State" and "state" in the context of federal and state laws is found in Table 3 of the Appendix to this document to clarify the statements herein.

### **SECTION 3: DURESS STATEMENT**

If any other government form which the Recipient of this form might have received or viewed which I might have signed contradicts anything contained herein, the reasons are that:

1. I was threatened or felt threatened:
  - 1.1. By the Recipient to either not be hired or be fired if I did not sign a W-4 agreement or submit a specific government form that doesn't pertain to me and thereby commit what I know to be fraud and/or perjury on a government form. . .OR
  - 1.2. By the Recipient because I was told that I would be denied the EQUAL right of all to engage in a business opportunity or financial account needed to sustain my life if I did not fill out and submit the form indicated and which I knew misrepresented my status. . .OR
  - 1.3. By the government because I would become the target of unlawful or "selective" IRS/government enforcement that the legal profession, the courts, and the government routinely protect and encourage because of conflicts of interest, undue consolidation of power, and greed.

*"For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows.*

*But thou, O man of God, flee these things; and follow after righteousness, godliness, faith, love, patience, meekness.*

*Fight the good fight of faith, lay hold on eternal life, whereunto thou art also called, and hast professed a good profession before many witnesses."*

*[1 Timothy 6:5-12, Bible, NKJV]*

- 1.4. By the Recipient, who may have refused to accept this form or sent it back, because they knew they were violating both the law and my rights and wanted to obstruct justice, destroy evidence of their wrongdoing, and tamper with a federal witness because this form is signed under penalty of perjury.
2. I was therefore under unlawful duress and the target of racketeering, extortion, and/or unconscionable "adhesion contracts" by the recipient/government.
3. The origin of the duress was the Recipient of this form acting in a quasi-governmental and "public officer" capacity as a "withholding agent" pursuant to [26 U.S.C. §7701](#)(a)(16) and who is therefore legally liable to respect my constitutional rights and REFUSED demands to do so. . . AND
4. The result of the unlawful duress was that I was compelled to contract with or engage in commerce with the government against my will and/or religious beliefs in violation of Article 1, Section 10 of the United States Constitution, and to donate private property to a public use, public purpose, and/or public office in the government such as the "trade or business" franchise that is the heart of the Internal Revenue Code. Participation in all government franchises is an act of contracting because all franchises are contracts.

I hereby for the record declare as void, untrustworthy, and not admissible as evidence of any obligation on my part any and all forms, declarations of status, or other correspondence in conflict with this form or any attached form I may have provided because submitted under unlawful duress.

***"An agreement [consensual contract] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced. <sup>3</sup> Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract or conveyance voidable, not void, at the option of the person coerced, <sup>4</sup> and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it. <sup>5</sup>***

<sup>3</sup> Brown v. Pierce, 74 U.S. 205, 7 Wall 205, 19 L.Ed 134

<sup>4</sup> Barnett v. Wells Fargo Nevada Nat'l Bank, 270 U.S. 438, 70 L.Ed 669, 46 S Ct 326 (holding that acts induced by duress which operate solely on the mind, and fall short of actual physical compulsion, are not void at law, but are voidable only, at the election of him whose acts were induced by it); Fiske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962); Carroll v. Fetty, 121 W.Va 215, 2 SE.2d 521, cert den 308 U.S. 571, 84 L.Ed 479, 60 S Ct 85.

*However, duress in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void.<sup>6</sup>*  
[American Jurisprudence 2d, Duress, Section 21]

This affidavit of duress and void declaration especially includes, but is not limited to, anything relating to government franchises, disclosures of government identifying numbers such as SSN or TIN, tax withholding or reporting forms such as the W-4 contract forms (26 CFR §31.3401(a)-3(a) and 26 CFR §31.3402(p)-1), tax returns, or any other declarations of status (e.g. "employee", "taxpayer", "individual", "inhabitant", "U.S. citizen") arising out of any tax, citizenship, or licensing forms provided to the government such as driver's license applications, applications for ID cards, voter registration, or benefit applications.

An expanded version of this duress statement is contained at the following address and is hereby incorporated into this document by reference:

[Affidavit of Duress: Illegal Tax Enforcement by De Facto Officers](http://sedm.org/Forms/FormIndex.htm), Form #02.005  
<http://sedm.org/Forms/FormIndex.htm>

#### **SECTION 4: DO NOT ATTEMPT TO ADVISE ME WHAT TO PUT ON ANY GOVERNMENT FORM OR TO CHANGE THE STATUS DESCRIBED IN THIS FORM**

Per [26 U.S.C. §6065](#), all tax forms must be signed under penalty of perjury, just as this form is. As such, this form and ALL tax forms I submit to you constitute "testimony of a witness" and are protected by witness tampering laws. I remind the recipient that it is a federal offense to tamper with witnesses. Tampering includes, but is not limited to:

1. Advising me what to put on this form or any tax or withholding form and thereby conspire to commit PERJURY in violation of [18 U.S.C. §1542](#), [18 U.S.C. §911](#), [18 U.S.C. §1001](#), and [18 U.S.C. §1621](#). All such attempts shall form an inseparable part of the forms you both receive and must keep on file so that you may be held accountable.
2. Refusing to honor that status that I describe here and thereby compelling me to commit perjury for the PRIVILEGE of being treated EQUALLY to everyone else you service.
3. Telling me that what I put on the form is INCORRECT or FALSE and thereby refusing to accept the form, and yet refusing to offer legal evidence signed under penalty of perjury (as required by [26 U.S.C. §6065](#)) PROVING that it is false.
4. Threatening to withhold service or discriminate against me while acting as a public officer called a "withholding agent" defined in [26 U.S.C. §7701\(a\)\(14\)](#). That would be a denial of equal protection of the law.
5. Imputing or assuming a legal status OTHER than what I put here, and which might subject me to illegal enforcement or penalties against parties not subject. All such activities constitute an unconstitutional "Bill of Attainder" if implemented against those not consensually and lawfully engaged in government franchises. Not even federal judges can make such determinations. 28 U.S.C. §2201(a) forbids such determinations.

Consistent with the above, if any of the above criminal witness tampering has occurred or will occur, the following additional checkboxes are provided to document said tampering so that it may become legal evidence useful against the recipient in a subsequent enforcement proceeding. The Submitter, by checking and initialing any of the boxes below certifies the existence of witness tampering in the context of this transaction:

- ☐ Advised me to put information on tax withholding forms that I know is FALSE and thus conspired to commit perjury. Initial: \_\_\_\_\_
- ☐ Refused to do business with me unless I committed perjury on tax withholding forms, and thus deprived me of equal protection and equal treatment while acting as a public officer of the U.S. government called a "withholding agent". Initial: \_\_\_\_\_
- ☐ Identified the information I provided as FALSE but refusing to provide court admissible evidence signed under penalty of perjury (as required by [26 U.S.C. §6065](#)) PROVING it is. Thus, they created the equivalent of a state sponsored religion in which presumption serves as a substitute for "faith" and which forces me to "worship" and serve the pagan government as a superior or supernatural being in violation of the First Amendment and Thirteenth Amendment. Initial: \_\_\_\_\_
- ☐ Stole from me or subjected me to involuntary servitude as a public officer "withholding agent" by imputing a statutory status to me that was UNTRUE. Initial: \_\_\_\_\_

#### **SECTION 5: MANDATORY FRANCHISE AGREEMENT**

All information relating to Submitter and all property of the Submitter in the custody or control or influence of the Recipient, including but not limited to the labor and earnings of the Submitter, are protected by the following franchise agreement, which is hereby incorporated by reference into this submission.

[Sovereignty Franchise and Agreement](http://sedm.org/Forms/FormIndex.htm), Form #06.027  
<http://sedm.org/Forms/FormIndex.htm>

The above franchise shall govern any all commercial or governmental uses of information relating to or property owned by the Submitter both prior to and after this submission and all relationships between the Submitter and any government or government agent, officer, or withholding agent. By accepting or using or affecting all such information or property relating to the Submitter for any purpose, the Recipient of this form and all his/her/its agents, assigns, and any and all government entities he or she or it represents implicitly consents to all present and future versions of the above franchise. If Recipient is acting as a tax withholding or reporting agent under 26 U.S.C. §7701(a)(16), Recipient represents that he/she/it has the authority to obligate the government for whom it is acting as said agent, and that if it cannot obligate said government, then it also has no legal authority to act as said agent to begin with.

If the Submitter of this form is treated by any government or court as a public officer or as being engaged in a statutory "trade or business" per 2 U.S.C. §7701(a)(26) in relation to the transaction or relationship established or described by this submission and any attached forms, Submitter

<sup>5</sup> Fiske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Heider v. Unicume, 142 Or 416, 20 P2d 384; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)

<sup>6</sup> Restatement 2d, Contracts § 174, stating that if conduct that appears to be a manifestation of assent by a party who does not intend to engage in that conduct is physically compelled by duress, the conduct is not effective as a manifestation of assent.

hereby exercises his sovereign capacity as said compelled and public officer of any and all governments he or she is imputed to represent in consenting to this agreement on behalf of said government, and in assigning the role of "Government Actor" to everyone in the government who might benefit commercially or financially, both directly or indirectly, by using the information or property protected by the above franchise contract for their commercial benefit.

This attachment shall accompany any and all tax forms, withholding forms, and reporting forms in the custody of the Recipient and his agent or assigns, and any and all reports sent to any government entity and relating to the Submitter in order to give reasonable notice to all parties affected by the above franchise. It shall especially accompany all information returns submitted by the Recipient or his/her/its agents and assigns to any government, including but not limited to IRS forms W-2, 1042-S, 1098, and 1099.

Like government laws, the above franchise agreement is subject to change without notice to the Recipient of this form or the government he/she/it is acting as an agent for. This is a requirement of the mandate for equal protection and equal treatment that is the foundation of the United States Constitution. Caveat emptor.

## SECTION 6: ENCLOSURES

### Block 18

Check	Enclosure description (in the order provided)	Encl. #	Mandatory/optional
<input type="checkbox"/>	18.1 IRS Form W-8/W-8BEN	A	Optional
<input type="checkbox"/>	18.2 IRS Form W-8EXP	B	Optional
<input type="checkbox"/>	18.3 Withholding Attachment Form	C	Optional

### FREE REFERENCES AND RESOURCES:

<b>Family Guardian-Taxes page:</b> <a href="http://famguardian.org/Subjects/Taxes/taxes.htm">http://famguardian.org/Subjects/Taxes/taxes.htm</a>	<b>Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006:</b> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
<b>Liberty University:</b> <a href="http://sedm.org/LibertyU/LibertyU.htm">http://sedm.org/LibertyU/LibertyU.htm</a>	<b>Great IRS Hoax, Form #11.302 (book):</b> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
<b>Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002:</b> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>	<b>Federal and State Tax Withholding Options for Private Employers, Form #04.101:</b> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>

## SECTION 7: SIGNATURE OF SUBMITTER

<b>19. Worker signature:</b>	I certify under penalty of perjury from without the "United States" in accordance with <a href="#">28 U.S.C. §1746</a> (1) that the information provided on this form is true, correct, and complete.  _____ Signature	<b>20. Date signed:</b>	
------------------------------	---	-------------------------	--

### NOTARY PUBLIC CERTIFICATION

BEFORE ME, the undersigned authority, a Notary Public, of the County of \_\_\_\_\_, Republic of \_\_\_\_\_ (statename), this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, \_\_\_\_\_ the above signed human being did appear and was identified by (circle one): driver's license/passport/other and who, upon first being duly sworn and/or affirmed, deposes and says that the foregoing asseveration is true to the best of his/her knowledge and belief.

I certify under PENALTY OF PERJURY under the laws of the State of \_\_\_\_\_ that the foregoing paragraph is true and correct.  
WITNESS my hand and official seal.

SEAL

Notary Public

My Commission Expires On:

## APPENDIX: LEGAL POINTS AND AUTHORITIES

(This section provided for those who seek supporting authorities of statements made in this document)

1. A "national" is statutorily defined as follows:

[TITLE 8](#) > [CHAPTER 12](#) > [SUBCHAPTER I](#) > Sec. 1101.

[Sec. 1101. - Definitions](#)

(a)(21) The term "national" means a person owing permanent allegiance to a state.

2. The "state" in the above definition is a state of the Union. All states of the Union are "foreign states" with respect to federal government legislative jurisdiction, and therefore are lower case. Federal territories are capitalized as "State" within federal law. For example:

[TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES](#)

[CHAPTER 4 - THE STATES](#)

[Sec. 110. Same:](#) definitions

(d) The term "State" includes any [Territory](#) or possession of the United States.

3. Even the "United States of America" passport recognizes the two types of citizenship defined in federal statutory law. On the inside cover of the passport it says the following. Note the phrase "citizen/national", which means "citizen OR national":

*"The Secretary of State of the United States of America hereby request all whom it may concern to permit the citizen/national of the United States named herein to pass without delay or hindrance and in case of need to give all lawful aid and protection"*

4. Below are some cites that establish the foreign relationship between the state and federal government for the purposes of legislative jurisdiction:

*Foreign States:* "Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense."

[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 648]

---

*Foreign Laws:* "The laws of a foreign country or sister state."

[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 647]

---

*"Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states..."*

[81A Corpus Juris Secundum (C.J.S.), United States, §29, legal encyclopedia]

---

*"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. The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider.*

[Carter v. Carter Coal Co., [298 U.S. 238](#), 56 S.Ct. 855 (1936)]

5. The sole function of the federal government of the United States is to handle FOREIGN affairs with other countries, but it has no jurisdiction within states of the Union, including taxation. All of its revenues must derive only from the external affairs over which it has exclusive legislative jurisdiction. The rulings below occurred AFTER the passage of the Sixteenth Amendment and still limit the federal government exclusively to external matters in relation to states of the Union.

*"The States, after they formed the Union, continued to have the same range of [INTERNAL] taxing power which they had before, barring only duties affecting exports, imports, and on tonnage [which all deal with FOREIGN/EXTERNAL commerce only]. [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)]

---

*"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)]

---

*Congress is authorized to lay and collect taxes, and to pay the debts, and provide for the common defence and general welfare of the United States. This does not interfere with the power of the States to tax [internally] for the support of their own governments; nor is the exercise of that power by the States [to tax INTERNALLY], an exercise of any portion of the power that is granted to the United States [to tax EXTERNALLY]. In imposing taxes for State purposes, they are not doing what Congress is empowered to do. Congress is not empowered to tax for those purposes which are within the exclusive province of the States. When, then, each government exercises the power of taxation, neither is exercising the power of the other. But, when a State proceeds to regulate commerce with foreign nations, or among the several States, it is exercising the very power that is granted to Congress, [22 U.S. 1, 200] and is doing the very thing which Congress is authorized to do. There is no analogy, then, between the power of taxation and the power of regulating commerce. "*

[Gibbons v. Ogden, [22 U.S. 21](#) (1824)]

"It will contribute to the elucidation of the question if we first consider the differences between the powers of the federal government in respect of foreign or external affairs and those in respect of domestic or internal affairs. That there are differences between them, and that these differences are fundamental, may not be doubted. The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the federal government can exercise no powers except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the states such portions as it was thought desirable to vest in the federal government, leaving those not included in the enumeration still in the states. Carter v. Carter Coal Co., 298 U.S. 238, 294, 56 S.Ct. 855, 865. . . ."

The Union existed before the Constitution, which was ordained and established among other things to form 'a more perfect Union.' Prior to that event, it is clear that the Union, declared by the Articles of Confederation to be 'perpetual,' was the sole possessor of external sovereignty, and in the Union it remained without change save in so far as the Constitution in express terms qualified its exercise. The Framers' Convention was called and exerted its powers upon the irrefutable postulate that though the states were several their people in respect of foreign affairs were one."

[United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936)]

6. The states of the Union are "foreign" to federal legislative jurisdiction, because, as the U.S. Supreme Court held above, they are not subject to it. This is a result of what is called the "Separation of Powers Doctrine", which was explained by the Supreme Court as follows:

" . . . the Constitution divides authority [legislative jurisdiction] between federal and state governments for the protection of individuals. State sovereignty is not just an end in itself: 'Rather, federalism secures to citizens the liberties that derive from the diffusion of sovereign power.'" Coleman v. Thompson, 501 U.S. 722, 759 (1991) (BLACKMUN, J., dissenting). "Just as the separation and independence of the coordinate branches of the Federal Government serve 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." Gregory v. [505 U.S. 144, 182] Ashcroft, 501 U.S., at 458. See The Federalist No. 51, p. 323. (C. Rossiter ed. 1961)." [New York v. United States, 505 U.S. 144 (1992)]

7. The federal government has no legislative power outside of its "territory".

"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 [or state] 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 [voluntary] 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)]

8. The states of the Union are NOT "territory" of the federal government. They are instead INDEPENDENT and SOVEREIGN states:

86 Corpus Juris Secundum (C.J.S.) Legal Encyclopedia, Territories:

"§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."

9. States of the Union retain their essential character as independent nations and foreign countries with respect to the federal government except in the matter of EXTERNAL affairs delegated by them to the Federal Government in their corporate capacity as the "United States of America":

"The States between each other are sovereign and independent. They are distinct and separate sovereignties, except so far as they have parted with some of the attributes of sovereignty by the Constitution. They continue to be nations, with all their rights, and under all their national obligations, and with all the rights of nations in every particular; except in the surrender by each to the common purposes and objects of the Union, under the Constitution. The rights of each State, when not so yielded up, remain absolute." [Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519; 10 L.Ed. 274 (1839)]

"In determining the boundaries of apparently conflicting powers between states and the general government, the proper question is, not so much what has been, in terms, reserved to the states, as what has been, expressly or by necessary implication, granted by the



people to the national government; for each state possess all the powers of an independent and sovereign nation, except so far as they have been ceded away by the constitution. The federal government is but a creature of the people of the states, and, like an agent appointed for definite and specific purposes, must show an express or necessarily implied authority in the charter of its appointment, to give validity to its acts."

[People ex re. Atty. Gen. V. Naglee, 1 Cal. 234 (1850)]

10. A human being ( but NOT "person") who is born in a state of the Union, which is outside of federal exclusive legislative jurisdiction, is called a "national". A person who is a "national" is subject to the "political jurisdiction" but not the "legislative jurisdiction" of their mother country because they are outside of the territorial reach of its general laws. The circumstances or qualifications for becoming an "American National" as such cannot be prescribed in any federal statute or law, because the Congress cannot write any law that governs what happens within states of the Union, as the above citations indicate (see, for instance, Carter v. Carter Coal Co., [298 U.S. 238](#), 56 S.Ct. 855 (1936)). The reason is that the states and the people in them are SOVEREIGN, and their creation, the federal government, cannot be greater than its Creator, which is the states and the people in them. The federal government is a SERVANT to the states, not their master: the equivalent of an independent contractor that handles EXTERNAL affairs only. This was confirmed by the Federalist Papers, which were written prior to the ratification of the Constitution by the states of the Union in 1789:

"No legislative act [of Congress] contrary to the Constitution can be valid. To deny this would be to affirm that the deputy (agent) [which is the federal government] is greater than his principal [the States and the people in them]; that the servant is above the master; that the representatives of the people are superior to the people; that men, acting by virtue of powers may do not only what their powers do not authorize, but what they forbid...[text omitted] It is not otherwise to be supposed that the Constitution could intend to enable the representatives of the people to substitute their will to that of their constituents. It is far more rational to suppose, that the courts were designed to be an intermediate body between the people and the legislature, in order, among other things, to keep the latter within the limits assigned to their authority. The interpretation of the laws is the proper and peculiar province of the courts. A Constitution is, in fact, and must be regarded by judges, as fundamental law. If there should happen to be an irreconcilable variance between the two, the Constitution is to be preferred to the statute."

[Alexander Hamilton, Federalist Paper # 78]

11. It is absurdly ridiculous to demand from the submitter a federal statute that confers but not defines citizenship status of a person born outside of federal jurisdiction. The laws of the states in the Union, and not federal law, govern the citizenship status of people born within their exclusive jurisdiction. States of the Union have exclusive and "plenary" jurisdiction to determine the status of people born within their jurisdiction and they have never yielded that authority to the federal government either in the Constitution or in any subsequent amendment or enactment. To conclude otherwise is to admit that states of the Union have NO SOVEREIGNTY, because the federal government could just pass a law to literally STEAL all of their citizens. If the federal government had jurisdiction to pass a law that allowed them to STEAL all the citizens of the states, then the states would be left with no one to govern!
12. Congress has the power to "naturalize" people coming into America, and when they do this, these people become statutory "nationals" and constitutional but not statutory "Citizens".

"Provision of Nationality Act of 1940 that a person becoming a national by naturalization shall lose his nationality by residing continuously for three years in territory of a foreign state, being practically identical to its successor, which was condemned by United States Supreme Court as discriminatory, would have been invalid as a congressional attempt to expatriate regardless of intent."

[United States v. Lucienne D'Hotelle, 558 F.2d 37 (1976)]

The statutory definition of "naturalization" confirms that in America, naturalization means conferring the character of a statutory "national" and not a statutory "citizen":

[8 U.S.C. §1101\(a\)\(23\)](#) naturalization defined

(a)(23) The term "naturalization" means the conferring of nationality [NOT "citizen" or "U.S. citizen" status, but "nationality", which means "national"] of a state [of the Union] upon a person after birth, by any means whatsoever.

[NOTE: Compare with the definition of "expatriation"]

"The power of naturalization, vested in congress by the constitution, is a power to confer citizenship, not a power to take it away. 'A naturalized citizen,' said Chief Justice Marshall, 'becomes a member of the society, possessing all the rights of a native citizen, and standing, in the view of the constitution, on the footing of a native. The constitution does not authorize congress to enlarge or abridge those rights. The simple power of the national legislature[over citizenship] is to prescribe a uniform rule of naturalization, and the exercise of this power exhausts it, so far as respects the individual.'"

[U.S. v. Wong Kim Ark, 169 U.S. 649 (1898)]

13. A human being who is a "national" but not a "citizen" under federal statutory law is identified as a "citizen of the United States" within the [Fourteenth Amendment to the U.S. Constitution](#). The United States Constitution confines itself to describing citizenship within the states of the Union and therefore, the term "United States", as used within the Constitution, means the collective states of the Union [called "The United States of America"] and EXCLUDES federal territories and possessions and the District of Columbia. The "United States" mentioned in the Constitution and the "United States" mentioned in most federal enactments are two completely different and mutually exclusive places. This is shown in tabular form in Table 3 of the following pages. This is VERY important and fundamental to understanding the [Separation of Powers Doctrine](#).
14. If you would like to learn more about why people born in states of the Union are "nationals" rather than "citizens" under federal law, refer to the pamphlet below:  
[Why you are a "national", "state national", and Constitutional but not Statutory Citizen](#), Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>
15. If recipient of this form disagrees with any of the facts stated in this section, then please provide the following within thirty calendar days or forever be estopped from challenging these statements of fact:
- 15.1. Written evidence signed under penalty of perjury (not opinion, but enacted positive law, regulations, and Supreme Court rulings but not those of lower courts) of same.
- 15.2. Admissions to sections 1, 3, and 14 of the questions indicated below signed under penalty of perjury as required under [26 USC §6065](#): Tax Deposition Questions, Form #03.016; <http://sedm.org/Forms/FormIndex.htm>

16. The following tables describes the relationship of citizenship to legal jurisdiction in the context of citizenship as described on this form.

**Table 1: Citizenship summary**

Citizenship	Defined in	Domicile in the District of Columbia?	Subject to U.S. government <u>legislative jurisdiction/</u> police powers?	Subject to <u>"political jurisdiction"</u> ?	A "nonresident alien"?
"citizen"	<a href="#">8 U.S.C. §1401</a>	Yes	Yes	Yes	No
"resident"/ "alien"	<a href="#">8 U.S.C. §1101(a)(3)</a> <a href="#">26 U.S.C. §7701(b)(1)(A)</a>	Yes	Yes	No	No
"national"	<a href="#">8 U.S.C. §1101(a)(21)</a> <a href="#">8 U.S.C. §1101(a)(22)</a>	No	No	Yes	Yes

17. The table below describes the affect that changes in domicile have on citizenship status in the case of both "foreign nationals" and "domestic nationals". A "domestic national" is anyone born anywhere within any one of the 50 states on nonfederal land or who was born in any territory or possession of the United States. A "foreign national" is someone who was born anywhere outside of these areas.

**Table 2: Affect of domicile on citizenship status**

Description	CONDITION		
	Domicile WITHIN the FEDERAL ZONE and located in FEDERAL ZONE	Domicile WITHIN the FEDERAL ZONE and temporarily located abroad in foreign country	Domicile WITHOUT the FEDERAL ZONE and located WITHOUT the FEDERAL ZONE
Location of domicile	"United States" per 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), 7408(d), and 4 U.S.C. §110(d)	"United States" per 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), 7408(d) , and 4 U.S.C. §110(d)	Without the "United States" per 26 U.S.C. §7701(a)(9) and (a)(10), 7701(a)(39), 7408(d) , and 4 U.S.C. §110(d)
Physical location	Federal territories, possessions, and the District of Columbia	Foreign nations ONLY (NOT states of the Union, federal territories, or possessions)	Foreign nations States of the Union Federal possessions
Tax Status	"U.S. Person" <a href="#">26 U.S.C. §7701(a)(30)</a>	"U.S. Person" <a href="#">26 U.S.C. §7701(a)(30)</a>	"Nonresident alien" <a href="#">26 U.S.C. §7701(b)(1)(B)</a>
Tax form(s) to file	IRS Form 1040	IRS Form 1040 plus 2555	IRS Form 1040NR: "alien individuals", "nonresident alien individuals" No filing requirement: "non-citizen nationals"
Status if DOMESTIC national	Citizen <a href="#">8 U.S.C. §1401</a> (Not required to file if physically present in the "United States" because no statute requires it)	Citizen abroad <a href="#">26 U.S.C. §911</a> (Meets presence test)	"non-citizen National" <a href="#">8 U.S.C. §1101(a)(21)</a> <a href="#">8 U.S.C. §1101(a)(22)(B)</a> <a href="#">8 U.S.C. §1408</a> <a href="#">8 U.S.C. §1452</a>
Status if FOREIGN national	"Resident alien" <a href="#">26 U.S.C. §7701(b)(1)(A)</a>	"Resident alien abroad" <a href="#">26 U.S.C. §911</a> (Meets presence test)	"Nonresident alien individual": <a href="#">26 CFR §1.1441-1(c )(3)(ii)</a> "Alien": <a href="#">8 U.S.C. §1101(a)(3)</a> "Alien individual": <a href="#">26 CFR §1.1441-1(c )(3)(i)</a>

**NOTES:**

- "United States" is defined as federal territory within 26 U.S.C. §7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d), and 4 U.S.C. §110(d). It does not include any portion of a Constitutional state of the Union.
- The "District of Columbia" is statutorily defined as a federal corporation but not a physical place, a "body politic", or a de jure "government" within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: [Corporatization and Privatization of the Government](#), Form #05.024; <http://sedm.org/Forms/FormIndex.htm>.
- American nationals who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign country, are "nationals" but not "citizens" under federal law. They also qualify as "nonresident aliens" under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). See sections 4.11.2 of the [Great IRS Hoax](#) for details.
- Temporary domicile in the middle column on the right must meet the requirements of the "Presence test" documented in IRS publications.
- "FEDERAL ZONE"=District of Columbia and territories of the United States in the above table
- The term "individual" as used on the IRS form 1040 means an "alien" engaged in a "trade or business". All "taxpayers" are "aliens" engaged in a "trade or business". This is confirmed by 26 CFR §1.1441-1(c )(3), 26 CFR §1.1-1(a)(2)(ii), and [5 U.S.C. §552a\(a\)\(2\)](#). Statutory "U.S. citizens" as defined in [8 U.S.C. §1401](#) are not "individuals" unless temporarily abroad pursuant to [26 U.S.C. §911](#) and subject to an income tax treaty with a foreign country. In that capacity, statutory "U.S. citizens" interface with the I.R.C. as "aliens" rather than "U.S. citizens" through a tax treaty with a foreign country.

18. The following table describes the definition of various terms used on this form and in other contexts.

**Table 3: Summary of meaning of various terms and the contexts in which they are used**

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
"State"	Union state	Federal state	Federal state	Union state	Union state	Union state
"in this State" or "in the State" <sup>7</sup>	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
"State" <sup>8</sup> (State Revenue and taxation code only)	NA	NA	NA	NA	Federal enclave within state	Federal enclave within state
"several States"	Union states collectively <sup>9</sup>	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](#)<sup>10</sup>, 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.

19. The following table starting on the next page describes the relationship of citizenship to tax status in the context of this form.

<sup>7</sup> 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>

<sup>8</sup> 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>

<sup>9</sup> See, for instance, U.S. Constitution Article IV, Section 2.

<sup>10</sup> See <http://www4.law.cornell.edu/uscode/48/>

**Table 4: “Citizenship status” vs. “Income tax status”**

#	Citizenship status	Place of birth	Domicile	Acceptin g tax treaty benefits?	Defined in	Tax Status under 26 U.S.C./Internal Revenue Code			
						“Citizen” (defined in 26 CFR 1.1-1)	“Resident alien” (defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441- 1(c)(3)(i) and 26 CFR §1.1- 1(a)(2)(iii))	“Nonresident alien INDIVIDUAL” (defined in 26 CFR §1.1441- 1(c)(3))	“Nonresident alien NON- individual” (defined in 26 U.S.C. §7701(b)(1)(B))
1	“U.S. citizen” or “Statutory U.S. citizen”	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	NA	8 U.S.C. §1401 8 U.S.C. §1101(a)(22)(A)	Yes (only pay income tax abroad with IRS Forms 1040/2555. See <i>Cook v. Tait</i> , 265 U.S. 47 (1924))	No	No	No
2	“U.S. national”	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	NA	8 U.S.C. §1408 8 U.S.C. §1101(a)(22)(B) 8 U.S.C. §1452	No (see 26 U.S.C. §7701(b)(1)(B))	No	Yes (see IRS Form 1040NR for proof)	No
3.1	“national” or “state national” or “Constitutional but not statutory U.S. citizen”	Anywhere in America	State of the Union	NA (ACTA agreement)	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend. Sect.1	No	No	No	Yes
3.2	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	Yes	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend. Sect.1	No	No	Yes	No
3.3	“national” or “state national” or “Constitutional but not statutory citizen”	Anywhere in America	Foreign country	No	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend. Sect.1	No	No	No	Yes
4.1	“alien” or “Foreign national”	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	NA	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.2	“alien” or “Foreign national”	Foreign country	State of the Union	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.3	“alien” or “Foreign national”	Foreign country	State of the Union	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes
4.4	“alien” or “Foreign national”	Foreign country	Foreign country	Yes	8 U.S.C. §1101(a)(3)	No	No	Yes	No
4.5	“alien” or “Foreign national”	Foreign country	Foreign country	No	8 U.S.C. §1101(a)(3)	No	No	No	Yes

NOTES:

1. A nonresident alien individual who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a resident alien is treated as a "nonresident alien" for the purposes of withholding under I.R.C. Subtitle C but retains their status as a "resident alien" under I.R.C. Subtitle A. See 26 CFR §1.1441-1(c)(3)(ii).
2. What turns a "nonresident alien NON-individual" into a "nonresident alien individual" is maintaining a domicile in a foreign country and accepting the "benefits" and "privileges" of a tax treaty with the United States while in that foreign country.



**Table 5: Citizenship Status on Government Forms**

#	Citizenship status	Place of birth	Domicile	Defined in	Social Security NUMIDENT Status	Status on Specific Government Forms			
						<a href="#">Social Security SS-5</a>	<a href="#">IRS Form W-8 Block 3</a>	<a href="#">Department of State I-9</a>	<a href="#">E-Verify System</a>
1	"U.S. citizen" or "Statutory U.S. citizen"	Anywhere in America	District of Columbia, Puerto Rico, Guam, Virgin Islands	8 U.S.C. §1401; 8 U.S.C. §1101(a)(22)(A)	CSP=A	Block 5="U.S. Citizen"	Can't use Form W-8	Section 1="A citizen of the United States"	See Note 1.
2	"U.S. national"	Anywhere in America	American Samoa; Swains Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)	8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1408; 8 U.S.C. §1452		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States"	See Note 1.
3.1	"national" or "state national" or "Constitutional but not statutory citizen"	Anywhere in America	State of the Union	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States)" OR "An alien authorized to work (statutory)"	See Note 1.
3.2	"national" or "state national" or "Constitutional but not statutory citizen"	Anywhere in America	Foreign country	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States)" OR "An alien authorized to work (statutory)"	See Note 1.
3.3	"national" or "state national" or "Constitutional but not statutory citizen"	Anywhere in America	Foreign country	8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A noncitizen national of the United States)" OR "An alien authorized to work (statutory)"	See Note 1.
4.1	"alien" or "Foreign national"	Foreign country	Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.2	"alien" or "Foreign national"	Foreign country	State of the Union	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.3	"alien" or "Foreign national"	Foreign country	State of the Union	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.4	"alien" or "Foreign national"	Foreign country	Foreign country	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.
4.5	"alien" or "Foreign national"	Foreign country	Foreign country	8 U.S.C. §1101(a)(3)		Block 5="Legal alien authorized to work. (statutory)"	"Nonresident NON-Individual Nontaxpayer"	Section 1="A lawful permanent resident" OR "An alien authorized to work"	See Note 1.

**NOTES:**

1. E-Verify CANNOT be used by those who are a NOT lawfully engaged in a public office in the U.S. government at the time of making application. Its use is VOLUNTARY and cannot be compelled. Those who use it MUST have a Social Security Number or Taxpayer Identification Number and it is ILLEGAL to apply for, use, or disclose said number for those not lawfully engaged in a public office in the U.S. government at the time of application. See:

*Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205*

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

2. For instructions useful in filling out the forms mentioned in the above table, see:

2.1. Social Security Form SS-5:

*Why You Aren't Eligible for Social Security, Form #06.001*

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

2.2. IRS Form W-8:

*About IRS Form W-8BEN, Form #04.202*

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

2.3. Department of State Form I-9:

*I-9 Form Amended, Form #06.028*

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

2.4. E-Verify:

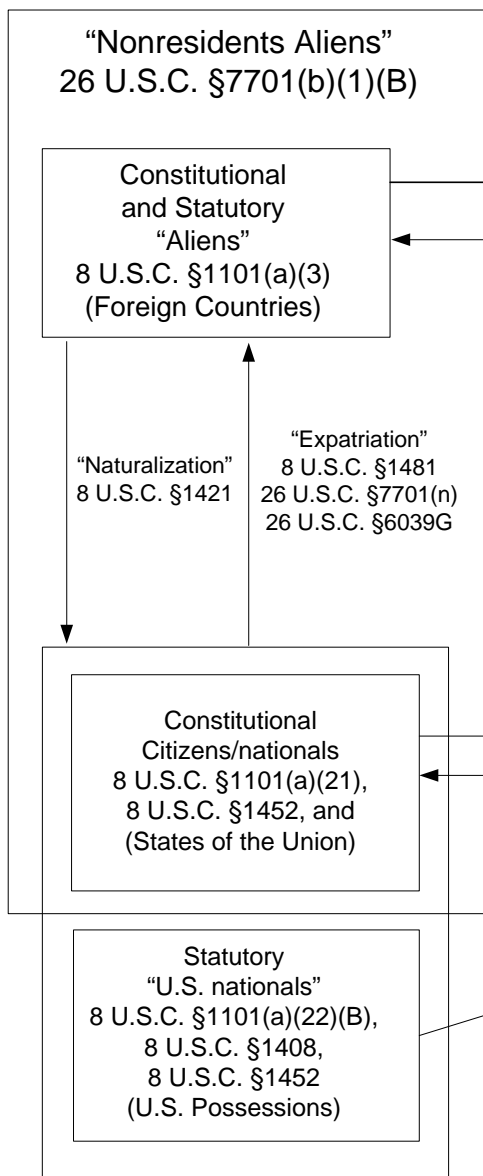
*About E-Verify, Form #04.107*

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

**Figure 1: Citizenship and domicile options and relationships**

## NONRESIDENTS

Domiciled within  
States of the Union OR  
Foreign Countries  
Without the "United States"



## INHABITANTS

Domiciled within Federal  
Territory within the  
"United States"  
(e.g. District of Columbia)

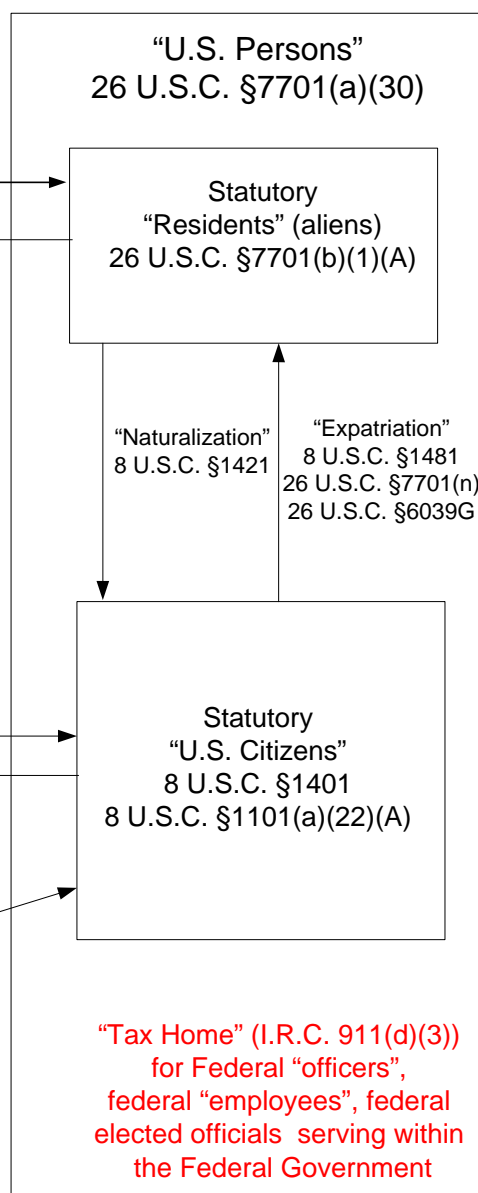
"Declaration of Domicile  
to within the United States"  
26 CFR §1.871-4

26 U.S.C. §7701(n)  
26 U.S.C. §6039G

Change Domicile to  
within "United States"  
IRS Forms 1040 and W-4

Change Domicile to  
without "United States"  
IRS Forms 1040NR and W-8

Change Domicile to  
within "United States"



If you would like a concise summary of all citizenship, domicile, and tax status options that is a superset of the above, see:

*Citizenship, Domicile, and Tax Status Options Summary*, Form #10.003  
<http://sedm.org/Forms/FormIndex.htm>

### Figure 2: Federal Statutory Citizenship Statuses

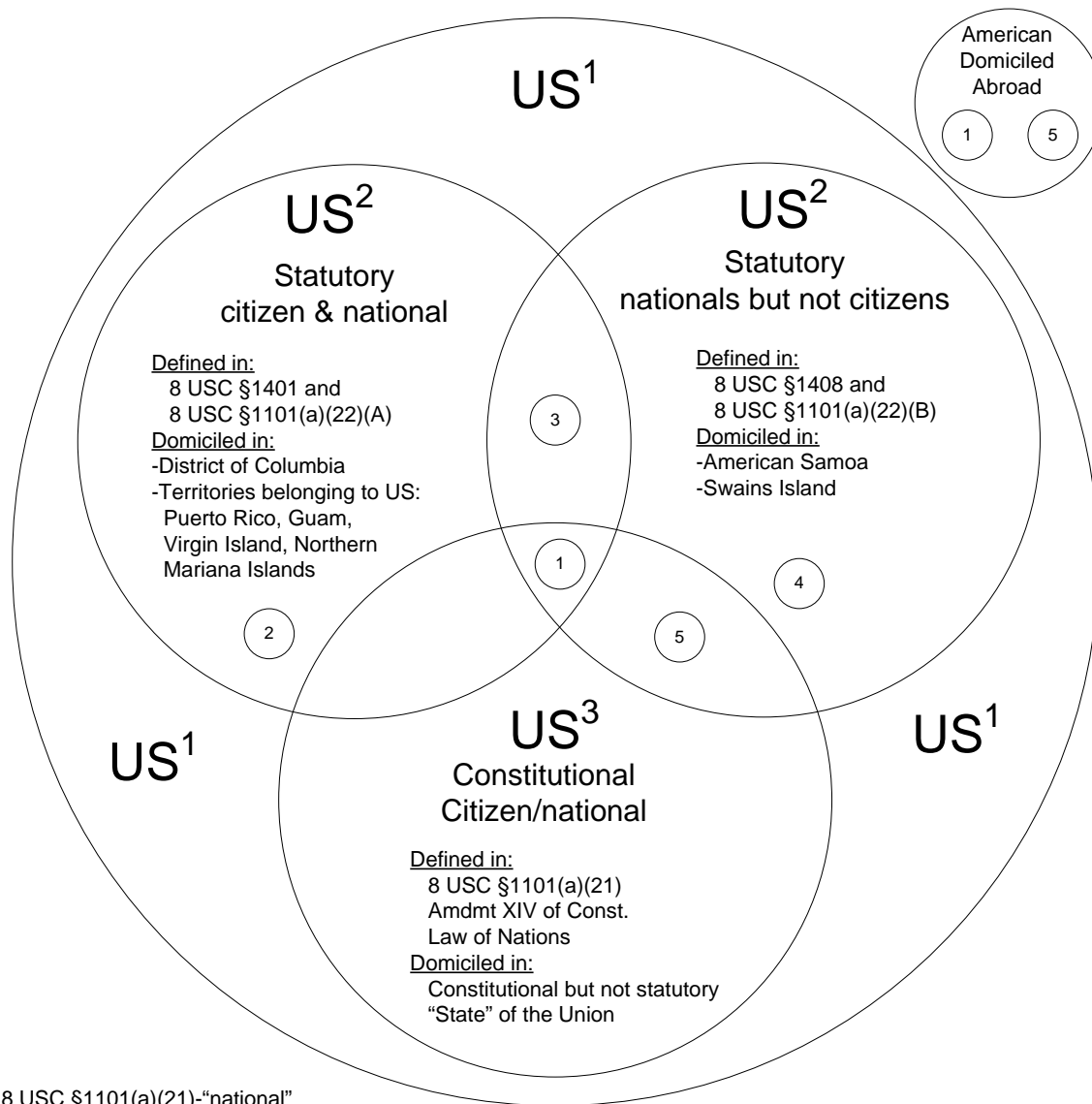
# FEDERAL STATUTORY CITIZENSHIP STATUSES

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

**US<sup>1</sup>** - Context used in matters describing our sovereign country within the family of nations.

**US<sup>2</sup>** - Context used to designate the territory over which the Federal Government is sovereign.

**US<sup>3</sup>** - Context used regarding the sovereign states of the Union united by and under the Constitution.



- ① 8 USC §1101(a)(21)-“national”
- ② 8 USC §1401-“citizen & national of the United States”<sup>2n</sup>
- ③ 8 USC §1101(a)(22)-“national of the United States”<sup>2n</sup>
- ④ 8 USC §1408-“national but not citizen of the United States”<sup>2</sup> at birth”
- ⑤ 8 USC §1452-“non-citizen national”

1 and 5 Describe those born within and domiciled within states of the Union.

Rev. 9/16/09

#### **27.14    FORM 14: Why It is Illegal for Me to Request or Use A Taxpayer Identification Number**

Use this form when any private employer compels you to disclose or use property of the government called a “Taxpayer Identification Number”. This form places the recipient in the awkward position of either being a criminal or letting you function without a number.

<p><i>Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205</i> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
---



# WHY IT IS ILLEGAL FOR ME TO REQUEST OR USE A TAXPAYER IDENTIFICATION NUMBER (TIN) FORM INSTRUCTIONS

Last revised: 8-28-2008

Source: <http://sedm.org>

## 1. **PURPOSE OF THIS FORM**

- 1.1. There are many occasions in which Christians are called to either request, to use, or to disclose government issued identifying numbers such as Social Security Numbers or Taxpayer Identification Numbers (TINs). The Bible calls such numbers the “mark of the beast” and calls all governments who issue them “the beast”.

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

- 1.2. The focus of this form is to provide a compact, convenient form that can be presented by people doing business with:
- 1.2.1. State and federal government agencies.
  - 1.2.2. Private employers.
  - 1.2.3. Financial institutions.
  - 1.2.4. Utility companies.
- ... that will provide legally admissible evidence proving that they may not lawfully have or use government issued identifying numbers and would be violating the criminal laws to do so. This places the recipient of the form in the awkward position of either willfully engaging in a conspiracy to commit a crime or removing their demand for such a number.
- 1.3. Please feel encouraged to present this form to your friend or relative to help them defend their rights as well.

## 2. **PREPARATION INSTRUCTIONS:**

- 2.1. If you haven't already, read our article below. This form will help you field questions from financial institutions and employers about government identifying numbers.

*About SSNs and TINs on Government Forms and Correspondence*, Form #05.012

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

- 2.2. Sign this form.
- 2.3. Complete and sign the forms that you want to attach this form to.
- 2.4. At the bottom of all forms you attach to this one, write the following:

*“Signature and form NOT VALID without the attached, signed form entitled ‘Why It is Illegal for me to Request or Use a Taxpayer Identification Number dated on the same date.’”*

- 2.5. If you are submitting this form with a financial institution application or in the context of employment withholding, we also strongly recommend the following:

- 2.5.1. Adding the following form:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001

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

- 2.5.2. Reading the following article on our website:

*About IRS Form W-8BEN*, Form #04.202

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

## 3. **RESOURCES FOR FURTHER STUDY:**

- 3.1. *Why You Aren't Eligible for Social Security*, Form #06.001. Proves that you aren't eligible for Social Security

- <http://sedm.org/Forms/FormIndex.htm>
- 3.2. *Resignation of Compelled Social Security Trustee, Form #06.002*. Form which uses the SSA's own forms and procedures to terminate all unlawful participation in the Social Security Program by the applicant.  
<http://sedm.org/Forms/FormIndex.htm>
- 3.3. *About SSNs and TINs on Government Forms and Correspondence, Form #05.012*  
<http://sedm.org/Forms/FormIndex.htm>
- 3.4. *Authorities on "Taxpayer Identification Number (TIN)":* Sovereignty Forms and Instructions, Cites by Topic  
<http://famguardian.org/TaxFreedom/CitesByTopic/TIN.htm>
- 3.5. *Authorities on "Social Security Number (SSN)":* Sovereignty Forms and Instructions, Cites by Topic  
<http://famguardian.org/TaxFreedom/CitesByTopic/SSN.htm>
- 3.6. *SSN and TIN NOT the same*-proves that these two numbers are NOT interchangeable and the circumstances under which they ARE interchangeable  
<http://famguardian.org/Subjects/Taxes/Articles/ss-and-tin-not-the-same.pdf>
- 3.7. *Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006*. Proves that you don't satisfy the qualifications for issuing a Social Security Number found in 20 CFR §422.104.  
<http://sedm.org/Forms/FormIndex.htm>
- 3.8. *You're Not a "citizen" under the Internal Revenue Code*  
<http://famguardian.org/Subjects/Taxes/Citizenship/NotACitizenUnderIRC.htm>
- 3.9. *You're not a "resident" under the Internal Revenue Code*  
<http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm>
- 3.10. *IRS Website: Taxpayer Identification Number*  
<http://www.irs.gov/businesses/small/international/article/0,,id=96696,00.html>
- 3.11. *IRS Website: Individual Taxpayer Identification Number*  
<http://www.irs.gov/individuals/article/0,,id=96287,00.html>
- 3.12. *Secrets of the Social Security Number*  
<http://famguardian.org/Subjects/Freedom/Articles/SecretsOfSSN.htm>
- 3.13. *Social Security Policy Manual, Form #06.013*. How to survive without a Social Security Number  
<http://sedm.org/Forms/FormIndex.htm>
- 3.14. *Social Security: Mark of the Beast*. Book which explains why Christians cannot have or use Social Security Numbers or Taxpayer Identification Numbers (TINs).  
<http://famguardian.org/Publications/SocialSecurity/TOC.htm>

# WHY IT IS ILLEGAL FOR ME TO REQUEST OR TO USE A TAXPAYER IDENTIFICATION NUMBER (TIN)

## PURPOSE OF THIS FORM:

This form is intended to provide succinct, convenient evidence proving beyond all doubt that the submitter may not lawfully have or use government issued identifying numbers and would be violating criminal and civil laws to do so. It is intended to be submitted to financial institutions, employers, and businesses who demand numbers from those they do business with.

## SECTION 1: REQUIREMENTS FOR THE ISSUANCE OF SOCIAL SECURITY NUMBERS (SSN)

The authority to issue Social Security Numbers (SSNs) is found in 20 CFR §422.104. Below are the specific persons who are eligible:

*Title 20: Employees' Benefits*

[PART 422—ORGANIZATION AND PROCEDURES](#)

[Subpart B—General Procedures](#)

§ 422.104 Who can be assigned a social security number.

(a) Persons eligible for SSN assignment. We can assign you a social security number if you meet the evidence requirements in §422.107 and you are:

(1) A [United States citizen](#); or

(2) An [alien lawfully admitted to the United States for permanent residence](#) or under other authority of law permitting you to work in the United States (§422.105 describes how we determine if a nonimmigrant alien is permitted to work in the United States); or

(3) An [alien who cannot provide evidence of alien status showing lawful admission to the U.S., or an alien with evidence of lawful admission but without authority to work in the U.S.](#), if the evidence described in §422.107(e) does not exist, but only for a valid nonwork reason. We consider you to have a valid nonwork reason if:

(i) You need a social security number to satisfy a Federal statute or regulation that requires you to have a social security number in order to receive a Federally-funded benefit to which you have otherwise established entitlement and you reside either in or outside the U.S.; or

(ii) You need a social security number to satisfy a State or local law that requires you to have a social security number in order to receive public assistance benefits to which you have otherwise established entitlement, and you are legally in the United States.

The "United States citizen" described in 20 CFR §422.104(a)(1) is a statutory "citizen of the United States" described in [8 U.S.C. §1401](#) but NOT a constitutional "citizen of the United States" identified in Section 1 of the Fourteenth Amendment. The difference between a statutory and a constitutional citizen arises from the difference in the meaning of the term "United States" as used in the constitution versus "United States" as used in federal statutory law. This person is born on federal territory and not within any state of the Union. This is confirmed by the following definitions:

[TITLE 8 > CHAPTER 12 > SUBCHAPTER I > Sec. 1101. \[Aliens and Nationality\]](#)

[Sec. 1101. - Definitions](#)

(a)(38) The term "United States", except as otherwise specifically herein provided, when used in a geographical sense, means the [continental United States](#), Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands [of](#) the United States.

[8 U.S.C. Sec. 1101\(a\)\(36\): State \[Aliens and Nationality\]](#)

The term "State" includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands of the United States.

[TITLE 8--ALIENS AND NATIONALITY CHAPTER 1--IMMIGRATION AND NATURALIZATION SERVICE, DEPARTMENT OF JUSTICE](#)

[PART 215--CONTROLS OF ALIENS DEPARTING FROM THE UNITED STATES](#)

[Section 215.1: Definitions](#)

(f) The term [continental United States](#) means the District of Columbia and the several [States](#), except Alaska and Hawaii.

["As the only judicial power vested in Congress is to create courts whose judges shall hold their offices during good behavior, it necessarily follows that, if Congress authorizes the creation of courts and the appointment of judges for limited time, it must act independently of the Constitution upon territory which is not part of the United States within the meaning of the Constitution."](#)

[\[O'Donohue v. United States, 289 U.S. 516, 53 S.Ct. 740 \(1933\)\]](#)

Notice the last quote from the Supreme Court "NOT PART OF THE UNITED STATES WITHIN [THE MEANING OF THE CONSTITUTION](#)", which implies that there is ONLY ONE meaning of "United States" within the Constitution, and that this meaning [does not include](#) community property of the states of the Union under the care and management of the general government called "territory of the United States". I emphasize once again that I am NOT a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#) because I do not maintain a legal domicile on federal territory called the "United States" or within any "State" as defined above. I was born in the "United States of America" or the "United States" as constitutionally

defined, not the "United States" as statutorily defined and I do not reside or maintain a domicile on federal territory subject to the exclusive jurisdiction of Congress pursuant to Article 1, Section 8, Clause 17 of the United States Constitution. If you disagree, please rebut the questions at the end of the following within 10 days or be found in agreement and estoppel beyond that point.

Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

The "permanent resident" described in 20 CFR §422.104(a)(2) is a person born outside the United States of America and who made application to the United States government pursuant to 26 CFR §1.871-4 to become a "permanent resident". "Permanent residents" are described in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and [8 U.S.C. §1101\(a\)\(3\)](#) as an alien man or woman who has a domicile in the "United States". The "United States" is then defined in [26 U.S.C. §7701\(a\)\(9\) and \(a\)\(10\)](#) as being the District of Columbia. Nowhere are the several states of the Union expressly included, and therefore they are implicitly excluded by implication:

*"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)]*

*"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]*

I emphasize that I am also NOT an "alien", "resident" or "permanent resident" as defined in [8 U.S.C. §1101\(a\)\(3\)](#) or [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) because I was born in the United States of America but not the statutory "United States" and maintain a domicile nowhere within the "United States" (federal territory).

If you think I belong in one of the categories described in 20 CFR §422.104, please identify exactly which one and present all evidence as may be in your possession signed under penalty of perjury from someone with personal knowledge of my circumstances that proves your hypothesis. If you do not do so within 10 days of receipt of this document, you agree with me and therefore are estopped from later contradicting yourself.

## **SECTION 2: REQUIREMENTS FOR THE ISSUANCE OF TAXPAYER IDENTIFICATION NUMBERS (TIN)**

The authority for issuing Taxpayer Identification Numbers is found in 26 U.S.C. §6109:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 61](#) > [Subchapter B](#) > § 6109  
[§ 6109. Identifying numbers](#)

(a) Supplying of identifying numbers

**When required by regulations prescribed by the Secretary:**

(1) Inclusion in returns

Any person required under the authority of this title to make a return, statement, or other document shall include in such return, statement, or other document such identifying number as may be prescribed for securing proper identification of such person.

(2) Furnishing number to other persons

Any person with respect to whom a return, statement, or other document is required under the authority of this title to be made by another person or whose identifying number is required to be shown on a return of another person shall furnish to such other person such identifying number as may be prescribed for securing his proper identification.

(3) Furnishing number of another person

Any person required under the authority of this title to make a return, statement, or other document with respect to another person shall request from such other person, and shall include in any such return, statement, or other document, such identifying number as may be prescribed for securing proper identification of such other person.

(4) Furnishing identifying number of income tax return preparer

Any return or claim for refund prepared by an income tax return preparer shall bear such identifying number for securing proper identification of such preparer, his employer, or both, as may be prescribed. For purposes of this paragraph, the terms "return" and "claim for refund" have the respective meanings given to such terms by section 6696 (e).

For purposes of paragraphs (1), (2), and (3), the identifying number of an individual (or his estate) shall be such individual's social security account number.

[26 U.S.C. §6109\(d\)](#) prescribes that an "individual's" social security number shall be used as the Taxpayer Identification Number of the individual:

(d) Use of social security account number

*The social security account number issued to an individual for purposes of section 205(c)(2)(A) of the Social Security Act shall, except as shall otherwise be specified under regulations of the Secretary, be used as the identifying number for such individual for purposes of this title.*

The regulations under [I.R.C. §6109](#) indicate who this “individual” is and who such “Taxpayer Identification Numbers” may lawfully be issued to and used against, and all of them are “aliens”:

[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.

(2) Foreign persons.

*The provisions of paragraph (b)(1) of this section regarding the furnishing of one's own number shall apply to the following foreign persons--*

(i) A foreign person that has income effectively connected with the conduct of a U.S. trade or business at any time during the taxable year;

(ii) A foreign person that has a U.S. office or place of business or a U.S. fiscal or paying agent at any time during the taxable year;

(iii) A nonresident alien treated as a resident under section 6013(g) or (h);

(iv) A foreign person that makes a return of tax (including income, estate, and gift tax returns), an amended return, or a refund claim under this title but excluding information returns, statements, or documents;

(v) A foreign person that makes an election under Sec. 301.7701-3(c);

(vi) A foreign person that furnishes a withholding certificate described in Sec. 1.1441-1(e)(2) or (3) of this chapter or Sec. 1.1441-5(c)(2)(iv) or (3)(iii) of this chapter to the extent required under Sec. 1.1441-1(e)(4)(vii) of this chapter;

(vii) A foreign person whose taxpayer identifying number is required to be furnished on any return, statement, or other document as required by the income tax regulations under section 897 or 1445. This paragraph (b)(2)(vii) applies as of November 3, 2003; and

(viii) A foreign person that furnishes a withholding certificate described in Sec. 1.1446-1(c)(2) or (3) of this chapter or whose taxpayer identification number is required to be furnished on any return, statement, or other document as required by the income tax regulations under section 1446. This paragraph (b)(2)(viii) shall apply to partnership taxable years beginning after May 18, 2005, or such earlier time as the regulations under Sec. Sec. 1.1446-1 through 1.1446-5 of this chapter apply by reason of an election under Sec. 1.1446-7 of this chapter.

26 CFR §1.1441-1(c) (3) agrees with the above by defining an “individual” as either an “alien” or a “nonresident alien”. Nowhere are “citizens” included in the definition, and therefore they are excluded by implication. Expressio unius est exclusio alterius:

[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.

*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.*

Consequently, the following rules apply to the application for and the use of Taxpayer Identification Numbers:

1. Aliens as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and “nonresident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) are NOT equivalent. They are separate and distinct groups and “nonresident aliens” are NOT a subset of all “aliens”. One may be a “nonresident alien” WITHOUT being an “alien”. Such is the case with a man or woman who is a “national” but not a “citizen” as described in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#). All people born within the several Constitutional but not statutory states of the Union and domiciled outside of federal territory are “nationals” but not “citizens” under federal statutory law. See section 5.4 of the following:  
[Flawed Tax Arguments to Avoid](#), Form #08.004  
<http://sedm.org/Forms/FormIndex.htm>
2. Individual Taxpayer Identification Numbers (ITINs) may only lawfully be issued to aliens and **not** “nonresident aliens”, pursuant to 26 CFR §301.6109-1. Nonresident aliens need only apply for an ITIN if they are engaged in the “trade or business” excise taxable franchise, at which time they effectively make an “election” to be treated as a “resident alien”:



Title 31: Money and Finance: Treasury  
[PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS](#)  
[Subpart C—Records Required To Be Maintained](#)  
[§103.34 Additional records to be made and retained by banks.](#)

(a)(3) A taxpayer identification number required under paragraph (a)(1) of this section need not be secured for accounts or transactions with the following:

[...]

(x) non-resident aliens who are not engaged in a trade or business in the United States. In instances described in paragraphs (a)(3), (viii) and (ix) of this section, the bank shall, within 15 days following the end of any calendar year in which the interest accrued in that year is \$10 or more use its best effort to secure and maintain the appropriate taxpayer identification number or application form therefor.

---

TITLE 31--MONEY AND FINANCE: TREASURY  
CHAPTER II--FISCAL SERVICE, DEPARTMENT OF THE TREASURY  
PART 306--GENERAL REGULATIONS GOVERNING U.S. SECURITIES--Table of Contents  
Subpart B--Registration  
[Sec. 306.10 General.](#)

<sup>2</sup> Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States, and other persons or organizations as may be exempted from furnishing such numbers under regulations of the Internal Revenue Service.

---

[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.

[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]

3. One may be a "nonresident alien" WITHOUT being a "nonresident alien individual". Such is the case with a man or woman who is a "national" but not a "citizen" as described in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#). One cannot be an "individual" as a nonresident alien without having a domicile on federal territory. Note that the term "individual" as used in the [Privacy Act, 5 U.S.C. §552a\(a\)\(2\)](#) does not include "nonresident aliens". One must be either a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#) or a "resident alien" pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) in order to be an "individual", and both of these conditions have in common a domicile on federal territory and not within any state of the Union.
4. If an ITIN is used in the case of a "nonresident alien", such an alien has made an "election" to be treated as a "resident alien" pursuant to [26 U.S.C. §6013\(g\)](#) and (h). Such an election may only lawfully be made in the case of a "nonresident alien" married to a statutory but not constitutional "U.S. citizen" as defined in [8 U.S.C. §1401](#). Any other use constitutes a violation of the Internal Revenue Code and a fraud upon the United States.
5. Pursuant to [26 U.S.C. §6109\(d\)](#), Social Security Numbers (SSNs) may only lawfully be used in place of Individual Taxpayer Identification Numbers (ITINs) in the case of aliens, but not statutory "U.S. citizens" pursuant to [8 U.S.C. §1401](#).
6. [26 U.S.C. §7701\(a\)\(41\)](#) defines the term "TIN" as a number assigned to a "person" by the IRS under the authority of [26 U.S.C. §6109](#). Nowhere are the terms "TIN" and "Taxpayer Identification Number" made equivalent.

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(41) TIN

The term "TIN" means the identifying number assigned to a person under section 6109.

It is a violation of due process of law to presume that a "TIN" and a "Taxpayer Identification Number" are the same thing or are equivalent. See: [Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction](#), Form #05.017; <http://sedm.org/Forms/FormIndex.htm>

7. If a statutory "U.S. citizen" is asked to provide a Taxpayer Identification Number and he or she gives you a Social Security Number, indirectly he or she is agreeing to accept being treated as an "alien" who has voluntarily and effectively surrendered the protections and privileges of a citizen and who agrees to accept the disabilities of alienage in exchange for government franchises. This choice cannot be compelled and must be voluntary.

### SECTION 3: LAWS VIOLATED BY APPLYING FOR A SOCIAL SECURITY NUMBER OR COMPELLING ME TO APPLY FOR ONE

The process of applying for a Social Security Number is initiated by filling out SSA form SS-5. A copy of that form is available below:

[Social Security Administration Form SS-5, Application for Social Security Card](http://famguardian.org/TaxFreedom/Forms/Emancipation/ss-5.pdf)  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/ss-5.pdf>

Block 3 of the form is used to indicate one's citizenship status. The block that most Americans unknowingly check is "U.S. citizen", meaning a statutory and not constitutional "citizen" under federal law. As explained in Section 1 earlier, 20 CFR §422.104 only authorizes statutory but not constitutional citizens to make application to the Social Security Administration. Men and women born within and domiciled within the several states of the Union who check the statutory "U.S. citizen" box on SSA Form SS-5 are therefore:

1. Committing perjury under penalty of perjury by declaring themselves to be a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#).
2. Impersonating a statutory "U.S. citizen" in criminal violation of [18 U.S.C. §911](#).
3. Attempting to defraud the United States by applying for a "benefit" that they are not legally entitled to.
4. Are unwittingly impersonating an officer or employee of the United States in criminal violation of [18 U.S.C. §912](#).

[TITLE 18 > PART I > CHAPTER 43 > § 912](#)  
[§912. Officer or employee of the United States](#)

*Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money [BENEFIT, INCLUDING SOCIAL SECURITY], paper, document, or thing of value, shall be fined under this title or imprisoned not more than three years, or both.*

The [Privacy Act at 5 U.S.C. §552a\(a\)\(13\)](#) defines "federal personnel" as any person entitled to receive any retirement payment from the federal government, INCLUDING Social Security benefits. Such benefits are ONLY available to persons who ALREADY were federal personnel BEFORE they made application to participate in Social Security. The federal government cannot lawfully use or abuse their power to tax as a means to redistribute wealth among private parties who are NOT also "federal personnel" or "public officers" within the U.S. government:

*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 \(1936\)\]](#)

The only thing the government can lawfully pay "benefits" to, including Social Security, are people who are its own "officers" PRIOR to applying for the "benefit". There is no provision within the Internal Revenue Code or the Social Security Act which authorizes the CREATION of "public offices" using any tax form. The I.R.C. and the Social Security Act simply authorize "benefits" to persons who are ALREADY officers of the United States government. [4 U.S.C. §72](#) says that if such offices have been created within a state of the Union, then a statute authorizing this MUST appear somewhere within the statutes which administer the benefit, and no such statute exists.

[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.*

Consequently, benefits such as Medicare and Social Security are ONLY available to "federal personnel" who ALREADY hold "public office" within the U.S. government. "Benefits" may NOT lawfully be offered to private individuals. All such "public officers" are then defined in [5 U.S.C. §2105](#) as "employees" and 5 U.S.C. §2105(a) identifies such persons as "officers AND individuals". The only way one can lawfully be an "individual" is to work for or contract with the government.

### SECTION 4: LAWS VIOLATED BY APPLYING FOR A TAXPAYER IDENTIFICATION NUMBER OR COMPELLING ME TO APPLY FOR ONE

Taxpayer Identification Numbers are requested using IRS forms W-7 and W-9:

1. Form W-7 says at the top the following:

*"For use by individuals who are not U.S. citizens or nationals."*

As pointed out in section 1 earlier, I am a "national" but not a statutory "U.S. citizen" or an "individual", and therefore it would constitute fraud

and perjury in criminal violation of [18 U.S.C. §1001](#), [18 U.S.C. §1542](#), and [18 U.S.C. §1621](#) to complete and submit this form.

2. Form W-9 is entitled "Request for Taxpayer Identification Number and Certification". Part III of this form requires the applicant to admit under penalty of perjury that they are a "U.S. person". [26 U.S.C. §7701\(a\)\(30\)](#) defines a "U.S. person" as a statutory "U.S. citizen" pursuant to 8 U.S.C. §1401 or a statutory "permanent resident" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and [8 U.S.C. §1101\(a\)\(3\)](#). As stated in section 1 earlier, I am NEITHER a statutory "U.S. citizen" pursuant to 8 U.S.C. §1401 nor a statutory "permanent resident" (alien) pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and [8 U.S.C. §1101\(a\)\(3\)](#). Therefore, once again, it would constitute fraud and perjury in criminal violation of [18 U.S.C. §1001](#), [18 U.S.C. §1542](#), and [18 U.S.C. §1621](#) to use this form.

Once again, the American who gave you this form is:

1. A "nontaxpayer" not subject to any provision of Subtitles A through C of the Internal Revenue Code:

*"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]. 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)]*

2. A constitutional "Citizen of the United States **OF AMERICA**". See and rebut: Why you are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006 <http://sedm.org/Forms/FormIndex.htm>
3. A "non-citizen national" as defined in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#).
4. Domiciled on other than federal territory and not within any internal revenue district or United States Judicial District or "State" defined in [28 U.S.C. §1332\(d\)](#), [26 U.S.C. §7701\(a\)\(10\)](#), or [4 U.S.C. §110\(d\)](#).
5. Subject to constitutional diversity of citizenship pursuant to U.S. Const. Art. III, Section 2, but NOT statutory diversity pursuant to [28 U.S.C. §1332](#).
6. A "nonresident alien" as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) but not a "nonresident alien individual" as defined in 26 CFR §1.1441-1(c)(3).
7. A "stateless person" immune from the jurisdiction of federal courts within the meaning of [28 U.S.C. §1332](#). See Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989).
8. NOT engaged in the "trade or business" federal franchise as defined in [26 U.S.C. §7701\(a\)\(26\)](#).
9. NOT a statutory "citizen and national of the United States" as described in [8 U.S.C. §1401](#) or 26 CFR §1.1-1(c).
10. NOT a statutory "U.S. national" as defined in [8 U.S.C. §1408](#) or [8 U.S.C. §1101\(a\)\(22\)\(B\)](#).
11. NOT an "alien" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).
12. NOT the "individual" as defined in [5 U.S.C. §552a\(a\)\(2\)](#) or referenced in [5 U.S.C. §2105\(a\)](#) because neither a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#) nor a "resident" (alien) pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) nor a government "employee" or officer. I am an individual in a common sense of the term, but not within the meaning of any federal statute. I must have a domicile on federal territory to be anything described in federal statutory civil law, and I do not maintain such a domicile. Only "public officers", "employees", agencies, and instrumentalities operating in a representative capacity within the United States government pursuant to Federal Rule of Civil Procedure 17(b) can be "individuals" within the meaning of any provision of the I.R.C.
13. NOT the "individual" mentioned in [26 U.S.C. §7701\(a\)\(1\)](#) or 26 CFR 1.1441-1(c)(3), because not an officer, "employee", agency, or instrumentality of the United States government or the District of Columbia as described in [26 U.S.C. §6331\(a\)](#) or any other federal law. See and rebut the following if you disagree within 30 days or forever be estopped from later challenging:  
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>
14. NOT an "employee" as defined in [26 U.S.C. §3401\(c\)](#) or 26 CFR §31.3401(c)-1 or [5 U.S.C. §2105](#).
15. NOT the "person" described in [26 U.S.C. §6671\(b\)](#) or [26 U.S.C. §7343](#).

**WARNING:** Recipient is reminded that [28 U.S.C. §2201\(a\)](#) PROHIBITS the federal courts from presuming any status OTHER than that listed above in the context of federal or state taxes. Only I as the sovereign being may declare and establish my tax and citizenship status, because only I can lawfully exercise my First Amendment right of association and freedom from compelled association in deciding what political group I wish to associate with and thereby have allegiance toward, a domicile within, and protection from. "Domicile" is the origin of ALL of the government's authority to impose an income tax pursuant to [26 U.S.C. §911\(d\)\(3\)](#) and Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954), and only I can determine my domicile.

26 CFR §301.6109-1(d)(3) authorizes the issuance of Individual Taxpayer Identification Numbers ONLY to "aliens", and not all "nonresident aliens" are "aliens". I am a "nonresident alien" and a "national" but not a statutory "citizen" who is NOT an "alien" and therefore am NOT eligible for a Taxpayer Identification Number. I cannot submit an application for such a number without committing criminal perjury and impersonating a "public officer" within the U.S. government in criminal violation of [18 U.S.C. §912](#). If you want to direct me to a form that can be used by a person with all of the qualifications above for lawfully obtaining such a number without committing a crime, please direct me to the proper form, as I am not now aware of any such instrument.

Pursuant to 20 CFR §422.103(d) and the back of the Social Security Card itself, Social Security Numbers and Social Security Cards are property of the Social Security Administration (SSA) and must be returned upon request:

*Title 20: Employees' Benefits*  
[PART 422—ORGANIZATION AND PROCEDURES](#)  
[Subpart B—General Procedures](#)  
[§ 422.103 Social security numbers.](#)

*(d) Social security number cards. A person who is assigned a social security number will receive a social security number card from SSA within a reasonable time after the number has been assigned. (See §422.104 regarding the assignment of social security number cards to aliens.) Social security number cards are the property of SSA and*

must be returned upon request.

The only "persons" or "individuals" who may lawfully be in possession, use, or control of government property are "public officers", trustees, and fiduciaries of the government who are described in [26 U.S.C. §6671\(b\)](#) and [26 U.S.C. §7343](#). These persons all work for a federal corporation called the "United States" (28 U.S.C. §3002(15)(A)) as officers of said corporation and public trust. I am NOT such a person nor do I intend or wish to be. By applying for or using such a number, you are compelling me to donate my private property to a "public use" and to a federal franchise without compensation in violation of the United States Constitution's Fifth Amendment takings clause.

*"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)]

It is UNLAWFUL for a private person such as myself to use public property such as a Social Security Number or a Social Security Card for my own personal benefit to the exclusion of the government because it constitutes theft and embezzlement in criminal violation of [18 U.S.C. §641](#). I am not in receipt of any evidence which would authorize me to BECOME a "public officer" or federal "employee" by virtue of applying for or using such a number. Rather, such a person must ALREADY be such officer or employee BEFORE they apply for or use such number. This is mandated by [4 U.S.C. §72](#), which says that all public offices MUST be exercised in the District of Columbia and not elsewhere except as expressly provided by an enactment of Congress. There is no statute authorizing the establishment of the "public offices" that are the subject of the franchise tax called the income tax, which is upon a "trade or business"/"public office" within the U.S. government. The U.S. Supreme Court has also said that Congress CANNOT lawfully establish such offices within a state of the Union in order to tax them:

*"Congress cannot authorize a [privileged] trade or business [as defined in 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)]

## SECTION 5: LAWS VIOLATED IF YOU USE A TAXPAYER IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER WITHOUT MY EXPLICIT CONSENT OR PERMISSION IN WRITING

Only "U.S. persons" as defined in [26 U.S.C. §7701\(a\)\(30\)](#), which includes both statutory "U.S. citizens" and statutory "residents" (aliens) may use Social Security numbers.

[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.*

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. - Definitions](#)

(a)(30) [United States](#) person

The term "United States person" means -

(A) a [citizen](#) or [resident](#) of the United States,

(B) a domestic partnership,

(C) a domestic [corporation](#),

(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

(E) any trust if -

(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

The term "U.S." as used in the term "U.S. person" is defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) to include only the District of Columbia, meaning the U.S. government, and not the geographical states of the Union. Nowhere in the I.R.C. Subtitle A are states of the Union included in the definition of "United States" and therefore it must be presumed that they are purposefully excluded. It therefore constitutes CONSTRUCTIVE FRAUD to associate me with being a "U.S. person" or with the duties of a "U.S. person" by associating me with a federal identifying number when nowhere is the place of my domicile included in the definition of "U.S." within Internal Revenue Code Subtitle A, and you aren't allowed to "assume" anything without violating due process of law and causing the government to become a religion in violation of the First Amendment to the United States Constitution. Any "presumption" that you can't support with evidence amounts to the equivalent of religious faith, and no officer of the government or "withholding agent", whether voluntary or working for pay, may lawfully engage in an act of religion without violating the Constitution.

*"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]



**"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) ]

IRS Form 1042-S Instructions indicate the circumstances under which identifying numbers are absolutely mandatory, and all of them involve federal privileges and franchises that I am NOT engaged in. If you think I am engaged in a federal franchise, please describe exactly WHICH one of the below franchises I am specifically engaged in and provide the specific statute that mandates someone with my status to provide such a number. Otherwise, your request is illegal:

*Box 14, Recipient's U.S. Taxpayer Identification Number (TIN)*

**You must obtain a U.S. taxpayer identification number (TIN) for:**

- Any recipient whose income is effectively connected with the conduct of a trade or business [ "public office" per 26 U.S.C. §7701(a)(26)] in the United States [District of Columbia per 4 U.S.C. §72 and 26 U.S.C. §7701(a)(9) and (a)(10)].  
*Note.* For these recipients, exemption code 01 should be entered in box 6.
- Any foreign person claiming a reduced rate of, or exemption from, tax under a tax treaty between a foreign country and the United States [per 26 U.S.C. §894], unless the income is an unexpected payment (as described in Regulations section 1.1441-6(g)) or consists of dividends and interest from stocks and debt obligations that are actively traded; dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund); dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were, upon issuance) publicly offered and are registered with the Securities and Exchange Commission under the Securities Act of 1933; and amounts paid with respect to loans of any of the above securities.
- Any nonresident alien individual claiming exemption from tax under section 871(f) for certain annuities received under qualified plans.
- A foreign organization claiming an exemption from tax solely because of its status as a tax-exempt organization under section 501(c ) or as a private foundation.
- Any QI [Qualified Intermediary per 26 CFR §1.1441-1(e)(5)].
- Any WP [Withholding Partnership per 26 CFR §1.1441-5(c )] or WT [Withholding Trust per 26 CFR §1.1441-5(c )].
- Any nonresident alien individual claiming exemption from withholding on compensation for independent personal services [services connected with a "trade or business"].
- Any foreign grantor trust with five or fewer grantors.
- Any branch of a foreign bank or foreign insurance company that is treated as a U.S. person.

*If a foreign person provides a TIN on a Form W-8, but is not required to do so, the withholding agent must include the TIN on Form 1042-S.*

[*IRS Form 1042s Instructions, Year 2006, p. 14*]

If it is a violation of **42 U.S.C. §408(a)(8)** to compel the use of Social Security Numbers and I DO NOT consent to use them:

**TITLE 42 - THE PUBLIC HEALTH AND WELFARE  
CHAPTER 7 - SOCIAL SECURITY  
SUBCHAPTER II - FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS  
Sec. 408. Penalties**

*(a) In general*

**Whoever -...**

**(8) discloses, uses, or compels the disclosure of the social security number of any person in violation of the laws of the United States; shall be guilty of a felony and upon conviction thereof shall be fined under title 18 or imprisoned for not more than five years, or both.**

If you use a government issued identifying number against me without my consent or permission, you are also committing identity theft and thereby violating the following statutes:

1. **42 U.S.C. §405(c)(2)(C)(i)**: Evidence, Procedure, and Certification for payments
2. **42 U.S.C. §408(a)(7)**: Penalties.
3. **18 U.S.C. §1028(a)(7)**: Fraud and related activity in connection with identification documents, authentication features, and information
4. **18 U.S.C. §1028A**: Aggravated Identity Theft
5. **18 U.S.C. §654**: Anyone who uses a public number in connection with your private property without your consent is guilty of conversion.
6. **18 U.S.C. §1001**: Materiality. Failing to give full disclosure of the terms and conditions of a federal franchise.

For further information about how the government prosecutes identity theft described above, see:

U.S. Attorneys Bulletin, Volume 53, No. 1, Jan. 2006: <http://famguardian.org/Publications/USAttyBulletins/usab5301.pdf>



## SECTION 6: WARNING ABOUT USING IDENTIFYING NUMBERS ON INFORMATION RETURNS OR OTHER GOVERNMENT FORMS

**WARNING TO RECIPIENT!:** Any document, form, or information in your possession which associates a federal government issued identifying number with the submitter of this form is knowingly false and fraudulent. Please immediately:

1. Correct your records to remove all such FALSE numbers.
2. Cease and desist filing of information returns containing such numbers. Information returns include IRS Forms W-2, 1042s, 1098, 1099, and K-1. Pursuant to [26 U.S.C. §6041\(a\)](#), all such information returns may only lawfully be submitted against persons who are engaged in a "trade or business", which is then defined as "the functions of a public office" in the U.S. government pursuant to [26 U.S.C. §7701\(a\)\(26\)](#). I am not now and never have lawfully been engaged in a "public office" within the U.S. Government.
3. Send in corrected information returns which remove the false identifying number associated with me and change the amount of earnings reported that are connected to a "trade or business" to ZERO. If you want detailed instructions for corrected false information returns, see:
  - 3.1. Correcting Erroneous Information Returns, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>
  - 3.2. Correcting Erroneous IRS Form 1042's, Form #04.003  
<http://sedm.org/Forms/FormIndex.htm>
  - 3.3. Correcting Erroneous IRS Form 1098's, Form #04.004  
<http://sedm.org/Forms/FormIndex.htm>
  - 3.4. Correcting Erroneous IRS Form 1099's, Form #04.005  
<http://sedm.org/Forms/FormIndex.htm>
  - 3.5. Correcting Erroneous IRS Form W-2's, Form #04.006  
<http://sedm.org/Forms/FormIndex.htm>

If you do not do the above immediately, you could be the subject of a criminal complaint against the recipient of this form based on all the violations of law resulting from fraudulent or compelled use of government issued identifying numbers described herein. That criminal complaint may also include a complaint under [26 U.S.C. §7206](#) and [7207](#), which make it a crime to file knowingly false information returns. These returns are false in my case because I AM NOT engaged in the "trade or business" federal franchise and because I am not eligible for, do not consent to use, and have terminated unlawful participation in all government programs that would issue a government number or convey any kind of government benefit whatsoever to the Submitter.

## SECTION 7: CONSTRAINTS ON THE DELEGATED AUTHORITY OF THE SUBMITTER IN RELATION TO THE GOVERNMENT

1. Submitter is acting in a fiduciary and trustee capacity for God and ONLY God 24 hours a day, seven days a week.
2. The terms of the trust indenture constraining this delegated authority are found in the [Holy Bible Trust Indenture](#). The terms of that trust indenture are exhaustively enumerated in the following document:  
Delegation of Authority Order from God to Christians, Form #10.008  
<http://sedm.org/Forms/FormIndex.htm>
3. Under the terms of the [Holy Bible Trust Indenture](#), Submitter has NO DELEGATED AUTHORITY to:
  - 3.1. Contract with or conduct any kind of commerce with any government other than God's government on earth. See sections 2.1, 4.4.3 and 4.4.4 of the above document.

*"You shall make no covenant with them [foreigners], nor with their [pagan government] gods [or judges]. They shall not dwell in your land [and you shall not dwell in theirs] by becoming a "resident" in the process of contracting with them], lest they make you sin against Me. For if you serve their gods [under contract or agreement], it will surely be a snare to you."*  
[Exodus 23:32-33, Bible, NKJV]

*"It is our true policy to steer clear of permanent alliances [contracts/covenants] with any portion of the foreign world."*  
[George Washington, Farewell Address]

*"Peace, commerce, and honest friendship with all nations – entangling alliances [contracts, covenants, treaties] with none."*  
[Thomas Jefferson, First Inaugural Address, March 4, 1801]
  - 3.2. Act as a "public officer" or agent of the government in any capacity, and especially in the context of the "trade or business" franchise defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office". I may ONLY serve the Lord and ONLY have allegiance and protection from him and not any man. See section 2.1 in the above document and Luke 16:13.
4. The Holy Bible Trust Indenture applies from the date that the Submitter became a Christian.
5. Any express or implied agreements or contracts between the Submitter and the government must be deemed to have been undertaken without delegated authority and are therefore null and void ab initio.

*"All persons dealing with public officers [or Heavenly officers] are bound to take notice of the [Biblical] law prescribing their authority and powers."*  
[State ex rel McConnell v. First State Bank, 22 Tenn. App. 577, 124 S.W.2d 726, 733 (1938)]

*"Of this it is enough to say that the United States is neither bound nor estopped by acts of its officers or agents in entering into an arrangement or agreement to do or cause to be done what the [Biblical] law does not sanction or permit," 243 U.S., at 409. [ditto for officers of Heaven]*  
[Utah Power and Light Co. v. United States, 243 U.S. 389, 37 S.Ct. 387 (1917)]

*"Where an executive officer, under his misconstruction of the [Biblical] law, has acted without or beyond the powers given him, the courts have jurisdiction to restore the status quo ante insofar as that may be done (cites omitted)."*

[United States v. Mott, 37 F.2d 860, 862 (10th Cir. 1930), Affirmed, Mott v. United States, 283 U.S. 747, 51 S.Ct. 642 (1931)]

"[T]he authority of ministerial officers is to be strictly construed as including only such powers as are expressly conferred [in the Holy Bible], or necessarily implied," 141 F.2d, at 913.  
[Youngblood v. United States, 141 F.2d 912 (6th Cir. 1944): Action to compel recorder to record tax liens]

"Whatever the form in which the [Heavenly] Government functions, anyone entering into an arrangement with the [Heavenly] Government takes the risk of having accurately ascertained that he who purports to act for the [Heavenly] Government stays within the bounds of his authority. The scope of this authority may be explicitly defined by Congress [or the Holy Bible] or be limited by delegated legislation, properly exercised through the rule-making power. And this is so even though, as here, the agent himself may have been unaware of the limitations upon his authority," 332 U.S., at 384.  
[Federal Crop Ins. Corp. v. Merrill, 332 U.S. 380, 68 S.Ct. 1 (1947)]

6. Any contracts entered into on my behalf by my parents are null and void ab initio. This includes any applications for government benefits or franchises submitted on my behalf by my parents, such as Social Security.
7. Government has received reasonable notice of the revocation of the Social Security Contract by being sent SSA Form 521 and the following document, and therefore has received "reasonable notice" that there is no commercial or fiduciary relationship between Submitter and recipient. Silence of the government serves as notice of consent by the government and commercial default under the terms of said document:  
Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>
8. Submitter reserves all his/her God given unalienable rights pursuant to UCC 1-308 and its predecessor, UCC 1-207, and UCC 1-103.
9. Because Submitter reserves all rights and has no authority to delegate any of them under the terms of the Holy Bible Trust Indenture, then he/she is a foreign sovereign within the meaning of the Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapter 97.
10. Submitter has notified the government using the following form that all obligations, contracts, or agreements between him and any other foreign sovereign such as the United States government can take ONLY written form and may not be implied by conduct. The written instrument conveying rights must be signed by him and fully and completely disclose all of the rights surrendered under the terms of the contract or agreement.  
Legal Notice of Change in Citizenship/Domicile Records and Divorce From the United States, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>
11. Any obligations, debts, or collection notices sent to the Submitter by the government must be accompanied by the written instrument containing his signature that created the alleged debt pursuant to the document above and pursuant to the Fair Debt Collection Practices Act, 15 U.S.C. §1692g(b) and UCC 3-501.
12. Recipient is reminded that if the government can enact anything requiring all contracts with the government to be in writing, then I have the equal right to enforce the same requirement upon the government by giving reasonable notice of the existence of such requirement.

"Every man is supposed to know the law. A party who makes a contract with an officer [of the government or of God's government] without having it reduced to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law."  
[Clark v. United States, 95 U.S. 539 (1877)]

## SECTION 8: YOU ARE NOT EMPOWERED TO PRACTICE LAW ON MY BEHALF OR MAKE LEGAL DETERMINATIONS ABOUT MY STATUS

I do not consent to allow you, the Recipient of this form, to practice law on my behalf, to represent me legally, or make any legal determinations about my status other than those already indicated here under penalty of perjury. You MUST accept what I tell you about my status under penalty of perjury and presume that it is truthful and accurate. Please DO NOT:

1. Contact the IRS to get them to contradict what I tell you here, because they are not authorized to determine my status, they have no personal knowledge of my circumstances and therefore cannot act as a witness, and because nothing they say or print is trustworthy by their own admission! See and rebut:

Reasonable Belief About Income Tax Liability, Form #05.007; <http://sedm.org/Forms/FormIndex.htm>

"Unfortunately, the IRS is not bound by answers or positions stated by its employees orally, whether in person or by telephone. According to the procedural regulations, 'oral advice is advisory only and the Service is not bound to recognize it in the examination of the taxpayer's return.' 26 CFR §601.201(k)(2). [ . . . ] Thus, it will still be difficult to bind the IRS even to written statements made by its employees. As was true before, taxpayers may be penalized for following oral advice from the IRS."

[Tax Procedure and Tax Fraud, Patricia Morgan, 1999, ISBN 0-314-06586-5, West Group, p. 34]

"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."  
[Internal Revenue Manual, Section 4.10.7.2.8 (05-14-1999)]

2. Approach me with legal counsel or an attorney intent on contradicting what I state here under penalty of perjury. He or she does not have personal knowledge of my circumstances and therefore is not a competent witness, and I do not empower him or her to "represent me". Furthermore, the courts say that you cannot rely on legal counsel to determine your status. See the above Reasonable Belief About Income Tax Liability for details. We are a society of laws and not men and each person is the only person who can or should read and apply the law to their own specific circumstances:

"But it must be remembered that all are presumed to know the law [the Internal Revenue Code, which is municipal law for the District of Columbia], and that whoever deals with a municipality [e.g. the District of Columbia, also called the "United States"] is bound to know the extent of its powers. Those who contract with it, or furnish it supplies, do so with reference to the law, and must see that limit is not exceeded. With proper care on their part and

*on the part of the representatives of the municipality, there is no danger of loss."*

*[San Francisco Gas Co. v. Brickwedel, 62 Cal. 641 (1882). See also Dore v. Southern Pacific Co. (1912), 163 Cal. 182, 124 P. 817; People v. Flanagan (1924), 65 Cal.App. 268, 223 P. 1014; Lincoln v. Superior Court (1928), 95 Cal.App. 35, 271 P. 1107; San Francisco Realty Co. v. Linnard (1929), 98 Cal.App. 33, 276 P. 368]*

3. Tell me you have a "policy" to disregard or contradict what appears here. Corporate or private policy cannot and does not supersede the requirements of enacted law. I am NOT interested in your "policy", but only in doing what the law allows and requires both me and you to do or not do in this circumstance. I WILL NOT help you violate the laws clearly documented here by applying for or using government issued identifying numbers, regardless of what your "policy" is. I am a law abiding American who scrupulously reads and obeys all laws that apply to the jurisdiction I am in. Are you?

I am willing, able, and eager to be educated by your legal counsel if you believe anything here is incorrect. If I am proven incorrect with court admissible evidence signed under penalty of perjury for which the witness agrees to take personal responsibility, I will change my testimony on this form, but not before. The only thing I want to talk about, however, is the law. I am not interested in what the "policy" of the recipient is because I don't and won't govern my life by "policy" or even "public policy" disguised as de facto law. I must obey the laws of my God, which say that I can't contract with, do business with, be a "resident", "citizen", or domiciliary of, or pay money to any government, which it calls "the Beast" in Rev. 19:19.

**"You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a "resident" in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their gods [under contract or agreement or franchise], it will surely be a snare to you."**  
*[Exodus 23:32-33, Bible, NKJV]*

**"You shall have no other gods [including political rulers, governments, or earthly laws] before Me [or My commandments]."**  
*[Exodus 20:3, Bible, NKJV]*

**"Do you not know that friendship with the world is enmity with God? Whoever therefore wants to be a friend ["citizen", "resident", "taxpayer", "inhabitant", or "subject" under a king or political ruler] of the world [or any man-made kingdom other than God's Kingdom] makes himself an enemy of God."**  
*[James 4:4, Bible, NKJV]*

I am protected in the above pursuits by the First Amendment to the United States Constitution and the Religious Freedom Restoration Act, [42 U.S.C. Chapter 21B](#). It is my right and my duty under God's laws to have the status and the standing described herein.

#### **AFFIRMATION**

<b>Submitter signature:</b>	I declare by unsworn affirmation from without the "United States", and in accordance with <a href="#">28 U.S.C. §1746</a> (1) that the facts provided in this section are true, correct, and complete to the best of my knowledge and belief.  _____ Signature, Agent, Fiduciary, Trustee of God, "on" but not "in" the land	<b>Date signed:</b>	
-----------------------------	---	---------------------	--

#### **FREE REFERENCES AND RESOURCES:**

<b>Family Guardian-Taxation page:</b> <a href="http://famguardian.org/Subjects/Taxes/taxes.htm">http://famguardian.org/Subjects/Taxes/taxes.htm</a>	<b>Why You are a "national", "state national", and Constitutional but not Statutory Citizen (pamphlet):</b> <a href="http://sedm.org/Forms/MemLaw/WhyANational.pdf">http://sedm.org/Forms/MemLaw/WhyANational.pdf</a>
<b>Liberty University:</b> <a href="http://sedm.org/LibertyU/LibertyU.htm">http://sedm.org/LibertyU/LibertyU.htm</a>	<b>Great IRS Hoax (book):</b> <a href="http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm">http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm</a>
<b>Why Domicile and Becoming a "Taxpayer" Require Your Consent:</b> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>	<b>Federal and State Tax Withholding Options for Private Employers (pamphlet):</b> <a href="http://sedm.org/Forms/Procs/FedStateWHOOptions.pdf">http://sedm.org/Forms/Procs/FedStateWHOOptions.pdf</a>

## **28. APPENDIX B: TEST FOR FEDERAL TAX PROFESSIONALS**

# ***TEST FOR FEDERAL TAX PROFESSIONALS***

Last revised: 11/12/2010





## **TABLE OF CONTENTS**

<b>1</b>	<b>PURPOSE/SCOPE.....</b>	<b>8</b>
<b>2</b>	<b>INSTRUCTIONS TO RECIPIENT .....</b>	<b>9</b>
<b>3</b>	<b>ADMISSIONS .....</b>	<b>10</b>
3.1	Status .....	10
3.2	Which “United States”? .....	11
3.3	Citizenship .....	15
3.4	Taxpayer Identification Numbers (TINs) .....	18
3.5	Federal jurisdiction .....	20
3.6	Liability .....	27
3.7	How One “volunteers” to participate in the “trade or business” franchise .....	29
3.8	Withholding and Reporting .....	35
3.9	Assessment authority .....	41
3.10	Who are “taxpayers” .....	42
3.11	Taxable “activities” and “taxable income” .....	49
3.12	What is “Included”? .....	54
3.13	What Participation in the “Trade or Business” franchise does to your legal status .....	56
<b>4</b>	<b>INTERROGATORIES .....</b>	<b>61</b>
<b>5</b>	<b>AFFIRMATION.....</b>	<b>61</b>

---

## **Constitutional Provisions**

Art. 1, 9, 4 .....	14
Article 1, Section 10.....	31
Article 1, Section 8, Clause 5 .....	26
Article 1, Section 8, Clause 7 .....	26
Article 4, Section 2, Clause 2 .....	26
Article 4, Section 3, Clause 1 .....	23
Constitution Of the United States .....	51
Sixteenth Amendment .....	52
Thirteenth Amendment.....	34, 39

## **Statutes**

1 U.S.C. §204 .....	61
18 U.S.C. §§1581, 1593 .....	39
18 U.S.C. §1994 .....	34
18 U.S.C. §3 .....	32
22 U.S.C. §212 .....	16
22 U.S.C. §2721 .....	15
26 U.S.C. §§6671 and 7343 .....	54
26 U.S.C. §§7206, 7207 .....	39
26 U.S.C. §1402 .....	52
26 U.S.C. §1461 .....	27
26 U.S.C. §162 .....	59
26 U.S.C. §32(c )(1)(E).....	60
26 U.S.C. §3401(a).....	36
26 U.S.C. §3401(c ).....	38
26 U.S.C. §6013(g) .....	45
26 U.S.C. §6041 .....	57, 58
26 U.S.C. §6041(a).....	36

26 U.S.C. §61 .....	51, 53
26 U.S.C. §6109(d) .....	47
26 U.S.C. §6331 .....	59
26 U.S.C. §6671(b) .....	58
26 U.S.C. §7206 and 7207 .....	37
26 U.S.C. §7343 .....	59
26 U.S.C. §7426 .....	43
26 U.S.C. §7621 .....	23
26 U.S.C. §7701(a)(10) .....	54
26 U.S.C. §7701(a)(30) .....	15
26 U.S.C. §7701(a)(9) .....	13, 14, 51, 54
26 U.S.C. §7701(a)(9) and (a)(10) .....	29, 53
26 U.S.C. §7701(b)(1)(B) .....	43, 45
26 U.S.C. §7701(c) .....	54
26 U.S.C. §861 .....	53
26 U.S.C. §863 .....	51
26 U.S.C. §864(b)(1) .....	52
26 U.S.C. §864(c) (3) .....	14, 51
26 U.S.C. §871 .....	60
26 U.S.C. §871(a) .....	51
26 U.S.C. §911 .....	28
26 U.S.C. §911(d)(3) .....	28, 29
26 U.S.C.A. s 4411 .....	40
28 U.S.C. §§ 754 and 959(a) .....	18
28 U.S.C. §3002(15)(A) .....	58
3 Stat. at L. 216, chap. 60 .....	14
4 U.S.C. §110(d) .....	25, 53
4 U.S.C. §72 .....	22, 39
48 U.S.C. §1612(a) .....	22
5 U.S.C. §2105 .....	39
5 U.S.C. §552a(a)(13) .....	8
5 U.S.C. §552a(a)(2) .....	8
8 U.S.C. §1101 .....	16
8 U.S.C. §1101(a)(36) .....	46
8 U.S.C. §1401 .....	17, 26, 48, 57
8 U.S.C. §1408 .....	44
Buck Act, 4 U.S.C. §§105-113 .....	25
Declaratory Judgments Act, 28 U.S.C. §2201(a) .....	61
I.R.C. 6020(b) .....	41
I.R.C. Subtitle A .....	27, 28, 29, 49
Internal Revenue Code .....	8, 13, 26, 27, 47, 48, 57, 59
Internal Revenue Code, Subtitle A .....	8, 12, 20, 27
s 4411 of the Internal Revenue Code of 1954 .....	40
Title 26, Subchapter F .....	22
Title 8 of the U.S. Code .....	46

## Regulations

26 CFR §1.1-1(a)(2)(ii) .....	43
26 CFR §1.1-1(c) .....	44
26 CFR §1.1441-1 .....	10, 46
26 CFR §1.871-2 .....	28
26 CFR §1.871-2 .....	44
26 CFR §1.872-2(f) .....	53
26 CFR §301.6109-1(b) .....	18
26 CFR §301.6109-1(d)(3) .....	47

26 CFR §301.7701-5 .....	18
26 CFR §31.3401(a)-3.....	29, 32, 35
26 CFR §31.3401(a)-3(a) .....	33
26 CFR §31.3402(p)-1(a) .....	40
31 CFR §103.34 .....	19
8 CFR §215.1 .....	46

## Rules

Fed.R. Civil P.4.....	28
Fed.R.Civil P. 8(c ).....	31
Fed.Rule.Civ.Proc. 8(b)(6).....	10
Federal Rule of Civil Procedure 8(b)(6).....	8, 9

## Cases

American Communications Association v. Douds, 339 U.S. 382, 442. (1950) .....	9
Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936) .....	27
Atchison, T. & S. F. R. Co. v. Railroad Commission, 283 U.S. 380, 392 –393 (1931) .....	13
Augustus Co., for Use of Bourgeois v. Manzella, 19 N.J.Misc. 29, 17 A.2d 68, 70 .....	28
Bain Peanut Co. v. Pinson, 282 U.S. 499, 501 , 51 S.Ct. 228, 229 .....	52
Barnette v Wells Fargo Nevada Nat'l Bank, 270 U.S. 438, 70 L.Ed. 669, 46 S.Ct. 326.....	34
Barney v. Baltimore, 6 Wall. 280, 18 L. ed. 825.....	25
Brown v Pierce, 74 U.S. 205, 7 Wall 205, 19 L.Ed. 134.....	34
Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325 .....	55
Burnet v. Niagra Falls Brewing Co., 282 U.S. 648, 654 (1931).....	55
Bush v. State, 19 Ariz. 195, 168 P. 508, 509.....	34
Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936) .....	20, 27
Chae Chan Ping v. U.S., 130 U.S. 581 (1889) .....	26
Coker v. State, 199 Ga. 20, 33 S.E.2d 171, 174 .....	31
Colautti v. Franklin, 439 U.S. 379, 392, and n. 10 (1979) .....	55
Colautti v. Franklin, 439 U.S. at 392-393, n. 10 .....	55
Collins v. Kentucky, 234 U.S. 634, 638 , 34 S. Ct. 924 .....	56
Com. v. Saulsbury, 152 Pa. 554, 25 A. 610.....	34
Connally vs. General Construction Co., 269 U.S. 385 (1926) .....	56
Crooks v. Harrelson, 282 U.S. 55 (1930) .....	55
Downes v. Bidwell, 182 U.S. 244 (1901).....	21, 25
Economy Plumbing & Heating v. U.S., 470 F2d 585 (1972).....	49
Erie Railroad v. Tompkins, 304 U.S. 64 (1938).....	61
Evans v. Gore, 253 U.S. 245 , 40 S.Ct. 550, 11 A.L.R. 519.....	52
Faske v Gershman, 30 Misc 2d 442, 215 NYS2d 144.....	34
Flora v. U.S., 362 U.S. 145 (1960).....	42
Fong Yue Ting v. United States, 149 U.S. 698 (1893).....	26
Fowler v. Fowler, 156 Fla. 316, 22 So.2d 817, 818 .....	28
Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) .....	55
Giaccio v. State of Pennsylvania, 382 U.S. 399, 86 S.Ct. 518 (1966).....	56
Glenney v Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773 .....	34
Gompers v. United States, 233 U.S. 604, 610 , 34 S.Ct. 693, Ann.Cas.1915D, 1044.....	52
Gould v. Gould, 245 U.S. 151, 153 (1917) .....	55
Gregory v. Helvering, 293 U.S. 465, 469 (1935) .....	55
Hassett v. Welch, 303 U.S. 303, 314 (1938) .....	56
Hassett v. Welch., 303 U.S. 303, pp. 314 - 315, 82 L Ed 858. (1938) .....	55
Haumont v. Security State Bank, 220 Neb. 809, 374 N.W.2d 2,6.....	31
Head v. Gadsden Civil Service Bd., Ala.Civ.App., 389 So.2d 516, 519.....	31
Heider v Unicum, 142 Or 416, 20 P2d 384 .....	34

Heiner v. Donnan, 285 U.S. 312 (1932).....	61
Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332 .....	25
Hooe v. Jamieson, 166 U.S. 395 , 41 L. ed. 1049, 17 Sup. Ct. Rep. 596 .....	25
Hooven & Allison Co. v. Evatt, 324 U.S. 652 (1945) .....	11
In re Erickson, 18 N.J.Misc. 5, 10 A.2d 142, 146 .....	28
In re Rempfer, 51 S.D. 393, 216 N.W. 355, 359, 55 A.L.R. 1346 .....	34
International Harvester Co. v. Kentucky, 234 U.S. 216, 221 , 34 S. Ct. 853 .....	56
Katz v. Brandon, 156 Conn. 521, 245 A.2d 579, 586 .....	38
Knowlton v. Moore, 178 U.S. 41 (1900).....	51
Koshland v. Helvering, 298 U.S. 441, 446-447, 56 S.Ct. 767, 769-770, 80 L.Ed. 1268.....	40
Lee v. State, 16 Ariz. 291, 145 P. 244, 246, Ann.Cas. 1917B, 131.....	34
License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) .....	20
Long v. Rasmussen, 281 F. 236 @ 238(1922) .....	43
Loughborough v. Blake, 5 Wheat. 317, 5 L. ed. 98.....	14
Lucas v. Alexander, 279 U.S. 573, 577 (1929) .....	55
Meese v. Keene, 481 U.S. 465, 484 (1987).....	55
Meese v. Keene, 481 U.S. 465, 484-485 (1987) .....	55
Miller v. Standard Nut Margarine Co., 284 U.S. 498, 508 (1932) .....	55
Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L. ed. 867 .....	25
Montana Power Co. v. Bokma, Mont., 457 P.2d 769, 772, 773 .....	38
New Orleans v. Winter, 1 Wheat. 91, 4 L. ed. 44.....	25
Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100.....	55
O'Donohue v. United States, 289 U.S. 516, 53 S.Ct. 740 (1933).....	21
Plessy v. Ferguson, 163 U.S. 537, 542 (1896) .....	11, 34
Pope v. Board of Education Com'rs, 370 Ill. 196, 18 N.E.2d 214, 216.....	28
Premier Products Co. v. Cameron, 240 Or. 123, 400 P.2d 227, 228 .....	54
Rapa v. Haines, Ohio Comm.Pl., 101 N.E.2d 733, 735 .....	49
Reid v. Colorado, 187 U.S. 137, 148 (1902) .....	13
Ringe Co. v. Los Angeles County, 262 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186.....	38
Robertson v. Baldwin, 165 U.S. 275, 281 , 282 S., 17 S.Ct. 326 .....	52
Schneider v. Rusk, (1964) 377 U.S. 163 .....	44
Schreiner v. Schreiner, Tex.Civ.App., 502 S.W.2d 840, 843.....	22
Schwartz v. Texas, 344 U.S. 199, 202-203 (1952).....	13
Scott v. Jones, 5 How. 343, 12 L. ed. 181 .....	25
Security Bank of Minnesota v. CIA, 994 F.2d 432, 436 (CA8 1993) .....	56
Sinking Fund Cases, 99 U.S. 700 (1878) .....	31
Slaughter House Cases, 16 Wall, 36 .....	10, 34
Smietanka v. First Trust & Savings Bank, 257 U.S. 602, 606 (1922) .....	55
Smith v. Smith, 206 Pa.Super. 310, 213 A.2d 94 .....	21
South Carolina v. Regan, 465 U.S. 367 (1984) .....	43
Spreckels Sugar Refining Co. v. McClain, 192 U.S. 297 (1904) .....	55
State v. Logan, 104 La. 760, 29 So. 336.....	34
Stenberg v. Carhart, 530 U.S. 914 (2000) .....	55
U.S. v. Batchelder, 442 U.S. 114, 123 (1978).....	56
U.S. v. Calamaro, 354 U.S. 351, 77 S.Ct. 1138 (U.S. 1957).....	40
U.S. v. Denver, D.C.N.C. 14 F. 595.....	34
United States v. Cruikshank, 92 U.S. 542 (1875).....	16
United States v. Lefkowitz, 285 U.S. 452, 467 , 52 S.Ct. 420, 424, 82 A.L.R. 775.....	52
United States v. Levy, 533 F.2d 969 (1976).....	40
Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945) .....	55
Wright v. U.S., 302 U.S. 583 (1938).....	52

## Other Authorities

19 Corpus Juris Secundum, Corporations, §886 .....	15
2A N. Singer, Sutherland on Statutes and Statutory Construction § 47.07, p. 152, and n. 10 (5th ed. 1992) .....	55

4 Bla.Comm. 141 .....	34
7 Foreign Affairs Manual Section 012(a).....	17
86 C.J.S. [Corpus, Juris, Secundum, Legal Encyclopedia], Territories, §1 .....	24
American Jurisprudence 2d, Duress, Section 21 .....	32, 35
Black's Law Dictionary, Sixth Edition, p. 1232.....	38
Black's Law Dictionary, Sixth Edition, p. 1575.....	31
Black's Law Dictionary, Sixth Edition, p. 485.....	22
Black's Law Dictionary, Sixth Edition, p. 504.....	31
Black's Law Dictionary, Sixth Edition, p. 563.....	49
Black's Law Dictionary, Sixth Edition, p. 581.....	13, 55
Black's Law Dictionary, Sixth Edition, p. 647.....	13
Black's Law Dictionary, Sixth Edition, p. 648.....	13
Black's Law Dictionary, Sixth Edition, p. 67.....	30
Black's Law Dictionary, Sixth Edition, p. 7.....	28
Black's Law Dictionary, Sixth Edition, p. 763 (1990) .....	54
Black's Law Dictionary, Sixth Edition, p. 485 .....	16
Congressional Research Service Report GAO/GGD-00-60R .....	42
Correcting Erroneous Information Returns, Form #04.001 .....	35
Executive Order 10289.....	24
Federal and State Tax Withholding Options for Private Employers, Form #09.001 .....	35
Federal Jurisdiction, Form #05.018.....	20
Federal Jurisdiction, Form #05.018, Sections 3 through 3.6 .....	56
Federal Tax Withholding, Form #04.102 .....	35
Great IRS Hoax, Form #11.302, Section 5.5: Why We Aren't Liable to File Tax Returns or Keep Records.....	27
Great IRS Hoax, Form #11.302, Section 5.6: Why We Aren't Liable to Pay Income Tax .....	27
Great IRS Hoax, Form #11.302, Sections 5.4 through 5.4.27.8 entitled "The 'Voluntary' Aspect of Income Taxes.....	29
Income Tax Withholding and Reporting Course, Form #12.004 .....	35
Internal Revenue Manual, Section 5.1.11.6.8.....	41
Internal Revenue Manual, Section 5.14.10.2 (09-30-2004) .....	53
IRM 1.2.44.5, Delegations of Authority, Order Number 182 (rev. 7), dated 5/5/1997 .....	42
IRM 4.10.7.2.9.8 .....	61
IRM 4.10.7.2.9.8 (05/14/99).....	9
IRM 5.1.11.6.8 .....	42
IRM 5.14.10.2 (09-30-2004) .....	36
IRS Form 1040 .....	10, 21, 57, 59
IRS Form 1040 or 1040NR .....	42
IRS Form 1040NR .....	57
IRS Form 4598 .....	33
IRS Form 4852 .....	33
IRS Form 4852 or W-2c or 4598.....	33
IRS Form W-2.....	36, 37
IRS Form W-4.....	30, 31, 33, 35, 36, 37, 38, 39, 59
IRS Forms 1040, 1040NR .....	42
IRS Forms W-2 and 1099.....	57
IRS Forms W-2, 1042s, 1098, and 1099 .....	35, 39
IRS Individual Master File (IMF) .....	38
IRS Publication 519, Year 2000, p. 15 .....	49
IRS Publication 519, Year 2000, p. 26.....	14, 51
IRS Published Products Catalog, Document 7130, Year, 2003, p. F-15 .....	21
Meaning of the Words "Includes" and "Including", Form #05.014.....	54
President Ronald W. Reagan.....	8
Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017 .....	61
Requirement for Consent, Form #05.003 .....	29
Restatement 2d, Contracts § 174.....	35
Restatement, Second, Contracts §§174, 175 .....	31
Restatement, Second, Contracts, §3 .....	30
Sovereignty Forms and Instructions Online, Cites By Topic: "liability" .....	27



Tax Deposition Questions, Form #03.016.....	20
Tax Deposition Questions, Form #03.016, Section 1: Liability .....	27
Tax Deposition Questions, Form #03.016, Section 13 entitled “26 U.S.C. §6020(b) Substitute For Returns”.....	41
The “Trade or Business” Scam, Form #05.001 .....	49, 56
The Law of Nations, Vattel, Book 1, Chapter 19, Section 213, p. 87, SEDM Exhibit #04.015.....	45
Treasury Decision 3980, Vol. 29, January-December, 1927, pgs. 64 and 65.....	54
United States Government.....	58
Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”, Form #05.013.....	42
Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205 .....	18
Why the Government Can’t Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011 .....	41
Why You Are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006.....	15, 57

"The taxpayer-- that's someone who works for the federal government but doesn't have to take the civil service examination."  
[President Ronald W. Reagan]

# 1 PURPOSE/SCOPE

The purpose of this document is to establish facts in support of the reasonable conclusion that:

1. Submitter is not engaged in a "trade or business" or any other taxable activity that might make him subject to the terms of the Internal Revenue Code.
2. Submitter is a "nonresident alien"
3. Submitter is not a "citizen" or "resident" under the Internal Revenue Code
4. Submitter is not the "individual" defined in 5 U.S.C. §552a(a)(2) and 5 U.S.C. §552a(a)(13) and that all "individuals" are "public officers" who work for the government.
5. Submitter is a "nontaxpayer" who is not "liable" to pay any monies to either the state or federal government under the authority of Subtitle A of the Internal Revenue Code.
6. Submitter is not subject to the provisions of the Internal Revenue Code and "foreign" with respect to it.
7. The Internal Revenue Code qualifies as "legislation".
8. Federal government has no legislative jurisdiction within states of the Union.
9. States of the Union are "foreign" with respect to federal legislative jurisdiction.

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 30 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  
<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.

This document consists of a series of factual statements supported by accompanying evidence. This form of inquiry is called an "admission" in the legal field. The person receiving this document must provide an "Admit" or "Deny" answer to each factual statement. The government, who is the moving party in this case, has the burden of proving the existence of jurisdiction and liability PRIOR to attempting any enforcement or collection actions against the submitter:

[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.

The questions are structured in such a way that the only answer that is consistent with the evidence and context of each question is "Admit". To answer "Deny" is to argue against the supporting evidence provided for each question. The answer provided to each admission must be consistent with all the factual evidence provided and if it is not, the responding party must explain in the "Clarification" area of their answer why the evidence provided in support of the question is incorrect or not trustworthy.

At the end of the admissions, the recipient who completes these questions should sign under penalty of perjury, as required by [26 U.S.C. §6065](#). Failure of the person completing the questions to sign the legal birth name under penalty of perjury shall constitute an "Admit" to every question.

If the recipient of these admissions is not authorized to answer them, then the submitter insists that:

1. They be provided to someone within the receiving organization who can respond to each question.
2. That a letter be sent to the person who sent them the questions providing contact information of the person who will be responding to the admissions.

Note that this document does not constitute:

1. An attempt to impede the lawful administration of either state or federal revenue law. Instead, it is an attempt to ensure that the government respects and observes all of the Constitutional and lawful limits upon their authority to collect revenues and thereby fulfills its only function to protect and defend the Constitutional rights of all Americans.

*"It is not the function of our Government to keep the citizen from falling into error; it is the function of the citizen to keep the government from falling into error."*

[*American Communications Association v. Douds*, [339 U.S. 382](#), 442. (1950) ]

2. An "argument" about anything, but simply a restatement of what the law and the courts say about a particular subject. Consequently, it is absolutely pointless to accuse the submitter of being "frivolous". To accuse the submitter of being frivolous would indirectly be an admission that the government is lying to the public, because all questions are backed by evidence derived directly from the government.
3. A request for legal advice. More than adequate evidence is provided in support of each admission to establish the answer to each question in a way that is completely consistent with prevailing law and judicial precedent.

Finally, if additional authorities are cited for a particular conclusion in response to each question, the person answering the questions must observe the same constraints as the IRS itself in regards to the authority of cases cited. The constraints it must operate under are as follows, from the Internal Revenue Manual off the IRS website:

*"Decisions made at various levels of the court system... may be used by either examiners or taxpayers to support a position... A case decided by the U.S. Supreme Court becomes the law of the land and takes precedence over decisions of lower courts... 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>]

## **2 INSTRUCTIONS TO RECIPIENT**

1. For each question, check either the "Admit" or "Deny" blocks.
2. Add additional explanation in the "Clarification" block at the end of the question. You are also encouraged to add additional amplifying exhibits and explanation to your answers, and reference the section number and question number in your answers.
3. Any question left unanswered shall be deemed as "Admit" and constitute a default pursuant to Federal Rule of Civil Procedure 8(b)(6). To wit:

[III. PLEADINGS AND MOTIONS](#) > Rule 8.

[Rule 8. General Rules of Pleading](#)

(b) Defenses; Admissions and Denials.

(6) *Effect of Failing to Deny.*

*An allegation — other than one relating to the amount of damages — is admitted if a responsive pleading is required and the allegation is not denied. If a responsive pleading is not required, an allegation is considered denied or avoided.*

4. If the whole questionnaire is left unanswered, then the answer to all questions by the recipient shall be deemed to be “Admit” and constitute a default under Fed.Rule.Civ.Proc. 8(b)(6).
5. Sign and date the end using blue original ink.
6. Photocopy.
7. Retain the copy for yourself and give the original to the requester.

### **3 ADMISSIONS**

#### **3.1 Status**

1. Admit that the ONLY “individual” defined in the I.R.C. is a statutory “alien”:

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.

*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*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that the above “individual” is the SAME “individual” mentioned in the upper left corner of the IRS Form 1040 as “U.S. Individual”.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that no one can force you to become a “resident” against your will without violating the Thirteenth Amendment prohibition against involuntary servitude.

*“That it does not conflict with the Thirteenth Amendment, which abolished slavery and involuntary servitude, except as a punishment for crime, is too clear for argument. Slavery implies involuntary servitude—a state of bondage; the ownership of mankind as a chattel, or at least the control of the labor and services of one man for the benefit of another, and the absence of a legal right to the disposal of his own person, property, and services [in their entirety]. This amendment was said in the Slaughter House Cases, 16 Wall, 36, to have been intended primarily to abolish slavery, as it had been previously known in this country, and that it equally forbade Mexican peonage or the Chinese coolie trade, when they amounted to slavery or involuntary servitude and that the use of the word ‘servitude’ was intended to prohibit the use of all forms of involuntary slavery, of whatever class or name.”*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that you cannot be a “resident” of a place you have never been to and that it is FRAUD to declare oneself a “resident” of the “United States” if one has never physically lived there.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

### 3.2 Which “United States”?

1. Admit that the term “United States” defined in 26 U.S.C. §7701(a)(9) and (a)(10) is the geographic region over which Subtitle A of the Internal Revenue Code is defined to apply.

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

#	U.S. Supreme Court Definition of “United States” in Hooven	Context in which usually used	Referred to in this article as	Interpretation
1	“It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations.”	International law	“United States*”	“These <u>united States</u> ,” when traveling abroad, you come under the jurisdiction of the President through his agents in the U.S. State Department, where “U.S.” refers to the sovereign society. You are a “Citizen of the United States” like someone is a Citizen of France, or England. We identify this version of “United States” with a single asterisk after its name: “United States*” throughout this article.
2	“It may designate the territory over which the sovereignty of the United States extends, or”	Federal law Federal forms	“United States**”	“The United States (the District of Columbia, possessions and territories)”. Here Congress has exclusive legislative jurisdiction. In this sense, the term “United States” is a singular noun. You are a person residing in the District of Columbia, one of its Territories or Federal areas (enclaves). Hence, even a person living in the one of the sovereign States could still be a member of the Federal area and therefore a “citizen of the United States.” This is the definition used in most “Acts of Congress” and federal statutes. We identify this version of “United States” with two asterisks after its name: “United States**” throughout this article. This definition is also synonymous with the “United States” corporation found in 28 U.S.C. §3002(15)(A).
3	“...as the collective name for the states which are united by and under the Constitution.”	Constitution of the United States	“United States***”	“The <u>several States</u> which is the <u>united States of America</u> .” Referring to the <u>50 sovereign States</u> , which are united under the <u>Constitution of the United States of America</u> . The federal areas within these states are not included in this definition because the Congress does not have exclusive legislative authority over any of the <u>50 sovereign States within the Union of States</u> . Rights are retained by the <u>States</u> in the 9th and 10th



#	U.S. Supreme Court Definition of "United States" in <i>Hooven</i>	Context in which usually used	Referred to in this article as	Interpretation
				Amendments, and you are a "Citizen of these united States." This is the definition used in the Constitution for the United States of America. We identify this version of "United States" with a three asterisks after its name: "United States***" throughout this article.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that the term "[United States](#)" defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) is the geographic region over which Subtitle A of the Internal Revenue Code is defined to apply.

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. \[Internal Revenue Code\]](#)  
[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.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

3. Admit that the term "[United States](#)" defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) is has the same meaning as United States\*\* identified by the U.S. Supreme Court in *Hooven and Allison v. Evatt* above.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

4. Admit that there is no other definition of "[United States](#)" applying to subtitle A of the Internal Revenue Code which might modify or enlarge the definition of "[United States](#)" found above.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

5. Admit the term "[United States](#)" as defined in the Internal Revenue Code Subtitle A to areas under exclusive federal jurisdiction and excludes areas under exclusive state legislative jurisdiction.

See: <http://famguardian.org/TaxFreedom/CitesByTopic/UnitedStates.htm>

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

6. Admit that the rules of statutory construction state the following:

1                   *"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one*  
2 *thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles,*  
3 *170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. When certain persons*  
4 *or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be*  
5 *inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects*  
6 *of a certain provision, other exceptions or effects are excluded."*  
7 *[Black's Law Dictionary, Sixth Edition, p. 581]*

8  
9 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

10  
11 CLARIFICATION:\_\_\_\_\_

- 12 7. Admit that the rules of statutory construction above apply to the interpretation of all statutes, including the Internal  
13 Revenue Code and all 50 titles of the [U.S. Code](#).

14 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

15  
16 CLARIFICATION:\_\_\_\_\_

- 17 8. Admit that observing the rules of statutory construction above and the following Supreme Court rulings in the case of  
18 the definition of "[United States](#)" defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) results in excluding states of the Union  
19 from the definition of "[United States](#)".

20                   *"It should never be held that Congress intends to supersede or by its legislation suspend the exercise of the*  
21 *police powers of the States, even when it may do so, unless its purpose to effect that result is clearly*  
22 *manifested."*  
23 *[Reid v. Colorado, [187 U.S. 137](#), 148 (1902)]*  
24

25                   *"The principle thus applicable has been frequently stated. It is that the Congress may circumscribe its*  
26 *regulation and occupy a limited field, and that the intention to supersede the exercise by the State of its*  
27 *authority as to matters not covered by the federal legislation is not to be implied unless the Act of Congress*  
28 *fairly interpreted is in conflict with the law of the State. See Savage v. Jones, [225 U.S. 501, 533](#)."*  
29 *[Atchison, T. & S. F. R. Co. v. Railroad Commission, [283 U.S. 380, 392](#) –393 (1931)]*  
30

31                   *"If Congress is authorized to act in a field, it should manifest its intention clearly. It will not be presumed that a*  
32 *federal statute was intended to supersede the exercise of the power of the state unless there is a clear*  
33 *manifestation of intention to do so. The exercise of federal supremacy is not lightly to be presumed."*  
34 *[Schwartz v. Texas, [344 U.S. 199](#), 202-203 (1952)]*

35 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

36  
37 CLARIFICATION:\_\_\_\_\_

- 38 9. Admit that the term "[United States](#)" as used in the Constitution and "[United States](#)" and as used in [26 U.S.C.](#)  
39 [§7701](#)(a)(9) and (a)(10) refer to two mutually exclusive geographical areas.

40                   *"Foreign Laws: "The laws of a foreign country or sister state. In conflicts of law, the legal principles of*  
41 *jurisprudence which are part of the law of a sister state or nation. Foreign laws are additions to our own laws,*  
42 *and in that respect are called 'jus receptum'."*  
43 *[Black's Law Dictionary, Sixth Edition, p. 647]*

44                   *"Foreign States: "Nations outside of the United States...Term may also refer to another state; i.e. a sister*  
45 *state. The term 'foreign nations', ...should be construed to mean all nations and states other than that in which*  
46 *the action is brought; and hence, one state of the Union is foreign to another, in that sense."*  
47 *[Black's Law Dictionary, Sixth Edition, p. 648]*

48 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

49  
50 CLARIFICATION:\_\_\_\_\_

1. Admit that all earnings originating within the “United States” defined in 26 U.S.C. §7701(a)(9) and (a)(10) fall within the classification of a “trade or business” under 26 U.S.C. §864(c )(3).

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > § 864  
§864. Definitions and special rules

(c) Effectively connected income, etc.

(3) Other income from sources within United States

All income, gain, or loss from sources within the United States (other than income, gain, or loss to which paragraph (2) applies) shall be treated as effectively connected with the conduct of a trade or business within the United States.

#### Income Subject to Tax

*Income from sources outside the United States that is not effectively connected with a trade or business in the United States is not taxable if you receive it while you are a nonresident alien. The income is not taxable even if you earned it while you were a resident alien or if you became a resident alien or a U.S. citizen after receiving it and before the end of the year.*  
[IRS Publication 519, Year 2000, p. 26]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that the ONLY place where EVERYTHING is connected with a public office/”trade or business” in the U.S. government is the government itself, and hence, the term “United States” as used in the phrase “sources within the United States” within the I.R.C. Subtitle A can ONLY mean the GOVERNMENT of the United States and NOT any geographic place.

*“Loughborough v. Blake, 5 Wheat. 317, 5 L. ed. 98, was an action of trespass or, as appears by the original record, replevin, brought in the circuit court for the District of Columbia to try the right of Congress to impose a direct tax for general purposes on that District. 3 Stat. at L. 216, chap. 60. It was insisted that Congress could act in a double capacity: in one as legislating [182 U.S. 244, 260] for the states; in the other as a local legislature for the District of Columbia. In the latter character, it was admitted that the power of levying direct taxes might be exercised, but for District purposes only, as a state legislature might tax for state purposes; but that it could not legislate for the District under art. 1, 8, giving to Congress the power 'to lay and collect taxes, imposts, and excises,' which 'shall be uniform throughout the United States,' inasmuch as the District was no part of the United States [described in the Constitution]. It was held that the grant of this power was a general one without limitation as to place, and consequently extended to all places over which the government extends; and that it extended to the District of Columbia as a constituent part of the United States. The fact that art. 1, 2, declares that 'representatives and direct taxes shall be apportioned among the several states . . . according to their respective numbers' furnished a standard by which taxes were apportioned, but not to exempt any part of the country from their operation. 'The words used do not mean that direct taxes shall be imposed on states only which are represented, or shall be apportioned to representatives; but that direct taxation, in its application to states, shall be apportioned to numbers.' That art. 1, 9, 4, declaring that direct taxes shall be laid in proportion to the census, was applicable to the District of Columbia, 'and will enable Congress to apportion on it its just and equal share of the burden, with the same accuracy as on the respective states. If the tax be laid in this proportion, it is within the very words of the restriction. It is a tax in proportion to the census or enumeration referred to.' It was further held that the words of the 9th section did not 'in terms require that the system of direct taxation, when resorted to, shall be extended to the territories, as the words of the 2d section require that it shall be extended to all the states. They therefore may, without violence, be understood to give a rule when the territories shall be taxed, without imposing the necessity of taxing them.'”*  
[Downes v. Bidwell, 182 U.S. 244 (1901)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

### 3.3 Citizenship

For additional information on the subjects covered in this section, please refer to:

Why You Are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

1. Admit that if "United States" in the phrase "sources within the United States" means the GOVERNMENT, and no geographic place, then the statutory terms "U.S. citizen" and "U.S. resident" can only be synonyms for the government and have nothing to do with the nationality of the "person":

*"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]*

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > Sec. 7701.

[Sec. 7701. - Definitions](#)

(a)(30) United States person

The term "United States person" means -

(A) a citizen or resident of the United States,

(B) a domestic partnership,

(C) a domestic corporation,

(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

(E) any trust if -

(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that because there are THREE definitions for the term "United States", according to the U.S. Supreme Court in *Hooven and Allison v. Evatt* earlier, then there are potentially THREE distinctly different types of "citizens of the United States", depending on which definition is implied.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

3. Admit that it is up to NO ONE BUT ME to decide WHICH of the three types of "citizens" I want to be, because choice of citizenship is an act of First Amendment political association that cannot be coerced.

[TITLE 22](#) > [CHAPTER 38](#) > § 2721

[§ 2721. Impermissible basis for denial of passports](#)

*A passport may not be denied issuance, revoked, restricted, or otherwise limited because of any speech, activity, belief, affiliation, or membership, within or outside the United States, which, if held or conducted within the United States, would be protected by the first amendment to the Constitution of the United States.*

**"The citizen cannot complain, 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."**

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that a human being who did not “voluntarily submit” himself as above by choosing a domicile in the “United States” would be called a “non-citizen national”, just like foreigners visiting here who retain their domicile in a foreign country are called “nationals”.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

5. Admit that DOMICILE rather than one’s NATIONALITY is the origin of the government’s authority to tax:

***“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]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

6. Admit that a passport is evidence of ALLEGIANCE rather than DOMICILE.

***“No passport shall be granted or issued to or verified for any other persons than those owing allegiance, whether citizens or not, to the United States.”***  
[22 U.S.C. §212]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

7. Admit that the only status within Title 8 of the U.S. code connected EXCLUSIVELY and ONLY with “allegiance” is that of a “national”.

*8 U.S.C. §1101: Definitions*

*(a) As used in this chapter—*

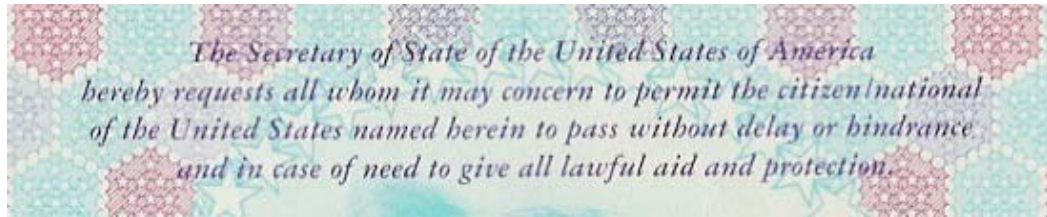
*(21) The term "national" means a person owing permanent allegiance to a state.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

8. Admit that U.S.A. passport identifies TWO groups of people eligible to receive it: “citizen” OR “national”:





“citizen/national”= “citizen” OR “national”

“/”= “virgule”

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

9. Admit that one can be a “national” WITHOUT being a statutory “citizen” under 8 U.S.C. §1401:

“7 Foreign Affairs Manual Section 012(a)

a. U.S. Nationals Eligible for Consular Protection and Other Services:

Nationality is the principal relationship that connects an individual to a State. International law recognizes the right of a State to afford diplomatic and consular protection to its nationals and to represent their interests. Under U.S. law the term "national" is inclusive of citizens but "citizen" is not inclusive of nationals. All U.S. citizens are U.S. nationals. Section 101(a)(22) INA (8 U.S.C. 1101(a)(22)) provides that the term "national of the United States" means (A) a citizen of the United States, or (B ) a person who, though not a citizen of the United States, owes permanent allegiance to the United States. U.S. nationals are eligible for U.S. consular protection.  
[SOURCE: <http://www.state.gov/documents/organization/86556.pdf>]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

10. Admit that the only type of “residence” within the I.R.C. is one connected to aliens and that “citizens” cannot have a “residence” within the I.R.C. as statutorily defined:

Title 26: Internal Revenue  
PART I—INCOME TAXES  
nonresident alien individuals  
§ 1.871-2 Determining residence of alien individuals.

(b) Residence defined.

An alien actually present in the United States who is not a mere transient or sojourner is a resident of the United States for purposes of the income tax. Whether he is a transient is determined by his intentions with regard to the length and nature of his stay. A mere floating intention, indefinite as to time, to return to another country is not sufficient to constitute him a transient. If he lives in the United States and has no definite intention as to his stay, he is a resident. One who comes to the United States for a definite purpose which in its nature may be promptly accomplished is a transient but, if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a resident. though it may be his intention at all times to return to his domicile abroad when the purpose for which he came has been consummated or abandoned. An alien whose stay in the United States is limited to a definite period by the immigration laws is not a resident of the United States within the meaning of this section, in the absence of exceptional circumstances.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

11. Admit that the term “resident” as used in the I.R.C. Subtitle A means someone engaged in a “trade or business”, and has nothing to do with the nationality or physical location of the person.

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.  
[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

12. Admit that a public officer lawfully exercising a public office within a federal corporation is treated as having an effective civil domicile in the place of incorporation of the corporation, which for the “United States” government corporation is the District of Columbia.

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 [the “United States”, in this case, or its officers on official duty representing the corporation], by the law under which it was organized [laws of the District of Columbia]; 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: \_\_\_\_\_

### **3.4 Taxpayer Identification Numbers (TINs)**

For additional information on the subjects covered in this section, please refer to:

<p><i>Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205</i> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
---

1. Admit that nonresident aliens may only be required to use Taxpayer Identification Numbers if they are engaged in a “trade or business”, which 26 U.S.C. §7701(a)(26) defines as a public office in the U.S. government.

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.

(2) Foreign persons.

The provisions of paragraph (b)(1) of this section regarding the furnishing of one's own number shall apply to the following foreign persons--

(i) A foreign person that has income effectively connected with the conduct of a U.S. trade or business at any time during the taxable year;

(ii) A foreign person that has a U.S. office or place of business or a U.S. fiscal or paying agent at any time during the taxable year;

(iii) A nonresident alien treated as a resident under section 6013(g) or (h);

(iv) A foreign person that makes a return of tax (including income, estate, and gift tax returns), an amended return, or a refund claim under this title but excluding information returns, statements, or documents;

(v) A foreign person that makes an election under Sec. 301.7701-3(c);

(vi) A foreign person that furnishes a withholding certificate described in Sec. 1.1441-1(e)(2) or (3) of this chapter or Sec. 1.1441-5(c)(2)(iv) or (3)(iii) of this chapter to the extent required under Sec. 1.1441-1(e)(4)(vii) of this chapter;

(vii) A foreign person whose taxpayer identifying number is required to be furnished on any return, statement, or other document as required by the income tax regulations under section 897 or 1445. This paragraph (b)(2)(vii) applies as of November 3, 2003; and

(viii) A foreign person that furnishes a withholding certificate described in Sec. 1.1446-1(c)(2) or (3) of this chapter or whose taxpayer identification number is required to be furnished on any return, statement, or other document as required by the income tax regulations under section 1446. This paragraph (b)(2)(viii) shall apply to partnership taxable years beginning after May 18, 2005, or such earlier time as the regulations under Sec. 1.1446-1 through 1.1446-5 of this chapter apply by reason of an election under Sec. 1.1446-7 of this chapter.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that those nonresident aliens who use a Taxpayer Identification Number but who do not lawfully occupy a public office in the U.S. Government are committing the crime of impersonating a public officer in violation of 18 U.S.C. §912.

[TITLE 18 > PART I > CHAPTER 43 > § 912](#)  
[§ 912. Officer or employee of the United States](#)

*Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money, paper, document, or thing of value, shall be fined under this title or imprisoned not more than three years, or both.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that nonresident aliens not engaged in a "trade or business" are expressly exempted from the requirement to furnish a Taxpayer Identification Number.

*Title 31: Money and Finance: Treasury*  
[PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS](#)  
[Subpart C—Records Required To Be Maintained](#)  
[§ 103.34 Additional records to be made and retained by banks.](#)

*(a)(3) A taxpayer identification number required under paragraph (a)(1) of this section need not be secured for accounts or transactions with the following:*

[ . . . ]

(x) non-resident aliens who are not engaged in a trade or business in the United States.

*In instances described in paragraphs (a)(3), (viii) and (ix) of this section, the bank shall, within 15 days following the end of any calendar year in which the interest accrued in that year is \$10 or more use its best effort to secure and maintain the appropriate taxpayer identification number or application form therefor.*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

### 3.5 Federal jurisdiction

For additional information on the subjects covered in this section, please refer to:

1. Federal Jurisdiction, Form #05.018  
<http://sedm.org/Forms/FormIndex.htm>
2. Tax Deposition Questions, Form #03.016  
<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>

1. Admit that the federal government has no legislative jurisdiction within states of the Union according to the U.S. Supreme Court.

*"It is no longer open to question that the general [federal] 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)]

*"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 [or taxation] 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)]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that Subtitle A of the Internal Revenue Code qualifies as "legislation" with respect to the above court ruling(s).

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

3. Admit that because the Subtitle A of the Internal Revenue Code qualifies as "legislation", then its jurisdiction does not include areas internal to states of the Union, excepting possibly federal areas under the exclusive jurisdiction of the United States and coming under Article 1, Section 8, Clause 17 of the Constitution.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

4. Admit that the District of Columbia and the territories and possessions of the United States are outside of areas within the exclusive jurisdiction of states of the Union and outside the "United States" as used in the Constitution.

"As the only judicial power vested in Congress is to create courts whose judges shall hold their offices during good behavior, it necessarily follows that, if Congress authorizes the creation of courts and the appointment of judges for limited time, it must act independently of the Constitution upon territory which is not part of the United States within the meaning of the Constitution."  
[O'Donohue v. United States, 289 U.S. 516, 53 S.Ct. 740 (1933)]

"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution . . . and excludes from the term the signification attached to it by writers on the law of nations.' This case was followed in Barney v. Baltimore, 6 Wall. 280, 18 L. ed. 825, and quite recently in Hooe v. Jamieson, 166 U.S. 395, 41 L. ed. 1049, 17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in New Orleans v. Winter, 1 Wheat. 91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In Scott v. Jones, 5 How. 343, 12 L. ed. 181, and in Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."  
[Downes v. Bidwell, 182 U.S. 244 (1901), emphasis added]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

5. Admit that the District of Columbia and territories and possessions of the United States are subject to the exclusive legislative jurisdiction of the federal government under Article 1, Section 8, Clause 17 of the Constitution.

United States Constitution, Article 1, Section 8, Clause 17

*To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of Particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards and other needful Buildings;--And*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

6. Admit that IRS Form 1040 (not 1040NR, but 1040) is intended to be submitted only by those who are "citizens or residents" of the "United States".

1040A 11327A Each  
U.S. Individual Income Tax Return

Annual income tax return **filed by citizens and residents of the United States**. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions  
[IRS Published Products Catalog, Document 7130, Year, 2003, p. F-15]

7. Admit that those who do not maintain a "domicile" within the District of Columbia or the territories or possessions of the United States do not qualify as either "citizens" or "residents" of the "United States" as used above.

**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



1 residence but only one domicile. The legal domicile of a person is important since it, rather than the actual  
2 residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise  
3 the privilege of voting and other legal rights and privileges. The established, fixed, permanent, or ordinary  
4 dwellingplace or place of residence of a person, as distinguished from his temporary and transient, though  
5 actual, place of residence. It is his legal residence, as distinguished from his temporary place of abode; or his  
6 home, as distinguished from a place to which business or pleasure may temporarily call him. See also Abode;  
7 Residence.

8 "Citizenship," "habitation," and "residence" are severally words which in particular cases may mean precisely  
9 the same as "domicile," while in other uses may have different meanings.

10 "Residence" signifies living in particular locality while "domicile" means living in that locality with intent to  
11 make it a fixed and permanent home. *Schreiner v. Schreiner*, Tex.Civ.App., 502 S.W.2d 840, 843.

12 For purpose of federal diversity jurisdiction, "citizenship" and "domicile" are synonymous. *Hendry v. Masonite*  
13 *Corp.*, C.A.Miss., 455 F.2d 955.  
14 [Black's Law Dictionary, Sixth Edition, p. 485]

15  
16 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

17 CLARIFICATION:\_\_\_\_\_

- 18  
19 8. Admit that under [4 U.S.C. §72](#), all those exercising a "public office" within the federal government must do so in the  
20 District of Columbia and NOT elsewhere.

21 [TITLE 4 > CHAPTER 3 > § 72](#)  
22 [§ 72. Public offices; at seat of Government](#)

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

25 [\[http://www4.law.cornell.edu/uscode/html/uscode04/usc\\_sec\\_04\\_00000072----000-.html\]](http://www4.law.cornell.edu/uscode/html/uscode04/usc_sec_04_00000072----000-.html)

26 YOUR ANSWER (circle one): Admit/Deny

27 CLARIFICATION:\_\_\_\_\_

- 28 9. Admit that there is no provision of law extending "public offices" to any state of the Union as required by the above  
29 positive law statute.

30 YOUR ANSWER (circle one): Admit/Deny

31 CLARIFICATION:\_\_\_\_\_

- 32 10. Admit that [48 U.S.C. §1612](#)(a) extends the authority of the Secretary of the Treasury to enforce Title 26, Subchapter F  
33 to the Virgin Islands.

34 YOUR ANSWER (circle one): Admit/Deny

35 CLARIFICATION:\_\_\_\_\_

- 36 11. Admit that Congress has not "expressly" extended the authority of the Secretary of the Treasury to any one of the  
37 several states of the Union.

38 YOUR ANSWER (circle one): Admit/Deny

39 CLARIFICATION:\_\_\_\_\_

- 40 12. Admit that there is no statutory authority or [Treasury Order](#) which would "expressly" extend the authority of the  
41 Secretary outside the District of Columbia to the several Union states.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

13. Admit that [26 U.S.C. §7621](#) authorizes the President of the United States to establish internal revenue districts.

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 78](#) > [Subchapter B](#) > § 7621  
[§ 7621. Internal revenue districts](#)

(a) Establishment and alteration

*The President shall establish convenient internal revenue districts for the purpose of administering the internal revenue laws. The President may from time to time alter such districts.*

(b) Boundaries

For the purpose mentioned in subsection (a), the President may subdivide any State, or the District of Columbia, or may unite into one district two or more States.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

14. Admit that the United States Constitution forbids the President of the United States to “join or divide” any state of the Union.

*United States Constitution  
Article 4, Section 3, Clause 1*

*New States may be admitted by the Congress into this Union; but no new State shall be formed or erected within the Jurisdiction of any other State; nor any State be formed by the Junction of two or more States, or Parts of States, without the Consent of the Legislatures of the States concerned as well as of the Congress.*

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

15. Admit that [26 U.S.C. §7621](#) authorizes the President of the United States to join or divide “States”:

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

16. Admit that pursuant [26 U.S.C. §7621](#), the President has not authorized any part of any state of the Union to be part of any internal revenue district.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

17. Admit that the “State” referred to in [26 U.S.C. §7621](#) above is a federal “State” defined in 4 U.S.C. §110(d), which is a territory or possession of the United States and includes no part of any state of the Union:

[TITLE 4](#) > [CHAPTER 4](#) > § 110  
[§ 110. Same; definitions](#)

*As used in sections 105–109 of this title—*

(d) The term “State” includes any Territory or possession of the United States.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

18. Admit that the states of the Union are not “territories” of the United States:

*Corpus Juris Secundum Legal Encyclopedia  
Territories  
"§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 C.J.S. [Corpus, Juris, Secundum, Legal Encyclopedia], Territories, §1, Emphasis added]*

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

19. Admit that pursuant to [Executive Order 10289](#), the President has delegated to the Secretary of the Treasury the authority to establish internal revenue districts.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

20. Admit that the Secretary of the Treasury has not established internal revenue districts which include any part of any state of the Union that is not federal territory or property.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

21. Admit that the only existing internal revenue district is the District of Columbia.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

22. Admit that pursuant to [26 U.S.C. §7601](#), the only place the IRS is authorized to search for taxable persons and property is within internal revenue districts created by the President.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

23. Admit that the term “State” as used in the Constitution includes states of the Union and excludes territories and possessions of the United States or the “State” mentioned in 4 U.S.C. §110(d).

*"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term the signification attached to it by writers on the law of nations.' This case was followed in Barney v. Baltimore, 6 Wall. 280, 18 L. ed. 825, and quite recently in Hooe v. Jamieson, 166 U.S. 395, 41 L. ed. 1049, 17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in New Orleans v. Winter, 1 Wheat. 91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In Scott v. Jones, 5 How. 343, 12 L. ed. 181, and in Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."*  
[Downes v. Bidwell, 182 U.S. 244 (1901)]

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

24. Admit that the term “State” as defined in 4 U.S.C. §110(d) refers to a territory or possession of the United States pursuant to the Buck Act.

TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
CHAPTER 4 - THE STATES

Sec. 110. Same; definitions

(d) The term "State" includes any Territory or possession of the United States.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

25. Admit that the term “State” as used 4 U.S.C. §110(d) is the “State” upon which state income taxes are levied pursuant to the Buck Act, 4 U.S.C. §§105-113.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

26. Admit that states of the Union are foreign, for the purposes of federal legislative jurisdiction, for most federal subject matters.

Foreign States: "Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense."  
[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 648]

Foreign Laws: "The laws of a foreign country or sister state."  
[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 647]

**Dual citizenship.** Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.  
[Black's Law Dictionary, Sixth Edition, page 498]

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

27. Admit that following are the only subject matters for which the states of the Union are "domestic" for the purposes of federal legislative jurisdiction, pursuant to the authority of the Constitution of the United States of America.
- Counterfeiting pursuant to Article 1, Section 8, Clause 5 of the United States Constitution.
  - Postal matters pursuant to Article 1, Section 8, Clause 7 of the United States Constitution.
  - Foreign commerce pursuant to Article 1, Section 8, Clause 3 of the United States Constitution.
  - Treason pursuant to Article 4, Section 2, Clause 2 of the United States Constitution.
  - Property, contracts, and franchises of the U.S. Government coming under [Article 4](#), Section 3, Clause 2 of the United States Constitution.
  - Jurisdiction over aliens (foreign nationals who are NOT state nationals), which is a foreign relations issue reserved exclusively to the federal and not state government. See *Chae Chan Ping v. U.S.*, 130 U.S. 581 (1889).

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

28. Admit that what makes a human being a statutory "U.S. citizen" under [8 U.S.C. §1401](#) is a legal domicile on federal territory.

*"The writers upon the law of nations distinguish between a temporary residence in a foreign country for a special purpose and a residence accompanied with an intention to make it a permanent place of abode. The latter is styled by Vattel [in his book The Law of Nations as] "domicile," which he defines to be "a habitation fixed in any place, with an intention of always staying there." **Such a person, says this author, becomes a member of the new society at least as a permanent inhabitant, and is a kind of citizen of the inferior order from the native citizens, but is, nevertheless, united and subject to the society,** without participating in all its advantages. **This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration.** Vatt. [Law Nat.](#) pp. 92, 93. **Grotius nowhere uses the word "domicile," but he also distinguishes between those who stay in a foreign country by the necessity of their affairs, or from any other temporary cause, and those who reside there from a permanent cause. The former he denominates "strangers," and the latter, "subjects."** The rule is thus laid down by Sir Robert Phillimore:*

*There is a class of persons which cannot be, strictly speaking, included in either of these denominations of naturalized or native citizens, namely, the class of those who have ceased to reside [maintain a domicile] in their native country, and have taken up a permanent abode in another. **These are domiciled inhabitants. They have not put on a new citizenship through some formal mode enjoined by the law or the new country. They are de facto, though not de jure, citizens of the country of their [new chosen] domicile.***  
[Fong Yue Ting v. United States, [149 U.S. 698](#) (1893)]

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

29. Admit that there is no provision of currently enacted law, including "judge-made law" that "expressly extends" beyond the District of Columbia and the Virgin Islands: 1. Enforcement of the Internal Revenue Code by the IRS; 2. "Public offices" needed to conduct said enforcement.

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_



30. Admit that because there is neither legislative authority to enforce the Internal Revenue Code in states of the Union, nor any Treasury order that establishes internal revenue districts within any state of the Union, that the states of the Union are “foreign” with respect to the jurisdiction of [Internal Revenue Code, Subtitle A](#).

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

31. Admit that according to the U.S. Supreme Court, the taxing powers of Congress do not extend into any 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)]

*"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)]

YOUR ANSWER (circle one): Admit/Deny

CLARIFICATION: \_\_\_\_\_

### 3.6 Liability

For additional information on the subjects covered in this section, please refer to:

1. [Tax Deposition Questions](#), Form #03.016, Section 1: Liability.  
<http://sedm.org/Forms/FormIndex.htm>
2. [Sovereignty Forms and Instructions Online](#), Cites By Topic: “liability”  
<http://famguardian.org/TaxFreedom/CitesByTopic/Liability.htm>
3. [Great IRS Hoax](#), Form #11.302, Section 5.5: Why We Aren’t Liable to File Tax Returns or Keep Records  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>
4. [Great IRS Hoax](#), Form #11.302, Section 5.6: Why We Aren’t Liable to Pay Income Tax  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

1. Admit that the only statute within Internal Revenue Code which makes a person liable for the tax described in Subtitle A is withholding agents on nonresident aliens found in [26 U.S.C. §1461](#).

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that there is no other statute applicable within [I.R.C. Subtitle A](#) which creates a duty or liability for the average American domiciled in a state of the Union.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION: \_\_\_\_\_

1 3. Admit that the only condition in which a “citizens or residents of the United States” can owe a tax under the I.R.C. is  
2 when they are abroad pursuant to [26 U.S.C. §911](#).

3  
4 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

5  
6 CLARIFICATION:\_\_\_\_\_

7 4. Admit that there is no statute within the Internal Revenue Code Subtitle A which institutes a tax upon “citizens or  
8 residents of the United States” when they are NOT “abroad” pursuant to [26 U.S.C. §911](#).

9  
10 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

11  
12 CLARIFICATION:\_\_\_\_\_

13 5. Admit that the term “abroad” is nowhere defined in the Internal Revenue Code or the Treasury Regulations.

14  
15 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

16  
17 CLARIFICATION:\_\_\_\_\_

18 6. Admit that the term “abroad” cannot lawfully include any part of a state of the Union.

19  
20 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

21  
22 CLARIFICATION:\_\_\_\_\_

23 7. Admit that what “citizens and residents of the United States” mentioned in [26 U.S.C. §911](#) have in common is a legal  
24 domicile in the “United States”, which is described in 26 U.S.C. §911(d)(3) as an “abode”.

25 *Abode. One's home; habitation; place of dwelling; or residence. Ordinarily means "domicile." Living place*  
26 *impermanent in character. Fowler v. Fowler, 156 Fla. 316, 22 So.2d 817, 818. The place where a person*  
27 *dwells. In re Erickson, 18 N.J.Misc. 5, 10 A.2d 142, 146. Residence of a legal voter. Pope v. Board of*  
28 *Education Com'rs, 370 Ill. 196, 18 N.E.2d 214, 216. Fixed place of residence for the time being. Augustus Co.,*  
29 *for Use of Bourgeois v. Manzella, 19 N.J.Misc. 29, 17 A.2d 68, 70. For service of process, one's fixed place of*  
30 *residence for the time being; his "usual place of abode." Fed.R. Civil P.4. Kurilla v Roth, 132 N.J.L. 213, 38*  
31 *A.2d 862, 864. See Domicile; Residence.*  
32 *[Black's Law Dictionary, Sixth Edition, p. 7]*

33  
34 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

35  
36 CLARIFICATION:\_\_\_\_\_

37 8. Admit that only “aliens” can have a “residence” under I.R.C. Subtitle A and that there is no provision within the I.R.C.  
38 which associates either a “national” or a “citizen” with a “residence”.

39 *Title 26: Internal Revenue*  
40 *PART 1—INCOME TAXES*  
41 *nonresident alien individuals*  
42 *§ 1.871-2 Determining residence of alien individuals.*

43 *(b) Residence defined.*

44 *An alien actually present in the United States who is not a mere transient or sojourner is a resident of the*  
45 *United States for purposes of the income tax. **Whether he is a transient is determined by his intentions with***  
46 ***regard to the length and nature of his stay.** A mere floating intention, indefinite as to time, to return to another*  
47 *country is not sufficient to constitute him a transient. If he lives in the United States and has no definite*  
48 *intention as to his stay, he is a resident. **One who comes to the United States for a definite purpose which in***  
49 ***its nature may be promptly accomplished is a transient; but, if his purpose is of such a nature that an***  
50 ***extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily***  
51 ***in the United States, he becomes a resident,** though it may be his intention at all times to return to his domicile*  
52 *abroad when the purpose for which he came has been consummated or abandoned. An alien whose stay in the*

United States is limited to a definite period by the immigration laws is not a resident of the United States within the meaning of this section, in the absence of exceptional circumstances.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

9. Admit that the “abode” within the “United States” described in [26 U.S.C. §911](#)(d)(3) is the same “United States” defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10).

TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. [Internal Revenue Code]  
[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.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

### 3.7 How One “volunteers” to participate in the “trade or business” franchise

For additional information on the subjects covered in this section, please refer to:

1. *Tax Deposition Questions*, Section 1  
<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>
2. *Great IRS Hoax*, Form #11.302, Sections 5.4 through 5.4.27.8 entitled “The ‘Voluntary’ Aspect of Income Taxes  
<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>
3. *Requirement for Consent*, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

1. Admit that if the I.R.C. Subtitle A describes a franchise agreement or contract, then it doesn’t need a liability statute.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that the term “wages” includes only amounts earned in connection with employment under which a W-4 is in place.

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, **the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

(b) Remuneration for services.

(1) Except as provided in subparagraph (2) of this paragraph, the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a). For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)-1 and 31.3401(d)-1 for the definitions of "employee" and "employer".

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that a person who never submitted a IRS Form W-4 in the context of their private employment cannot earn "wages" as defined above.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that a "voluntary withholding agreement" or "agreement" is a contract.

**"Agreement.** A meeting of two or more minds; a coming together in opinion or determination; the coming together in accord of two minds on a given proposition. In law, a concord of understanding and intention between two or more parties with respect to the effect upon their relative rights and duties, of certain past or future facts or performances. **The consent of two or more persons concurring respecting the transmission of some property, right, or benefits, with the view of contracting an obligation, a mutual obligation.**

"A manifestation of mutual assent on the part of two or more persons as to the substance of a contract. Restatement, Second, Contracts, §3.

"The act of two or more persons, who unite in expressing a mutual and common purpose, with the view of altering their rights and obligations. The union of two or more minds in a thing done or to be done; a mutual assent to do a thing. A compact between parties are there are thereby subjected to the obligation or to whom the contemplated right is thereby secured. "[Black's Law Dictionary, Sixth Edition, p. 67]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

5. Admit the IRS Form W-4 is entitled "Employee Withholding Allowance Certificate" says NOTHING about the formation of a "contract" or "agreement" anywhere on the form.

See the following for IRS form W-4: [http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormw4\\_01.pdf](http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormw4_01.pdf)

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

6. Admit that no federal legislative jurisdiction within states of the Union is required in order to enforce a private contract called a W-4 between a sovereign American and the federal government in a federal court.

**"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)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

7. Admit that consent to the constructive contract formed by signing and submitting the IRS Form W-4 must be procured voluntarily and absent duress in order to be legally enforceable against the parties to it.

"duress. Any unlawful threat or coercion used by a person to induce another to act (or to refrain from acting) in a manner he or she otherwise would not (or would). Subjecting person to improper pressure which overcomes his will and coerces him to comply with demand to which he would not yield if acting as free agent. Head v. Gadsden Civil Service Bd., Ala.Civ.App., 389 So.2d 516, 519. Application of such pressure or constraint as compels man to go against his will, and takes away his free agency, destroying power of refusing to comply with unjust demands of another. Haumont v. Security State Bank, 220 Neb. 809, 374 N.W.2d 2,6.

...

A contract entered into under duress by physical compulsion is void. Also, if a party's manifestation of assent to a contract is induced by an improper threat by the other party that leaves the victim no reasonable alternative, the contract is voidable by the victim. Restatement, Second, Contracts §§174, 175.

As a defense to a civil action, it must be pleaded affirmatively. Fed.R.Civil P. 8(c )."

[Black's Law Dictionary, Sixth Edition, p. 504]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

8. Admit that threats by a private employer against prospective or current private employees to the effect that refusal to sign or submit an form W-4 will result in termination of employment or refusal to hire cannot be considered "voluntary" and must instead be considered to be instituted under duress.

"voluntary. Unconstrained by interference; unimpelled by another's influence; spontaneous; acting of oneself. Coker v. State, 199 Ga. 20, 33 S.E.2d 171, 174. Done by design or intention. Proceeding from the free and unrestrained will of the person. Produced in or by an act of choice. Resulting from free choice, without compulsion or solicitation. The word, especially in statutes, often implies knowledge of essential facts. Without valuable consideration; gratuitous, as a voluntary conveyance. Also, having a merely nominal consideration; as, a voluntary deed."

[Black's Law Dictionary, Sixth Edition, p. 1575]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

9. Admit that any contract obtained under duress is voidable and unenforceable against the party who was under the duress.

"An agreement [consent] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced. <sup>1</sup> Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract

<sup>1</sup> Brown v Pierce, 74 U.S. 205, 7 Wall 205, 19 L Ed 134



or conveyance voidable, not void, at the option of the person coerced,<sup>2</sup> and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it.<sup>3</sup> However, duress in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void.<sup>4</sup>”  
[American Jurisprudence 2d, Duress, Section 21]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

10. Admit that acts accomplished or liabilities contracted under duress are legally treated as having been performed by or executed by the source of the duress, and not the person acting under the duress.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

11. Admit that federal officials, including employees of the IRS, who condone or tolerate the imposition of duress are parties to it, and under federal law, become “accessories after the fact”, which is a criminal act.

[TITLE 18 > PART I > CHAPTER 1 > § 3](#)  
[§ 3. Accessory after the fact](#)

*Whoever, knowing that an offense against the United States has been committed, receives, relieves, comforts or assists the offender in order to hinder or prevent his apprehension, trial or punishment, is an accessory after the fact.*

*Except as otherwise expressly provided by any Act of Congress, an accessory after the fact shall be imprisoned not more than one-half the maximum term of imprisonment or (notwithstanding section 3571) fined not more than one-half the maximum fine prescribed for the punishment of the principal, or both; or if the principal is punishable by life imprisonment or death, the accessory shall be imprisoned not more than 15 years.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

12. Admit that an IRS form W-2 provided by a private employer on a W-2 creates at least a “presumption” of receipt of “wages” in block 1. This is because 26 CFR §31.3401(a)-3 says that a person can only receive “wages” if they submit a W-4 agreement to their private employer.

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

*(a) In general. Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, **the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).*

*(b) Remuneration for services. (1) Except as provided in subparagraph (2) of this paragraph, the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a). For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3),*

<sup>2</sup> *Barnette v Wells Fargo Nevada Nat'l Bank*, 270 U.S. 438, 70 L Ed 669, 46 S Ct 326 (holding that acts induced by duress which operate solely on the mind, and fall short of actual physical compulsion, are not void at law, but are voidable only, at the election of him whose acts were induced by it); *Faske v Gershman*, 30 Misc 2d 442, 215 NYS2d 144; *Glenney v Crane* (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962); *Carroll v Fetty*, 121 W Va 215, 2 SE2d 521, cert den 308 U.S. 571, 84 L Ed 479, 60 S Ct 85.

<sup>3</sup> *Faske v Gershman*, 30 Misc 2d 442, 215 NYS2d 144; *Heider v Unicume*, 142 Or 416, 20 P2d 384; *Glenney v Crane* (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)

<sup>4</sup> Restatement 2d, Contracts § 174, stating that if conduct that appears to be a manifestation of assent by a party who does not intend to engage in that conduct is physically compelled by duress, the conduct is not effective as a manifestation of assent.

respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)-1 and 31.3401(d)-1 for the definitions of "employee" and "employer".

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

13. Admit that a nonzero amount for "wages" in block 1 of a W-2 form creates a rebuttable "presumption" in the mind of the IRS that the subject of the W-2 completed and submitted an IRS Form W-4 to their private employer.

See preceding question, [26 CFR §31.3401\(a\)-3\(a\)](#) .

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

14. Admit that a person who never submitted an IRS form W-4 to their employer and thereby consented or "agreed" to participate in federal income taxes, should have a zero amount listed in block 1 of the W-2 filed by their private employer.

See [26 CFR §31.3401\(a\)-3\(a\)](#) above, in question 17.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

15. Admit that the same result as the preceding question also applies in the case of an employee who submitted a W-4 under duress but who in fact did not wish to participate. To do otherwise would be to condone theft and robbery.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

16. Admit that the only method available for rebutting false presumptions about the receipt of "wages" is to complete, sign, and submit an IRS Form 4852 or W-2c or 4598 to the IRS and/or one's private employer.

See the following for sample IRS Form 4852: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm4852.pdf>

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

17. Admit that the IRS DOES NOT make the IRS Form 4598 entitled "Form W-2, 1099, 1098, or 1099 Not Received, Incorrect or Lost" available to the public on their website.

See: <http://www.irs.gov/formspubs/index.html>

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

18. Admit that not making the IRS Form 4598 available on the IRS website has the effect of increasing IRS revenues derived from involuntarily withheld payroll taxes.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

19. Admit that when an IRS employee or IRS publication encourages private nonfederal employers to withhold earnings from their private employees against their will or without their informed voluntary consent constitutes involuntary servitude in violation of the Thirteenth Amendment to the U.S. Constitution, extortion under the color of office, and peonage.

Thirteenth Amendment

Section 1. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

Section 2. Congress shall have power to enforce this article by appropriate legislation.

TITLE 42 > CHAPTER 21 > SUBCHAPTER I > Sec. 1994.  
Sec. 1994. - Peonage abolished

The holding of any person to service or labor under the system known as peonage is abolished and forever prohibited in any Territory or State of the United States; and all acts, laws, resolutions, orders, regulations, or usages of any Territory or State, which have heretofore established, maintained, or enforced, or by virtue of which any attempt shall hereafter be made to establish, maintain, or enforce, directly or indirectly, the voluntary or involuntary service or labor of any persons as peons, in liquidation of any debt or obligation, or otherwise, are declared null and void

**"extortion under the color of office. ...Unlawful taking by any officer by color of his office, of any money or thing of value, that is not due to him, or more than is due or before it is due." 4 Bla.Comm. 141; Com. v. Saulsbury, 152 Pa. 554, 25 A. 610; U.S. v. Denver, D.C.N.C. 14 F. 595; Bush v. State, 19 Ariz. 195, 168 P. 508, 509..."Obtaining property from another, induced by wrongful use of force or fear, OR under color of official right." See State v. Logan, 104 La. 760, 29 So. 336; In re Rempfer, 51 S.D. 393, 216 N.W. 355, 359, 55 A.L.R. 1346; Lee v. State, 16 Ariz. 291, 145 P. 244, 246, Ann.Cas. 1917B, 131."**  
[Black's Law Dictionary, Fourth Edition]

"That is does not conflict with the Thirteenth Amendment, which abolished slavery and involuntary servitude, except as a punishment for crime, is too clear for argument. **Slavery implies involuntary servitude—a state of bondage; the ownership of mankind as a chattel, or at least the control of the labor and services of one man for the benefit of another, and the absence of a legal right to the disposal of his own person, property, and services.** This amendment was said in the Slaughter House Cases, 16 Wall, 36, to have been intended primarily to abolish slavery, as it had been previously known in this country, and that it equally forbade Mexican peonage or the Chinese coolie trade, when they amounted to slavery or involuntary servitude and that the use of the word 'servitude' was intended to prohibit the use of all forms of involuntary slavery, of whatever class or name."  
[Plessy v. Ferguson, 163 U.S. 537, 542 (1896)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

20. Admit that the decision to either hold public office or sign a W-4 agreement is a voluntary personal decision that cannot be coerced, and if it is, it becomes invalid and unenforceable at the option of the person so coerced.

"An agreement [consent] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced.<sup>5</sup> Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract or conveyance voidable, not void, at the option of the person coerced,<sup>6</sup> and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it. <sup>7</sup> However, duress

<sup>5</sup> Brown v Pierce, 74 U.S. 205, 7 Wall 205, 19 L Ed 134

<sup>6</sup> Barnette v Wells Fargo Nevada Nat'l Bank, 270 U.S. 438, 70 L Ed 669, 46 S.Ct. 326 (holding that acts induced by duress which operate solely on the mind, and fall short of actual physical compulsion, are not void at law, but are voidable only, at the election of him whose acts were induced by it); Faske v Gershman, 30 Misc 2d 442, 215 NYS2d 144; Glenney v Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962); Carroll v Fetty, 121 W Va 215, 2 SE2d 521, cert den 308 U.S. 571, 84 L Ed 479, 60 S.Ct. 85.

<sup>7</sup> Faske v Gershman, 30 Misc 2d 442, 215 NYS2d 144; Heider v Unicum, 142 Or 416, 20 P2d 384; Glenney v Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)

1 in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of  
2 doing so, is generally deemed to render the resulting purported contract void.<sup>8</sup>  
3 [American Jurisprudence 2d, Duress, Section 21]

4 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

5  
6 CLARIFICATION:\_\_\_\_\_

- 7 21. Admit that because holding public office is “voluntary”, then all taxes based upon this activity must also be voluntary  
8 and avoidable for those who are not already “public officers”.

9  
10 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

11  
12 CLARIFICATION:\_\_\_\_\_

- 13 22. Admit that because holding public office is “voluntary”, then all taxes based upon this activity must also be voluntary  
14 and avoidable.

15  
16 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

17  
18 CLARIFICATION:\_\_\_\_\_

- 19 23. Admit that the way to legally avoid taxes based on the activity of holding of a public office is to choose not to involve  
20 oneself in the activity.

21  
22 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

23  
24 CLARIFICATION:\_\_\_\_\_

### 25 **3.8 Withholding and Reporting**

26 For additional information on the subjects covered in this section, please refer to:

- 27 1. Income Tax Withholding and Reporting, Form #12.004: Short training course on income tax withholding and  
28 reporting.  
29 <http://sedm.org/Forms/FormIndex.htm>  
30 2. Federal and State Tax Withholding Options for Private Employers, Form #09.001  
31 <http://sedm.org/Forms/FormIndex.htm>  
32 3. Federal Tax Withholding, Form #04.102: Terse summary of the content of item 2 above.  
33 <http://sedm.org/Forms/FormIndex.htm>  
34 4. Correcting Erroneous Information Returns, Form #04.001: How to correct false IRS Forms W-2, 1042s, 1098, and  
35 1099.  
36 <http://sedm.org/Forms/FormIndex.htm>

- 37  
38 1. Admit that IRS Form W-4 is identified as an “agreement” in the Treasury Regulations.

39 [26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

40 (a) In general. Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the  
41 regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section  
42 with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References  
43 in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this  
44 section (§31.3401(a)-3).  
45

---

<sup>8</sup> Restatement 2d, Contracts § 174, stating that if conduct that appears to be a manifestation of assent by a party who does not intend to engage in that conduct is physically compelled by duress, the conduct is not effective as a manifestation of assent.

Title 26: Internal Revenue  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
§ 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 §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. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that “private employers”, which are entities not engaged in a “public office”, are not required to enter into any kind of agreements:

IRM 5.14.10.2 (09-30-2004)  
Payroll Deduction Agreements

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[<http://www.irs.gov/irm/part5/ch14s10.html>]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that the term “wages” is defined in 26 U.S.C. §3401(a).

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that the IRS Form W-2 may only lawfully be filed in connection with persons who have signed IRS Form W-4 agreements.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

5. Admit that the IRS Form W-2 is called an “information return” by the IRS.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

6. Admit that all information returns may only be filed in connection with a “trade or business” pursuant to 26 U.S.C. §6041(a).

TITLE 26 > Subtitle F > CHAPTER 61 > Subchapter A > PART III > Subpart B > § 6041  
§ 6041. Information at source

(a) Payments of \$600 or more



All persons engaged in a trade or business and making payment in the course of such trade or business to another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044 (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is required under the authority of section 6042 (a)(2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

7. Admit that all earnings reported on an IRS Form W-2 are “trade or business” earnings connected with a “public office” in the United States government.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

8. Admit that information returns filed against a person who is not engaged in a “trade or business” or a “public office” are false and that those who submit them, if notified they are false, are engaged in criminal FRAUD if they submit said information returns to the government.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

9. Admit that a biological person who does not work for the federal government as a “public officer” and who did not voluntarily sign and submit an IRS Form W-4 is not engaged in a “trade or business” and may not lawfully have any amount of earnings reported against him or her on an IRS Form W-2 without violating [26 U.S.C. §7206](#) and [7207](#).

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 75](#) > [Subchapter A](#) > [PART I](#) > § 7206  
[§ 7206. Fraud and false statements](#)

Any person who—

(1) Declaration under penalties of perjury

Willfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter; or

(2) Aid or assistance

Willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any matter arising under, the internal revenue laws, of a return, affidavit, claim, or other document, which is fraudulent or is false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document; or

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

10. Admit that withholding and levies in connection with earnings from employment apply ONLY to “wages” as legally defined and NOT against all earnings, meaning that they apply only to the portion of one’s earnings that are connected with a “public office” or “trade or business” and therefore connected to a “public use”.

**Public use.** Eminent domain. The constitutional and statutory basis for taking property by eminent domain. For condemnation purposes, "public use" is one which confers some benefit or advantage to the public; it is not confined to actual use by public. It is measured in terms of right of public to use proposed facilities for which condemnation is sought and, as long as public has right of use, whether exercised by one or many members of public, a "public advantage" or "public benefit" accrues sufficient to constitute a public use. *Montana Power Co. v. Bokma*, Mont., 457 P.2d 769, 772, 773.

Public use, in constitutional provisions restricting the exercise of the right to take property in virtue of eminent domain, means a use concerning the whole community distinguished from particular individuals. But each and every member of society need not be equally interested in such use, or be personally and directly affected by it; if the object is to satisfy a great public want or exigency, that is sufficient. *Ringe Co. v. Los Angeles County*, 262 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186. The term may be said to mean public usefulness, utility, or advantage, or what is productive of general benefit. It may be limited to the inhabitants of a small or restricted locality, but must be in common, and not for a particular individual. The use must be a needful one for the public, which cannot be surrendered without obvious general loss and inconvenience. A "public use" for which land may be taken defies absolute definition for it changes with varying conditions of society, new appliances in the sciences, changing conceptions of scope and functions of government, and other differing circumstances brought about by an increase in population and new modes of communication and transportation. *Katz v. Brandon*, 156 Conn. 521, 245 A.2d 579, 586.

See also *Condemnation; Eminent domain*.  
[*Black's Law Dictionary*, Sixth Edition, p. 1232]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

11. Admit that the IRS Individual Master File (IMF) applies the tax to one's "wages" as legally defined and NOT all of their earnings or to wages as commonly understood.

See: <http://famguardian.org/TaxFreedom/Instructions/0.8ObtAndAnalyzingIMF.htm>

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

12. Admit that a subset of those holding "public office" are described as "employees" within 26 U.S.C. §3401(c ) and [26 CFR §31.3401\(c \)-1](#).

[26 U.S.C. §3401\(c \) Employee](#)

For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, 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.

[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."

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

13. Admit that the "employee" defined above is the SAME "employee" described in IRS Form W-4.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

14. Admit that the IRS Form W-4 may not lawfully be used to initiate withholding against a person who was not ALREADY engaged in a "public office" BEFORE they signed the form. In other words, admit that the W-4 form does not CREATE a "public office" but simply authorizes taxation of an EXISTING public office within the U.S. government.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

15. Admit that the use or abuse of IRS Form W-4 to CREATE public offices in the U.S. government would constitute a criminal violation of 18 U.S.C. §912 and a civil violation of 4 U.S.C. §72.

[TITLE 18 > PART I > CHAPTER 43 > § 912](#)  
[§ 912. Officer or employee of the United States](#)

*Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money, paper, document, or thing of value, shall be fined under this title or imprisoned not more than three years, or both.*

[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.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

16. Admit that IRS Forms W-2, 1042s, 1098, and 1099 cannot lawfully be used to CREATE public offices, but merely document the exercise of those already lawfully occupying said office pursuant to Article VI of the United States Constitution.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

17. Admit that if IRS Forms W-2, 1042s, 1098, and 1099 are used to "elect" an otherwise private person involuntarily into public office that he or she does not consent to occupy, the filer of the information return is criminally liable for:  
1.1. Filing false returns and statements pursuant to 26 U.S.C. §§7206, 7207.  
1.2. Impersonating a public officer pursuant to 18 U.S.C. §912.  
1.3. Involuntary servitude in violation of 18 U.S.C. §§1581, 1593 and the Thirteenth Amendment.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

18. Admit that one cannot be an "employee" as defined above or within the meaning of 5 U.S.C. §2105 without also being engaged in a "trade or business" activity.

[TITLE 5 > PART III > Subpart A > CHAPTER 21 > § 2105](#)  
[§ 2105. Employee](#)

*(a) For the purpose of this title, "employee", except as otherwise provided by this section or when specifically modified, means an officer and an individual who is—*

*(1) appointed in the civil service by one of the following acting in an official capacity—*

(A) the President;  
(B) a Member or Members of Congress, or the Congress;  
(C) a member of a uniformed service;  
(D) an individual who is an employee under this section;  
(E) the head of a Government controlled corporation; or  
(F) an adjutant general designated by the Secretary concerned under section 709 (c) of title 32;

(2) engaged in the performance of a Federal function under authority of law or an Executive act; and  
(3) subject to the supervision of an individual named by paragraph (1) of this subsection while engaged in the performance of the duties of his position.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

19. Admit that the practical affect of signing a W-4 agreement is to make one's earnings into "wages" as legally defined in [26 U.S.C. §3401](#) and to make them into "gross income".

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 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 §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. See §31.3405(c)–1, Q&A–3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

20. Admit that the above provision within 26 CFR §31.3402(p)-1(a) is NOT found anywhere within the I.R.C. and therefore is unenforceable.

"When enacting §7206(1) Congress undoubtedly knew that the Secretary of the Treasury is empowered to prescribe all needful rules and regulations for the enforcement of the internal revenue laws, so long as they carry into effect the will of Congress as expressed by the statutes. Such regulations have the force of law. The Secretary, however, does not have the power to make law."<sup>9</sup>  
[United States v. Levy, 533 F.2d 969 (1976)]

Finally, the Government points to the fact that the Treasury Regulations relating to the statute purport to include the pick-up man among those subject to the s 3290 tax,<sup>FN1</sup> and argues (a) that this constitutes an administrative interpretation to which we should give weight in construing the statute, particularly because (b) section 3290 was carried over in haec verba into [s 4411 of the Internal Revenue Code of 1954, 26 U.S.C.A. s 4411. We find neither argument persuasive. In light of the above discussion, \\*359 we cannot but regard this Treasury Regulation as no more than an attempted addition to the statute of something which is not there.](#)<sup>FN12</sup> [As such the regulation can furnish no sustenance to the statute. Koshland v. Helvering, 298 U.S. 441, 446-447, 56 S.Ct. 767, 769-770, 80 L.Ed. 1268.](#)  
[U.S. v. Calamaro, 354 U.S. 351, 77 S.Ct. 1138 (U.S. 1957)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

<sup>9</sup> Dixon v. United States, 1965, 381 U.S. 68, 85 S.Ct. 1301, 14 L.Ed.2d 223; Werner v. United States, 7 Cir., 1959, 264 F.2d 489; Whirlwind Manufacturing Company v. United States, 5 Cir., 1965, 344 F.2d 153.

### 3.9 Assessment authority

For additional information on the subjects covered in this section, please refer to:

1. Authorities on “assessment”: Family Guardian Cites by Topic  
<http://famguardian.org/TaxFreedom/CitesByTopic/assessment.htm>
2. Why the Government Can’t Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011  
<http://sedm.org/Forms/FormIndex.htm>
3. Tax Deposition Questions, Form #03.016, Section 13 entitled “26 U.S.C. §6020(b) Substitute For Returns”  
<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Deposition.htm>

- 
1. Admit that an involuntary assessment is called a “Substitute For Return (SFR)” by the IRS.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that I.R.C. 6020(b) is the authority for the IRS to do involuntary assessments.

*TITLE 26 > Subtitle F > CHAPTER 61 > Subchapter A > PART II > Subpart D > § 6020*  
*§ 6020. Returns prepared for or executed by Secretary*

*(a) Preparation of return by Secretary*

*If any person shall fail to make a return required by this title or by regulations prescribed thereunder, but shall consent to disclose all information necessary for the preparation thereof, then, and in that case, the Secretary may prepare such return, which, being signed by such person, may be received by the Secretary as the return of such person.*

*(b) Execution of return by Secretary*

*(1) Authority of Secretary to execute return*

*If any person fails to make any return required by any internal revenue law or regulation made thereunder at the time prescribed therefor, or makes, willfully or otherwise, a false or fraudulent return, the Secretary shall make such return from his own knowledge and from such information as he can obtain through testimony or otherwise.*

*(2) Status of returns*

*Any return so made and subscribed by the Secretary shall be prima facie good and sufficient for all legal purposes.*

[SOURCE: [http://www.law.cornell.edu/uscode/html/uscode26/usc\\_sec\\_26\\_00006020----000-.html](http://www.law.cornell.edu/uscode/html/uscode26/usc_sec_26_00006020----000-.html)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that Internal Revenue Manual, Section 5.1.11.6.8 describes and limits I.R.C. 6020(b) authority of the IRS.

*Internal Revenue Manual 5.1.11.6.8 (03-01-2007)*  
*IRC 6020(b) Authority*

*1. The following returns may be prepared, signed and executed by revenue officers under the authority of IRC 6020(b):*

- A. Form 940, Employer’s Annual Federal Unemployment Tax Return;*
- B. Form 941, Employer’s Quarterly Federal Tax Return;*
- C. Form 943, Employer’s Annual Tax Return for Agricultural Employees;*



- D. Form 944, Employer's Annual Federal Tax Return;  
E. Form 720, Quarterly Federal Excise Tax Return;  
F. Form 2290, Heavy Vehicle Use Tax Return;  
G. Form CT-1, Employer's Annual Railroad Retirement Tax Return;  
H. Form 1065, U.S. Return of Partnership Income.

2. Pursuant to IRM 1.2.44.5, Delegations of Authority, Order Number 182 (rev. 7), dated 5/5/1997, revenue officers GS-09 and above, and Collection Support Function managers GS-09 and above, have the authority to prepare and execute returns under IRC 6020(b).  
[SOURCE: <http://www.irs.gov/irm/part5/ch01s12.html>]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

4. Admit that IRS Forms 1040, 1040NR, etc are not listed in IRM 5.1.11.6.8 as forms which are authorized to have SFR's done against them.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

5. Admit that IRS Form 1040 or 1040NR are the type of form you expect me to file as part of this proceeding.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

6. Admit that the IRS admitted in Congressional Research Service Report GAO/GGD-00-60R that "Substitute For Returns" are not "returns", but simply PROPOSED assessments.

*"In its response to this letter, IRS officials indicated that they do not generally prepare actual tax returns. Instead, they said IRS prepares substitute documents that propose assessments. Although IRS and legislation refer to this as the substitute for return program, these officials said that the document does not look like an actual tax return."*

[Congressional Research Service Report GAO/GGD-00-60R;

SOURCE: <http://famguardian.org/PublishedAuthors/Govt/GAO/GAO-GGD-00-60R-SFR.pdf>]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

7. Admit that the U.S. Supreme Court said that our system of income taxation is based upon voluntary assessment and not "distrainment", meaning enforcement.

*"Our system of taxation is based upon voluntary assessment and payment, not distrainment."*  
[Flora v. U.S., 362 U.S. 145 (1960)]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

### 3.10 Who are "taxpayers"

For more information about the subjects covered in this section, refer to the pamphlet below:

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

1. Admit that the only married and unmarried individuals mentioned within the Internal Revenue Code Section 1 are “aliens” and therefore “residents” who have income “effectively connected with a “trade or business”.

NORMAL TAXES AND SURTAXES  
DETERMINATION OF TAX LIABILITY  
Tax on Individuals  
[Sec. 1.1-1 Income tax on individuals.](#)

(a)(2)(ii) For taxable years beginning after December 31, 1970, the tax imposed by section 1(d), as amended by the Tax Reform Act of 1969, shall apply to the income effectively connected with the conduct of a trade or business in the United States by a **married alien individual who is a nonresident of the United States for all or part of the taxable year or by a foreign estate or trust.** For such years the tax imposed by section 1(c), as amended by such Act, shall apply to the income effectively connected with the conduct of a trade or business in the United States by an **unmarried alien individual (other than a surviving spouse) who is a nonresident of the United States for all or part of the taxable year.** See paragraph (b)(2) of section 1.871-8.”  
[26 CFR § 1.1-1(a)(2)(ii)]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that there is such a thing as a “nontaxpayer”, and that such a person is characterized by not coming within the jurisdiction of the Internal Revenue Code.

*“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)]  
<http://famguardian.org/TaxFreedom/Forms/Discovery/Deposition/Evidence/Q03.038.pdf>

See also: 26 U.S.C. §7426, which mentions “persons other than taxpayers”, as well as South Carolina v. Regan, 465 U.S. 367 (1984), which mentions “nontaxpayers”.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

3. Admit that a “**resident**” is defined in 26 U.S.C. §7701(b)(1)(B).

[26 U.S.C. §7701\(b\)\(1\)\(A\) Resident alien](#)

(b) **Definition of resident alien and nonresident alien**

(1) In general

For purposes of this title (other than subtitle B) -

(A) **Resident alien**

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

(i) Lawfully admitted for permanent residence

Such individual is a lawful permanent resident of the United States at any time during such calendar year.

(ii) Substantial presence test

Such individual meets the substantial presence test of paragraph (3).

(iii) First year election

Such individual makes the election provided in paragraph (4).

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

4. Admit that the only type of “[resident](#)” defined in the Internal Revenue Code are “aliens” as shown above.

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.871-2 Determining residence of alien individuals.](#)

(b) Residence defined.

An alien actually present in the United States who is not a mere transient or sojourner is a resident of the United States for purposes of the income tax. **Whether he is a transient is determined by his intentions with regard to the length and nature of his stay.** A mere floating intention, indefinite as to time, to return to another country is not sufficient to constitute him a transient. If he lives in the United States and has no definite intention as to his stay, he is a resident. **One who comes to the United States for a definite purpose which in its nature may be promptly accomplished is a transient; but, if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a resident,** though it may be his intention at all times to return to his domicile abroad when the purpose for which he came has been consummated or abandoned. An alien whose stay in the United States is limited to a definite period by the immigration laws is not a resident of the United States within the meaning of this section, in the absence of exceptional circumstances.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

5. Admit that there is no definition of “[resident](#)” anywhere in the I.R.C. or Treasury Regulations which would enlarge or expand upon the definition of “[resident](#)” above.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

6. Admit that a person cannot simultaneously be a “[resident](#)” and a “citizen” at the same time and that these are two mutually exclusive classes of persons.

[26 CFR §1.1-1\(c\): Income Tax on individuals](#)

(c) Who is a citizen.

Every person born or naturalized in the [federal] [United States](#) and subject to its [exclusive federal jurisdiction under [Article I, Section 8](#), Clause 17 of the [Constitution](#)] jurisdiction is a citizen. For other rules governing the acquisition of citizenship, see chapters 1 and 2 of title III of the [Immigration and Nationality Act](#) ([8 U.S.C. 1401-1459](#)). For rules governing loss of citizenship, see sections 349 to 357, inclusive, of such Act ([8 U.S.C. 1481-1489](#)), *Schneider v. Rusk*, (1964) [377 U.S. 163](#), and Rev. Rul. 70-506, C.B. 1970-2, 1. For rules pertaining to persons who are [nationals but not citizens at birth](#), e.g., a person born in American Samoa, see section 308 of such Act ([8 U.S.C. 1408](#)). For special rules applicable to certain expatriates who have lost citizenship with a principal purpose of avoiding certain taxes, see [section 877](#). A [foreigner](#) who has filed his declaration of intention of becoming a citizen but who has not yet been admitted to citizenship by a final order of a naturalization court is an alien.  
[\[26 CFR §1.1-1\(c\)\]](#)

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

1 7. Admit that the document entitled “[Law of Nations](#)” defines “[resident](#)” as follows:

2 “Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the  
3 country. Being bound to the society by reason of their dwelling in it, they are subject to its laws so long as they  
4 remain there, and, being protected by it, they must defend it, although they do not enjoy all the rights of citizens.  
5 They have only certain privileges which the law, or custom, gives them. Permanent residents are those who  
6 have been given the right of perpetual residence. They are a sort of citizen of a less privileged character, and  
7 are subject to the society without enjoying all its advantages. Their children succeed to their status; for the  
8 right of perpetual residence given them by the State passes to their children.”

9 [The Law of Nations, Vattel, Book I, Chapter 19, Section 213, p. 87, SEDM Exhibit #04.015]

10 [SOURCE: <http://sedm.org/Exhibits/ExhibitIndex.htm>]

11  
12 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

13  
14 CLARIFICATION:\_\_\_\_\_

15 8. Admit that American Citizens domiciled within states of the Union do not qualify as “residents” within the meaning of  
16 [26 U.S.C. §7701](#)(b)(1)(B) unless they elect to do so under the provisions of [26 U.S.C. §6013](#)(g).

17 [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 61](#) > [Subchapter A](#) > [PART II](#) > [Subpart B](#) > § 6013  
18 [§ 6013. Joint returns of income tax by husband and wife](#)

19 (g) Election to treat nonresident alien individual as resident of the United States

20 (1) In general

21 A nonresident alien individual with respect to whom this subsection is in effect for the taxable year  
22 shall be treated as a resident of the United States—

23 (A) for purposes of chapter 1 for all of such taxable year, and

24 (B) for purposes of chapter 24 (relating to wage withholding) for payments of wages  
25 made during such taxable year.

26 (2) Individuals with respect to whom this subsection is in effect

27 This subsection shall be in effect with respect to any individual who, at the close of the taxable year  
28 for which an election under this subsection was made, was a nonresident alien individual married to  
29 a citizen or resident of the United States, if both of them made such election to have the benefits of  
30 this subsection apply to them.

31 (3) Duration of election

32 An election under this subsection shall apply to the taxable year for which made and to all  
33 subsequent taxable years until terminated under paragraph (4) or (5); except that any such election  
34 shall not apply for any taxable year if neither spouse is a citizen or resident of the United States at  
35 any time during such year.

36 (4) Termination of election

37 An election under this subsection shall terminate at the earliest of the following times:

38 (A) Revocation by taxpayers

39 If either taxpayer revokes the election, as of the first taxable year for which the last day  
40 prescribed by law for filing the return of tax under chapter 1 has not yet occurred.

41 (B) Death

42 In the case of the death of either spouse, as of the beginning of the first taxable year of  
43 the spouse who survives following the taxable year in which such death occurred; except  
44 that if the spouse who survives is a citizen or resident of the United States who is a  
45 surviving spouse entitled to the benefits of section 2, the time provided by this  
46 subparagraph shall be as of the close of the last taxable year for which such individual is  
47 entitled to the benefits of section 2.

(C) Legal separation

*In the case of the legal separation of the couple under a decree of divorce or of separate maintenance, as of the beginning of the taxable year in which such legal separation occurs.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

9. Admit that the term “continental United States”, for the purposes of citizenship, is defined in [8 CFR §215.1](#) as follows:

*[Code of Federal Regulations]  
[Title 8, Volume 1]  
[Revised as of January 1, 2002]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 8CFR215]*

*TITLE 8--ALIENS AND NATIONALITY CHAPTER I--IMMIGRATION AND NATURALIZATION SERVICE,  
DEPARTMENT OF JUSTICE  
PART 215--CONTROLS OF ALIENS DEPARTING FROM THE UNITED STATES  
[Section 215.1: Definitions](#)*

*(f) The term continental United States means the District of Columbia and the several [States](#), except Alaska and Hawaii.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

10. Admit that the term “State” within the context of federal citizenship is defined in [8 U.S.C. §1101](#)(a)(36):

[8 U.S.C. §1101\(a\)\(36\)](#): *State [Aliens and Nationality]*

*The term "State" includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands of the United States.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

11. Admit that a person born in a state of the Union was not born in a “State” or within the “continental United States” within the meanings defined above.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

12. Admit that there is no other definition of “State” or “continental United States” anywhere in Title 8 of the U.S. Code that might modify or enlarge the meanings of “State” or “continental United States” within the context of citizenship under federal law.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

13. Admit that the term “individual” appearing in the upper left corner of the IRS Form 1040 is defined as follows:

[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.

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

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

14. Admit that there are no other definitions or explanations of the term “individual” within the Internal Revenue Code that would modify or enlarge the definition of “individual” beyond what appears above.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

15. Admit that “Individual Taxpayer Identification Numbers” may ONLY be issued to “aliens” under 26 CFR §301.6109-1(d)(3) and that there is no authority to issue them to “citizens”:

[26 CFR §301.6109-1\(d\)\(3\)](#)

(3) IRS individual taxpayer identification number –

(i) Definition.

The term IRS individual taxpayer identification number means a taxpayer identifying number **issued to an alien individual** by the Internal Revenue Service, upon application, for use in connection with filing requirements under this title. **The term IRS individual taxpayer identification number does not refer to a social security number or an account number for use in employment for wages.** For purposes of this section, the term alien individual means an individual who is not a citizen or national of the United States.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

16. Admit that SSN’s may be used VOLUNTARILY under [26 U.S.C. §6109\(d\)](#) as a substitute for a “Taxpayer Identification Number”, but only in the case of “aliens” and not “citizens”:

[TITLE 26 > Subtitle F > CHAPTER 61 > Subchapter B > § 6109](#)  
[§ 6109. Identifying numbers](#)

(d) Use of social security account number

The social security account number issued to an individual for purposes of section 205(c)(2)(A) of the Social Security Act shall, except as shall otherwise be specified under regulations of the Secretary, be used as the identifying number for such individual for purposes of this title.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

1 17. Admit that Social Security participation is voluntary for those who are not engaged in a “trade or business”.

2 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

3  
4 CLARIFICATION:\_\_\_\_\_

5 18. Admit that because Social Security participation is voluntary as described above, then the only people who can  
6 lawfully be “Taxpayers” are “aliens”

7 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

8  
9 CLARIFICATION:\_\_\_\_\_

10 19. Admit that a statutory “[U.S. citizen](#)” defined in [8 U.S.C. §1401](#) and who is domiciled abroad in a foreign country is an  
11 “alien” with respect to a tax treaty with that foreign country.

12 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

13  
14 CLARIFICATION:\_\_\_\_\_

15 20. Admit that the estate of a “nonresident alien” who has no income “effectively connected with a trade or business” is  
16 called a “foreign estate”.

17 [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
18 [§ 7701. Definitions](#)

19 (31) Foreign estate or trust

20 (A) Foreign estate

21 *The term “foreign estate” means an estate the income of which, from sources without the United States which is*  
22 *not effectively connected with the conduct of a trade or business within the United States, is not includible in*  
23 *gross income under subtitle A.*

24  
25 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

26  
27 CLARIFICATION:\_\_\_\_\_

28 21. Admit that “foreign” in the above context means “not subject to the Internal Revenue Code”.

29 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

30  
31 CLARIFICATION:\_\_\_\_\_

32 22. Admit that persons who are not subject to the Internal Revenue Code are described as “nontaxpayers”.

33 [26 U.S.C. Sec. 7701\(a\)\(14\)](#)

34 *Taxpayer*

35 *The term “taxpayer” means any person subject to any internal revenue tax.*  
36 \_\_\_\_\_

37 *“Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and*  
38 *not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the*  
39 *Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and*  
40 *no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers]*  
41 *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 F2d 585 (1972)]  
SOURCE: [http://famguardian.org/TaxFreedom/Authorities/Circuit/EconomyPlumbHtgVUnitedStates-470F2d585\(1972\).pdf](http://famguardian.org/TaxFreedom/Authorities/Circuit/EconomyPlumbHtgVUnitedStates-470F2d585(1972).pdf)

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

### 3.11 Taxable “activities” and “taxable income”

For more information about the subjects covered in this section, refer to the pamphlet below:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

1. Admit that the term “trade or business” is defined in [26 U.S.C. §7701\(a\)\(26\)](#).

[26 U.S.C. §7701\(a\)\(26\)](#)

*“The term ‘trade or business’ includes the performance of the functions [activities] of a public office.”*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that there are no other definitions or references in I.R.C. Subtitle A relating to a “trade or business” which would change or expand the definition of “trade or business” above to include things other than a “public office”.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that a “trade or business” is an “activity”.

**“Trade or Business in the United States**

*Generally, you must be engaged in a trade or business during the tax year to be able to treat income received in that year as effectively connected with that trade or business. **Whether you are engaged in a trade or business in the United States depends on the nature of your activities.** The discussions that follow will help you determine whether you are engaged in a trade or business in the United States.”*  
*[IRS Publication 519, Year 2000, p. 15, emphasis added]*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that all excise taxes are taxes on privileged or licensed “activities”.

*“Excise tax. A tax imposed on the performance of an act, the engaging in an occupation, or the enjoyment of a privilege. *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.”*  
*[Black’s Law Dictionary, Sixth Edition, p. 563]*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

1 5. Admit that holding “[public office](#)” in the United States government is an “activity”.

2 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

3 CLARIFICATION:\_\_\_\_\_

4  
5 6. Admit that those holding “[public office](#)” are described as “[employees](#)” within [26 CFR §31.3401\(c\)-1](#).

6 [26 CFR §31.3401\(c\)-1 Employee:](#)

7 “...the term [employee] includes officers and employees, whether elected or appointed, of the United States, a  
8 [federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or any  
9 agency or instrumentality of any one or more of the foregoing. The term ‘employee’ also includes an officer of a  
10 corporation.”

11 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

12 CLARIFICATION:\_\_\_\_\_

13  
14  
15 7. Admit that one cannot be engaged in a “trade or business” WITHOUT ALSO being an “employee” as defined above.

16 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

17 CLARIFICATION:\_\_\_\_\_

18  
19 8. Admit that all revenues collected under the authority of I.R.C. Subtitle A in connection with a “trade or business” are  
20 upon the entity engaged in the “activity”, who are identified in [26 U.S.C. §7701](#)(a)(26) as those holding “public  
21 office”.

22 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

23 CLARIFICATION:\_\_\_\_\_

24  
25 9. Admit that the decision to hold public office is a voluntary personal decision that cannot be coerced.

26 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

27 CLARIFICATION:\_\_\_\_\_

28  
29 10. Admit that because holding public office is “[voluntary](#)”, then all taxes based upon this activity must also be voluntary  
30 and avoidable.

31 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

32 CLARIFICATION:\_\_\_\_\_

33  
34 11. Admit that the way to legally avoid taxes based on the activity of holding of a public office is to choose not to involve  
35 oneself in the activity.

36 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

37 CLARIFICATION:\_\_\_\_\_

38  
39 12. Admit that there are no taxable “activities” mentioned anywhere within Subtitle A of the Internal Revenue Code except  
40 that of a “trade or business” as defined within [26 U.S.C. §7701](#)(a)(26).

41 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

42

CLARIFICATION: \_\_\_\_\_

13. Admit that all taxes falling upon “public officers” are upon the office, and not upon the private person performing the functions of the public office during his off-duty time.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

14. Admit that a tax upon a “[public office](#)” rather than directly upon a natural person is an “indirect” rather than a “direct” tax within the meaning of the Constitution Of the United States.

*“Direct taxes bear immediately upon persons, upon the possession and enjoyment of rights; indirect taxes are levied upon the happening of an event as an exchange.”  
[Knowlton v. Moore, 178 U.S. 41 (1900)]*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

15. Admit that *all* earnings originating within the “[United States](#)” defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) fall within the classification of a “trade or business” under [26 U.S.C. §864](#)(c )(3).

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART I](#) > § 864  
[§864. Definitions and special rules](#)

(c) Effectively connected income, etc.

(3) Other income from sources within United States

*All income, gain, or loss from sources within the United States (other than income, gain, or loss to which paragraph (2) applies) shall be treated as effectively connected with the conduct of a trade or business within the United States.*

**Income Subject to Tax**

*Income from sources outside the United States that is not effectively connected with a trade or business in the United States is not taxable if you receive it while you are a nonresident alien. The income is not taxable even if you earned it while you were a resident alien or if you became a resident alien or a U.S. citizen after receiving it and before the end of the year.  
[IRS Publication 519, Year 2000, p. 26]*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

16. Admit that the amount of “taxable income” defined in [26 U.S.C. §863](#) that a person must include in “gross income” within the meaning of [26 U.S.C. §61](#) is determined by their earnings from a “trade or business” plus any earnings of “nonresident aliens” coming under [26 U.S.C. §871](#)(a).

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART I](#) > **Sec. 863.**  
[Sec. 863.](#) - Special rules for determining source

(a) Allocation under regulations

*Items of gross income, expenses, losses, and deductions, other than those specified in sections 861(a) and 862(a), shall be allocated or apportioned to sources within or without the United States, under regulations prescribed by the Secretary. Where items of gross income are separately allocated to sources within the United States, there shall be deducted (for the purpose of computing the taxable income therefrom) the expenses, losses, and other deductions properly apportioned or allocated thereto and a ratable part of other expenses,*



losses, or other deductions which cannot definitely be allocated to some item or class of gross income. The remainder, if any, shall be included in full as taxable income from sources within the United States.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

17. Admit that the phrase “from whatever source derived” found in the Sixteenth Amendment \c 7 DOES NOT mean any source, but a SPECIFIC taxable activity within the jurisdiction of the United States.

*“The Court has hitherto consistently held that a literal reading of a provision of the Constitution which defeats a purpose evident when the instrument is read as a whole, is not to be favored... [and one of the examples they give is...] ‘From whatever source derived,’ as it is written in the Sixteenth Amendment, does not mean from whatever source derived. Evans v. Gore, 253 U.S. 245, 40 S.Ct. 550, 11 A.L.R. 519. See, also, Robertson v. Baldwin, 165 U.S. 275, 281, 282 S., 17 S.Ct. 326; Gompers v. United States, 233 U.S. 604, 610, 34 S.Ct. 693, Ann.Cas.1915D, 1044; Bain Peanut Co. v. Pinson, 282 U.S. 499, 501, 51 S.Ct. 228, 229; United States v. Lefkowitz, 285 U.S. 452, 467, 52 S.Ct. 420, 424, 82 A.L.R. 775.”*  
[Wright v. U.S., 302 U.S. 583 (1938)]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

18. Admit that only earnings derived from a “trade or business” are includible in “gross income” for the purposes of “self employment”:

[TITLE 26 > Subtitle A > CHAPTER 2 > §1402](#)  
[§1402: Definitions](#)

(a) Net earnings from self-employment

*The term “net earnings from self-employment” means the gross income derived by an individual from any trade or business carried on by such individual, less the deductions allowed by this subtitle which are attributable to such trade or business, plus his distributive share (whether or not distributed) of income or loss described in section 702(a)(8) from any trade or business carried on by a partnership of which he is a member; ....*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

19. Admit that earnings from a “foreign employer” by a “nonresident alien” are not considered to be includible in “trade or business” income and therefore not “gross income:

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > §864](#)  
[§864. Definitions and special rules](#)

(b) Trade or business within the United States

*For purposes of this part, part II, and chapter 3, the term “trade or business within the United States” includes the performance of personal services within the United States at any time within the taxable year, but **does not include**—*

(1) Performance of personal services for foreign employer

*The performance of personal services—*

(A) for a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

(B) for an office or place of business maintained in a foreign country or in a possession of the United States by an individual who is a citizen or resident of the United States or by a domestic partnership or a domestic corporation,

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

20. Admit that private businesses in states of the Union that do not have Employer Identification Numbers and who do not do voluntary withholding on their workers qualify as “foreign employers” as described above.

[\*Internal Revenue Manual, Section 5.14.10.2 \(09-30-2004\)\*](#)

*Payroll Deduction Agreements*

2. **Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

[SOURCE: <http://www.irs.gov/irm/part5/ch13s10.html>]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

21. Admit that the term “personal services” is limited exclusively to services performed in connection with a “trade or business”.

[\*26 CFR Sec. 1.469-9 Rules for certain rental real estate activities.\*](#)

(b)(4) PERSONAL SERVICES. **Personal services** means any work performed by an individual in connection with a **trade or business**. However, personal services do not include any work performed by an individual in the individual's capacity as an investor as described in section 1.469-5T(f)(2)(ii).

[\*26 U.S.C. §861 Income from Sources Within the United States\*](#)

(a)(3) "...Compensation for labor or **personal services** performed in the United States shall not be deemed to be income from sources within the United States if-

(C) the compensation for labor or services performed as an **employee** of or under contract with--

(i) a **nonresident alien**, not engaged in a **trade or business in the United States**..."

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

22. Admit that there is no definition of “personal services” anywhere in the I.R.C. or the Treasury Regulations that would expand the definition of “personal services” beyond that appearing above.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

23. Admit that a nonresident alien with no earnings from a “trade or business” earns no “gross income” as defined in [\*26 U.S.C. §61\*](#).

[\*26 CFR § 1.872-2 Exclusions from gross income of nonresident alien individuals.\*](#)

(f) *Other exclusions.*

**Income which is from sources without[outside] the United States [District of Columbia and territories and possessions per 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code.**

For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

### 3.12 What is “Included”?

For more information about the subjects covered in this section, refer to the pamphlet below:

Meaning of the Words “Includes” and “Including”, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

1. Admit that the term “includes” is used in the definition of all of the following words in the Internal Revenue Code:

1. “person” in 26 U.S.C. §§6671 and 7343
2. “United States” in 26 U.S.C. §7701(a)(9)
3. “State” in 26 U.S.C. §7701(a)(10).
4. “trade or business” in 26 U.S.C. §7701(a)(26)
5. “employee” in 26 U.S.C. §7701(c).

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

2. Admit that the word “includes” is defined as follows in Black’s Law Dictionary, Sixth Edition:

**“Include.** (Lat. Inclaudere, to shut in. keep within.) To confine within, hold as an inclosure. Take in, attain, shut up, contain, inclose, comprise, comprehend, embrace, involve. Term may, according to context, express an enlargement and have the meaning of and or in addition to, or merely specify a particular thing already included within general words theretofore used. “Including” within statute is interpreted as a word of enlargement or of illustrative application as well as a word of limitation. Premier Products Co. v. Cameron, 240 Or. 123, 400 P.2d 227, 228.”  
[Black’s Law Dictionary, Sixth Edition, p. 763 (1990)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that the word “includes” is defined as follows in Treasury Decision 3980:

“(1) To **comprise, comprehend, or embrace**...(2) To **enclose within; contain; confine**...But granting that the word ‘**including**’ is a term of enlargement, it is clear that it **only** performs that office by introducing the **specific elements** constituting the enlargement. It thus, and thus **only**, enlarges the otherwise more **limited, preceding general language**...The word ‘including’ is obviously used in the sense of its **synonyms, comprising; comprehending; embracing**.”  
[Treasury Decision 3980, Vol. 29, January-December, 1927, pgs. 64 and 65;  
SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/includes-TD3980.pdf>]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that the word “includes” is defined as follows in [26 U.S.C. §7701\(c\)](#) :

[26 U.S.C. Sec. 7701\(c\) INCLUDES AND INCLUDING.](#)

The terms 'include' and 'including' when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined."

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

5. Admit that the U.S. Supreme Court has stated that statutory definitions of terms supersede and replace rather than enlarge the common definitions of terms.

**"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)]

"It is axiomatic that the statutory definition of the term excludes unstated meanings of that term. Colautti v. Franklin, 439 U.S. 379, 392, and n. 10 (1979). Congress' use of the term "propaganda" in this statute, as indeed in other legislation, has no pejorative connotation.[19] **As judges, it is our duty to [481 U.S. 485] construe legislation as it is written, not as it might be read by a layman, or as it might be understood by someone who has not even read it.**"

[Meese v. Keene, 481 U.S. 465, 484 (1987)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

6. Admit that the rules of statutory construction require that the definitions of words in statutes must prescribe EVERYTHING that is included:

**"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]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

7. Admit that all doubts about the meaning of words MUST be resolved in favor of the person upon which a tax is sought to be laid and NOT in favor of the government:

"...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)]

"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. 297 (1904)]

**Additional authorities:** Gould v. Gould, 245 U.S. 151, 153 (1917); Smietanka v. First Trust & Savings Bank, 257 U.S. 602, 606 (1922); Lucas v. Alexander, 279 U.S. 573, 577 (1929); Crooks v. Harrelson, 282 U.S. 55 (1930); Burnet v. Niagra Falls Brewing Co., 282 U.S. 648, 654 (1931); Miller v. Standard Nut Margarine Co., 284 U.S. 498, 508 (1932); Gregory v. Helvering, 293 U.S. 465, 469 (1935); Hassett v. Welch, 303 U.S. 303, 314

(1938); *U.S. v. Batchelder*, 442 U.S. 114, 123 (1978); *Security Bank of Minnesota v. CIA*, 994 F.2d 432, 436 (CA8 1993).

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

8. Admit that statutes which fail to explicitly describe ALL things which are included in the definition of a word fail to give “reasonable notice” to the affected parties of the conduct expected of them and therefore are “void for vagueness” and violate due process of law:

*That the terms of a penal statute creating a new offense must be sufficiently explicit to inform those who are subject to it what conduct on their part will render them liable to its penalties is a well- recognized requirement, consonant alike with ordinary notions of fair play and the settled rules of law; and a statute which either forbids or requires the doing of an act in terms so vague that men of common intelligence must necessarily guess at its meaning and differ as to its application violates the first essential of due process of law. International Harvester Co. v. Kentucky, 234 U.S. 216, 221 , 34 S. Ct. 853; Collins v. Kentucky, 234 U.S. 634, 638, 34 S. Ct. 924*

...

*[269 U.S. 385, 393] ... The dividing line between what is lawful and unlawful cannot be left to conjecture. The citizen cannot be held to answer charges based upon penal statutes whose mandates are so uncertain that they will reasonably admit of different constructions. A criminal statute cannot rest upon an uncertain foundation. The crime, and the elements constituting it, must be so clearly expressed that the ordinary person can intelligently choose, in advance, what course it is lawful for him to pursue. Penal statutes prohibiting the doing of certain things, and providing a punishment for their violation, should not admit of such a double meaning that the citizen may act upon the one conception of its requirements and the courts upon another.’ [Connally vs. General Construction Co., 269 U.S. 385 (1926)]*

*“Law fails to meet requirements of due process clause if it is so vague and standardless that it leaves public uncertain as to conduct it prohibits or leaves judges and jurors free to decide, without any legally fixed standards, what is prohibited and what is not in each particular case.” [Giaccio v. State of Pennsylvania, 382 U.S. 399; 86 S.Ct. 518 (1966)]*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

### 3.13 What Participation in the “Trade or Business” franchise does to your legal status

For additional information on the subjects covered in this section, please refer to:

1. *Federal Jurisdiction*, Form #05.018, Sections 3 through 3.6  
<http://sedm.org/Forms/FormIndex.htm>
2. *The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

1. Admit that the only type of earnings includible as “gross income” on a 1040 return are earnings in connection with a “trade or business”.

*TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > § 864  
§864. Definitions and special rules*

*(c) Effectively connected income, etc.*

*(3) Other income from sources within United States*



1 All income, gain, or loss from sources within the United States (other than income, gain, or loss to which  
2 paragraph (2) applies) shall be treated as effectively connected with the conduct of a trade or business within  
3 the United States.  
4

5 "The Trade or Business Scam"

6 <http://famguardian.org/Subjects/Taxes/Articles/TradeOrBusinessScam.htm>

7 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

8  
9 CLARIFICATION:\_\_\_\_\_

- 10 2. Admit that there is no block on an IRS Form 1040 where a person can write earnings that are not derived from a "trade  
11 or business"

12 [Click here for IRS Form 1040](#)

13  
14 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

15  
16 CLARIFICATION:\_\_\_\_\_

- 17 3. Admit that the only way for a natural person to indicate earnings that are not connected with a "trade or business" on a  
18 tax return is to submit an IRS Form 1040NR.

19 [Click here for IRS Form 1040NR](#)

20  
21 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

22  
23 CLARIFICATION:\_\_\_\_\_

- 24 4. Admit that a person who has no earnings from a "trade or business" would have to file a "zero" for "[gross income](#)" on  
25 a 1040 return.

26 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

27  
28 CLARIFICATION:\_\_\_\_\_

- 29 5. Admit that a person who is a "[nonresident alien](#)" may NOT lawfully elect to declare themselves a "citizen" within the  
30 meaning of [8 U.S.C. §1401](#), because they were not born in the "continental United States".

31 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

32  
33 CLARIFICATION:\_\_\_\_\_

- 34 6. Admit that a person born in a state of the Union on land not territory of or ceded to the federal government is not a  
35 "citizen", but a "national" under federal law, as described by [8 U.S.C. §1101](#)(a)(21).

36 [Why You Are a "national", "state national", and Constitutional but not Statutory Citizen](#), Form #05.006  
37 <http://sedm.org/Forms/FormIndex.htm>

38  
39 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

40  
41 CLARIFICATION:\_\_\_\_\_

- 42 7. Admit that 26 U.S.C. §6041 is the authority for filing Information Returns under the Internal Revenue Code, such as  
43 the IRS Forms W-2 and 1099:

44 [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 61](#) > [Subchapter A](#) > [PART III](#) > [Subpart B](#) > § 6041

1                    [§ 6041. Information at source](#)

2                    (a) Payments of \$600 or more

3                    All persons engaged in a trade or business and making payment in the course of such trade or business to  
4                    another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or

5                    other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044  
6                    (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is  
7                    required under the authority of section 6042 (a)(2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year,  
8                    or, in the case of such payments made by the United States, the officers or employees of the United States  
9                    having information as to such payments and required to make returns in regard thereto by the regulations  
10                   hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in  
11                   such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of  
12                   such gains, profits, and income, and the name and address of the recipient of such payment.

13                   YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

14                   CLARIFICATION:\_\_\_\_\_

- 15
- 16                   8. Admit that those who have no “trade or business” earnings under [26 U.S.C. §6041](#) above cannot lawfully have an
- 17                   Information Return filed against them.

18                   YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

19                   CLARIFICATION:\_\_\_\_\_

- 20
- 21                   9. Admit that the “[United States](#)” is defined as a federal corporation in [28 U.S.C. §3002](#)(15)(A).

22                   *United States Code*  
23                   *TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE*  
24                   [PART VI - PARTICULAR PROCEEDINGS](#)  
25                   [CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE](#)  
26                   [SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS](#)  
27                   [Sec. 3002. Definitions](#)

28                   (15) “***United States***” ***means*** -  
29                   (A) ***a Federal corporation***;  
30                   (B) ***an agency, department, commission, board, or other entity of the United States; or***  
31                   (C) ***an instrumentality of the United States.***

32

33                   YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

34                   CLARIFICATION:\_\_\_\_\_

- 35
- 36                   10. Admit that a person holding a “public office” in the United States Government is an “officer of a corporation”

37                   YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

38                   CLARIFICATION:\_\_\_\_\_

- 39
- 40                   11. Admit that officers of federal corporations and partnerships are the only proper subject of penalties under [26 U.S.C.](#)  
41                   [§6671](#)(b)

42                   [TITLE 26 > Subtitle F > CHAPTER 68 > Subchapter B > PART I > § 6671](#)  
43                   [§6671. Rules for application of assessable penalties](#)

44                   (b) Person defined

45                   *The term “person”, as used in this subchapter, includes an officer or employee of a corporation, or a member*  
46                   *or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in*  
47                   *respect of which the violation occurs.*  
48

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

12. Admit that officers of federal corporations and partnerships are the only proper subject of the criminal provisions of the Internal Revenue Code under [26 U.S.C. §7343](#).

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 75](#) > [Subchapter D](#) > Sec. 7343.

[Sec. 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*

[**NOTE:** This is the "person" for the purposes of some of the **miscellaneous penalties** under the Internal Revenue Code]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

13. Admit that indicating "income" on an IRS Form 1040 that is "effectively connected with a trade or business in the United States" or signing and submitting an IRS Form W-4 creates a presumption with the IRS that the submitter is an officer or instrumentality of a federal corporation called the "United States Government".

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 64](#) > [Subchapter D](#) > [PART II](#) > § 6331

[§6331](#). *Levy and distraint*

(a) *Authority of Secretary*

*If any person liable to pay any tax neglects or refuses to pay the same within 10 days after notice and demand, it shall be lawful for the Secretary to collect such tax (and such further sum as shall be sufficient to cover the expenses of the levy) by levy upon all property and rights to property (except such property as is exempt under section [6334](#)) belonging to such person or on which there is a lien provided in this chapter for the payment of such tax. **Levy may be made upon the accrued salary or wages of any officer, employee, or elected official, of the United States, the District of Columbia, or any agency or instrumentality of the United States or the District of Columbia, by serving a notice of levy on the employer (as defined in section 3401(d)) of such officer, employee, or elected official.** If the Secretary makes a finding that the collection of such tax is in jeopardy, notice and demand for immediate payment of such tax may be made by the Secretary and, upon failure or refusal to pay such tax, collection thereof by levy shall be lawful without regard to the 10-day period provided in this section.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

14. Admit that the presumption that one is an "officer of a federal corporation" is the basis for why the IRS believes that they can institute penalties against natural persons under the provisions of the Internal Revenue Code.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

15. Admit that only those with income "effectively connected with a trade or business" can claim deductions, apply a graduated rate of tax, or apply for earned income credit.

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter B](#)

Part VI-Itemized deductions for Individuals and Corporations

[Sec. 162](#). - Trade or business expenses

(a) *In general*

There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including –

(1) a reasonable allowance for salaries or other compensation for personal services actually rendered;

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART II > Subpart A > § 871  
§ 871. Tax on nonresident alien individuals

(b) Income connected with United States business—graduated rate of tax

(1) Imposition of tax

A nonresident alien individual engaged in trade or business within the United States during the taxable year shall be taxable as provided in section 1 or 55 on his taxable income which is effectively connected with the conduct of a trade or business within the United States.

(2) Determination of taxable income

In determining taxable income for purposes of paragraph (1), gross income includes only gross income which is effectively connected with the conduct of a trade or business within the United States.

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter A > PART IV > Subpart C > § 32  
§32. Earned income

(c) Definitions and special rules

For purposes of this section—

(1) Eligible individual

(E) Limitation on eligibility of nonresident aliens

The term "eligible individual" shall not include any individual who is a nonresident [of the United States/District of Columbia] alien individual for any portion of the taxable year unless such individual is treated for such taxable year as a resident of the United States for purposes of this chapter by reason of an election under subsection (g) or (h) of section 6013.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

16. Admit that at least a “perceived” financial benefit or “privilege” is accepted by availing oneself of any of the above three types of tax reductions.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

17. Admit that those who are “nontaxpayers” and who do not have any income derived from a “trade or business in the United States” do not need any deductions, earned income credits, or graduated rate of tax to reduce their liability under the I.R.C. to zero, because their taxable income is already “zero”.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

18. Admit that there is no legal requirement under federal law for financial institutions to prepare “Currency Transaction Reports” (CTRs) upon persons who are not in any way “effectively connected with a trade or business in the United States”.

2 (2) *Receipt of currency not in the course of the recipient's **trade or business**. The receipt of currency in excess*  
3 *of \$10,000 by a person other than in the course of the person's **trade or business** is not reportable under 31*  
4 *U.S.C. 5331.*  
5

6 Title 31: Money and Finance: Treasury  
7 [PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN](#)  
8 [TRANSACTIONS](#)  
9 [Subpart B—Reports Required To Be Made](#)  
10 [§103.30 Reports relating to currency in excess of \\$10,000 received in a trade or business.](#)

11 (11) **Trade or business.** *The term trade or business has the same meaning as under [section 162 of title 26,](#)*  
12 *United States Code.*

13 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

14 CLARIFICATION: \_\_\_\_\_  
15  
16

## 17 **4 INTERROGATORIES**

18 If any of your answers were deny within this questionnaire, please produce legally admissible evidence signed under  
19 penalty of perjury supporting your claim and explaining all of the contradictions your answer produces within all the  
20 remaining questions. Nothing can be truthful which contradicts either itself or the rest of the law. Your evidence in  
21 support:

- 22 1. May not come from a federal court, because:  
23 1.1. There is no federal common law within states of the Union. *Erie Railroad v. Tompkins*, 304 U.S. 64 (1938).  
24 1.2. The IRS says it is not obligated to change its position based on any court ruling below the U.S. Supreme Court.  
25 Therefore, I am not EITHER under the concept of equal protection and equal treatment. IRM 4.10.7.2.9.8.  
26 1.3. The Declaratory Judgments Act, 28 U.S.C. §2201(a) forbids federal courts from creating new “taxpayers” or  
27 declaring rights or status of parties in tax cases. You have to declare yourself a “taxpayer” before they can even  
28 hear a controversy under the “taxpayer” franchise codified in Internal Revenue Code Subtitle A.  
29 2. May not come from that which is not positive law or “prima facie evidence”. Prima facie means presumption, and all  
30 presumptions that violate due process of law or constitutionally protected rights are not allowed. 1 U.S.C. §204 says  
31 that the entire Internal Revenue Code is not positive law, and that it is prima facie evidence, meaning that it is one big  
32 statutory presumption:

33 *“It is apparent,’ this court said in the Bailey Case ( [219 U.S. 239](#), 31 S. Ct. 145, 151) ‘that a constitutional*  
34 *prohibition cannot be transgressed indirectly by the creation of a statutory presumption any more than it can be*  
35 *violated by direct enactment. The power to create presumptions is not a means of escape from constitutional*  
36 *restrictions.”*  
37 [\[Heiner v. Donnan, 285 U.S. 312 \(1932\)\]](#)

38 For much more on the above, please read and rebut the questions at the end of the following within 30 days or be found to  
39 conclusively agree and be subject to equitable estoppel:

- 40 1. [Reasonable Belief About Income Tax Liability](#), Form #05.007  
41 <http://sedm.org/Forms/FormIndex.htm>  
42 2. [Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction](#), Form #05.017  
43 <http://sedm.org/Forms/FormIndex.htm>

## 44 **5 AFFIRMATION**

45 I declare under penalty of perjury as required under [26 U.S.C. §6065](#) that the answers provided by me to the foregoing  
46 questions are true, correct, and complete to the best of my knowledge and ability, so help me God. I also declare that these  
47 answers are completely consistent with each other and with my understanding of both the Constitution of the United States,



1 Internal Revenue Code, Treasury Regulations, the Internal Revenue Manual, and the rulings of the Supreme Court but not  
2 necessarily lower federal courts.

3 Name (print):\_\_\_\_\_

4 Signature:\_\_\_\_\_

5 Date:\_\_\_\_\_

6 Witness name (print):\_\_\_\_\_

7 Witness Signature:\_\_\_\_\_

8 Witness Date:\_\_\_\_\_

# ***FEDERAL AND STATE TAX WITHHOLDING OPTIONS FOR PRIVATE EMPLOYERS***



Government

Private  
Employers

Version 2.07  
Nov. 7, 2010

Copyright: Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/taxes.htm>